

SAKU ÕLLETEHASE AKTSIASELTS
ARTICLES OF ASSOCIATION

1. BUSINESS NAME, LOCATION AND LEGAL STATUS OF THE COMPANY

1.1. The business name of the Company is Saku Õlletehase Aktsiaselts (in abbreviated form Saku Õlletehase AS).

1.2. The Company is situated in Saku, Harju Maakond.

1.3. The Company is a public limited company, established on 14 March 1995 under the laws of the Republic of Estonia through the transformation of Joint Venture Saku Õlletehas.

2. OBJECTS OF THE COMPANY

2.1. The objects of the Company are as follows:

2.1.1. the production, whole- and retail sale, and import and export of alcoholic and non-alcoholic beverages;

2.1.2. the supply, in the customs zone, of ships and other means of transportation with alcoholic and non-alcoholic beverages;

2.1.3. catering;

2.1.4. the provision of consulting and other services related to the above;

2.1.5. importation of foodstuffs;

2.1.6. logistics services.

3. SHARE CAPITAL AND SHARES

3.1. The Company's minimum share capital is eighty million (80,000,000) Estonian kroons and maximum share capital is three hundred and twenty million (320,000,000) Estonian kroons. Within these limits, the general meeting may increase or reduce the share capital without amending the Articles of Association.

3.2. The Company's share capital is made up of registered shares with a face value of ten (10) Estonian kroons each.

3.3. The Company shall keep account of the shares using a share register.

Shareholders shall not be issued share certificates.

Each share shall give its holder one (1) vote at the general meeting.

3.4. The Company may issue convertible bonds.

4. GENERAL MEETING

4.1. The Company's highest governing body shall be the general meeting.

4.2. The general meeting may be attended by shareholders, and proxies who have a written power of attorney. Attendance of a proxy shall not deprive the shareholder of the right to attend.

In a general meeting, shareholders are entitled to receive from the management board information on the Company's operation. The management board may refuse to provide such information if there is reason to presume that giving the information will damage the interests of the Company significantly.

At a general meeting, a list of attending shareholders shall be prepared. The list shall set out the names of the attending shareholders, the number of votes attached to their shares, and the names of the proxies. The list shall

serve as a basis for calculating the votes. The list shall be signed by the chair and secretary of the meeting, as well as all attending shareholders and proxies.

4.3. Ordinary annual general meetings shall be held once (1) a year. They shall be convened by the management board within six (6) months of the end of the financial year.

4.4. The management board shall call an extraordinary general meeting when:

4.4.1. the net assets of the Company are less than half of the share capital or the minimum prescribed by law;

4.4.2. this is demanded by shareholders whose shares represent at least one tenth of the share capital;

4.4.3. this is demanded by the supervisory board or the auditor; or

4.4.4. this is obviously in the interests of the Company.

If the management board does not convene a general meeting within one (1) month of receiving a relevant demand from shareholders, the supervisory board or the auditor, the shareholders, the supervisory board or the auditor may call the meeting themselves.

An extraordinary general meeting shall not be called if the time between becoming aware of a decrease in assets or the submission of a demand for a meeting and the annual general meeting is less than two (2) months.

4.5. General meetings shall be held in the location of the Company or in some other location in the Republic of Estonia which is determined by the management board.

4.6. The agenda of the general meeting shall be determined by the supervisory board.

The management board or shareholders whose shares represent at least one tenth of the share capital may demand that a certain item be included in the agenda.

An item which was not initially on the agenda may be included in it with the consent of at least nine tenths of the attending shareholders if their shares represent at least two thirds of the share capital.

4.7. The management board shall give shareholders notice of the general meeting. The notice shall be sent by registered mail to the address entered in the share register. If the Company has more than 50 shareholders, notice of the general meeting shall be published in at least two Estonian national newspapers.

Notice of an ordinary annual general meeting shall be given at least three (3) weeks in advance. Notice of an extraordinary general meeting shall be given at least one (1) week in advance.

A notice of a general meeting shall include:

4.7.1. the business name and location the Company;

4.7.2. the time and place of the general meeting;

4.7.3. an explanation of whether the meeting is ordinary or extraordinary;

4.7.4. the agenda of the general meeting;

4.7.5. in the case of an ordinary general meeting, the place where the annual report has been made available; and

4.7.6. other important circumstances related to the general meeting.

4.8. The general meeting shall have the authority to:

4.8.1. amend the Articles of Association;

4.8.2. increase and reduce the share capital;

- 4.8.3.** appoint and remove members of the supervisory board and to decide their remuneration (amount and procedure of payment);
- 4.8.4.** appoint an auditor or auditors for a non-recurring audit or a specified term (this includes determining the number of auditors, appointing the auditors and determining a procedure of payment for their services);
- 4.8.5.** prescribe a special-purpose audit;
- 4.8.6.** approve the annual report and distribute profits;
- 4.8.7.** approve the amount of the dividend and the procedure for its distribution;
- 4.8.8.** decide the use of the capital reserve for covering losses or increasing the share capital;
- 4.8.9.** decide the merger, division or transformation of the Company;
- 4.8.10.** decide the dissolution of the Company;
- 4.8.11.** decide to enter into a transaction or legal dispute with a member of the supervisory board, to determine the terms of such a transaction, and to appoint a representative of the Company for such a transaction or legal dispute;
- 4.8.12.** decide other matters provided by law.

In other matters relating to the operation of the Company, the general meeting may adopt decisions upon the demand of the management board or the supervisory board.

4.9. The general meeting may adopt a decision when more than half of the votes represented by the shares are present.

If the above number of votes is not represented at the general meeting, the management board shall call another meeting with the same agenda within three (3) weeks but not before seven (7) days have passed. The new general meeting may adopt decisions regardless of the votes represented at the meeting.

4.10. Minutes shall be taken of general meetings. Written proposals and applications submitted to the general meeting, the list of shareholders who participated in the meeting, and the proxies' powers of attorney shall be appended to the minutes.

The minutes shall be signed by the chair and the secretary of the meeting. A dissenting opinion shall be signed by the person who expressed it.

The minutes shall be made available to the shareholders after seven (7) days have passed since the end of the general meeting. Shareholders shall have the right to receive a copy of the full or partial text of the minutes.

4.11. A decision of the general meeting shall be adopted when more than half of the votes represented at the general meeting are in favour unless the law or these Articles of Association provide otherwise.

A shareholder may not vote when the release of the shareholder from obligations or liability, or the Company's entry into a transaction or a legal dispute with the shareholder is being decided, a representative of the Company for such a transaction or legal dispute is being appointed, or matters which are related to reviewing or evaluating the activity of the shareholder or the shareholder's representative as a member of the management board or supervisory board are being decided. The votes of the shareholder shall not be taken into account on determining the representation.

On the election of a person by the general meeting, the candidate who receives more votes than the others shall be elected. Upon an equal division of votes, lots shall be drawn.

At least two thirds of the votes represented at the general meeting shall have to be in favour:

- 4.11.1.** to amend the Articles of Association;

- 4.11.2. to remove a member of the supervisory board from office before the term of office has expired;
- 4.11.3. to increase or reduce the share capital;
- 4.11.4. to approve the annual report and to distribute profits;
- 4.11.5. to decide the dissolution of the Company;
- 4.11.6. to decide the continuation of the operation of the dissolved Company in the cases prescribed by law;
- 4.11.7. to adopt a decision on the Company's merger, division, or transformation into a private limited company; and
- 4.11.8. in other cases prescribed by law.

5. SUPERVISORY BOARD

5.1. The supervisory board shall:

5.1.1. plan the activities of the Company: it shall approve the Company's long-term strategic objectives, and the budget and investments for the next financial year;

5.1.2. organise the management of the Company: it shall approve policies for the management of cash flows, indemnification and insurance, and the taking of long- and short-term loans by the management board;

5.1.3. appoint and remove members of the management board, appoint the chairman of the management board and make decisions regarding their remuneration (the amount of the remuneration and the procedure for payment);

5.1.4. give the management board permission for conclusion of transactions that do not fall within the scope of everyday economic activity and, above all, conclusion of transactions that are listed in article 6.2 of these Articles of Association;

5.1.5. supervise the activities of the management board;

5.1.6. appoint and remove the procurator;

5.1.7. decide conclusion of transactions with and execution of legal disputes against the management board, and appoint a representative of the Company for such transactions and disputes;

5.1.8. fulfil other responsibilities provided by law.

5.2. The supervisory board shall have three (3) to five (5) members.

A member of the supervisory board shall be elected by the general meeting for a term of three (3) years. For election of members of the supervisory board, their written consent shall be required.

A member of the management board, the procurator, the auditor, a member of a subsidiary's management board, or any other person who has been prohibited from being a member of the supervisory board on the basis of law, a judicial decision, or any other document which is binding for the Company shall not be eligible for appointment as a member of the supervisory board.

Members of the supervisory board shall elect a chairman from among themselves. The chairman shall be responsible for organising the activity of the supervisory board.

5.3. Meetings of the supervisory board shall be held when necessary but not less frequently than once (1) within three (3) months. A meeting of the supervisory board shall be called when this is demanded by a member of the supervisory board, the management board, the auditor, or shareholders whose shares represent at least one tenth of the share capital. If the meeting is not called within two (2) weeks of the receipt of a relevant application, the member of the supervisory board, the management board, the auditors, or the shareholders may call the meeting themselves.

The supervisory board shall be convened by the chairman or a member of the supervisory board who is substituting for the chairman. At least one (1) week's notice shall be given of a meeting. When urgent and important decisions have to be made, the term of notice may be reduced to 24 hours.

5.4. A meeting of the supervisory board shall have a quorum when more than half of the members of the supervisory board are present.

Minutes shall be taken of meetings of the supervisory board. The minutes shall be signed by all members of the supervisory board who were present and the secretary. A dissenting opinion shall be registered in the minutes and signed by the member who expressed it.

5.5. The supervisory board may adopt a decision when more than half of the members of the supervisory board who participate vote in favour. Members of the supervisory board who are not present may participate in the voting by forwarding their vote in a format that can be reproduced in writing.

Every member of the supervisory board shall have one (1) vote. A member of the supervisory board may not refrain from voting or remain undecided.

A member of the supervisory board shall not participate in the voting when consent for a transaction between the member and the Company is being decided, or when consent for a transaction between a third person and the Company is being decided and the interests of the member arising from such a transaction are in conflict with the interests of the Company.

The supervisory board may make decisions without calling a meeting when all members of the supervisory board agree to this. The chairman of the supervisory board shall send a draft of the decision to all members of the supervisory board, specifying a deadline by which the members of the supervisory board have to present their positions in writing. If a member of the supervisory board does not give notice of whether they are for or against the decision by the specified date, it shall be deemed that they vote against the decision. If a decision is made using the procedure outlined in this article, the decision shall be adopted when more than half of the members of the supervisory board vote in favour, unless the law prescribes a greater majority requirement. The chairman of the supervisory board shall prepare a record of the vote which replaces the minutes of the meeting and shall send it promptly to the members of the supervisory board and the management board. The written positions of the members of the supervisory board shall be an integral part of the record of the vote

When all members of the supervisory board agree to and sign the decision, the decision may be formalised without advance notice and a record of the vote. The decision has to include the names of the members of the supervisory board and the time of adoption of the decision.

6. MANAGEMENT BOARD

6.1. The management board shall:

6.1.1. represent the Company to the extent of its authority;

6.1.2. manage the Company in accordance with the plans approved by the supervisory board;

6.1.3. present the supervisory board an overview of the Company's operation and financial position at least once within four (4) months and shall notify the supervisory board promptly of any material deterioration in the Company's financial position and other significant matters relating to the Company's business activity, as well as matters concerning companies related to the Company which may have a significant impact on the operation of the Company;

6.1.4. organise the accounting of the Company;

6.1.5. organise the keeping of the share register in accordance with the procedure established by the supervisory board;

6.1.6. submit the general meeting a dividend distribution proposal (including the amount to be distributed as a dividend) which has been approved by the supervisory board; and

6.1.7. fulfil other obligations prescribed by law.

6.2. In managing the Company, the management board shall fulfil the lawful orders of the supervisory board.

The management board shall act in a financially expedient manner.

Transactions that fall outside the scope of everyday business activity may only be concluded with the consent of the supervisory board. Above all, the management board shall need the approval of the supervisory board for transactions involving:

6.2.1. the acquisition or termination of an interest in another company; or

6.2.2. the acquisition, transfer or termination of the operation of a company; or

6.2.3. the transfer and encumbrance of immovable and registered movable property; or

6.2.4. the establishment and closure of a foreign branch; or

6.2.5. investments that exceed the limit established for the financial year; or

6.2.6. the taking of loans and the acceptance of obligations that exceed the limits established for the financial year; or

6.2.7. the giving of loans and the securing of obligations if the transactions fall outside the scope of everyday business activity; or

6.2.8. the establishment or dissolution of a subsidiary.

Consent for a transaction shall not be necessary if a delay in the performance of the transaction would cause significant damage to the Company.

The above restrictions on the performance of transactions shall not apply with regard to third persons.

6.3. The management board shall have one (1) to ten (10) members.

Members of the management board shall be appointed by the supervisory board for a term of three (3) years. Appointment of a member of the management board shall require the member's written consent.

A member of the supervisory board, or any other person who has been deprived of the right to be a trader on the basis of law, a judicial decision, or any other document that is binding for the Company shall not be eligible for appointment as a member of the management board.

At least half of the members of the management board shall reside in Estonia, in another member state of the European Economic Area, or in Switzerland.

The supervisory board shall appoint the chairman of the management board who will direct the activities of the board.

The relations between and division of duties among members of the management board shall be determined with a decision of the management board, which shall be approved by the supervisory board when necessary.

6.4. Every member of the management board may represent the Company in all legal acts. In performing transactions on behalf of the Company, members of the management board shall observe, with regard to the Company, the restrictions provided in the Articles of Association and the restrictions established by the general meeting, the supervisory board or the management board. The restriction of the right of representation shall not apply with regard to third persons.

6.5. The management board shall meet when necessary but not less frequently than once (1) a month.

A meeting shall be called by the chairman of the management board or a member of the management board who is substituting for the chairman.

6.6. A meeting of the management board shall have a quorum when more than half of the members participate.

Minutes shall be taken of the meetings of the management board. The minutes shall be signed by the chairman of the management board or a member of the management board who is substituting for the chairman, and the secretary.

6.7. A decision of the management board shall be adopted when more than half of the attending members vote in favour. In the case of a draw, the chairman of the management board or the member substituting for the chairman shall have the casting vote.

Every member of the management board shall have one (1) vote.

7. REPORTING AND DISTRIBUTION OF PROFITS

7.1. The Company's financial year shall comply with the calendar year.

7.2. The Company's annual report shall comprise the annual financial statements, the activity report, the auditor's report and the profit allocation proposal.

The annual report shall be prepared and submitted to the general meeting by the management board.

7.3. The supervisory board shall review the annual report and shall present the general meeting a written report on it.

In the report, the supervisory board shall indicate whether it has approved the annual report. In addition, the report shall indicate how the supervisory board has organised and directed the activity of the Company.

The supervisory board may change the profit allocation proposal before its presentation to the general meeting.

7.4. The general meeting shall approve the annual report and shall adopt a profit allocation decision, which sets out the amount of the net profit, any transfers to the capital reserve, any transfers to other reserves, the share of the profit to be distributed to shareholders (the dividend) and the use of the profit for other purposes.

7.5. The Company's capital reserve shall amount to one tenth of its share capital. Every year the Company shall transfer to the capital reserve at least one twentieth of its net profit until the required level is attained.

8. MERGER, DIVISION, TRANSFORMATION AND DISSOLUTION OF THE COMPANY

8.1. The Company shall be combined, divided, transformed and dissolved in accordance with the procedure prescribed by law.

This version of the Articles of Association was approved by the ordinary general meeting of Saku Õlletehase Aktsiaselts on 28th of March 2006.

Jaak Uus
Chairman of the Management Board of Saku Õlletehase Aktsiaselts