

**ARTICLES OF ASSOCIATION
OF
RÁBA AUTOMOTIVE HOLDING PLC.**

**Articles of Association approved in a uniform structure
by resolution No. 6/2014.04.17. of the General Meeting of Shareholders
held 17 April, 2014**

**ARTICLES OF ASSOCIATION
OF
RÁBA AUTOMOTIVE HOLDING PLC.**
(incorporated into a uniform structure including the amendments)

NAME AND SEAT OF THE COMPANY

1. Company name:

Rába Járműipari Holding Nyrt.

English name: RÁBA Automotive Holding PLC
abbreviated name: RÁBA Nyrt.
abbreviated English name: RÁBA PLC.

2. Seat of the Company:

9027 Győr, Martin u. 1.

3. The Board of Directors of the Company may establish branch locations and additional sites.

SCOPE AND ACTIVITIES OF THE COMPANY

4. The company is established for an indefinite period of time. The company is the general legal successor of Magyar Vagon- és Gépgyár, the transformation occurred on 1 January, 1992. As an in-kind asset contribution, the founder transferred to the Company and effective of 1 January, 1992 made available to the Company, the total assets of the legal predecessor, Magyar Vagon- és Gépgyár, the detailed description of which is contained in the Deed of Foundation of the Company executed 1 January, 1992. The value of the in-kind asset contribution was approved by the auditor and its provision was verified by the Board of Directors. RÁBA Plc. is a public limited company.

The majority owner of the company is the Hungarian State, the totality of the ownership rights and obligations of the Hungarian State over the state assets is exercised by the minister responsible for the supervision of state assets through the Hungarian State Holding Co. Ltd. (Registration No.: Cg.01-10-045784, seat: 1133 Budapest, Pozsonyi út 56.).

5. Activities of the Company:

As per TEÁOR '08

Organisation of building construction projects
Passenger vehicle and light vehicle sales
Other vehicle sales
Wholesale of automotive components
Retail of automotive components
Wholesale of electronic and communications equipment and components
Wholesale of other non-classified machinery and equipment
Wholesale of waste materials
Wholesale of miscellaneous products
Publishing of magazines and periodicals
Computer programming
IT consulting
Other IT services
Other non-classified information services
Asset management (holding)
Financial leasing

Other lending activities
Letting and management of owned and leased properties
Accounting, auditing and tax advisory activities (except audit activities)
Business management – **core activity**
PR, communications
Business administration, other management consulting
Architectural activities
Engineering activities, technical consulting
Technical assessment, analysis
Other scientific, engineering research, development
Other non-classified professional, scientific, engineering activities
Letting of intangible assets
Organisation of conferences, trade shows
Other non-classified auxiliary business services
Vocational secondary education
Other non-classified education
Education supplementary activities
Library, archiving activities

Within financial and other lending activities the company engages exclusively in group financing among the company and its subsidiaries, not subject to a licence pursuant to Section (2) of Paragraph 5 of Act CCXXXVII of 2013 on lending institutions and financial enterprises.

SHARE CAPITAL AND SHARES

6. Share capital of the Company

The company's share capital is HUF 13,473,446,000, i.e. thirteen billion four hundred and seventy three million four hundred and forty-six thousand forints.

7. The Company's shares

7.1. The Company's share capital is made up of 13,473,446 registered, dematerialised common shares with a nominal value of HUF 1,000, i.e. one thousand forints each.

The share capital has been paid up in full.

7.2. The shares were printed upon foundation of the Company.

In its resolution No. 4/2004.04.29., adopted at the General Meeting of Shareholders held 29 April, 2004, the Company decided to convert the printed common shares into dematerialised shares.

The printed shares were declared null and void on 2 August, 2004 due to their conversion into dematerialised shares.

Dematerialised shares are electronically generated, fixed, forwarded and recorded registered shares that carry the content elements of securities, which, however, do not have a serial number and the name of the holder of the shares, as well as the data used for his unambiguous identification are recorded in the security account kept for the benefit of the share owner pursuant to the security account concluded by him with the investment service provider.

Shares are issued by the Board of Directors only once their price has been paid in full and the competent court of registration has entered the Company, and the increase of the share capital, as the case may be, due to which the shares have been issued, into the register of companies.

7.3. The Company may not have shares of several different nominal values within the same series of shares listed on the Budapest Stock Exchange.

7.4. In the event that the General Meeting of Shareholders of the Company, or the Board of Directors authorised by the General Meeting, should decide to increase the share capital of the Company through the issue of new shares, the resolution of the General Meeting or of the Board of Directors on the issue of share capital shall stipulate the terms of payment, as well as the consequences for failure to make payment for the shares.

Unless otherwise provided, the shares shall be paid in cash, within thirty (30) days of the decision about the capital increase, failure to make such payment results in the shareholder's liability to pay a default interest to the Company as set forth in the Civil Code and the shareholder may not exercise his rights until payment for the shares has been made in full. In the event of default, the Board of Directors shall call upon the shareholder to effect payment with a thirty-day deadline. The call for payment shall also stipulate that failure to make payment results in the cessation of the legal relationship as a shareholder. Should the thirty-day deadline elapse without payment, the legal relationship as a shareholder ceases to exist on the day following the deadline. The Board of Directors shall inform the former shareholder about this in writing. In the event that the contribution made or undertaken to be made by the shareholder in default is not assumed by another person before the date of the first General Meeting of Shareholders following the cessation of the legal relationship as a shareholder, the General Meeting of Shareholders shall reduce the company's share capital to the extent of the contribution to the share capital assumed by the shareholder in default. The shareholder, whose rights as a shareholder were terminated due to his default, is entitled to the value of his contribution made to the Company's share capital, following the reduction of the Company's capital or when the shareholder replacing him has made his contribution to the share capital of the company limited by shares.

REGISTER OF SHAREHOLDERS, EXERCISING SHAREHOLDERS' RIGHTS, SHAREHOLDER'S AUTHORISED REPRESENTATIVE

8. Register of Shareholders

8.1. The Board of Directors or its representative shall keep a Register of Shareholders about the registered shares and the shareholders, including the holders of the temporary shares, as well, and about the representatives of the shareholders by share series, which shall contain at least the following information for each shareholder:

- (a) company/name of the shareholder (proxy holder);
- (b) seat/address of the shareholder (proxy holder);
- (c) number, nominal value of shares, amount paid for the individual shares, as well as the ownership ratio of the shareholder (proxy holder) per share series;
- (d) date of entry into the Register of Shareholders.

8.2. The Board of Directors of the Company may contract a clearing house, a central treasury, an investment enterprise or financial institution, as well as an attorney at law or an auditor (not including the elected permanent auditor of the Company for the statutory audit pursuant to the accounting act). The contract, as well as the data of the contracted party, together with the information pertaining to the disclosure shall be published on the Company's webpage.

8.3. Should the data entered into the Register of Shareholders change, the shareholder shall inform the keeper of the security account for the dematerialised shares, as well as the keeper of the Register of Shareholders without delay and shall report the changed data. In

the event that the shareholder should fail to meet this obligation, he shall bear full responsibility for any and all damages caused by or in relation to such default.

Should the information supplied by the shareholder be false, incomplete, misleading or falsified, the shareholder shall bear any and all material responsibility resulting from such fact and the Board of Directors shall not be responsible in this relation towards the other shareholders of the Company.

8.4. The keeper of the security account – unless specified otherwise by the shareholder – shall report to the keeper of the Register of Shareholders, the name of the shareholder (company name), address (seat), by share types and series, as well as the number of shares owned by the shareholder and other data as specified by the law.

The keeper of the security account shall make such report within two (2) days after the shares have been credited to the security account. The keeper of the security account may not report the data if the shareholder has so decided. The formally verified shareholder shall be entered into the Register of Shareholders as per the application submitted to the keeper of the Register of Shareholders. The recorded shareholder shall be deleted from the Register of Shareholders upon his request.

The keeper of the Register of Shareholders may refuse to enter the formally verified shareholder into the Register of Shareholders if the shareholder obtained the shares in breach of the provisions of the regulations or the Articles of Associations for the transfer of shares.

If the shareholder has instructed not to enter his data into the Register of Shareholders and the person designated by him to exercise shareholders' rights is not entered either, the shareholders' rights in relation to the share owned by the shareholder cannot be exercised.

The owner of the dematerialised share, or his authorised representative (together referred to as: shareholder) may exercise shareholders' rights based on the security account excerpt (shareholding certificate) issued by the keeper of the security account. Such certificate shall show:

- (i) the name of the issuer and the share type;
- (ii) the number and nominal value of the share;
- (iii) the company/name and seat/address of the shareholder;
- (iv) the name and official signature of the keeper of the security account;

To exercise shareholders' rights at the General Meeting of Shareholders, either in person, or through the authorised representative, the shareholder's name has to be shown in the Register of Shareholders at 6 pm, on the second working day preceding the starting day of the General Meeting of Shareholders, based on the shareholder's verification initiated by the Company for the period between the 7th and the 5th working day preceding the General Meeting of Shareholders.

8.5. The name of the shareholder, or proxy holder wishing to participate in the General Meeting of Shareholders, shall be entered into the Register of Shareholders based on the shareholder's verification as per Section 8.4. above, before the second working day preceding the starting date of the General Meeting of Shareholders.

8.6. The investment enterprise as set forth in the act on capital markets and/or securities in force (as well as in any amendments thereof, or any successive regulations) or any other person, if provided by the legal regulations, may, on the basis of a written agreement concluded with the shareholder, act as the authorised representative of the shareholder (proxy holder) to exercise, on his own behalf, for the benefit of the shareholder, shareholder's rights in relation to the Company. The proxy holder may exercise shareholder's rights after he has been entered into the Register of Shareholders as proxy holder. The entry shall contain the number of shares by share types serving as the basis for exercising such rights. The entry into the Register of Shareholders of the proxy holder is subject to the authorisation incorpo-

rated into a public instrument or a private deed with full probative force, having been deposited with the Company. Viewing of the document thus deposited can be requested from the Supervisory Board of the Company by whoever has legitimate interests in so doing in relation to his exercising his shareholders' rights or in relation to the discharge of his duties and exercise of his rights as set forth by law, in connection with the operation of the Company.

The proxy holder shall inform the shareholder in the manner and time as set forth in the agreement concluded with him about the announcements of the Company, as well as about the resolutions of the General Meeting of Shareholders and the measures taken in the context of exercising shareholder's rights and their consequences.

The proxy holder shall inform the shareholder about all information obtained by him in connection with the Company and having an impact on exercising shareholder's rights, as well as about the contents of documents obtained by him and shall issue such documents to the shareholder if he so requests or upon termination of the agreement.

The proxy holder shall, upon written instruction from the shareholder, or upon withdrawal of the authorisation, provide without delay, for his deletion from the Register of Shareholders as proxy holder.

The proxy holder shall request instruction from the shareholder at such time prior to the General Meeting of Shareholders, to allow the shareholder sufficient time to give such instructions.

8.7. The provisions of these Articles of Association pertaining to the shareholder shall be applicable to the proxy holder as well, unless expressly provided otherwise.

8.8. For jointly owned shares, the name of the joint representative of the shareholders shall be entered into the Register of Shareholders. The provisions for the Register of Shareholders shall be also applied if the title of the share changed through means other than transfer.

8.9. In the event that the title of the shareholder was terminated through debiting to the security account, the keeper of the security account shall report such fact to the keeper of the Register of Shareholders within two working days of the change, provided that the shareholder did not rule out his entry into the Register of Shareholders upon acquisition of the shareholding. The keeper of the Register of Shareholders shall record the changes in the Register of Shareholders based on the report without delay.

8.10. The agreement concluded between the Company and the Hungarian National Asset Management Inc. shall be deposited among the corporate documents at the Court of Registration within 30 days following the signing of the agreement, with the exception of agreements between the company and the shareholder within the sphere of activities of the company, of the usual order stipulated by the Articles of Association and if it involves a breach of bank secrets. An agreement is of the usual order if the contract value remains under 30% of the registered capital.

TRANSFER OF SHARES

9. Transfer of shares

9.1. The shares of the Company are freely transferable.

Dematerialised shares can only be acquired or transferred through the credit and debit to the security account.

9.2. The company limited by shares may not extend a loan, provide security and may not meet its financial liabilities prior to their due date, if the purpose of such move is to facilitate the acquisition by third parties of the shares issued by it, with the exception of transactions, that would directly, or indirectly facilitate the acquisition of shares by the employees of the

company – including the employees of the companies majority owned or controlled by the company limited by shares, or by the organisations established by the employees for this purpose.

PROVISIONS RELATED TO ACQUISITIONS AND CORPORATE TAKEOVER

10. Acquisitions and Company takeovers are governed by the provisions of the Act on Capital markets in force (currently: Act CXX of 2001) and of the Civil Code (currently: Act V of 2013, “Ptk”).

INCREASE OF SHARE CAPITAL

11. Share subscriptions in the context of capital increase are governed by the regulations of the Civil Code and of the effective act on capital markets.

11.1. If the share capital is increased through cash contribution, the shareholders are entitled to preferential subscription pro-rata with their shareholding, within the period set forth in the resolution establishing the capital increase, of minimum 15, maximum 30 days.

If the capital is raised through a private placement, the preferential subscription means the priority to receive the shares.

Only shareholders entered into the Register of Shareholders on the starting day of the period available to exercise the preferential subscription right, as well as upon exercising such right are entitled to exercise such preference rights.

In the event of a share capital increase through the issue of new shares:

a.) The Board of Directors shall inform the shareholders at the Company’s place of announcements within 30 days following the decision about the cash capital increase at the latest about the decision regarding the capital increase, as well as about the right to exercise preferential subscription and its method, and shall inform the shareholders about the starting and closing days of the period – of at least 15 days – available for exercising preference rights, and about the deadline for the declaration regarding the exercise of the preference rights.

b.) In the event of a share capital increase through a private placement of new shares: shareholders entitled to exercise the preferential subscription right wishing to exercise such right shall state in the manner and by the deadline specified in the announcement under Section a.) their intention to exercise their preferential subscription right. Such statement shall include the type, nominal value, number of pieces, issue value of the shares to be received, as well as the irrevocable commitment of the person making the statement for the subscription or takeover of the shares, as well as for the payment of the consideration as per the issue value. In the event that such written statement of the shareholder is not received by the Company until 12 o’clock on the last day of the deadline stipulated in the announcement, the shareholder shall be deemed not to wish to exercise his preference right.

Upon exercise of the preference right, the shareholder entitled to exercise may acquire new shares on a pro-rata basis with his shareholding in the share capital. In the event that fractional shares should result upon exercise of the preference rights, it shall be rounded down to the nearest whole share. The shares remaining after the rounding can be distributed first among those shareholders wishing to exercise their right to subscribe, on a pro-rata basis, who undertake to receive and pay the consideration for these additional shares as well.

c.) Share capital increase through the public offering of new shares: the preliminary commitment statement related to the receipt of the shares is not made and the General Meeting of Shareholders may not designate the group and persons of prospec-

tive shareholders to participate in the capital increase. Persons wishing to acquire the new shares assume, through the subscription process as per the regulations governing securities, the payment for the consideration of the shares and become eligible for the shares.

11.2. In the event that new shares are issued through private placement for cash consideration, the General Meeting of Shareholders may, through a resolution adopted with a simple majority vote, based on the justified proposal of the Board of Directors, exclude the exercise of preference subscription rights.

Such proposal of the Board of Directors shall contain the following:

- reason for the share capital increase;
- nominal value and issue value of shares issued through the share capital increase;
- detailed reasons for the exclusion of the preference rights, including the benefits resulting for the Company from the exclusion;
- introduction of the persons entitled to receive shares in the event of a share capital increase through private placement;
- changes in the voting ratios following the capital increase of shareholders before the capital increase;

The Board of Directors shall publish such proposal 15 days prior to the General Meeting of Shareholders resolving to exclude preference rights at the latest.

11.3. The General Meeting of Shareholders may authorise the Board of Directors in a resolution – for a period of maximum 5 years – to increase the share capital by a predetermined amount. Such authorisation shall state the maximum amount (approved share capital) by which the Board of Directors may increase the share capital during the five-year period. Such authorisation of the Board of Directors to increase the share capital at the same time authorises and binds the Board of Directors to adopt decisions related to the increase of the share capital otherwise under the competence of the General Meeting of Shareholders, pursuant to the law or the Articles of Association, including the amendment of the Articles of Association necessary due to the increase in the share capital.

11.4. In the event that the company's share capital is raised using the company's retained earnings, the new shares will be held by the existing shareholders of the company without consideration paid, on a pro-rata basis with the nominal value of their shares.

REDUCTION OF THE SHARE CAPITAL

12. The General Meeting of Shareholders may reduce the Company's share capital and in instances set forth in the Civil Code the reduction is obligatory.

In the event that the share capital is reduced, primarily the Company's own treasury shares shall be withdrawn.

The Board of Directors shall, within 15 days following receipt of the registration ruling by the court of registration about the reduction of the share capital, notify the central treasury and the keeper of the security account of the shares about the changes in the shareholding of the shareholder due to the reduction of the share capital.

GENERAL MEETING OF SHAREHOLDERS, VOTES

13. General Meeting of Shareholders

The supreme organ of the Company is the General Meeting of Shareholders, composed of the totality of the shareholders. The General Meeting of Shareholders has the right to decide matters under the competence of the Board of Directors, including those of the Chief Execu-

tive Officer, as well. The following matters fall under the exclusive competence of the General Meeting of Shareholders:

- (a) decision about the establishment and amendment of the Articles of Association, unless provided otherwise by the Civil Code or the Articles of Association
- (b) decision, unless provided otherwise by the Civil Code about the increase of the share capital or about the authorisation of the Board of Directors to increase the share capital;
- (c) decision, unless provided otherwise by the Civil Code, about the reduction of the share capital
- (d) decision about the exclusion of the exercise of preferential subscription rights and about the authorisation of the Board of Directors to limit or exclude preferential subscription rights;
- (e) changes of rights attached to the individual share series and conversion of the individual share types and classes;
- (f) decision about the transformation, merger or termination without a legal successor of the Company;
- (g) exercising fundamental employer's rights (establishing, terminating employment relations, amendment of employment contracts, establishment of remuneration, severance pay) in relation to the Chief Executive Officer, provided that he is an employee of the Company, and his No. 1. deputy (deputies) as per Section (1) of Paragraph 208 of the Labour Code, with the exception of the definition of the performance requirements and the related benefits (performance-based wages or other benefits), which pursuant to the authorization included in Section (5) of Paragraph 207 of the Labour Code and to Section 21.1.z.) of these Articles of Association is the competence of the Board of Directors of the Company.
- (h) election, recall of the members of the Board of Directors, the Supervisory Board and of the Audit Committee, establishment of their remuneration;
- (i) adoption of the financial statements drawn up as per the Act on Accounting, including the decision of the use of the after-tax profits.
- (j) decision, unless provided otherwise by the Civil Code, about the issue of convertible shares granting subscription rights or of converting shares, defining at the same time the method, series, number and nominal value of the issue, as well as the rights attached to the shares as securities, the maturity and the terms for their return (repurchase);
- (k) decision, unless provided otherwise by the Civil Code, about the adoption of the report on corporate governance;
- (l) decision about the application for the delisting of the Company's shares from any stock exchange or other subscription system;
- (m) decision about the conclusion of any new individual agreement resulting in a new legal relationship and not related to any existing deal within the normal business activity of the Company, with the exception of commercial transactions within the activities of the Company, that would result in a commitment by the Company of HUF 4 billion or more, including the following: opening of an LC, assuming guarantees, suretyship, offering collateral or assuming other similar liabilities, establishment of a lien as obligor, bank guarantees, assumption of a debt, lien, etc.
- (n) consent to the conclusion of contracts beyond the ordinary business activities of the Company that results in the alienation of any right, property or asset, investment in another company or encumbrance, or transfer to a third party of the rights to use, utilise, own or dispose, exceeding a value of HUF 400 million;
- (o) decision about the permission to take out a long term credit or loan or short term loan or credit resulting in new individual increase in borrowing, reaching or exceeding HUF 4 billion and resulting in a new legal relationship within the ordinary business activity of the Company or about the conclusion of any legal loan relations reaching or exceeding

- HUF 4 billion, resulting in any new legal relationship and decision, regardless of its value, about permissions for the Company to receive long term credits or loans or short term credits or loans and about the establishment of any loan relations, if this type of liabilities of the Company upon making the decision exceed HUF 20 billion;
- (p) decision, within the ordinary business activity of the Company, about any capital expenditure, asset purchase, asset sale or about the conclusion of a leasing transaction or any such transaction reaching or exceeding HUF 4 billion;
 - (q) decision about changing the operating form of the Company;
 - (r) decision – unless provided otherwise by the Articles of Association – about the payment of a dividend advance;
 - (s) authorisation of the Board of Directors to acquire treasury shares and decision about the acceptance of a public purchase offer received for treasury shares;
 - (t) decision about steps to be taken to disrupt a public purchase offer procedure;
 - (u) approval of the procedures of the Supervisory Board
 - (v) evaluation of the work of the Board of Directors carried out during the previous business year, resolution about the waiver to be granted to the members of the Board of Directors;
 - (w) resolution about the establishment and amendment of the code of remuneration, which shall be deposited among the corporate documents within thirty days of the relevant decision;
 - (x) decision about the establishment, termination of, acquisition, or transfer of a stake in a business organization;
 - (y) decision about an employee or workers' share option programme and any share-related incentive system involving the employees or the management of the company;
 - (z) decision in the case of subsidiaries of the Company about the issue of a mandate for the session of the supreme organ of the Company and about resolutions adopted by the supreme organ (Founder's resolution) on the following matters:
 - decision – excepting the commercial transactions within the sphere of activities of the subsidiary – about the conclusion of any new individual agreement within the normal business activity of the subsidiary resulting in a new legal relationship that would result in a commitment by the subsidiary of HUF 4 billion or more, including the following: opening of an LC, assuming guarantees, suretyship, offering collateral or assuming other similar liabilities, establishment of a lien as obligor, bank guarantees, assumption of a debt, lien, etc.;
 - consent to the conclusion of contracts outside of the scope of the normal business activity of the subsidiary that result in the alienation of any right, property or asset, investment in another company or encumbrance, or transfer to a third party of the rights to use, utilise, own or dispose, exceeding a value of HUF 400 million;
 - decision about the permission to take out a long term credit or loan or short term loan or credit resulting in new individual increase in borrowing, reaching or exceeding HUF 4 billion and resulting in a new legal relationship within the ordinary business activity of the Subsidiary or about the conclusion of any legal loan relations reaching or exceeding HUF 4 billion, resulting in any new legal relationship and decision, regardless of its value, about permissions for the Company to receive long term credits or loans or short term credits or loans and about the establishment of any loan relations, if this type of liabilities of the Company upon making the decision exceed HUF 20 billion;
 - decision, within the ordinary business activity of the subsidiary, about any capital expenditure, asset purchase, asset sale or about the conclusion of a leasing transaction or any such transaction reaching or exceeding HUF 4 billion;
 - (aa) decision about the alienation of treasury shares, the value of which reaches or exceeds HUF 400 million;

(bb) decision on all matters that fall under the exclusive competence of the General Meeting of Shareholders pursuant to the relevant regulations or to these Articles of Association.

In the case of the above Section (aa), transactions within one business year shall be calculated cumulatively.

Upon calculating the “contract value”, the highest of the accounting, valuation and the contract value shall be taken into account. The General Meeting of Shareholders shall decide about contracts that reach or exceed the value threshold individually.

In the case of contracts for an indefinite term, the value of the commitment shall be determined based on the monthly payment multiplied by fourtyeight.

Activities outside the scope of normal business activities include:

Activities related to the real estate not necessary for the activities of the Company set forth in the Articles of Association and other activities not related to the activities stipulated in the Articles of Association.

Commercial transaction within the sphere of activities of the Company:

All transactions concluded by the Company with other market players, including customers, suppliers and service providers in the interest of conducting its business activity as per the Articles of Association and in relation to that.

A decision related to the amendment and termination of a given legal relationship falls within the competence of the organ deciding about the establishment of the legal relationship if the amount of the added liability for the Company resulting from the amendment or the termination reaches the value limit upon which the competence of the organ deciding about the establishment of the relationship is based.

14. Annual General Meeting of Shareholders

The Annual General Meeting is held once a year, by the deadline stipulated by the relevant legal regulation.

The agenda of the Annual General Meeting shall contain at least the following matters:

- (a) report of the Board of Directors about the Company’s activity during the previous business year;
- (b) Company’s financial statements drawn up as per the Act on Accounting, proposal of the Board of Directors for the approval of the consolidated and the individual balance sheet and motion for the allocation of the net results, as well as proposal for the corporate governance report;
- (c) written report of the Supervisory Board and the auditor about annual financial reports, financial statements drawn up as per the Act on Accounting, about the allocation of the net results and about the proposal for the dividend;
- (d) discussion of the financial statements drawn up as per the Act on Accounting (balance sheet, profit and loss account), establishment of the balance sheet, resolution about the allocation of the net results, as well as decision about the corporate governance report and evaluation of the activity of the Board of Directors during the previous year and decision regarding the grant of discharge of liability to the members of the Board of Directors;
- (e) election of the auditor in the event that his mandate expires on the date of the Annual General Meeting.

15. Extraordinary General Meeting of Shareholders

15.1. The Board of Directors may call an Extraordinary General Meeting of Shareholders if it is deemed necessary from the point of view of the operation of the Company. The Board of Directors shall call the General Meeting of Shareholders within eight days while notifying the Supervisory Board at the same time, in order to take the necessary measures, if it learns that the

Company's share capital has declined to two thirds of the share capital due to losses, if the Company's share capital declined to under HUF 20 million or is threatened by insolvency, has discontinued payments and its assets are insufficient to cover its debts.

15.2. The Supervisory Board, the Auditor, and the Court of Registration, in the instances set forth in the Civil Code, as well as shareholders representing at least 1 (one) per cent of the Company's share capital can request the convocation of the Extraordinary General Meeting of Shareholders indicating in writing the cause and the purpose of such request, and proving their standing as shareholders. The Board of Directors shall publish and send out the announcement of the General Meeting of Shareholders and the invitation, as the case may be, within 30 days of receipt of such request.

15.3. If due to the position of the shareholders regarding the public purchase offer made for the shares of the Company, or subsequent to the successful public purchase offer procedure, an extraordinary General Meeting of Shareholders is called upon initiative of the acquiring party, the General Meeting of Shareholders shall be called at least 15 days prior to its date in the manner indicated under Sections 16.1 and 16.2 hereof.

16. Convocation of the General Meeting of Shareholders

16.1. The invitation to the General Meeting of Shareholders shall be published in the manner established for the announcements of the Company, at least 30 days prior to the planned General Meeting of Shareholders – excepting the cases referred to under Section 15.3 hereof – by the Board of Directors or by another authorised person designated in accordance with the provisions of Section 15, in the manner described under Section 36. The members of the Board of Directors and the Supervisory Board, as well as the Auditor of the Company shall be informed about the convocation of the General Meeting of Shareholders in consideration of the above deadline, in a separate invitation, as well.

16.2. The invitation to the General Meeting of Shareholders and the announcement shall stipulate the manner in which the General Meeting of Shareholders is held, the name and the seat of the Company, as well as the place, time and date, agenda of the General Meeting of Shareholders, together with the terms for exercising shareholders' rights, the date when the Register of Shareholders is closed and an indication of where and when the shareholders can view the proposals and other documents related to the agenda items of the General Meeting of Shareholders, the provisions of the Articles of Association for making additions to the agenda and information regarding the place and time of the General Meeting of Shareholders repeated for lack of quorum.

The Board of Directors shall, in the announcement of the General Meeting of Shareholders, or at least on the 21st day preceding the date of the General Meeting of Shareholders, publish in a separate announcement – in the case of an Annual General Meeting – the balance sheet, the proposal for the distribution of the profit, as well as the report of the Board of Directors and of the Supervisory Board and proposals and draft resolutions related to matters on the agenda.

16.3. Matters not included in the published agenda can only be resolved by the General Meeting of Shareholders if all shareholders are present and they consent unanimously to the inclusion of the new item into the agenda.

16.4. The General Meeting of Shareholders shall be held at the seat of the Company or another venue determined by the Board of Directors.

16.5. The agenda of the General Meeting of Shareholders is decided by the Board of Directors, however, shareholders representing at least 1 (one) per cent of the shares can – in accordance with the regulations for the details of the agenda – request, indicating the reason for such request, that the Board of Directors include any item into the agenda and can make

proposals for draft resolutions in relation to the agenda items. Shareholders may exercise their right to make proposals to the agenda – while providing proof of their voting ratio reaching at least 1% - within 8 days from the time when the invitation to the General Meeting of Shareholders is published.

17. Quorum, voting at the General Meeting of Shareholders

17.1. The General Meeting of Shareholders has a quorum if shareholders representing more than half of the voting shares are present either in person or through their authorised representatives (including the proxy holders, as well). Authorisation for such representation shall be included into an authentic deed or a private document of full probative force and shall be handed over to the representative of the Board of Directors at the place and time indicated in the invitation to the General Meeting of Shareholders, but during the registration preceding the General Meeting of Shareholders at the latest.

The formal requirements for the withdrawal of the authorisation are the same as those for granting the authorisation.

The proxy holder may not be a member of the Board of Directors or of the Supervisory Board, or the auditor of the Company.

The authorisation for representation is valid for one General Meeting of Shareholders and for the General Meeting of Shareholders convened repeatedly if the original General Meeting of Shareholders failed to have a quorum.

17.2. In the event that the General Meeting of Shareholders still fails to have a quorum 30 minutes after the designated time for the General Meeting of Shareholders, the repeated General Meeting of Shareholders with identical agenda shall be convened for a date within 21 days of the date of the original General Meeting of Shareholders, upon suitable application of the provisions under Section 16 hereof. Unless ruled out by law, the General Meeting of Shareholders repeated for lack of quorum can also be called for the day of the original General Meeting of Shareholders. The information pertaining to the convocation of the potential repeated General Meeting of Shareholders shall be included in the announcement for the ordinary General Meeting of Shareholders.

The General Meeting of Shareholders repeated for lack of quorum, can resolve matters included in the original agenda and shall have a quorum regardless of the ratio of share capital represented at such repeated General Meeting of Shareholders.

17.3. Shareholders and proxy holders, whose name is shown on the day when the Register of Shareholders is closed as per Section 8.5 hereof, in the Register of Shareholders compiled as per the shareholders verification initiated pursuant to Section 8.4 hereof by the Company may attend the General Meeting of Shareholders and participate in the voting.

The manner in which the voting is handled shall be determined by the Board of Directors so that the voting right can be ascertained based on the number and nominal value of the shares.

17.4. Resolutions of the General Meeting of Shareholders are adopted through open voting. Upon the initiative of voting shareholders representing at least one tenth of the share capital, secret voting can be ordered on a given matter. The General Meeting of Shareholders shall elect a committee for counting the votes, the members of which are proposed by the chairman of the General Meeting of Shareholders.

17.5. The resolutions of the General Meeting of Shareholders on matters listed under Sections (a), (c), (e), (f), (l) and (q) of Paragraph 13 hereof shall be adopted through at least three quarters majority of the votes cast, while on other matters through a simple majority of the votes. Abstention is regarded as a vote not in favour of the draft resolution.

17.6. One share entitles its holder to one vote. The voting right for the temporary shares is pro-rata with the amount paid by the holder of the temporary share to the Company for the share. The shareholder may not exercise his voting right until his asset contribution has been duly made.

17.7. Members of the Board of Directors and of the Supervisory Board, as well as the auditor of the Company participate in the General Meeting of Shareholders with a right of consultation. They have the right to make motions and can comment upon any agenda item.

17.8. An attendance sheet of the General Meeting of Shareholders shall be drawn up and minutes shall be kept in accordance with the provisions of the Companies Act.

17.9. Shareholders may, if necessary decide to suspend the General Meeting of Shareholders. In the event that the General Meeting of Shareholders is suspended, it shall be resumed within thirty days (continued General Meeting of Shareholders), and the date of the continued General Meeting of Shareholders shall be established simultaneously with the suspension. In this case the rules governing the convocation of the General Meeting of Shareholders and the election of the officials of the General Meeting of Shareholders shall not be applied.

The General Meeting of Shareholders can only be suspended on one occasion.

17.10. In the event that the General Meeting of Shareholders wishes to make a decision regarding the delisting of the shares, a decision resulting in the delisting can only be adopted if any investor(s) commit in advance, that they will make a purchase offer related to the delisting in accordance with the Rules of the BSE for Listing and Continued Trading.

18. Chairman of the General Meeting of Shareholders

18.1. The Chairman of the General Meeting of Shareholders is the Chairman of the Supervisory Board, in whose absence the shareholders elect the Chairman of the General Meeting of Shareholders from among themselves, or from the members of the Board of Directors, or the Supervisory Board through simple majority vote. The same procedure shall be applied to the election of the counters of the votes and of the authenticators of the minutes, so that the authenticator of the minutes of the General Meeting of Shareholders can only be a shareholder or a proxy holder.

18.2. The Chairman of the General Meeting of Shareholders verifies the authorisations of the proxy holders present, appoints the keeper of the minutes and establishes, based on the attendance sheet whether the meeting has a quorum and in the event of a lack of quorum he shall postpone the meeting until the date and time indicated in the announcement of the General Meeting of Shareholders. He shall chair the meeting following the order of matters as set forth in the invitation, proposes to the General Meeting of Shareholders the members of the vote counting committee and the shareholders authenticating the minutes and if necessary he can limit the time available for the individual and repeated comments and contributions with a general effect applicable to everyone. He shall, furthermore, call for voting, inform the General Meeting of Shareholders of its result and read out the resolution of the General Meeting of Shareholders, order breaks in the discussions and provide for the drafting of the minutes and attendance sheets of the General Meeting of Shareholders in compliance with the provisions of the Companies Act, and close the meeting if a resolution has been adopted on all matters on the agenda.

BOARD OF DIRECTORS

19. Organisation of the Board of Directors

19.1. The Board of Directors has between 3 and 7 (three and seven) members. The members of the Board of Directors are elected by the General Meeting of Shareholders for a definite period of time, not exceeding however, five (5) years. Members of the Board of Directors can be recalled from office and can be reelected upon expiry of their mandate. The term of each member of the Board of Directors is stipulated in the General Meeting of Shareholders resolution adopted about their election.

19.2. The Board of Directors shall elect its chairman from among its members with a simple majority vote.

19.3. Members of the Board of Directors may (apart from the acquisition of shares in the public ltd as well) acquire shareholding in other business organisations conducting activities identical to those of the Company but not in business competition with the Company, and can fill executive positions in such business entities. Executives shall inform the chairman of the Board of Directors about the assumption of such holding or executive position in such a business entity without delay.

19.4. Members of the Board of Directors are liable to make an asset declaration pursuant to the provisions of Act CLII of 2007.

20. Operation of the Board of Directors

20.1. The session of the Board of Directors shall have a quorum if the majority of the members of the Board of Directors are present at the meeting. The procedures of the Board of Directors shall provide that the documents necessary for the Board of Directors to decide on a matter shall be sent to each member of the Board of Directors five (5) days prior to the meeting of the Board of Directors, except if a different agreement is in place with the member of the Board of Directors.

20.2. The meeting of the Board of Directors shall be called by the Chairman of the Board of Directors or by two members. The invitation shall be forwarded to the parties involved together with the agenda of the meeting eight (8) days prior to the date of the meeting, unless provided otherwise by the Rules of Procedure of the Board of Directors. The Board of Directors has the right to adopt resolutions in writing, via letter, facsimile or email, without an actual meeting held upon initiative of the chairman or any two members of the Board of Directors. The proposal is sent in writing by the chairman to the members of the Board of Directors. The proposal shall be deemed to have been accepted if within 8 days of its receipt, the majority of the members of the Board of Directors inform the chairman in writing of their consent to the proposal in an unchanged form. The Board of Directors shall hold a session at least once each quarter. The Chairman of the Supervisory Board and the auditor can be invited to the meetings.

The Board of Directors may - upon initiative from the chairman or at least two members – hold its sessions via telecommunications (through conference calls or virtual conferences) as well. The technology necessary for such sessions shall be provided by the Company so that the electronic connection is available to all directors throughout the entire period of the meeting. Telecom meetings are subject to the rules of the meetings held in person in terms of convocation, quorum, minutes, voting, etc.

20.3. The Chairman of the Board of Directors shall call, prepare and chair the meetings of the Board of Directors, shall appoint the keeper of the minutes to be taken at the meeting of the Board of Directors, shall order voting and establish its outcome, and shall furthermore perform other tasks as specified in the Rules of Procedure.

20.4. Resolutions of the Board of Directors at its meetings are adopted through simple majority vote. Objections to a draft resolution shall be expressly mentioned. In the event that a member of the Board of Directors has a direct or indirect interest personally or through an enterprise or investment or is presumed to be biased in relation to a matter, he shall not vote on the given matter. This rule shall not be applied if the Board of Directors is resolving on a matter required by the law. The member of the Board of Directors shall report his interest or bias on the given matter to the Board of Directors before the resolution is adopted.

A verbatim record of the meeting shall also be drawn up if so requested by any member of the Board of Directors. The minutes taken shall be signed by the Chairman of the Board of Directors and by the keeper of the minutes. The minutes of the meeting of the Board of Directors shall be sent to all members of the Board of Directors and to the Chairman of the Supervisory Board – regardless of whether or not they attended the meeting – within 8 days following the meeting.

The minutes taken at the meeting of the Board of Directors shall contain the following:

- (a) venue and time of the meeting, as well as whether the meeting was convened in accordance with the rules;
- (b) names of the participants;
- (c) gist of the comments, as well as the resolutions adopted for the individual agenda items;
- (d) possible objections to the resolutions.

The Board of Directors otherwise establishes its own operating rules (Rules of Procedure).

21. Competence and tasks of the Board of Directors

21.1. The Board of Directors is the executive organ of the Company. The Board of Directors shall

- (a) represent the Company with regard to third parties, in courts and before authorities, and may grant representation and signing right to the employees of the Company for a certain group of the Company's matters;
- (b) establish and manage the working organisation of the Company, within which it shall establish the Organisational Rules and Procedures of the Company;
- (c) manage the operation of the Company and define its business and strategic plan;
- (d) provide for the preparation of the Company's balance sheet and profit and loss statement and propose the distribution of the profit;
- (e) provide for the regular keeping of the Company's books and accounts;
- (f) publish and submit to the Court of Registration the balance sheet of the Company;
- (g) report once a year at least to the General Meeting of Shareholders and at least quarterly to the Supervisory Board, regarding the management, asset situation and business policy of the Company;
- (h) decide within the normal business activity of the Company about the conclusion of all new contracts not related to any ongoing deals and resulting in a new legal relationship that results in a liability amounting to or exceeding HUF 2 billion in the case of commercial transactions within the activities of the Company, and amounting to or exceeding HUF 2 billion but less than HUF 4 billion in the case of other matters, including the following: opening of an LC, assuming guarantees, suretyship, offering collateral or assuming other similar liabilities, establishment of a mortgage as obligor, bank guarantees, assumption of a debt, mortgage, etc.;
- (i) decide – except for matters under the exclusive competence of the General Meeting of Shareholders pursuant to Section 13. (o) hereof – about the authorisation of long term credits or loans or short term credits or loans amounting to or exceeding HUF 2 billion, and about the establishment of any loan relations amounting to or exceeding HUF 2 billion within the ordinary scope of business of the Company;

- (j) decide about capital expenditures, asset purchases, asset sales or leasing deals or any other transactions of this type with an individual value of or exceeding HUF 2 billion but less than HUF 4 billion within the ordinary scope of the Company's business;
- (k) upon prior approval of the Supervisory Board approves the interim balance sheet of the Company, provided that such interim balance sheet is necessary due to the decision to acquire treasury shares and/or since the payment of a dividend advance has been decided (if the General Meeting of Shareholders should decide to purchase treasury shares or if the Articles of Association authorize the Board of Directors to pay a dividend advance)
- (l) decide about the acquisition of treasury shares if it is necessary to avoid serious damage threatening the Company; upon such acquisition of shares the Board of Directors shall inform the next General Meeting of Shareholders about the reason for the acquisition of treasury shares, the number, total nominal value of shares acquired and the ratio of such shares to the share capital of the Company and the consideration paid;
- (m) execute the resolution of the General Meeting of Shareholders regarding the acquisition of treasury shares;
- (n) initiate the listing of the Company's shares;
- (o) decide about the site or branch location of the Company and – with the exception of the core activity – about the activities of the Company and the related amendment to the Articles;
- (p) make a proposal to the Audit Committee for the audit organisation and the person of the auditor;
- (q) define the signing authority of the Company's employees in accordance with Section 27. of the Articles;
- (r) have the right to receive, formulate a position and make a proposal to the shareholders in relation to the purchase offer made for all shares of the Company, whether the offer is fair and acceptable and whether it serves the best interests of the Company. The Board of Directors is entitled to publish its position;
- (s) decide about changing the accounting policy of the Company; unless such changes are required by law or regulations, with no discretion or choice and with the exception of necessary changes occurring in the course of the continuous keeping of the accounts;
- (t) decide on the conclusion of cooperation agreements influencing the long term strategy of the Company;
- (u) decide about transactions to be concluded between the Company and a legal entity shareholder with a stake in the Company exceeding 5% or with a company under its control;
- (v) decide about the conclusion of agreements between the Company and members of the Board of Directors of the Company, or its executives with signing authority, or their close relatives and with companies, from which the member of the Board of Directors, the executive with signing authority, or his/her close relative receives an income which is subject to taxation or social security, or in which such persons acted as managing executives or owners in the past two years. The member of the Board of Directors involved shall inform the Board of Directors of his involvement without delay upon learning about the act;
- (w) decide about the managing executives and Supervisory Board members to be delegated to the subsidiaries and holdings of the Company (Board members, Chief Executive Officer);
- (x) decide about contracts limiting competition, in which the parties agree that during the term of the agreement neither party will establish business relations in a given field with companies or persons which represent direct competition for the Company;

- (y) decide about exclusive representation, agency and/or distribution agreements so that in extraordinary instances the chairman of the Board of Directors has the right to decide about the conclusion of such agreements;
- (z) decide, pursuant to the authorisation granted as per Section (5) of Paragraph 207 of the Labour Code, about the performance requirements and the related benefits (performance based wages, or other benefits) due for the manager (No.1. executive) of the employer as per Section (1) of Paragraph 208 of the Labour Code and his deputy (deputies);
- (zs) with the exception of fundamental employer's rights, under the competence of the General Meeting of Shareholders, the Board of Directors exercises other employer's rights (especially vacation, foreign visit permits), in relation to the Chief Executive Officer, provided that he is an employee of the Company;
- (aa) decide in the case of subsidiaries of the Company, about the issue of mandates for the meeting of the supreme organ and about the resolution adopted by the supreme organ (Founder's resolution) in consideration of the provisions of Section 13. (z) hereof;
- (bb) establish the business and strategic plans of the Company's subsidiaries;
- (cc) decide about the alienation of treasury shares of less than HUF 400 million;
- (dd) have the right to decide on all matter not in the exclusive competence of the General Meeting of Shareholders or of the Supervisory Board pursuant to the law, or to the provisions of the Articles of Association of the Company or of the resolution of the General Meeting of Shareholders.

In the case of Section (dd) above, the transactions within one business years shall be calculated cumulatively.

Upon calculating the "contract value", the highest of the accounting, valuation and the contract value shall be taken into account. The Board of Directors shall have exclusive competence over contracts that reach or exceed the value threshold individually.

In the case of contracts for an indefinite term, the value of the commitment shall be determined based on the monthly payment multiplied by forty-eight.

Activities outside the scope of normal business activities include:

Activities related to the real estate not necessary for the activities of the Company set forth in the Articles of Association and other activities not related to the activities stipulated in the Articles of Association.

Commercial transactions within the sphere of activities of the Company:

All transactions concluded by the Company with other market players, including customers, suppliers and service providers in the interest of conducting its business activity in accordance with or in relation to the Articles of Association.

A decision related to the amendment and termination of a given legal relationship falls within the competence of the organ deciding about the establishment of the legal relationship if the amount of the added liability for the Company resulting from the amendment or the termination reaches the value limit upon which the competence of the organ deciding about the establishment of the relationship is based.

21.2. Members of the Board of Directors shall act with the care generally expected of persons in similar positions. They are liable for the damages caused to the Company in the course of their management activities in accordance with the provisions of the civil code on liability for damages caused by breach of contractual obligations.

The member of the Board of Directors cannot be held liable if

- (a) he made his objection to the resolution or action of the Board of Directors clear at the meeting of the Board;

- b) he was not present at the meeting and made his objections in writing to the Chairman of the Supervisory Board within 10 days of receipt of the minutes taken at the meeting;
- (c) he indicated the negligence or default he noticed to the authorized organ in such time as to allow action to be taken in time.

21.3. Upon initiative of the board member involved, the Board of Directors shall within 8 days, take action to have the General Meeting of Shareholders of the Company convened. Should the Board of Directors fail to discharge such obligation, the general meeting can be convened by the Supervisory Board.

21.4. Any member of the Board of Directors has the right to request information from any employee of the Company. The employees shall furnish such information without delay.

22. Chief Executive Officer

22.1. With the exception of fundamental employer's rights, under the competence of the General Meeting of Shareholders, the Board of Directors exercises other employer's rights (especially vacation, foreign visit permits), in relation to the Chief Executive Officer, provided that he is an employee of the Company;

22.2. The Chief Executive Officer's sphere of competence encompasses all matters and decisions related to the work of the Company not under the exclusive competence of the General Meeting of Shareholders or of the Board of Directors, or those not drawn to their own competence by the General Meeting of Shareholders or by the Board of Directors.

With the exception of those under Section 13. (g) and 21.1. (z), the Chief Executive Officer exercises basic employer's rights in relation to the employees of the Company. Other employer's rights (including especially vacation and foreign visit permits, etc.) can be transferred by the Chief Executive Officer to other employees of the Company within the framework of the Company's Organisational and Operating Rules.

22.3. Under Act CLII of 2007, the Chief Executive Officer is liable to make an asset declaration.

SUPERVISORY BOARD AND AUDIT COMMITTEE

23. Members of the Supervisory Board

23.1. Supervision over the Company's executive management is performed by the Supervisory Board elected by the General Meeting of Shareholders.

23.2. The Supervisory Board of the Company is made up of three (3) members elected by the General Meeting of Shareholders of the Company.

23.3. The members of the Supervisory Board are elected for a definite period of time, no longer than five (5) years. Members of the Supervisory Board can be reelected or recalled. The term of a member of the Supervisory Board elected through interim election, shall expire when the term of the other members of the Supervisory Board expire.

23.4. Members of the Supervisory Board shall elect a chairman from among themselves through simple majority vote.

23.5. The Chairman of the Supervisory Board shall call and chair the meetings of the Supervisory Board, appoints the keeper of the minutes, orders voting and establishes the outcome of the voting.

23.6. The Supervisory Board has a quorum if at least two thirds of its members but no less than three members are present at the meeting. The Supervisory Board adopts its resolutions through simple majority vote. The Supervisory Board can, when initiated by the Chairman, decide to have a meeting via telephone conference or the members may adopt a written resolution without a meeting, based on proposals and draft resolutions sent to the members in advance. The technology necessary for a meeting held via telephone conference shall be provided by the Company so that the electronic connection remains available to all members and invited guests throughout the entire meeting.

23.7. Any member of the Supervisory Board may call its meeting indicating its cause and purpose, if such request is not met by the chairman within eight (8) days.

23.8. The provisions of Section 19.3 of the Articles of Association are applicable to the members of the Supervisory Board as well, so that the report is addressed to the Supervisory Board. The Chairman of the Supervisory Board informs the Chairman of the Board of Directors by sending a copy of the report.

23.9. Under Act CLII of 2007, the members of the Supervisory Board are liable to declare their asset situation.

24. Competence and tasks of the Supervisory Board

24.1. The Supervisory Board shall:

- (a) supervise the executive management of the Company;
- (b) inspect any report or motion of the Board of Directors made to the General Meeting of Shareholders and report to the General Meeting of Shareholders about the outcome of such inspection,
- (c) call the General Meeting of Shareholders if it is necessary in the interest of the Company, especially if it learns about any action, measure or default in breach of the law or of the Articles of Association or the resolutions of the General Meeting of Shareholders of the Company;
- (d) inspect the executive management of the Company if it is requested by the shareholders representing 10% of the Company's share capital indicating the cause and the purpose;
- (e) review the issues put forward by the Board of Directors and formulate a position on such matters;
- (f) discuss the proposal made by the Board of Directors to the Audit Committee for the audit organisation and for the person of the auditor. The Audit Committee shall propose the person of the Auditor to the General Meeting of Shareholders with the approval of the Supervisory Board.
- (g) provide preliminary opinion about the performance requirements and related benefits (performance-based wages, or other benefits) for the employees subject to the provisions of Sections (1) and (2) of Paragraph 208 of the Labour Code;
- (h) perform other tasks as set forth in the regulations and in the Articles of Association of the Company.

24.2. The Supervisory Board has the right to request information and report on all matters of the Company from any member of the Board of Directors, executive or employee of the Company and has the right to inspect or have inspected by an expert all accounts, books, bank accounts, documents and files of the Company at the expense of the Company. The information requested by the Supervisory Board shall be furnished within maximum 8 days of the receipt of the request in the form requested by the Supervisory Board, in lack of which it shall be furnished to all members of the Supervisory Board in writing.

24.3. The Supervisory Board establishes its own procedures and submits it to the General Meeting of Shareholders for approval.

24.4. The Audit Committee

- (a) From among the independent members of the Supervisory Board the General Meeting of Shareholders shall elect a three-member Audit Committee. If the Supervisory Board has three members, and all are independent pursuant to the law, they are automatically elected by the General Meeting of Shareholders to become members of the Audit Committee. The members of the Audit Committee elect the chairman of the committee. If the members of the Supervisory Board are identical with the members of the Audit Committee, then the chairman of the Supervisory Board and of the Audit Committee is one and the same person. The termination of the membership in the Audit Committee is governed by the rules for the termination of the membership in the Supervisory Board. The membership in the Audit Committee is also terminated if the membership in the Supervisory Board is terminated.
- (b) The competence of the Audit Committee shall include the following
- formulate its position on the financial statements drawn up as per the Act on Accounting;
 - monitor the audit process of the financial statements drawn up as per the Act on Accounting;
 - proposal to the General Meeting of Shareholders for the person and remuneration of the auditor, upon approval of the Supervisory Board;
 - involvement in the selection of the auditor, preparation of the agreement to be concluded with the auditor;
 - monitor the enforcement of the professional requirements and conflicts of interest regulations applicable with the auditor, performance of the tasks related to the cooperation with the auditor, monitoring of services provided to the Company by the auditor in addition to the audit of the financial statements drawn up as per the Act on Accounting and proposal to the Board of Directors for measures to be taken if it is necessary;
 - evaluation of the operation of the financial reporting system and proposal for the necessary actions and
 - support of the work of the Board of Directors and of the Supervisory Board in the interest of the appropriate control of the financial reporting system;
 - monitor the effectiveness of the internal controlling and risk management system.
- (b) The Audit Committee shall – unless it is composed automatically of the members of the Supervisory Board – prepare its own procedures. If it is composed automatically of the members of the Supervisory Board, its procedures are identical with those of the Supervisory Board.

AUDITOR

25. The General Meeting of Shareholders shall elect for a period of one year an auditor listed in the registry of auditors (“permanent auditor”). Following his election, the auditor is contracted by the management of the Company, in accordance with the general rules of the Civil Code. The auditor cannot be a founding member, shareholder, Board member or Supervisory Board member of the Company, or the close relative of any of the above (Section 2 of Paragraph 8:1 of the Civil Code), or an employee of the Company for a period of three years after the termination of such office.

26. Competence and tasks of the auditor

26.1. The auditor shall inspect all reports submitted to the General Meeting of Shareholders, especially the annual balance sheet and profit and loss statement, to ascertain that they contain true figures, comply with the regulations and he shall report on his findings. Without the auditor's report no valid resolution on the accounts can be adopted.

26.2. The Board of Directors and the Supervisory Board can request at any time that the auditor conduct a separate review and to issue a report thereupon.

26.3. In order to perform his task, the auditor may inquire about the operation of the Company, to which end he may request information from the employees of the Company, may inspect the petty cash of the Company, as well as its portfolio of securities and contracts, bank accounts and other documents, shall attend the General Meeting of Shareholders and may participate in the meetings of the Supervisory Board.

26.4. The auditor shall inform the Supervisory Board and request the convocation of the General Meeting of Shareholders if he learns that a substantial decline in the assets of the Company is threatening and/or if he learns about a fact suggesting the liability of any managing executive of the Company.

SIGNING FOR THE COMPANY

27. The following persons are entitled to sign on the Company's behalf

- (a) the Chief Executive Officer Board member alone;
- (b) two members of the Board of Directors jointly;
- (c) any member of the Board of Directors together with the employee authorised to sign on the Company's behalf;
- (d) two employees of the Company authorised by the Board of Directors for certain matters jointly.

28. Signing for the Company is done so that the person or persons authorised to sign on the Company's behalf shall attach their official signature to the pre-written or pre-printed Company name.

APPROVAL OF THE FINANCIAL REPORTS AND DISTRIBUTION OF THE PROFIT

29. The business year of the Company begins on 1 January and end on 31 December of each year.

30. Following the end of each financial year, the financial report (balance sheet, profit and loss statement) for the Company shall be prepared in accordance with the Hungarian and international accounting standards by the deadline stipulated by the law. The Company shall furthermore prepare the reports required by the securities act and the financial reports required by the stock exchange where the Company's shares are listed.

31. No dividend or interest can be established or paid to the shareholders from the Company's share capital. The Company shall pay no dividend for the treasury shares it holds and upon defining the share due for the shareholders entitled to a dividend, the dividend for the treasury shares is not taken into consideration.

32. Shareholders recorded in the Register of Shareholders on the day of the General Meeting of Shareholders deciding about the dividend payment are entitled to a dividend. The right to claim an uncollected dividend shall lapse after five years from when the dividend was due

33. Shareholders have the right to a pro-rata portion of the net profit to be distributed according to the resolution of the General Meeting of Shareholders (dividend). At least 10 working days shall elapse between the day of the General Meeting of Shareholders establishing the dividend and the starting day of dividend payment. The Company has the right to deduct from the dividend payable the amount due and payable by the shareholder in view of his shares. A dividend advance during the year can be paid if based on the interim balance sheet approved by the General Meeting of Shareholders, it is likely that there will later be no obstacle to the annual dividend payment. Shareholders cannot be held liable to repay the dividend received in good faith, which rule, however, does not apply to the dividend advance paid to the shareholder during the year.

34. The Company shall pay the dividend via bank transfer, postal money order or cash. The bank transfer or postal money order shall be made by the Company to the shareholder (joint representative) or the person(s) designated by him, to the address indicated in the Register of Shareholders or to any other address or bank account indicated by the shareholder. The amount of the dividend can be collected in person at the cashier of the Company as well, if the shareholder informs the Company in writing of his intention to do so at least 8 days prior to the due date.

35. The Company is not liable to pay interest upon the dividend collected by the shareholder with a delay.

ANNOUNCEMENTS

36. The announcements of the Company – unless the regulation calls for their publication in the Official Gazette (Céggözlöny) or any other definite publication or location – shall be published on the webpage of the Company (www.raba.hu) and on the official electronic site of the Budapest Stock Exchange.

APPLICABLE LAW, DISPUTE RESOLUTION

37. These Articles of Association shall be governed by the effective Hungarian law. Matters not regulated by these Articles of Association, shall be governed by the provisions of Act V. of 2013 on the Civil Code, of Act CXX of 2001 on Capital markets, of Act CVI of 2007 on the State assets, of Act CLII of 2007 on the liability to make a declaration of assets, of Act CXXII of 2009 on the economical operation of publicly owned business entities, of Act CXCVI of 2011 on the national assets and of other regulations applicable to the Company. For the resolution of any legal disputes arising among the shareholders and the Company out of, or in connection with these Articles of Association, the Company and the shareholders subject themselves to the exclusive competence of the permanent Court of Arbitration attached to the Hungarian Chamber of Trade and Industry. The Court of Arbitration shall act in accordance with its own Rules of Procedure.

TERMINATION OF THE COMPANY, DISSOLUTION

38. The Company is terminated if

- (a) the General Meeting of Shareholders decides to terminate it without a legal successor;
- (b) it is merged with or amalgamated into another Company, or is transformed into another corporate form;
- (c) it is declared terminated or ordered to be deleted ex officio by the Court of Registration;
- (d) is terminated by the court in a dissolution procedure.

39. In the event that the Company is terminated through a liquidation or dissolution procedure, shareholders are entitled to a pro-rata portion of the assets to be distributed as a result of the liquidation or dissolution procedure.

These Articles of Association – incorporated into a uniform structure including the amendments as well – were adopted by the General Meeting of Shareholders of the Company held 17 April, 2014 through its resolution No. 6/2014.04.17.

Attorney's signature and endorsement:

I, the undersigned, Dr. Éva Magyarlaki attorney at law hereby certify that the wording of **these Articles of Association incorporated into a uniform structure corresponds to the contents in force of the amendments made to the Articles of Association.**

Sections of the Articles of Association affected by the amendments adopted on 17 April, 2014 are as follows:

Section 1.: indication of the corporate form in the full name of the company in an abbreviated form;

Section 4: updating of the supplementary provision in accordance with regulatory changes;

Section 8: updating of the provisions for the Register of Shareholders in accordance with regulatory changes;

Section 10: updating of the regulatory reference to acquisition in accordance with the Civil Code;

Sections 11-12: updating of the provisions for the increase and decrease of the share capital in accordance with the Civil Code;

Section 13: updating of the provisions for the competence of the General Meeting of Shareholders in accordance with the Civil Code;

Section 14: updating of the provisions for the Annual General Meeting of Shareholders in accordance with the Civil Code, and Section 25.;

Section 15: updating of the provisions for the Extraordinary General Meeting of Shareholders in accordance with the Civil Code;

Section 16: updating of the provisions for the convocation of the General Meeting of Shareholders in accordance with the Civil Code;

Section 17: updating of the provisions for the resolutions of the General Meeting of Shareholders in accordance with the Civil Code;

Sections 19-20-21: updating of the provisions for the organisation, operation and liability of the Board of Directors in accordance with the Articles of Association and the Civil Code;

Sections 23-24: updating of the provisions for the Supervisory Board and the Audit Committee in accordance with the Civil Code;

Section 25: amendment and updating of the provisions for the term of the mandate of the auditor in accordance with the Civil Code;

Section 32: updating of the provisions for the eligibility for dividend payment in accordance with the Civil Code;

Section 37: updating of the provisions for the regulatory reference to the applicable law in accordance with the Civil Code,

Section 38: updating of the provisions for termination in accordance with the Civil Code and

Section 39: updating of the provisions for dissolution in accordance with the Civil Code.

The appendix to the Articles of Association of a uniform structure contains a list of Company executives.

Győr, 17 April, 2014

**Dr. Éva Magyarlaki
attorney at law
65/II/91.**

**Appendix
of managing executives, Supervisory Board and Audit Committee members and of the
auditor**

Name of executive: Beginning of term: End of term:

MEMBERS OF THE BOARD OF DIRECTORS:

1. István Pintér Chairman	13 April 2013	13 April 2018
4. Alan Frederick Spencer	18 April 2014	18 April 2019
3. Dr. Tibor Zoltán Hajdu	20 June 2012	20 June 2017
4..Dr. József Steigler	23 July 2013	20 June 2017
5. Dr. Péter Székács	20 June 2012	20 June 2017
6. György Wáberer	20 June 2012	20 June 2017

MEMBERS OF THE SUPERVISORY BOARD AND THE AUDIT COMMITTEE:

1. Dr. Csaba Polacsek	20 June 2012	20 June 2017
2. Dr. Tamás Berencsi	24 July 2013	20 June 2017
3. Dr. János Kerékgyártó	20 June 2012	20 June 2017

AUDITOR:

Deloitte Könyvvizsgáló és Tanácsadó Kft responsible auditor: Szilvia Binder auditor	17 April 2014	30 April 2015
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Győr, 17 April, 2014

Dr. Éva Magyarlaki
attorney at law