

URNR. 3254 W 2018

Minutes of the Extraordinary General Meeting of the Shareholders of B-A-L Germany AG, Registered Office in Meissen

Upon request, I

Robert Walter
Notary Public with office
at Markt 20 – 23, 09648 Mittweida,

on 22 October 2018,

participated in the Annual General Meeting of B-A-L Germany AG with its registered office in Meissen, Germany, registered in the Commercial Register of the Local Court of Dresden under HRB 36831 (business address: Poststraße 5, 01662 Meissen). The Annual General Meeting was held in my office.

I hereby record the proceedings and resolutions of the Annual General Meeting in the following form:

Minutes

I.

Participants

Present were:

1. From the Supervisory Board of the Company

- a) Mr. **Bernd Albrecht**,
- b) Mr. **Frank Richter**.

2. From the Management Board of the Company

Mr. **Falko Zschunke**

3. Shareholders and shareholder representatives,

- a) Mr. **Falko Zschunke**,
- b) Mr. **Bernd Albrecht**,
- c) Mr. **Hendrikus Johannes van Diemen**.

II. General meeting, agenda, process

In accordance with the Articles of Association, the Chairman of the Supervisory Board, Mr. Bernd Albrecht, took over the **chairmanship** of today's Annual General Meeting and opened it at 20:10 a.m.

The Supervisory Board declared the **list of participants (Appendix 1)**, which had been made available for inspection prior to the first vote and was available for inspection during the entire Annual General Meeting, to be correct and signed it.

The Chairman also noted that the shareholders' meeting today was attended or represented by the entire subscribed share capital.

The Chairman also noted that an invitation to today's Extraordinary General Meeting had not been issued, but that in view of this assembly, the Extraordinary General Meeting could in any case be held with unanimous approval. It was therefore not necessary to formally convene today's Extraordinary General Meeting in order to pass resolutions.

As a precautionary measure, all participants again waived their right to comply with the requirements of the law and the Articles of Association regarding the form and time limit for convening and staging the General Shareholders' Meeting and recognize the decision-making authority of today's General Meeting and the chairmanship of the Meeting by Mr. Bernd Albrecht.

The Chairman approved all the votes in today's meeting.

Type (form and procedure) of vote, as follows:

The vote in each case takes place by hand signal. Valid votes are added together in an aggregation procedure.

There was no opposition to this.

The Chairman then announced the

Agenda,

as follows:

Increase of the Company's share capital to 1,050,000.00 EUR by issuing 500,000 non-voting preference shares and by amending the Articles of Association accordingly.

The Chairman made it clear that the abovementioned would be dealt with in two separate agenda items (Agenda Item 1 - Capital increase and Agenda Item 2 - Change to the Articles of Association - see also **Appendix 2**). There was no objection to this.

III. Execution of the agenda

The meeting then entered into the execution of the agenda.

Item 1: Increase of the Company's share capital to EUR 1,050,000.00 by issuing 500,000 non-voting preference shares in the form of bondholder shares

The chairman subsequently announced his intention to increase the company's share capital in order to attract further investors to the company. This is to be achieved by issuing non-voting preference shares totaling 500,000 EUR. The Management Board endorsed this proposal.

A detailed discussion then took place, in which the details of the preference shares to be created were discussed, in particular the type and amount of preference to be granted.

The Chairman then proposed the following resolution:

The company's share capital, currently 550,000 Euro, will be increased by 500,000 Euro against cash contribution by issuing 500,000 new individual bearer shares as preference shares without voting rights with a proportionate amount of the share capital of 1.00 EUR per individual share and dividend entitlement from 1 January 2019.

The issue price per share is 1.20 EUR and must be paid in cash in full (corresponding to a subscription price of 120%).

The provisions of the Articles of Incorporation regarding the authorized capital already approved (Section 4 (3a)) remain unaffected and continue to apply.

The newly created preference shares will be entitled to the benefits resulting from the following rules on the appropriation of profits:

“The dividends of the shareholders shall always be distributed in proportion to the amount paid up in respect of their contribution to the share capital and in proportion to the time which has elapsed since the date on which the payment was made, provided that:

- 1. A preference dividend of 1 cent per dividend-bearing preference share is to be paid to the preference shareholders. If the balance sheet profit is not sufficient to pay the preferential dividend, the shortfall, excluding interest, shall be deducted from the balance sheet profit for the financial year. The distribution of dividends to the ordinary share holders in subsequent fiscal years shall be made in such a way that the older dividends shall be repaid in full immediately preceding the newer dividends and the dividends of 1 cent per preference share to be paid from the dividends for a fiscal year shall only be paid after redemption of all dividends in arrears.*
- 2. Dividends of up to 1 cent per ordinary share may be paid entitled to the ordinary shareholders.*
- 3. Further profit shares are paid to the preference and ordinary share holders in proportion to the share/shares in the dividend-entitled share capital in such a way that each preference share carries a dividend of 1 % higher dividend than one ordinary share.*

A vote was then taken:

All shareholders present or represented voted by show of hands for the proposal of the Chairman in accordance with the resolution proposal of the Executive Board on the above agenda item (agenda item 1).

The Chairman then stated and announced that the Annual General Meeting had voted in favor of the Chairman's proposal in accordance with the above resolution proposal by all the shareholders present or represented.

In addition, each shareholder waived his option right in respect of the new shares.

Item 2: Amendment of the Articles of Association in connection to the capital increase resolved under Item 1 of the Agenda

The Chairman explained the necessity of adapting the Articles of Association to the resolved capital increase following its implementation. The nature and level of the preference to be granted to the new shareholders was again discussed. In particular, possible alternative arrangements were discussed. The possibility of authorizing the Supervisory Board accordingly was discussed.

The Chairman then proposed that the following resolution be adopted, subject to the proviso that the capital increase resolved under Agenda Item 1 be carried out in full:

The Articles of Association of the Company shall be amended as follows to reflect the capital increase resolved in Item 1, subject to the proviso that the following is implemented:

4. Revised Section 4, paragraphs (1) and (2) as follows:

“Section 4: Level and Division of Share Capital

- (1) The share capital of the Company amounts to 1,050,000 EUR. This is divided into 1,050,000 no-par value stock shares, of which 550,000 are ordinary shares and 500,000 are non-voting preferential shares.*
- (2) The non-voting preferential shares shall be entitled to the preferential rights set forth in Section 22 of the Articles of Association for the distribution of profits. Pursuant to Section 141 clause 2 AktG, the issuance of further preference shares which, in the distribution of profits or company assets, are equal to the existing non-voting preferential shares is reserved.*
- (3) ...*

5. New version of Section 18 as follows

- (1) Each ordinary share shall entitle the holder to one vote at the General Meeting. Preference shareholders shall not be entitled to vote. However, to the extent that the preference shareholders are legally entitled to a voting right, each preference share shall be entitled to one vote.*
- (2) Voting rights may be exercised by proxy.*

(3) The Company shall ensure that the shareholders' voting rights are exercised in accordance with their instructions by appointing a representative.

6. New version of Section 22 as follows

(1) The balance sheet profit shall be distributed to the shareholders unless the General Meeting determines otherwise.

(2) The dividend payable to shareholders shall always be distributed in proportion to the payments made in respect of their share of the share capital and in proportion to the time which has elapsed since the date on which the payment was made, provided that:

1. A preferential dividend of 1 cent per dividend-bearing preference share is paid to the preference shareholders. If the balance sheet profit is not sufficient to pay the preferential dividend, the shortfall shall be paid without interest from the balance sheet profit of the following fiscal years prior to the distribution of a dividend to the holders of ordinary shares in such a way that the older dividend amounts are to be paid before the later dividend amounts and that the preferential dividend of 1 cent per preference share to be paid from the profit of a fiscal year is to be paid only after settlement of the dividend amount.

2. the ordinary shareholders will receive a dividend of up to 1 cent per ordinary share that is entitled to dividends.

3. Additional dividends are paid to the preference and ordinary shareholders in proportion to the number of preference and ordinary shares in the share capital entitled to dividends in such a way that each preference share pays a dividend 1 % higher than that paid on one ordinary share.

(3) If new shares are issued, a profit entitlement deviating from the provisions of Section 60 AktG may be determined.

(4) Taking into account the preferential rights of the preference shares, the Annual General Meeting may decide on a non-cash distribution in addition to or instead of cash distribution.

A vote was then taken:

All shareholders present or represented voted by show of hands in favor of the Chairman's proposal on this agenda item (Item 2).

The Chairman then noted and announced that the General Meeting had voted in favor of the Chairman's proposal with the votes of all of the shareholders present or represented.

As a precautionary measure, the Supervisory Board is unanimously authorized by all shareholders to amend the wording of the Articles of Association of the Company, taking into account the foregoing, after the capital increase has been carried out - if necessary also after only partial implementation.

IV. Closure

No further resolutions were passed.

Shareholders were made aware of the possibility of submitting declarations to the notary's minutes before the closure of the general meeting. This was not requested.

In addition, all shareholders waived their right to contest resolutions passed at this meeting.

The Annual General Meeting was then closed at 10.30 pm.

V. Findings.

The course of the meeting has been recorded by me, the notary:

1. The agenda was available for inspection for the entire duration of the Annual General Meeting.
2. The list of participants, signed by the Chairman, was presented before the first vote and was available for the entire duration of the Annual General Meeting.
3. All shareholders present or represented at the beginning of the meeting participated in the Annual General Meeting until the meeting was closed by the chairman.
4. The voting was carried out in the agreed voting format with the recorded voting result.
5. No objection to the transcript was made. The inclusion of questions in the minutes of the hearing was not requested.
6. The ratio of the current capital increase to the already registered authorized capital was discussed by the notary public.

I shall transcribe the foregoing with the Appendices:

1) List of participants

2) Agenda Mittweida, 22.10.2018

Mittweida, October 22, 2018

Original, german version signed by Mr. Walter, Notary in Mittweida

List of Participants

Extraordinary General Meeting on 22.10.2018 of

B-A-L Germany AG

Based in Meissen (AG Dresden, HRB 36831)

Shareholders:

1. Mr. Falko Zschunke , Döbeln
100,000 No-par Shares
2. Mr. Bernd Albrecht,
350,000 No-par Shares
3. Mr. Hendrikus Johannes van Diemen,
100,000 No-par Shares

Mittweida, October 22, 2018

Original, german version signed by Chairman of the Annual General Meeting, Mr. Bernd Albrecht

A g e n d a

of the Extraordinary General Meeting of B-A-L Germany AG Based in Meissen

Item 1: Increase of the company's share capital to EUR 1,050,000.00 by issuing 500,000 non-voting preferential shares in the form of no-par shares.

The Supervisory Board and the Management Board propose the following resolution:

The Company's share capital, currently 550,000 Euro, will be increased by 500,000 Euro against cash contributions by issuing 500,000 new bearer shares with a nominal value of 1.00 per share as non-voting preference shares with a proportionate amount of the share capital of 1.00 EUR per share and dividend entitlement from January 1, 2019.

The issue price per share is 1.20 EUR and must be paid in cash in full (corresponding to a subscription price of 120%).

The provisions of the Articles of Association relating to the approved capital already resolved (Section 4 paragraph 3a) remain unaffected and continue to apply.

The newly issued preferential shares are entitled to the preferential rights arising from the following rules on the appropriation of profits in the distribution of profits:

“The dividends of the shareholders shall always be distributed in proportion to the contributions made to their stake in the share capital and in proportion to the time which has elapsed since the date on which the contribution was made, subject to the condition that:

1. *A dividend of 1 cent per dividend-entitled preferential share is paid to the preferential shareholders. If the balance sheet profit is not sufficient to pay the preferred dividend, the shortfall without interest shall be paid from the balance sheet profit of the following fiscal years prior to the distribution of a dividend to the ordinary shares in such a way that the older dividend rights are to be paid prior to the newer shareholders and the preferential dividend of 1 cent to be paid from the profit of a fiscal year is to be paid prior to the newer shareholders only after all arrears have been repaid*

2. *The ordinary shareholders will receive a dividend of up to 1 cent per dividend-bearing ordinary share.*

3. *The holders of preferential and ordinary shares will receive additional profit shares in proportion to the number of shares in the capital stock entitled to dividends in such a way that each preferential share will receive a dividend of 1% higher than one ordinary share*

Item 2: Amendment of the Articles of Association in connection with the capital increase resolved under Agenda Item 1

The Supervisory Board and the Management Board propose that the following resolution be adopted:

The Articles of Association of the Company shall be adjusted as described below to the capital increase resolved in Item 1, subject to the condition that the capital increase be carried out in full and in accordance with the following conditions:

1. New version of Section 4 paragraphs 1 and 2 as follows:

“Section 4: Amount and division of share capital

- (1) The Company's share capital amounts to 1,050,000 EUR. The capital stock is divided into 1,050,000 no-par value ordinary shares, of which 550,000 are ordinary shares and 500,000 are non-voting preference shares.*
- (2) The non-voting preference shares shall be entitled to the preferential rights set forth in Section 22 of the Articles of Association for the distribution of profits. Pursuant to Section 3 (141) (2) clause 2 AktG, the issuance of additional preference shares, which in the distribution*

of profits or company assets are equal to the existing preference shares without voting rights, remains reserved.

(3) ...

2. New version of Section 18 as follows

- (1) Each ordinary share entitles the holder to one vote at the Annual General Meeting. Pre-emptive shareholders shall not be entitled to vote. However, to the extent that preference shareholders are legally entitled to a voting right, each preference share shall be entitled to one vote.*
- (2) Voting rights may be exercised by proxy.*
- (3) The Company will ensure the appointment of a representative for the exercise of the voting rights of the shareholders in accordance with their instructions.*

3. New version of Section 22 as follows

- (1) The balance sheet profit is distributed to the shareholders unless the Annual General Meeting decides otherwise.*
- (2) The dividends of the shareholders are always distributed in proportion to the contributions made to their share in the subscribed capital and in proportion to the time which has elapsed since the date on which the payment was made, on the condition that:*

1. A preferential dividend of 1 cent per dividend-bearing preferential share is paid to the preference shareholders. If the balance sheet profit is not sufficient to pay the preferred dividend, the shortfall shall be paid without interest from the balance sheet profit of the following fiscal years prior to the distribution of a dividend to the ordinary shareholders in such a way that the older arrears are to be paid before the younger ones and the preferred dividend of 1 cent per preferred share to be paid from the profit of a fiscal year is not to be paid until after all arrears have been paid

2. The ordinary shareholders will receive a dividend of up to 1 cent for each eligible ordinary share

3. The holders of preference and ordinary shares are paid further dividends in proportion to the proportion of the subscribed share capital entitled to dividends in such a way that each preference share receives a dividend which is 1 % higher than that paid on one ordinary share

(3) When new shares are issued, a profit entitlement deviating from the provisions of Section 60 AktG may be determined.

(4) In addition to or instead of a cash payment, the Annual General Meeting may also resolve a non-cash payment, taking into account the privileges of the preference shares.

Mittweida, October 22, 2018

Original, german version signed by Chairman of the Annual General Meeting, Mr. Bernd Albrecht