

REGISTERED WITH THE COMMERCIAL REGISTRY
Registry of Enterprises of the Republic of Latvia
on 18 June 2015,
under No. 6-12/110630

State Notary
I. Strauhmane
/signature/

Approved by annual General Meeting of Shareholders
on June 12, 2015, protocol no.1 (2015)

**JOINT STOCK COMPANY
“GRINDEKS”
Articles of Association**

1. The Firm

1.1. The firm of the company is joint stock company “Grindeks”, contracted form - JSC “Grindeks”, hereinafter – the Company.

2. Types of commercial activities

2.1. The Company, in line with the General Classifier of Economic Activities, carries out the following types of commercial activities (NACE 2. red.):

1. Manufacture of basic pharmaceutical products and pharmaceutical compounds (21.);
2. Wholesale of pharmaceutical products (46.46.);
3. Retail sale of pharmaceutical products in specialized stores (47.73.);
4. Manufacture of chemical substances (20.);
5. Wholesale of chemical substances (46.75.);
6. Wholesale trade, except motor vehicles and motorcycles (46);
7. Scientific research (72.);
8. Electricity, gas supply, heat supply, and air conditioning (35.);
9. Waste collection, processing and disposal activities, recycling (38.);
10. Activities of other membership organizations (94.99);
11. Real estate transactions (68);
12. Buying and selling of own real estate (68.10);
13. Renting and operating of own or leased real estate (68.20);
14. Mediation in real estate transactions (68.31);
15. Activities of head offices; business and management consultancy activities (70.);
16. The Company is allowed to conduct any other commercial activities in accordance with the General Classifier of Economic Activities if these activities give direct or indirect benefit for the Company.

3. The Aim of commercial activities

3.1. The aim of the activities is long-term increasing of profit, contributing to the national economy of the Republic of Latvia, doing business related to research, manufacturing, selling of medicinal products, treatment products, and medical products, as well as business related to such principal activities, as well as ensuring competitiveness of the Company in the international market.

4. Share capital and categories of shares

4.1. The Company's share capital is 13 419 000 EUR (thirteen million four hundred nineteen thousand euro zero cents). The Company's share capital consists of 9 585 000 (nine million five hundred eighty five thousand) shares. The nominal value of the each share is 1.40 EUR (one euro forty cents).

4.2. All shares are of one category, which gives equal rights to receive dividends, to receive liquidation quota, and voting rights in shareholders' meetings.

5. Shareholders' meeting

5.1. The meeting of shareholders is entitled to take decisions if shareholders, who jointly represent not less than one half of the equity capital with voting rights, participate in it.

5.2. If the annual or extraordinary general meeting is not entitled to take decisions in default of quorum, the management board shall announce not later than in one week, convocation of encore annual or extraordinary general meeting of shareholders.

5.3. The announcement about convocation of encore annual or extraordinary general meeting of shareholders will be sent out not later than 30 (thirty) days before planned encore annual or encore extraordinary general meeting of shareholders.

5.4. An encore annual or extraordinary general meeting of shareholders is entitled to take decisions, independent from represented capital with voting rights. The encore annual or extraordinary general meeting of shareholders will take decisions only on questions included in the agenda of the initial annual or extraordinary general meeting of shareholders.

6. The Supervisory board

6.1. The Company's Supervisory board consists of 5 (five) members of the Supervisory board, which are elected by the shareholder's meeting for the time period of 3 (three) years. The procedure for the tasks to be performed by the Supervisory board are laid out in the Regulation for the Supervisory board. The Regulation for the Supervisory board is approved by the Supervisory board.

6.2. The Management board needs a written consent of the Supervisory board for substantial issues. Substantial issues include:

- 1) Obtaining partnerships in other companies, expanding or diminution of it;
- 2) Obtaining or dispossessing of enterprise;
- 3) Approval of long-term development strategy of the company and investment program;
- 4) Approval of annual budget and investment program;

- 5) Obtaining, dispossessing or encumbering of real estate with rights in things;
- 6) Opening or closing of affiliates (departments) and agencies;
- 7) Granting credits, as well as providing warrantees and security for execution of other obligations, including provision of credits to the employees of the Company;
- 8) Conclusion of loan contracts;
- 9) Initiation of new kinds of activities and termination of existing types of activities;
- 10) Dispossessing and/or purchasing of brands and other intellectual properties;
- 11) Defining of general directions of activities;
- 12) Overtaking of long term obligations by founding of collaboration, including sales, marketing measures, licensing of products, etc.;
- 13) Granting of exclusive rights regarding sales and distribution of products produced by the Company;
- 14) Sponsorship and donations which amount exceed 3 000 EUR (three thousand euro);
- 15) Approval of the inner organizational structure of the Company and defining functions and competence of the structural units.

7. The Management board

- 7.1. The Management board of the Company consists of 3 (three) members of the Management board elected by the Supervisory board for the time period of 3 (three) years.
- 7.2. The chairman of the Management board represents the Company separately, but other members of the Management board are representing the Company jointly with one other member of the Management board.
- 7.3. The procedure for the tasks to be performed by the Management board is laid out in the Regulation for the Management board. The Regulation for the Management board's is approved by the Supervisory board.
- 7.4. The members of the Management board are not allowed to do paid employment outside the Company without consent of the Supervisory board.

JSC "Grindeks"

Chairman of the Management board

J. Bundulis

Chairman of the General Shareholder's

Meeting on 12 June 2015

G.Apsitis

Secretary of the General Shareholder's

Meeting on 12 June 2015

V.Putnina

Authorized representative of the General
Shareholder's Meeting on 12 June 2015

K.Lipmans

Authorized representative of the General
Shareholder's Meeting on 12 June 2015

A.Lipmane

Riga, June 12, 2015