

PUBLIC LIMITED COMPANY TALLINK GRUPP
ARTICLES OF ASSOCIATION

The Articles of Association of the Public Limited Company Hansatee Grupp have been adopted upon resolution of the General Meeting of June 9, 1997.

1. BUSINESS NAME, LOCATION, AREA OF ACTIVITY OF THE COMPANY

- 1.1. The business name of the limited company shall be Aktsiaselts (Public Limited Company) Tallink Grupp (abbreviated: AS Tallink Grupp).
- 1.2. The location of the company is Tallinn.
- 1.3. The areas of activity of the company are as follows:
 - 1) arrangement of maritime transport and acting as ships' agent
 - 2) transportation of passengers, vehicles and goods by sea and arrangement of related services;
 - 3) arrangement of transit operations;
 - 4) arrangement of storehouse services;
 - 5) execution of representing and agent functions, as well as trading activities, including the retail sale of alcohol and tobacco products onboard the ships.
- 1.4. The company has been founded for an unspecified term.

2. SHARE CAPITAL, SHARES AND RESERVES

- 2.1 The amount of the minimum share capital of the company shall be 320 000 000 Euros. The maximum capital of the company shall be 1 280 000 000 Euros.
- 2.2 The share capital shall be divided into registered shares of the same type with the nominal value of 0.6 Euros. Each share shall grant the shareholder 1 (one) vote on the General Meeting. The company shall have electronic share register and those entered in the share register shall be deemed the shareholders. Share certificates shall not be issued.
- 2.3 The shares shall be paid for by monetary and non-monetary contributions. The non-monetary contribution shall be evaluated taking account of the usual value of the thing or right. The non-monetary contribution shall be evaluated by the Management Board if not otherwise provided by law. In case generally recognized experts exist for the evaluation of non-monetary contribution then the non-monetary contribution shall be evaluated by these experts.
- 2.4 The increase of the share capital shall be decided by the General Meeting if at least 2/3 of the votes determined by the shares represented at the General Meeting are in favor. **Supervisory Board shall be authorized within three years as from 1 January 2014 to increase the share capital by 25 000 000 Euros, increasing the share capital up to 429 290 224 Euros.****
- 2.5 The company shall form a reserve capital with the minimum amount of 1/10 (one-tenth) of the share capital in order to cover losses or to increase share capital. Upon increasing the share capital of the company without amending the Articles of Association, the reserve capital shall be increased proportionally. Each year at least one-twentieth (1/20) of net profit shall be put into the reserve capital, until the reserve capital reaches the amount prescribed in the Articles of Association.

3. TRANSFERENCE, ENCUMBRANCE AND INHERTANCE OF SHARES

- 3.1. A shareholder may transfer a share freely.
- 3.2. A shareholder may pledge the share upon a written disposition about setting the pledge. There must be entered a notation regarding pledging the share in the Central Registry of Securities.
- 3.3. Upon the death of a shareholder the share shall be transferred to his/her successors.

4. MANAGEMENT BOARD

- 4.1. The Company is managed and represented by the Management Board consisting of three to seven members. Members of the Management Board shall be elected by the Supervisory Board for a term of up to three years. It is permitted to elect the Management Board members repeatedly.

- 4.2. The chairman of the Management Board of the company shall be appointed by the Supervisory Board of the company. By the proposal of the chairman of the Management Board the Supervisory Board shall have the right to appoint the deputy chairman of the Management Board, who will perform the tasks of chairman of the Management Board in his absence.
- 4.3. The Management Board shall adopt resolutions with the majority of votes. A member of the Management Board shall not participate in voting if approval of the conclusion of transaction between the member of the Management Board and the company is decided as well as if approval of the conclusion of transaction between the company and a legal entity in which the member of the Management Board or a person connected with him or her has a substantial share is decided.
- 4.4. The work procedure of the Management Board shall be stipulated by the resolution of the Management Board.
- 4.5. Except as regards the transactions set forth in clause 5.4 of the Articles of Association requiring the approval of the Supervisory Board, the Management Board shall have the right to take actions without the consent of the Supervisory Board which bring about:
 - 1) acquisition or termination of participation in other undertakings;
 - 2) acquisition or transfer of an enterprise, or termination of its activities;
 - 3) transfer or encumbrance of immovable or registered movables;
 - 4) foundation or closure of foreign branches;
 - 5) making of investments exceeding the prescribed sum of expenditure for the current financial year;
 - 6) assumption of loans or debt obligations exceeding the prescribed sum for the current financial year;
 - 7) granting of loans or the guarantee of debt obligations if it is beyond the scope of the everyday economic activities;
 - 8) foundation and dissolution of subsidiary company.
- 4.6. Every member of the Management Board may singly represent the Public Limited Company in all legal acts.

5. SUPERVISORY BOARD

- 5.1. The Supervisory Board of the company shall plan the activities of the company, organize the management of the company, approve the yearly budget of the company and supervise the activities of the Management Board of the company.
- 5.2. The Supervisory Board shall have five to seven members. The Supervisory Board shall be elected by the General Meeting for a term of three years. It is permitted to elect the Supervisory Board members repeatedly.
- 5.3. The members of the Supervisory Board shall elect a chairman from among themselves.
- 5.4. The Supervisory Board shall adopt resolutions according to the procedure prescribed by law. For the adoption of the resolutions of the Supervisory Board in the below matters at least $\frac{3}{4}$ votes of the members of the Supervisory Board in favour shall be required:
 - 1) approving of the annual budget of the public limited company;
 - 2) approving of the investments to acquire, upgrade, improve, or extend the life of the long-lasting fixed assets for the amount in excess of 5 000 000 (five million) euros within a financial year or a project, that is not prescribed for in the budget of a respective period or which are beyond the scope of everyday economic activities;
 - 3) borrowing and/or issuing bonds in the amount exceeding 5 000 000 euros and which are not prescribed for in the budget of a respective year;
 - 4) deciding on a merger or acquisition or an establishment of a joint undertaking, in case the value of the necessary investment exceeds 5 000 000 euros;
 - 5) the transfer of tangible fixed assets with the market or book value exceeding 5 000 000 euros;
 - 6) transactions which are beyond the scope of everyday economic activities and which value exceed 5 000 000 euros and which have not been budgeted for the given year.
- 5.5. A member of the Supervisory Board shall not participate in voting if approval of the conclusion of transaction between the member of the Supervisory Board and the company is decided as well as if approval of the conclusion of transaction between the company and a legal entity in which the member of the Supervisory Board or a person connected with him or her has a substantial share is decided.

6. GENERAL MEETING

- 6.1. The General Meeting shall be called by the Management Board. The place of the General Meeting shall be set out in the notice calling the General Meeting.
- 6.2. The Management Board shall call the annual General Meeting no later than six months after the end of the financial year. Extraordinary General Meeting shall be called according to the procedure and terms prescribed by law. A notice of the annual and/or extraordinary General Meeting shall be given at least three weeks in advance. The notice calling the General Meeting shall set out the data prescribed by law.
- 6.3. The General Meeting shall be competent to adopt resolutions if at least one-half of the votes determined by shares are represented at the General Meeting. If the General Meeting is not competent to adopt resolutions, the Management Board shall, within three weeks, call another meeting with the same agenda. The new General Meeting is competent to adopt resolutions regardless of the votes represented at the meeting.
- 6.4. The General Meeting shall adopt resolutions in accordance with the procedure prescribed by law.
- 6.5. Minutes shall be taken of the resolutions of the General Meeting.
- 6.6. Each share shall grant one vote at the General Meeting.

7. REPORTS

- 7.1. After the end of the financial year the Management Board shall prepare an annual report pursuant to the procedure set forth in the Accounting Act. After the annual report is prepared, the Management Board shall promptly present it to the auditor.
- 7.2. The Supervisory Board shall review the annual report and prepare a written report on it pursuant to the procedure prescribed by law to be presented to the General Meeting.
- 7.3. The Management Board shall present the annual report, the report of a sworn auditor and the profit distribution proposal to the General Meeting for approval.

8. DISTRIBUTION OF PROFITS

- 8.1. A shareholder shall be paid a part of the profit (dividend) according to the nominal value of the shares owned by him/her. The amount of the dividend shall be decided by the General Meeting in accordance with the proposal of the Management Board previously agreed by the Supervisory Board. The General Meeting shall not approve dividend in larger amount than proposed by the Management Board.
- 8.2. Own shares of the Public Limited Company shall not be taken account for in distribution of dividend.

9. LIQUIDATION, MERGER, DIVISION AND TRANSFORMATION

- 9.1. The liquidation, merger, division and transformation of the company shall be carried out according to the procedure prescribed by law.
- 9.2. The liquidator of the company shall be the Management Board or the liquidation committee appointed by the General Meeting,

10. AMENDMENT OF ARTICLES OF ASSOCIATION

- 10.1. A resolution on the amendment of the Articles of Association shall be adopted by at least 2/3 of the votes represented at the General Meeting.

The Articles of Association have been amended by the resolution of the General Meeting of 2013.

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Andres Hunt
Member of the Management Board