General

Article 1
Company, Registered Office, Duration

The company's trading name is SIMONA Aktiengesellschaft.

Its registered office is in Kirn/Nahe (Germany).

The company is established for an indefinite period.

Article 2
Objects

The objects of the company are the manufacture, sale and trade of thermoplastic products and all related products.

The company may transact any business deemed appropriate to achieve its stated purpose. It may establish branches in and outside Germany, acquire equity investments in other entities in and outside Germany, and acquire or form such entities.

Article 3
Financial year

The company's financial year corresponds to the calendar year.

Article 4
Public announcements

Company announcements are published in the Federal Gazette of the Federal Republic of Germany and on the internet.
Share capital and shares

Article 5
Share capital

The company's share capital is €15,500,000 (in words: fifteen million five hundred thousand euros) and is divided into 600,000 shares.

Article 6
Share classes and share certificates

The shares are no-par-value bearer shares.

Shareholders are not entitled to receive a certificate of their shares or dividends, unless stipulated otherwise in legislation or in the regulations of the stock exchange to which the shares have been admitted.

The company is entitled to issue share certificates that embody individual shares (single certificates) or multiple shares (global certificates).

Article 7
Appropriation of profits

Profits are appropriated in accordance with Section 60 (1) of the German Stock Corporation Act (Aktiengesetz).

Following any capital increase, the distribution of profits to new shares may vary from that specified in Section 60 of the German Stock Corporation Act.
Constitution

Article 8
Governing bodies

The governing bodies of the company are

- the Management Board
- the Supervisory Board
- the General Meeting of Shareholders

Article 9
Management Board

The company's Management Board shall consist of at least two persons. The appointment of deputy members of the Management Board is permitted. The Management Board shall generally have a Chairperson appointed by the Supervisory Board.

The Supervisory Board may delegate decisions on the conclusion, amendment and termination of Management Board employment contracts to a Supervisory Board committee.

Article 10
Legal representation

The company is represented with legal effect by two members of the Management Board or by one member of the Management Board together with an authorised signatory (Prokurist).

Supervisory Board may exempt members of the Management Board of the restrictions of paragraph 181 BGB (German Civil Code) 2nd alternative (provision of selfcontracting).

Article 11
Governance

The Management Board shall manage the company in accordance with legislation, the company's articles of association and its own rules of procedure. The rules of procedure adopted by the Management Board must be agreed with the Supervisory Board. If it is not possible to reach agreement on this matter, the Supervisory Board shall issue the rules of procedure.
Article 12  
Transactions requiring Supervisory Board approval

In addition to those cases prescribed by law, the Management Board shall obtain Supervisory Board approval in all cases where this is stipulated in the Management Board’s rules of procedure or where the Supervisory Board has passed an extraordinary resolution to that effect.

Article 13  
Supervisory Board

The Supervisory Board shall comprise six members. Appointments of Supervisory Board members shall remain effective until the end of the General Meeting of Shareholders convened for the purpose of resolving on the ratification of actions of the Supervisory Board for the fourth financial year subsequent to the commencement of the tenure. This period shall not include the financial year in which tenure commences. The General Meeting of Shareholders may determine a shorter period of tenure for elected members representing the shareholders. The appointment of a successor to a member who steps down before his/her period of tenure ends shall be valid for the remainder of the period of tenure of the member who has ceased to hold office.

Article 14  
Resignation

Any member of the Supervisory Board may step down at any time subject to one month's notice by submitting a written declaration to that effect either to the Chairperson of the Supervisory Board or to the Management Board.

Article 15  
Chairperson of the Supervisory Board

The Supervisory Board shall elect a Chairperson and Deputy Chairperson from its members. If the Chairperson or Deputy Chairperson steps down during his/her period of office, the Supervisory Board shall elect a replacement for that person without delay.

Article 16  
Convening the Supervisory Board

Supervisory Board meetings are convened by the Chairperson or, if the latter is indisposed, by the Deputy Chairperson; meetings shall be convened by letter, telephone or another form
of telecommunication (e.g. fax or e-mail) subject to fourteen days' notice. This period shall not include the day on which the invitation to attend the meeting was sent or the actual day of the Supervisory Board meeting. The notice period may be shortened to three calendar days in urgent cases. The invitation shall contain the place and time of the meeting and a list of agenda items.

The Management Board or any member of the Supervisory Board may demand that the Chairperson convene a meeting of the Supervisory Board without delay; the purpose and reasons for issuing such a demand must be cited. The meeting must be held within two weeks of the date on which it was convened.

The Supervisory Board shall hold at least two meetings in each calendar half-year.

Article 17
Resolutions of the Supervisory Board

Resolutions are adopted by the Supervisory Board at its meetings. Resolutions may also be adopted outside Supervisory Board meetings if this course of action is proposed by the Chairperson but only if no member of the Supervisory Board objects to the procedure. Resolutions may be voted on in writing, by telegram, telex or using other telecommunication and data transfer methods (in particular by fax, telephone/video conference or an electronic voting system).

The Supervisory Board has a quorum in cases where two-thirds of all the members that form the Supervisory Board take part in the voting process; one of the members present must be either the Chairperson or the Deputy Chairperson.

All Supervisory Board resolutions require a majority of the votes cast. If the number of votes for and against a proposal is equal, the chair of the meeting shall have the casting vote. The method of voting shall be decided by the chair of the meeting. These provisions shall also apply in cases where votes are cast in writing, by telegram, telex or using one of the other means of communication listed in paragraph 1 of this Article.

A written record of Supervisory Board meetings must be prepared and signed by the chair of the meeting. The written record of resolutions adopted in writing, by telegram, telex or using one of the other means of communication listed in paragraph 1 of this Article must be signed by the Chairperson of the Supervisory Board.

Formal declarations of intent by the Supervisory Board and any of its committees are issued by the Chairperson on behalf of the Supervisory Board.
Article 18
Committees

The Supervisory Board may establish committees made up of its own members and set out the duties and authority of such committees in rules of procedure. To the extent permitted by law, the Supervisory Board may delegate authority to make certain decisions to its committees.

Committees have a quorum in cases where at least three committee members take part in the voting process.

Article 19
Supervisory Board compensation

In addition to the reimbursement of their expenses, members of the Supervisory Board shall receive fixed annual compensation of €13,000 (in words: thirteen thousand euros) payable after the end of the Company's financial year. The Chairperson of the Supervisory Board shall receive an amount equivalent to double the fixed level of compensation; the Deputy Chairperson shall receive an amount equivalent to one and a half times the fixed level of compensation.

In addition to fixed compensation, the General Meeting of Shareholders may vote to grant members of the Supervisory Board a variable component of compensation, payment of which is dependent on whether specific corporate performance indicators have been met or exceeded. If such a resolution is adopted, it shall remain in force until a new resolution is passed by the General Meeting of Shareholders.

Additional fixed compensation of €7,000 per committee membership, due after the end of the company's financial year, is payable to members of the Supervisory Board who sit on a committee.

Members of the Supervisory Board or of a committee who sit on the Supervisory Board or committee for only part of the year receive one twelfth of the total annual compensation for each new month of their membership.

Article 20
General Meeting of Shareholders

The General Meeting of Shareholders shall be held in Kirn, Bad Kreuznach, Freiburg, Mainz or another German city with more than 250,000 inhabitants.
Article 21
Convening the General Meeting of Shareholders

The General Meeting of Shareholders is convened by the Management Board or the Supervisory Board. Unless a shorter period is permitted by law, it must be convened at least thirty days before the actual meeting. The day of the General Meeting of Shareholders and the day on which it is convened are not included in this notice period. The notice period for convening the General Meeting of Shareholders is extended by the number of days allowed for registration (Article 22, paragraph 1).

Article 22
Participation in the General Meeting of Shareholders and voting rights

Shareholders who wish to take part in the General Meeting of Shareholders and exercise their voting rights must register before the meeting. Shareholders must register in text form in German or English. All applications for registration must be received at the address specified in the notice at least six days before the General Meeting of Shareholders. The notice convening the meeting may specify a shorter deadline (in days) for the receipt of applications. The day of the General Meeting of Shareholders and the day on which applications for registration are received are not included when determining whether the deadline has been met.

Shareholders must also furnish evidence of their entitlement to participate in the General Meeting of Shareholders and to exercise voting rights. This evidence must be furnished in German or English, in the form of a document issued by the bank or credit institution at which the securities/safe-custody account is held, specifying the ownership interest. This document must relate to the legally specified date and must be received at the address specified in the notice at least six days before the General Meeting of Shareholders. The notice convening the meeting may specify a shorter deadline (in days) for the receipt of such evidence. The day of the General Meeting of Shareholders and the day on which the evidence is received are not included when determining whether the deadline has been met.

Voting rights may also be exercised by a proxy. If a shareholder authorises more than one person, the company may reject one or more such persons. Documents granting or revoking power of attorney, and the evidence of proxy authority presented to the company, must be in text form, although this requirement may be relaxed in the notice convening the meeting. In the notice convening the meeting, the company may stipulate the manner in which shareholders may submit evidence of the appointment of a proxy. Shareholders are also able to submit evidence of proxy authority using a method of digital communication to be specified by the company; this does not affect Section 135 of the German Stock
Corporation Act (Aktiengesetz). The notice convening the meeting may also contain details of the form and methods of communication to be used when granting or revoking authority to a proxy designated by the company.

The Management Board may allow shareholders to cast their votes in writing or by electronic means even if they do not attend and are not represented at the General Meeting of Shareholders (absentee vote). The Management Board is also empowered to specify details of the corresponding procedure. These details are to be published when the meeting is convened.

Each share shall confer an entitlement to one vote at the General Meeting of Shareholders.

Article 23

Chairing the General Meeting of Shareholders

The General Meeting of Shareholders is chaired by the Chairperson of the Supervisory Board or, if the latter is indisposed, by the Deputy Chairperson or another member of the Supervisory Board designated by the Chairperson. If no member of the Supervisory Board has been designated as chair of the meeting, the General Meeting of Shareholders shall elect a shareholder to carry out this role.

The chair of the meeting may decide to work through the items in a different order from that stipulated in the agenda. He/she shall also specify the method and form of voting to be used.

The chair of the meeting is empowered to impose a reasonable time limit on the right of shareholders to ask questions and speak. In doing so, the chair of the meeting should be guided by the need to complete the General Meeting of Shareholders within an appropriate and reasonable amount of time.

The chair of the meeting is empowered to permit audio and video transmission of part or all of the General Meeting of Shareholders and to determine the form of any such transmission.
Article 24
Adoption of resolutions

Unless stipulated otherwise by the German Stock Corporation Act, resolutions shall be adopted by the General Meeting of Shareholders by a simple majority of the votes cast.

If the German Stock Corporation Act stipulates that certain resolutions require a majority of the company's share capital at the time of the vote, this requirement shall be met, where legally admissible, by a simple majority of the capital represented.

If the General Meeting of Shareholders conducts a ballot involving several proposed candidates, and a simple majority is not obtained in the first round of voting, a second round of voting shall be held in which the field of candidates is limited to those who won the most votes in the first round.

Article 25
Annual General Meeting of Shareholders

The Annual General Meeting of Shareholders shall be held each year within the legally prescribed period to approve the adopted annual financial statements and management report or to adopt the annual financial statements and pass a resolution on the appropriation of profits; it shall also decide on the approval of the actions of the Management Board and Supervisory Board and on the selection of the company auditor.

Article 26
Legal reserve

The amount to be added to the legal reserve is equal to one-twentieth of the company's profit for the period after deducting any loss brought forward from the previous year, as long as the legal reserve and the capital reserve (cf. Section 272 (2) nos. 1 to 3 of the German Commercial Code) together have not reached or again reached 25 per cent of the company's share capital.
Article 27
Revenue reserves

If the General Meeting of Shareholders adopts the annual financial statements (cf. Section 173 of the German Stock Corporation Act), 25 per cent of the company's profit for the period shall be placed into other revenue reserves. The amounts to be transferred to the legal reserve and any loss brought forward shall be deducted from the company's profit for the period before calculating the amount to be placed in the revenue reserves.

If the Management Board and Supervisory Board adopt the annual financial statements (cf. Section 172 of the German Stock Corporation Act), they shall place up to half of the company's profit for the period into other revenue reserves. Paragraph 1, sentence 2 of this Article also applies in this case.

Article 28
Unappropriated surplus

Decisions on the use of the company's unappropriated surplus shall be taken by the General Meeting of Shareholders with due regard for any additional expenses that may be incurred as a result of the resolution on the appropriation of profit.

Article 29
Formation of SIMONA AG

The present company was formed by a change in legal status from SIMONA GmbH Kunststoffwerke in accordance with Sections 376 et seq. of the German Stock Corporation Act.

The assets of SIMONA AG are identical to those of the GmbH and include all the business, assets and liabilities acquired or established through those business operations.

In respect of assets less assumed liabilities, shares are granted with a nominal value of DM 20 million in accordance with Article 5 of the Articles of Association.

All expenses for the change of legal status and formation of the AG are payable by the company.