

EXPLANATORY NOTE

to the

proposal of the board of managing directors of

ASTARTA Holding N.V.

to convert

ASTARTA Holding N.V.,

a limited liability company governed by Dutch law

into

Astarta Holding PLC,

a limited liability company governed by Cyprus law

DATED 6 April 2022

THE UNDERSIGNED:

The entire board of managing directors of:

ASTARTA Holding N.V., a limited liability company (*naamloze vennootschap*) organized and existing under the laws of the Netherlands, having its corporate seat at Amsterdam, the Netherlands, with address Jan van Goyenkade 8, 1075 HP Amsterdam the Netherlands, registered with the trade register under number 34248891 (the "Company").

WHEREAS:

(A) As a consequence of a group reorganization aimed at increasing efficiency and containing overhead, the board of managing directors of the Company wishes to propose to the general meeting of the Company to:

- transfer the business activities of the Company from the Netherlands to Nicosia, Cyprus and in connection therewith to transfer the place of effective management of the Company from Amsterdam, the Netherlands, to Nicosia, Cyprus;
- transfer the statutory seat (*zetel*) of the Company from Amsterdam, the Netherlands to Nicosia, Cyprus; and
- convert the Company from a Dutch law governed *naamloze vennootschap* (limited liability company) into a Cyprus law governed *public limited company* (company with limited liability) ("PLC") without dissolving the Company and without incorporating the Company again in accordance with Cyprus law,

(together the "Conversion"). As a consequence of the conversion the Company will continue its existence in Cyprus and will be governed by Cyprus law.

(B) Current Dutch national legislation does not provide for the possibility to convert a Dutch limited liability company (*naamloze vennootschap*) into a foreign equivalent. However, pursuant to case law of the Court of Justice of the European Communities, more in particular:

- the judgment of 16 December 2008 in case C210/06 re *Cartesio Oktató és Szolgáltató* (the "Cartesio Judgment"); and
- the judgment of 12 July 2012 in case C-378/10 re *Vale VALE Építési kft*,

it is considered that a company governed by the law of an EU Member State may migrate to another EU Member State, with as a consequence a change in the law governing the company, and the company may convert into a form of company which is governed by the law of the EU Member State to which it has migrated. An EU Member State may not require the winding-up or liquidation of a company governed by its law, in order to prevent that company from converting itself into a company governed by the law of another EU Member State, even if it is permitted to do so under the laws of the EU Member State in which the migrating company has originally been incorporated. The implementation of a cross-border conversion requires the consecutive application of two national laws to that legal operation. The detailed procedural rules designed to ensure the protection of the rights which individuals acquire under European Union law are a matter for the domestic legal order of each Member State, provided that they are not less favourable than those governing similar domestic situations (the principle of equivalence) and that they do not render impossible in practice or excessively difficult the exercise of rights conferred by the European Union legal order (the principle of effectiveness).

HEREBY DECLARE:

A. Comments from a legal point of view

The main purpose for the Company to effect the Conversion, is the simplification of the legal organization of the group by removing an extra level of ownership within its structure as the Company has a subsidiary with trading activities in Cyprus.

As a consequence of the Conversion, the Company will continue its existence in Nicosia, Cyprus, and will be governed by Cyprus law and will be no longer governed by Dutch law. Furthermore, the legal personality of the Company will continue in Cyprus without interruption.

In connection with the Conversion a shareholders meeting will be held (the “**Shareholders Meeting**”) of which the minutes will be recorded in a notarial record of proceedings, executed before Ilona Noëlle van den Bergh, civil law notary in Amsterdam, the Netherlands (or her substitute). During this Shareholders Meeting it will *inter alia* be decided whether to convert the Company into a PLC, including the adoption of the new memorandum and articles of association of the Company as they will read upon the Conversion becoming effective, which memorandum and articles of association will be in accordance with and governed by Cyprus law. The Conversion and amendment to the memorandum and articles of association of the Company as a Cyprus company will be recorded in the Netherlands by a notarial deed of conversion and adoption of new articles of association to be executed before Ilona Noëlle van den Bergh, civil law notary in Amsterdam, the Netherlands (or her substitute) and (ii) will

become effective by the issuance by the Cyprus Registrar of Companies of a temporary certificate of continuation of the Company as a Cyprus company.

After the Shareholders Meeting approving the Conversion, a certified copy of the notarial record of proceedings, containing the minutes of the Shareholders Meeting and the deed of conversion and amendment to the articles of association, provided with an apostille, will be submitted to Chrysostomides & Co LLC.

Chrysostomides & Co LLC will then file the minutes of the extraordinary general meeting of shareholders of the Company confirming the Conversion and application ME 1 with the Cyprus Registrar of Companies (the "Register"), in order to register the Company with such Registrar. The Company will still survive after the Conversion and under Dutch and Cyprus law there will be no interruption of the continued existence of the Company after the Conversion.

The rights and obligations (if any) under the current Dutch articles of association of the Company may differ (in a positive or negative manner) from the rights and obligations (if any) under the Cyprus articles of association of the Company as they will read upon the Conversion becoming effective. The shareholders of the Company should take notice of the articles of association of the Company as they will read upon the Conversion becoming effective, as set forth at Appendix 2 to the Conversion proposal filed with the Trade Register of the Chamber of Commerce of the Netherlands on 7 April 2022. If the shareholders approve the Conversion at the Shareholders Meeting, they will be deemed to have explicitly confirmed that they agree with the contents of the articles of association of the Company as they will read upon the Conversion becoming effective.

B. Comments from an economic point of view

The Conversion will have no adverse effects on the capital and results of the enterprise of the Company since the Company will continue its existence in Cyprus without interruption.


The obligations of the Company towards its creditors will be satisfied in accordance with the existing agreements between the Company and such creditors, and the laws applicable to such agreement.

C. Comments from a social point of view

Since the Company does not have employees the Conversion will have no social consequences.

The managing directors of ASTARTA Holding N.V.

Marcus Mattheus Lucas Joannes van Campen



Viktor Ivanchyk

Viktor Gladky

Howard Alan Dahl

Gilles Andre Roger Mettetal

Huseyin Arslan

The managing directors of ASTARTA Holding N.V.

Marcus Mattheus Lucas Joannes van Campen

Viktor Ivanchyk



Viktor Gladky

Howard Alan Dahl



Gilles Andre Roger Mettetal

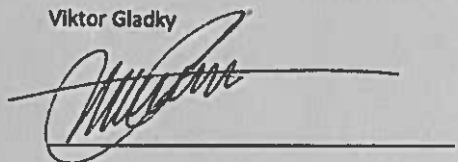
Huseyin Arslan

The managing directors of ASTARTA Holding N.V.

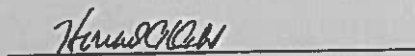
Marcus Mattheus Lucas Joannes van Campen

Viktor Ivanchyk

Viktor Gladky

_____

Howard Alan Dahl

_____

Gilles Andre Roger Mettetal

Huseyin Arslan

The managing directors of ASTARTA Holding N.V.

Marcus Mattheus Lucas Joannes van Campen

Viktor Ivanchyk

Viktor Gladky

Howard Alan Dahl

Howard Dahl

Gilles Andre Roger Mettetal

Gilles Mettetal

Huseyin Arslan

The managing directors of ASTARTA Holding N.V.

Marcus Mattheus Lucas Joannes van Campen

Viktor Ivanchyk

Viktor Gladky

Howard Alan Dahl

Howard Dahl

Gilles Andre Roger Mettetal

Huseyin Arslan

Huseyin Arslan
