

**ADVICENNE**

French limited company (*société anonyme*) with share capital of €1,617,530.80  
Registered office: 2, rue Briçonnet, 30000 Nîmes, France  
Trade and Companies Register N° 497 587 089 Nîmes

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**ARTICLES OF ASSOCIATION**

UPDATED 13 JUNE 2019

Certified copy

Paul Michalet  
Deputy Chief Executive Officer

*This is a free translation into English of the Articles of Association issued in the French language and is provided solely for the convenience of English-speaking readers. In case of discrepancy, the French version prevails.*

## Articles of Association

### SECTION I

#### LEGAL FORM, NAME, PURPOSE, REGISTERED OFFICE AND DURATION OF THE COMPANY

##### ARTICLE 1 ~ LEGAL FORM

The company was set up as a simplified joint stock company and was converted into a public limited company by a shareholder resolution dated 29 April 2011.

The company is governed by Book II of the French Commercial Code (*code de commerce*) and by these Articles of Association.

##### ARTICLE 2 ~ NAME

The name of the company is:

**ADVICENNE**

It may use the trade name “ADVICENNE PHARMA” or “ADVICENNE”.

In all deeds and documents issued by the company and intended for third parties, the company’s name shall always be immediately preceded or followed by the words: “société anonyme” [“public limited company”] and a reference to the amount of share capital.

##### ARTICLE 3 ~ CORPORATE PURPOSE

The company’s purpose, in France and in any other country, is:

- studies, advice, diagnosis, research, design, modification, development, manufacturing and commercialisation of chemical, biochemical and biological products, as well as services for research laboratories, pharmaceutical, biology and biotechnology industries for human and veterinary health, the agri-food and cosmetics industries;
- manufacturing, storage, wholesale and retail, distribution, allocation, commercialisation, operation, import and export of drugs for human use, veterinary use, personal hygiene products and cosmetics, medical devices, dietary supplements and the conduct of human and animal clinical trials;
- all industrial and commercial operations in connection with:
  - o the creation, acquisition, rental, management lease of any business, the signing of leases, installation, operation of any establishment, business, plant or workshop related to any of the activities specified above,
  - o the takeover, acquisition, use or transfer of any and all intellectual property rights, patents or processes related to said activities,

- the direct or indirect participation of the company in any financial, moveable or real property transactions, or commercial or manufacturing companies related in any way to the corporate purpose or any similar or related purpose;
- All transactions whatsoever that contribute to achieving this purpose.

#### **ARTICLE 4 ~ REGISTERED OFFICE**

The registered office is located at 2, rue Briçonnet, 30000 Nîmes, France.

It may be transferred to any other location in France by decision of the Board of Directors, subject to ratification of that decision at the subsequent ordinary general meeting, and anywhere else pursuant to a resolution of the extraordinary general meeting.

If the transfer is decided by the Board of Directors, the Board is authorised to amend the Articles of Association and to proceed with the resulting publication and filing formalities, provided it states that the transfer is subject to the above-mentioned ratification.

#### **ARTICLE 5 ~ DURATION**

The company shall have a duration of ninety-nine (99) years from its registration in the trade and companies register, unless dissolved early or extended by decision of the extraordinary general meeting.

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### **SECTION II**

#### **SHARE CAPITAL – SHARES**

#### **ARTICLE 6 ~ SHARE CAPITAL**

The share capital is €1,617,530.80.

It is divided into 8,087,654 shares with a par value of €0.20 each, fully paid up and all of the same class.

#### **ARTICLE 7 ~ FORM**

The fully paid up shares shall be in the form of registered or bearer shares, at the option of each shareholder, subject to the application of the legal requirements as to the form of shares held by certain natural or legal persons. Shares that have not been fully paid up must be registered shares.

Shares are registered in accounts in accordance with the terms and conditions set out in the applicable laws and regulations.

Ownership of shares issued in registered form is established by their registration in an account in the shareholder's name.

## **ARTICLE 8 ~ TRANSFERS – SHAREHOLDER IDENTIFICATION – THRESHOLD DISCLOSURE REQUIREMENTS**

- 8.1 Shares registered in accounts shall be freely transferable by account transfer, in accordance with the applicable legal and regulatory provisions.
- 8.2 Subject to the applicable legal and regulatory conditions, the company may also request at any time, at its own expense, from any authorised body, the name (or in the case of a legal entity, the corporate name), nationality and address of holders of shares that confer, immediately or in the future, voting rights at its shareholder meetings, as well as the number of shares held by each shareholder and, if applicable, any restrictions on those shares.
- 8.3 Any natural or legal person acting alone or in concert who owns, directly or indirectly, a number of shares representing more than one-twentieth, one-tenth, three-twentieths, one-fifth, one-quarter, three-tenths, one-third, one-half, two-thirds, eighteen-twentieths or nineteen-twentieths of the share capital or voting rights, must send the company the information referred to in Article L. 233-7-I of the French Commercial Code (in particular the total number of shares and voting rights held) by registered letter with acknowledgement of receipt, or by any other equivalent means for persons residing outside France, sent to the registered office within four trading days of the threshold being crossed.

The information referred to in the preceding paragraph shall also be disclosed within the same time frame when the equity interest or voting rights fall below the thresholds referred to in that paragraph.

In the event of non-compliance with this requirement, and at the request of one or more shareholders holding at least five per cent of the capital or voting rights in the company, the shares exceeding the percentage that should have been disclosed shall be deprived of voting rights at any shareholder meeting held for a period of two years following the actual disclosure date.

## **ARTICLE 9 ~ RIGHTS AND OBLIGATIONS ATTACHED TO SHARES**

The rights and obligations attached to a share shall be transferred to any holder thereof. The transfer shall include all dividends due and outstanding and becoming due in the future and, where applicable, a portion of the reserves and provisions.

Share ownership shall entail, *ipso facto*, the shareholder's approval of these Articles of Association and of the decisions of general meetings of shareholders.

Each share entitles its holder to a share of the company's assets, profits and liquidation surplus in a proportion equivalent to the number and par value of the shares outstanding.

Whenever it is necessary to hold several shares – preferred or otherwise – or securities in order to exercise a particular right, the shareholders or securities holders shall be personally responsible for obtaining the number of shares or securities required.

Voting rights attached to shares are proportionate to the fraction of the share capital that the shares represent and each share gives entitlement to one vote. However, in accordance with the provisions of paragraph 3 of Article L. 225-123 of the French Commercial Code, as from the second anniversary of the initial listing of the Company's shares on the Euronext Paris regulated market, fully paid up shares which can be proven to have been registered for at least two years in the name of the same shareholder benefit from double voting rights.

If the capital is increased by means of the capitalisation of reserves, profits or share premiums, this double voting right will apply to new registered shares, as soon as they are issued, granted free of charge to a shareholder on the basis of the existing shares for which he already holds this right.

Any shares transferred or converted into bearer shares shall forfeit the double voting right granted pursuant to Article L. 225-123. However, the acquired right is not forfeited and the above-mentioned time frame is not interrupted if the shares are transferred when a deceased shareholder's estate is settled, if a married couple's joint estate is dissolved, or if a gift inter vivos is made to a spouse or relative entitled to inherit. The same applies in the event of a transfer following a merger or demerger of a shareholder company.

The merger or demerger of the Company has no effect on the double voting right which may be exercised within the recipient company or companies, if they benefit from it.

The double voting rights in third-party companies held by the company being acquired or the company being demerged shall, in the event of a merger or demerger, be maintained for the benefit of the acquiring company or the company benefiting from the demerger or, as the case may be, for the benefit of the new company resulting from the merger or demerger.

Any shareholder may, by registered letter with acknowledgement of receipt sent to the Company, temporarily or permanently waive some or all of his double voting rights. Such waiver shall take effect on the third business day following receipt of the waiver letter by the company.

**ARTICLE 10 ~ PAYMENT FOR SHARES**

The amounts due as payment for the shares subscribed in cash in connection with a capital increase shall be payable under the conditions determined by the extraordinary general meeting.

In the case of a capital increase, the initial payment may not be less than one-quarter of the par value of the shares; it shall include the entire share premium where applicable.

Payment of the balance shall be called up by the Board of Directors on one or more occasions within five years of the date of completion of the capital increase.

The amounts called up and the date on which the corresponding payments are due shall be notified to each shareholder at least fifteen days before the due date.

Any shareholder who fails to effect payment when due in respect of the shares held is, as of right and without further notice, liable to the company for default interest calculated daily, on the basis of a 365-day year, from the due date, at the statutory interest rate applicable to commercial transactions plus three percentage points, without prejudice to any action taken by the company against the defaulting shareholder and the enforcement measures provided for by law.

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## SECTION III

### GOVERNANCE

#### **ARTICLE 11 ~ BOARD OF DIRECTORS**

##### **11.1. Composition**

The Company is governed by a Board composed of individuals and legal entities, the number of which is determined by the Ordinary General Shareholders' Meeting in accordance with legal requirements.

At the time of their appointment, legal entities must designate an individual to act as their permanent representative on the Board of Directors. The term of office of the permanent representative will be identical to the term of office of the legal entity he/she represents. When a legal entity dismisses its permanent representative, it is also responsible for appointing a replacement. The same applies in the event of the death or resignation of the permanent representative.

Directors are appointed for a three (3)-year term. A director's term of office will expire at the close of the Ordinary General Shareholders' Meeting held in the year in which the Director's term of office is due to expire and that votes on the financial statements for the previous financial year.

Directors may always be reappointed; they may be removed from office at any time by a resolution adopted at a General Shareholders' Meeting.

In the event of one or more seats on the Board falling vacant due to death or resignation, the Board of Directors may make provisional appointments between two General Meetings.

Any appointments made by the Board pursuant to the previous paragraph are subject to ratification at the next Ordinary General Shareholders' Meeting.

If they are not ratified, the decisions and actions already taken by the Board will nevertheless remain valid.

In the event the number of directors falls below the minimum laid down by law, the remaining directors must immediately call an Ordinary General Shareholders' Meeting in order to appoint the necessary number of Directors.

Company employees may be appointed to the Board. However, their contracts of employment must correspond to actual positions. An appointment to the Board will not result in the termination of the person's contract of employment.

No more than one-third of the directors in office may hold a contract of employment with the company.

No more than one-third of the directors in office can be aged over 80. In the event this threshold is crossed mid-office, the eldest Board member will be deemed to have resigned automatically at the close of the next General Shareholders' Meeting.

##### **11.2. Chairmanship**

The Board of Directors shall elect from among its members a Chairman, who must be a natural person. It shall determine the term of his/her duties, which term may not be greater than his/her term

of office as a Director, and the Board may dismiss the Chairman at any time. The Board of Directors sets any compensation.

The Chairman organises and directs the work of the Board and reports on this to the General Shareholders' Meeting. He/she ensures the proper functioning of the Company's management bodies and more particularly ensures that Directors are able to fulfil their duties.

The Chairman of the Board may not be older than 75. If the Chairman reaches that age limit during his or her term of office as Chairman, he/she shall be deemed to have resigned. However, his/her term of office will be extended until the next Board of Directors' meeting, at which the new Chairman will be appointed. Subject to this provision, the Chairman may be re-elected indefinitely.

## **ARTICLE 12 ~ BOARD MEETINGS**

12.1. The Board of Directors meets as often as required in the interests of the Company.

12.2. Notices of Board meetings are given by the Chairman. Notices of meetings may be given by any written or oral method.

The Chief Executive Officer can also ask the Chairman to call a Board meeting to discuss a specific agenda.

Moreover, if the Board has not met for over two months, one-third or more of Directors may ask the Chairman to convene a Board meeting to discuss a specific agenda. The Chairman may not refuse this request.

If the Company has a Works Council, the members of said council, appointed in accordance with the French Labour Code, must be invited to attend all meetings of the Board of Directors.

Board meetings will be held at the registered office or at any other venue in France or elsewhere.

12.3. At least one-half of the members must be present for the Board to validly deliberate.

Decisions of the Board of Directors will be adopted by a majority of the votes; in the event of a tie, the Chairman of the meeting will have a casting vote.

12.4. Rules of Procedure that may be adopted by the Board of Directors may provide, in particular, that for purposes of calculating the quorum and majority, any Directors who attend a Board meeting via videoconferencing or telecommunication methods allowed by the applicable regulations will be deemed present. This provision does not apply to the decisions listed in Articles L. 232-1 and L. 233-16 of the French Commercial Code.

12.5. Each Director receives the necessary information to perform his or her duties and may request any documents he or she considers useful.

12.6. Any Director can authorise another Director to represent him/her at a Board meeting, by means of a letter, telegram, telex, fax, e-mail or any other electronic method; however, a Director can only hold one proxy per meeting.

12.7. Copies of or excerpts from minutes of Board meetings are validly certified by the Chairman of the Board of Directors, the Chief Executive Officer, any director acting temporarily as Chairman or any person specifically authorised for that purpose.

### **ARTICLE 13 ~ POWERS OF THE BOARD OF DIRECTORS**

The Board of Directors determines the overall business strategy of the Company and supervises its implementation. Subject to the powers expressly granted to General Shareholders' Meetings and within the limits of the Company's corporate purpose, the Board may address all matters pertaining to the proper management of the Company and settle all items of business relating thereto.

In its relations with third parties, the Company will be bound by actions of the Board of Directors that fall outside the scope of the corporate purpose, unless it can prove that the third party knew that the action fell outside the scope thereof or that, given the circumstances, it could not fail to have been aware of this fact. Publication of the articles of association does not, of itself, constitute sufficient proof thereof.

The Board of Directors conducts all reviews and verifications it deems necessary.

Moreover, the Board of Directors has the special powers conferred to it by law.

### **ARTICLE 14 ~ EXECUTIVE MANAGEMENT**

14.1 Either the Chairman of the Board of Directors or another individual appointed by the Board of Directors with the title of Chief Executive Officer is responsible for the executive management of the company.

The Chief Executive Officer is vested with the broadest powers to act in the company's name in all circumstances. He/she exercises these powers within the limits of the Company's corporate purpose and subject to those powers expressly reserved by law for General Meetings of Shareholders and the Board of Directors.

He/she represents the company with regard to third parties. The Company is bound by the Chief Executive Officer's actions that fall outside the scope of the corporate purpose, unless it can prove that the third party knew that the action fell outside the scope thereof or that, given the circumstances, it could not fail to have been aware of this fact. Publication of the articles of association does not, of itself, constitute sufficient proof thereof.

The Chief Executive Officer may not be older than 75 years of age. If the Chief Executive Officer reaches that age limit, he/she shall be deemed to have resigned. However, his/her term of office will be extended until the next Board of Directors' meeting, at which the new Chief Executive Officer will be appointed.

When a Chief Executive Officer is also a member of the Board of Directors, his/her appointment may not exceed his/her term of office as Director.

He/she may be removed from office by the Board of Directors at any time. The Chief Executive Officer may be entitled to damages if he/she is dismissed without due cause, except when the Chief Executive Officer assumes the duties of Chairman of the Board of Directors.

14.2. The Board of Directors will decide, by a majority of the votes of the Directors present or represented, between the two methods of company management referred to in the first paragraph of Article 14.1.

Shareholders and third parties will be informed of the decision in accordance with the legal and regulatory conditions.



The Board of Directors' decision will remain in effect until it decides otherwise or, if the Board prefers, for a period corresponding to the Chief Executive Officer's term of office.

When the Chairman of the Board of Directors is responsible for executive management of the Company, the provisions applying to the Chief Executive Officer will apply to him/her.

In accordance with Article 706-43 of the French Code of Criminal Procedure, the Chief Executive Officer may validly delegate authority to any person of his/her choosing, the authority to represent the Company in criminal proceedings brought against it.

14.3 On the basis of a proposal by the Chief Executive Officer, the Board of Directors may appoint one or more individuals to assist the Chief Executive Officer, with the title of Deputy Chief Executive Officer.

In conjunction with the Chief Executive Officer, the Board of Directors defines the scope and duration of the authority granted to Deputy Chief Executive Officers. The Board of Directors sets their compensation. When a Deputy Chief Executive Officer is also a member of the Board of Directors, his/her appointment may not exceed his/her term of office as Director.

In dealings with third parties, Deputy Chief Executive Officers have the same powers and authority as the Chief Executive Officer, including, in particular, the power to be a party to legal proceedings.

No more than five Deputy Chief Executive Officers may be appointed.

The Deputy Chief Executive Officer(s) may be removed from office by the Board of Directors at any time, acting on the proposal of the Chief Executive Officer. A Deputy Chief Executive Officer may be entitled to damages if he/she is dismissed without due cause.

A Deputy Chief Executive Officer may not be older than 75 years of age. If a Deputy Chief Executive Officer reaches that age limit, he/she shall be deemed to have resigned. However, his/her term of office will be extended until the next Board of Directors' meeting, at which a new Deputy Chief Executive Officer may be appointed.

In the event that the Chief Executive Officer's duties are terminated or he/she is unable to fulfil his/her duties, the Deputy Chief Executive Officer(s) will remain in office and retain their powers until the appointment of a new Chief Executive Officer, unless otherwise decided by the Board of Directors.

#### **ARTICLE 15 ~ NON-VOTING BOARD MEMBERS**

The Ordinary General Shareholders' Meeting may, at the recommendation of the Board of Directors, appoint non-voting Board members. The Board of Directors may also appoint non-voting members directly, subject to ratification of the appointment at the next General Shareholders' Meeting.

No more than three (3) non-voting members may be in office, who form a panel. They are selected solely on the basis of their skills and expertise.

They are appointed for a three (3)-year term, which expires at the close of the Ordinary General Shareholders' Meeting called to approve the financial statements for the previous financial year.

The panel of non-voting members examines matters referred to it for an opinion by the Board of Directors or its Chairman. Non-voting members attend Board meetings and take part in discussions in an advisory capacity only; all decisions taken in their absence are fully valid.

They receive notices of Board meetings in the same way as other Board members.

The Board of Directors may compensate the non-voting members by paying them part of the directors' fees allocated to the Board of Directors by the General Shareholders' Meeting.

#### **ARTICLE 16 ~ AGREEMENTS REQUIRING AUTHORISATION**

16.1. Sureties, endorsements and guarantees given by the company must be authorised by the Board of Directors under the conditions laid down by law.

16.2. The prior approval of the Board of Directors shall be required for any direct or indirect agreement between the company and its Chief Executive Officer, one of its Deputy Chief Executive Officers, one of its Directors, one of its shareholders holding more than 10% of the voting rights, or in the case of a shareholder company, the controlling company within the meaning of Article L. 233-3 of the French Commercial Code.

The same shall apply for agreements indirectly involving one of the persons referred to in the preceding paragraph.

Agreements between the company and another firm shall also require prior approval if the Chief Executive Officer, one of the Deputy Chief Executive Officers or one of the Directors of the company is the owner, general partner, general manager, director, member of the supervisory board or an executive of that firm.

The prior approval of the Board of Directors shall be required under the conditions laid down by law.

The above-mentioned provisions do not apply to agreements relating to normal business transactions entered into at arm's length, or to agreements entered into between two companies one of which holds, directly or indirectly, the entire share capital of the other, less the minimum number of shares required, where applicable, to comply with Article 1832 of the French Civil Code (*code civil*) or Articles L. 225-1 and L. 226-1 of the French Commercial Code.

#### **ARTICLE 17 ~ PROHIBITED AGREEMENTS**

Directors of the company other than legal persons shall be prohibited from taking out, in any form whatsoever, loans from the company, obtaining authorisation from the company for an overdraft facility for a current account or any other account, or have the company provide security or a guarantee for their commitments towards third parties.

The same restriction applies to the Chief Executive Officer, the Deputy Chief Executive Officers and permanent representatives of corporate directors. It also applies to the spouses, ascendants and descendants of the persons referred to in this Article, and to any other intermediary.

#### **ARTICLE 18 ~ STATUTORY AUDITORS**

The company is audited, under the conditions laid down by law, by one or more statutory auditors meeting the legal requirements for eligibility. When the legal conditions are met, the company must appoint at least two statutory auditors.

Each statutory auditor is appointed by the ordinary general meeting.

The ordinary general meeting shall, in the cases provided for by law, appoint one or more alternate statutory auditors to replace the incumbent auditors in the event of their refusal, unavailability, resignation or death.

If the ordinary general meeting fails to elect a statutory auditor, any shareholder may petition the court for one to be appointed, the Chairman of the Board of Directors being duly summoned to the proceedings. The term of office of the court-appointed statutory auditor shall expire once the ordinary general meeting has appointed the statutory auditor(s).

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SECTION IV  
GENERAL MEETINGS

**ARTICLE 19**

General Meetings are called and held in accordance with the conditions laid down by law.

If the company wishes to send notices of meetings electronically rather than by post, it must first obtain the consent of the relevant shareholders, who shall provide their e-mail address.

Meetings will be held at the registered office or at any other venue stipulated in the notice of meeting.

The right to attend general meetings is governed by the applicable laws and regulations and, more specifically, is conditional upon the registration of shares in the name of the shareholder or the intermediary registered to act on the shareholder's behalf by 00:00 (Paris time) on the second business day before the general meeting, either in the registered share accounts kept by the company, or in the bearer share accounts held by the authorised intermediary.

Any shareholder who does not personally attend a meeting can choose one of the following three options, in accordance with the terms and conditions set out by law and regulations:

- appoint a proxy in accordance with the terms and conditions authorised by law and regulations;
- cast a postal ballot; or
- send a proxy form to the company without specifying the proxy's name.

The Board of Directors may arrange for the shareholders to attend and vote at General Meetings via videoconferencing facilities or any other telecommunication method that allows them to be identified, in accordance with the terms and conditions set out in the applicable laws and regulations. If the Board of Directors decides to make use of this facility for a given General Meeting, this decision will be recorded in the meeting notice. Shareholders attending General Meetings via videoconferencing facilities or other telecommunication methods as referred to above, as selected by the Board of Directors, will be counted as present when calculating the quorum and majority.

General Meetings will be chaired by the Chairman of the Board of Directors or, in his/her absence, by the Chief Executive Officer, by a Deputy Chief Executive Officer provided he/she is a member of the Board, or by a member of the Board specifically designated for that purpose by the Board. Failing this, the General Meeting will elect its own Chairman.

The duties of scrutineer will be performed by the two shareholders present at the General Meeting who hold the largest number of votes, and who accept these duties. The officers of the meeting will appoint a secretary, who may but need not be a shareholder.

An attendance sheet will be drawn up as required by law.

When an Ordinary General Meeting meets on first convocation, shareholders may only validly deliberate if the shareholders present or represented hold at least one-fifth of the shares with voting rights. If an ordinary General Meeting has to reconvene, shareholders may validly deliberate regardless of the number of shareholders present or represented.

At Ordinary General Meetings, resolutions will be adopted by a majority of the shareholders present or represented.

When an Extraordinary General Meeting meets on first convocation, shareholders may only validly deliberate if the shareholders present or represented hold at least one-quarter of the shares with voting rights. If an Extraordinary General Meeting has to reconvene, shareholders may only validly deliberate if the shareholders present or represented hold at least one-fifth of the shares with voting rights.

At Extraordinary General Shareholders' Meetings, resolutions will be adopted by a majority of two-thirds of the shareholders present or represented.

Copies of or excerpts from the minutes of General Meetings will be validly certified by the Chairman of the Board of Directors, a member of the Board acting as Chief Executive Officer, or the secretary of the meeting.

Ordinary and Extraordinary General Meetings will exercise their respective powers in accordance with the conditions laid down by law.

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SECTION V  
CORPORATE RESULTS

ARTICLE 20 ~ FINANCIAL YEAR

Each financial year begins on 1 January and ends on 31 December.

ARTICLE 21 ~ PROFITS – LEGAL RESERVE

At least five per cent (5%) must be deducted from the profit for the period, less any prior losses, to create a reserve fund known as the “legal reserve”. This deduction will cease to be compulsory once the legal reserve equals one-tenth of the share capital.

The profit available for distribution consists of the profit for the period, less any prior losses and the deduction referred to in the previous paragraph, plus any retained earnings.

## ARTICLE 22 ~ DIVIDENDS

If the financial statements for the period, as approved by the general meeting, show that a distributable profit exists, the general meeting may choose to allocate it to one or more reserves controlled by it, carry it forward or distribute it in the form of dividends.

After noting the existence of reserves at its disposal, the general meeting may decide to distribute amounts drawn from such reserves. In this case, the decision shall mention the reserves from which these deductions are made. However, dividends shall first be deducted from the distributable profit for the period.

The dividend payment terms are determined by the general meeting or failing this, by the Board of Directors.

However, the payment of dividends must take place within a maximum of nine months after the financial year-end.

When paying dividends, the general meeting approving the financial statements for the period may grant each shareholder the option of receiving some or all of the dividend either in cash or shares.

Similarly, the ordinary general meeting, acting under the conditions laid down in Article L. 232-12 of the French Commercial Code, may, in the event of payment to each shareholder of an interim dividend decided by the Board of Directors and for all or part of that dividend, authorise the Board of Directors to grant an option between payment of the interim dividend in cash or in shares.

The offer of payment in shares, the price and the conditions for issuing the shares, in addition to the request for payment in shares and the terms and conditions of the capital increase, are subject to the applicable law and regulations.

If the financial statements prepared during or at the end of the financial year and certified by the statutory auditor(s) indicate that the company, since the end of the previous financial year, after the necessary amortisation, depreciation and provisions and less any prior losses brought forward and amounts to be allocated to reserves in accordance with the law or these Articles of Association, and taking into account retained earnings, has generated a profit, the Board of Directors may decide to distribute interim dividends prior to the approval of the financial statements for the period and shall set the amount and payment date thereof. The amount of these interim dividends may not exceed the amount of the profit defined in this paragraph. In this case, the Board of Directors may not make use of the option described in the paragraphs above.

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## SECTION VI

### DISSOLUTION – LIQUIDATION

## ARTICLE 23 ~ EARLY DISSOLUTION

The extraordinary general meeting may order the early dissolution of the company at any time.

**ARTICLE 24 ~ LOSS OF HALF OF THE SHARE CAPITAL**

If as a result of the losses recorded in the accounting documents, the shareholders' equity of the company becomes less than one half of the share capital, the Board of Directors must, within four months of the approval of the accounts showing this loss, call an extraordinary general meeting to decide whether to dissolve the company.

If the company is not dissolved, the capital must, by no later than the end of the second financial year following that during which the losses were recorded, and subject to the legal provisions relating to the minimum share capital of public limited companies, be reduced by an amount at least equal to that of the losses that could not be charged to the reserves if, within this time, the shareholders' equity has not been increased to at least one half of the share capital.

In the absence of the general meeting, or if the general meeting was inquorate, any interested party may petition the court to dissolve the company.

**ARTICLE 25 ~ EFFECTS OF DISSOLUTION**

The company will be in liquidation from the moment of its dissolution, irrespective of the reason. Its legal personality shall survive for the purposes of such liquidation and until completion thereof.

Throughout the liquidation, the general meeting shall retain the same powers as during the company's existence.

The shares may continue to be traded until the liquidation has been completed.

The dissolution of the company shall be effective against third parties only from the date on which the notice of dissolution is published in the trade and companies register.

**ARTICLE 26 ~ APPOINTMENT OF THE LIQUIDATORS – POWERS**

Once the company has ceased trading or in the event of its dissolution, the general meeting shall decide on the manner of its liquidation and appoint one or more liquidators, whose powers it shall determine, and who shall perform their duties in accordance with the law. The members of the Board of Directors shall cease to hold office once the liquidators have been appointed.

**ARTICLE 27 ~ LIQUIDATION – CLOSURE**

After extinguishing the liabilities, the remaining assets shall first be used to pay the shareholders the non-amortised amount of paid-up capital on their shares.

Any surplus shall be distributed among the shareholders.

At the end of the liquidation proceedings, the shareholders shall be called to a meeting to approve the final accounts, discharge the liquidators and record the closure of the liquidation.

The closure of the liquidation shall be published in accordance with the law.

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SECTION VII  
NOTICES – DISPUTES

ARTICLE 28 ~ NOTICES

All notices required under these Articles of Association shall be given by registered letter with acknowledgement of receipt or by extrajudicial document. At the same time, a copy of the notice must be sent to the addressee by standard post.

ARTICLE 29 ~ DISPUTES

Any disputes that arise during the company's existence or during its liquidation between the shareholders, or between a shareholder and the company, concerning the interpretation or execution of these Articles of Association or the company's affairs in general, shall be subject to the jurisdiction of the competent courts.

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