

****** UNOFFICIAL ENGLISH TRANSLATION – THE FAROESE VERSION IS
THE ONLY OFFICIAL AND BINDING VERSION ******

**VIÐTØKUR
ARTICLES OF ASSOCIATION**

for

**P/F Faer Isles Distillery
(Skrás.nr. 7321)**

- 1 Navn felagsins og endamál / *The Company's name and object***
- 1.1 Navn felagsins er P/F Faer Isles Distillery.
The company's name is P/F Faer Isles Distillery.
- 1.2 Hjánavn felagsins er Faer Isles Whisky.
The company's secondary name Faer Isles Whisky.
- 1.3 Endamál felagsins er framleiðsla av mat- og drykkjuvörum og annað virkseimi í hesum sambandi.
The object of the Company is production of victuals and any activity related hereto.
- 2 Partapeningur / *Share capital***
- 2.1 Partapeningurin er kr. 624.317,00, sum er býttur á 1.164.975A-stykkjakapitalpartar, svarandi til nom. kr. 582.487,50, og 83.659 B-stykkjakapitalpartar, svarandi til nom. kr. 41.829,50.
The share capital of the Company is DKK 624,317.00 divided into 1,164,975 A-class non-par value shares, equal to nom. DKK 582,487.50, and 83,659 B-class non-par value shares, equal to nom. DKK 41,829.50.
- 2.2 Partapeningurin er fult inngoldin.
The share capital is fully paid up.
- 2.3 Ein A-stykkjakapitalpartur gevur rætt til tíggju atkvøður.
One non-par value A-share shall carry ten votes.
- 2.4 Eingi partabrøv hava serlig rættindi.
No shares shall carry special rights.
- 2.5 Partabrøv skulu ljóða uppá navn og vera skrivað inn í eigarayvirlit felagsins.
The shares must be made out in the holders' name and must be recorded in the company's register of shareholders.
- 2.6 Partabrøv skulu ikki vera umfaraskjøl.
Shares are non-negotiable instruments.
- 2.7 Partaeigararnir hava ikki skyldu at lata partabrøv síni innloysa.
No shareholder is obligated to redeem his shares.

- 2.8 Aðalfundur felagsins hefur givið nevnd felagsins heimild til, í tíðarskeiðnum fram til ársaðalfundin 2025, at hækka A-partapeningin eina ella fleiri ferðir við nýtekning av upp til nominelt kr. 100.000 býtt á 200.000 stk. A-partabrøv, til ein kurs, sum nevndin ásetur, tó ikki undir pari. Hækkanin skal gerast við kontantum inngjaldi, verður framd uttan fortækningarrættindi fyri verandi kapitaleigarar og fevnt av teimum umsetilighetsavmarkingum og øðrum trytum, sum eru í hesum viðtøkum. Nevndin hefur á nevndarfundi 20. januar 2022 hækkað partapeningin við nom. kr. 81.252,50 býtt á 162.505 A-stykkjakapitalpartar, á nevndarfundi 8. juni 2022 aftur hækkað partapeningin við samanlagt nom. kr. 2.778,00 býtt á 5.556 A-stykkjakapitalpartar, og á nevndarfundi 21. januar 2023 aftur hækkað partapeningin við samanlagt nom. kr. 5.957,00, býtt á 11.914 A-stykkjakapitalpartar, soleiðis at heimildin omanfyri er minkað við samanlagt nom. kr. 89.987,50.

The general assembly has decided to authorise the Company's Board of Directors to increase the company's A-capital by one or several times, until the annual general assembly in 2025, by subscription of up to nominally DKK 100,000 divided into 200,000 A-shares at a price, set by the board, but not below par. The increase must be made by cash payment and can be carried out without pre-emption right for the company's existing shareholders and subject to the transfer restrictions and other terms in these Articles of Association. At a board meeting on 20 January 2022 the Board of Directors decided to increase the share capital with nominally DKK 81,252.50 divided into 162,505 non-par value A-shares, at a board meeting held on 8 June 2022 the Board of Directors again decided to increase the share capital with a total of nominally DKK 2,778.00 divided into 5,556 non-par value A-shares, and at a board meeting held on 21 January 2023 the Board of Directors again decided to increase the share capital with a total of nominally DKK 5,957.00 divided into 11,914 non-par value A-shares thus reducing the above-mentioned authorization with a total of nominally DKK 89,987.50.

- 2.9 Aðalfundur felagsins hefur givið nevnd felagsins heimild til, í tíðarskeiðnum fram til ársaðalfundin 2025, at hækka B-partapeningin eina ella fleiri ferðir við nýtekning av upp til nominelt kr. 150.000 býtt á 300.000 stk. B-partabrøv, til ein kurs, sum nevndin ásetur, tó ikki undir pari. Hækkanin skal gerast við kontantum inngjaldi, verður framd uttan fortækningarrættindi fyri verandi kapitaleigarar og fevnt av teimum umsetilighetsavmarkingum, sum eru í hesum viðtøkum, umframt treytunum í pkt. 2.10 niðanfyri. Nevndin hefur á nevndarfundi 8. juni 2022 hækkað partapeningin við samanlagt nom. kr. 1.479,50, býtt á 2.959 B-stykkjakapitalpartar, soleiðis at heimildin omanfyri er minkað við somu upphædd.

The general assembly has decided to authorise the Company's Board of Directors to increase the company's B-capital by one or several times, until the annual general assembly in 2025, by subscription of up to nominally DKK 150,000 divided into 300,000 B-shares at a price, set by the board, but not below par. The increase must be made by cash payment and can be carried out without pre-emption right for the company's existing shareholders and subject to the transfer restrictions in these Articles of Association and the terms in sect. 2.10 below. At a board meeting held on 8 June 2022 the Board of



Directors decided to increase the share capital with a total of nominally DKK 1,479.50 divided into 2,959 non-par value B-shares, thus reducing the above-mentioned authorization.

2.10 Fyri B-partabrøv er galdandi:

For B-shares the following shall apply:

2.10.1 B-partabrøv skulu ikki vera umfaraskjøl.
B-shares are non-negotiable instruments.

2.10.2 B-partabrøv skulu ljóða uppá navn og vera skrivað inn í partabrævabók felagsins.
B-shares must be made out in the holders' name and must be recorded in the company's register of shareholders.

2.10.3 Ein B-stykkjakapitalpartur gevur rætt til eina atkvøðu.
One non-par value B-share shall carry one vote.

2.10.4 B-kapitaleigarar hava ikki fortekningarrættindi í samband við kapitalhækkan.
B-shareholders hold no pre-emptive rights in connection with capital increases.

2.10.5 Forboð fyri veðsetan av B-partabrøvum.
Prohibition of pledging of B-shares.

2.11 Partabrøv verða ikki útskrivaði. Prógv fyri skráseting í eigarayvirlitinum verður útskrivað eftir áheitan.
No share certificates are issued. Proof of registration in the register of shareholders can be issued upon request.

3 Eigarayvirlit / Register of shareholders

3.1 Nevndin skal, skjótast gjørligt eftir at kapitalfelagið er stovnað, gera eitt yvirlit yvir allar kapitaleigarar.
The Board of Directors shall immediately upon the founding of the Company establish a register of all shareholders.

3.2 Fráboðan um avhending av kapitalpørtum skal førast inn í eigarayvirlitið við upplýsingum um navn og bústað hjá nýggja kapitaleigaranum, umframt upplýsingar um hvussu nógv stykkjakapitalpartar viðkomandi hevur – og fyri fyrítøkur skal navn, skrá.nr. og heimstaður upplýsast. Fráboðan um avhending skal vera felagnum í hendi í seinasta lagið 2 vikur eftir at avhending er framd. Prógv fyri skráseting í eigarayvirlitinum verður útskrivað eftir áheitan.

Notification of transfer shares must be entered in the register of shareholders, stating the name and address of the new shareholder, and the size of the shareholding, and - for companies - name, reg.no. and domicile. Notification from a shareholder to the Company of transfer must be received by the Company no later than two weeks after the transfer pledge has taken place.



The Company must, upon request issue proof of registration in the register of shareholders.

4 Avhendan og forkeypsrættur / Transfer and right of first refusal

- 4.1 B-partabróv kunnu frítt verða avhend, ímeðan A-partabróv bert kunnu avhendast við skrivligum loyvi frá nevdini. Avhendan fevnir um eina og hvørja yvirgongd av felagskapitali, herundir við sölu, gávu, arvi, separatió, úttöku, líkvidatió og konkursi og líknandi.
B-shares can be transferred freely, whilst A-shares only can be transferred with the Board of Director's prior written consent. Transfer includes any transfer of share capital, by either sale, gift, inheritance, separation, seizing of property, liquidation, and bankruptcy and the likes.
- 4.2 Fær felagið áheitan um loyvi at avhenda A-partabróv, skal nevdin innkallast skjótast gjørligt so avgerð kann takast. Tann, sum hevur biðið um loyvi, skal hava boð um avgerðina skjótast gjørligt. Hevur hann eingi boð fingið innan átta vikur eftir at áheitanin er sett fram, er loyvið at rokna sum givið.
- 4.3 *If the company receives a request from consent to the transfer of A-shares, the Board of Directors must be summoned immediately to decide the matter. The person requesting consent shall be notified of the Company's decision as soon as possible. If no notification is given within eight weeks after the request has been submitted, consent will be deemed to be given.*
- 4.4 A-kapitaleigarar hava forkeypsrætt við avhendan av A-kapitalpørtum, ella rætt til at ávísar ein triðjapart sum keypara av A-kapitalpørtum við avhendan.
A-shareholders have pre-emptive rights in connection with the transfer of A-shares, or the right to assign a third party who purchases the A-shares at the time of their transfer.
- 4.5 B-kapitaleigarar hava ikki forkeypsrætt við avhendan av kapitalpørtum, óansæð kapitalflokk.
B-shareholders have no pre-emptive rights in connection with the transfer of shares, regardless of share class.

5 Vinningsbýti / Dividend

- 5.1 Allir stykkjakapitalpartar hava somu rættindi til vinningsbýti pr. stykkjakapitalpart.
All shares have the same right to dividend per share.
- 5.2 Um vinningsbýti ikki verður útgaldið, tekur aðalfundurin avgerð um nýtslu av yvirskotinum.
If dividends are not paid, the general assembly decides on the use of the profit.

6 Fortekningarrættindi / Pre-emptive rights

- 6.1 Verður felagskapitalurin hækkaður við A- og B-kapitalpørtum antin samstundis ella hvør sær, hava A-kapitaleigarnir, uttan so at aðalfundurin tekur avgerð um annað, fortækningarrættindi til nýggju A-kapitalpartarnar, ímeðan B-kapitaleigarnir eingi fortækningarrættindi hava til nakran av kapitalflokkunum.

If the share capital is increased with both A- and B- shares either simultaneously or individually, the A-shareholders, unless the general assembly decides otherwise, have pre-emptive rights to new A-shares, B-shareholders do not have any pre-emptive rights to either share class.

6.2 Fortekningarrættindi til A-kapitalpartar kunnu ikki avhendast til triðamann.
Pre-emptive rights to A-shares cannot be transferred to third party.

7 Aðalfundurinn / The general assembly

7.1 Nevndin kallar inn til ársaðalfundar í fyrsta lagi 4 vikur og í seinasta lagi 2 vikur áðrenn aðalfundin. Innkalling skal gerast elektroniskt til allar partaeigarar, ið eru skrásettir í eigarabók felagsins og hava biðið stjórn um skriftliga innkalling.

The Board of Directors gives notice of the ordinary general assembly with maximum four weeks and at least two weeks prior notice. Notice is given electronically to all shareholders who are listed in the register of shareholders and have requested written notice.

7.2 Á ársaðalfundi skulu fundarevni vera hesi:
At the ordinary general assembly, the following must be considered:

- 1) Val av fundarstjóra
Appointment of a Chairman of the assembly
- 2) Frásøgn nevndarinnar frá virki felagsins í farna ári
The Board of Director's report on the Company's activities the past year
- 3) Framløga av grannskoðaðum ársroknskapi og ársfrágreiðing til góðkenningar
Submission of the audited annual report for approval as well as the management report
- 4) Avgerð um nýtslu av yvirskoti, ella rindan av halli sambært góðkenda roknskapin
Resolution of the allocation of profit or covering of loss according to the approved annual report
- 5) Val av nevndarlimum
Appointment of members to the Board of Directors
- 6) Val av grannskoðan
Appointment of auditor
- 7) Uppskot frá nevnd ella kapitaleigarum
Consideration of any proposals from the Executive Board or shareholders
- 8) Ymiskt
Miscellaneous

7.3 Eykaaðalfundur verður hildin eftir avgerð nevndar- og/ella aðalfundarinnar, eftir kravi frá grannskoðaranum, ella tá ið A-kapitaleigarar skrivliga krevja eykaaðalfund til viðgerð av ávísnum evni. Boðað verður til eykaaðalfundar, sbrt. pkt. 7.1, innan 2 vikur eftir, at skrivligt krav er komið nevndini í hendur.
An extraordinary general meeting may take place if so decided by of the Board of Directors, auditor, or a general assembly, or upon the written request of an A-shareholder. Notice for an extraordinary general assembly must be given, in



accordance with sect. 7.1, within 2 weeks after the Board of Directors has received the written request.

- 7.4 Aðalfundurinn verður stýrdur af einum af nevndinni uppskotnum og af aðalfundinum valdum fundarstjóra, sum ger af allar spurningar um viðgerð av málum og atkvøðugreiðslu.
The general assembly is chaired by a chairman of the assembly proposed by the Board of Directors and elected by the general assembly, who decides all questions relating to the handling of the items and the voting.
- 7.5 Allar avgerðir á aðalfundi verða viðtiknar við vanligum atkvøðumeiriluta, uttan so at vinnufelagalógin ásetir serligar reglur um umboðan og meiriluta.
The matters dealt with at the general assembly are settled by a simple majority, except where the Companies Act requires otherwise.
- 7.6 Samráðingarnar á aðalfundinum verða ferdar í eina gerðabók, sum verður undirskrivað av fundarstjóranum.
An account of the deliberations of the general assembly shall be entered in minutes, signed by the chairman of the assembly.
- 7.7 Nevndin hevur heimild at avgera um aðalfundir verða hildnir heilt ella lutvíst elektroniskt.
The Board of Directors is authorized to decide that general meetings are held in full or in part electronically.
- 7.8 Nevndin skal syrgja fyri at elektroniskir aðalfundir verða hildnir á tryggan hátt, og skal tryggja, at nýtta skipanin er gjørd soleiðis at lógarinnar krøv til aðalfundir verða hildin, iroknað serliga atgongdin hjá kapitaleigarum at luttaka, taka orðið og atkvøða á aðalfundinum. Skipanin skal gera tað møguligt at staðfesta hvørjir kapitaleigarar luttaka, hvønn kapitalflokk teir umboða umframt úrslit á atkvøðugreiðslum.
The Board of Directors must ensure that electronic general meetings are conducted in a secure manner and must ensure that the system used is designed so that the legislation's requirements for holding general meetings are met, including in particular the shareholders' access to attend, speak and vote at general meetings. The system must make it possible to determine which shareholders are participating, which share capital and voting rights they represent, as well as the result of voting.

8 Atkvøðurættindi / Voting right

- 8.1 Ein og hvør A- og B-kapitaleigari hevur atkvøðurætt á aðalfundinum. Við avhendan av kapitalpørtum kunnu atkvøðurættindi ikki útinnast áðrenn skráseting í eigarayvirlitinum.
Any A- and B-shareholder is entitled to vote at the general assembly. When transferring A- or B-shares, voting rights cannot be exercised before the listing in the Company's register of shareholders.
- 8.2 Atkvøðurættindi kunnu fremjast sambært skrivligari fulltrú.
Voting rights may be exercised in accordance with a written proxy.



- 8.3 Ein fulltrú til hövuðsleiðsluna í felagnum kann ekki gevast fyri eitt tíðarskeið longri enn tólv mánaðar, og skal gevast til ein ávísan aðalfund og við einari dagsskrá, sum er kend frammanundan.

A proxy for the Company's management cannot be given for a period longer than twelve months and must be given to a specific general assembly with a prior known agenda.

9 Leiðsla felagsins / The Companys management

- 9.1 Felagið verður stýrt av eini á aðalfundinum valdari nevnd, ið hevur 3–6 limir.
The Company is managed by a Board of Directors that consists of 3-6 members elected by the general assembly.

- 9.2 Nevndin velur sjálv sín formann og møguliga ein næstformann.
The Board of Directors elects its own chairman and possibly a deputy chairman.

- 9.3 Nevndarlimir verða valdir fyri eitt ár í senn.
Board members are elected for one year at a time.

- 9.4 Fer nevndarlimur úr nevndini í valskeiðnum, kallar nevndin innan triggjar vikur til eykaaðalfund til val av nýggjum nevndarlimi til restina av valskeiðnum. Nevndin kann tó, um so er nevndin, hóast ein limur er farin úr, framvegis er viðtøkufør, skjóta spurningin um val av nýggjum nevndarlimi til næsta ársaðalfund.

If a member withdraws from the Board of Directors during his or her election period, the Board of Directors must convene an extraordinary general assembly within three weeks after the resignation to elect a new board member for the remainder of the election period. However, the Board of Directors may, in so far as it is a quorum, irrespective of a member's resignation, postpone the question of the election of a new member to the next annual general assembly.

- 9.5 Nevndin setir eina stjórn, mannað við 1–3 limum, at taka sær av dagliga rakstri felagsins.

The Board of Directors appoints an Executive Board consisting of 1-3 members to manage the day-to-day operations.

- 9.6 Nevndin ásetir í eini starvsskipan gjøllari reglur um útinnan av starvi sínum.
The Board of Directors shall adopt rules of procedure for the performance of the duties of the Board of Directors.

10 Tekningarreglur / Signing authority

- 10.1 Felagið verður teknað av einum stjóra og nevndarformanninum í felag, av tveimum stjórum í felag ella av allari nevndini.

Power to bind the Company shall be held by a member of the Executive Board in association with the chairman of the Board of Directors, by two members of the Executive Board in association, or by the entire Board of Directors.

11 Elektroniskt samskipti / Electronic communication

- 11.1 Felagið og kapitaleigarnir kunnu nýta elektroniskar samskiptismiðlar í



samskiptinum sínamillum.

The Company and the shareholders can use electronic means of communication in their communication with each other.

- 11.2 Innkalling til aðalfundar, herundir dagsskrá, uppskot til samtyktar, ársfrágreiðing og onnur skjöl; tilmelding til aðalfund; aðalfundarfrásögn; eigarayvirilit og aðrar yvirskipaðar og serstakar upplýsingar kunnu samskiptast elektroniskt.

Notice for general assembly, including agenda, motions for resolutions, annual report, and other documents; registration for general assembly; minutes of general assembly; register of shareholders and other general and individual information can be communicated electronically.

- 11.3 Samskipti millum felag og kapitaleigara verður gjört til teir elektronisku bústaðir, sum partarnir hava upplýst hvør fyri øðrum. Felagið hevur skyldu at biðja kapitaleigarar um ein teldupost-bústað, hagar fráboðanir og skjöl skulu sendast elektroniskt. Tað er ábyrgdin hjá kapitaleigarunum at tryggja, at felagið til eina og hvørja tíð hevur rættan teldupostbústað.

Communication between the Company and the shareholders takes place via the electronic addresses that they have informed each other. The Company is obliged to request the shareholders for an e-mail address to which notifications and documents, etc. must be sent electronically. It is the responsibility of the shareholders to ensure that the Company always has a correct e-mail address.

12 Grannskoðan / Auditor

- 12.1 Ársfrásagnir felagsins verða grannskoðaðar av einum av aðalfundinum valdum góðkendum grannskoðara, sum verður valdur fyri 1 ár í senn.

The Company's accounts are audited by a licensed accountant elected by the general assembly, who is appointed for one year at a time.

13 Roknskaparár / Financial year

- 13.1 Roknskaparár felagsins er frá 01.01 til den 31.12.

The Company's financial year shall run from 01.01 to the 31.12.

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Soleiðis samtykt á eykaaðalfundi tann 25. februar 2021, broytt á nevndarfundum 5. mai 2021, 3. juni 2021, 15. august 2021, á ársaðalfundi 26. november 2021, á nevndarfundi 20. januar 2022, á ársaðalfundi 4. november 2022 og aftur broytt á nevndarfundi 21. januar 2023.

Thus adopted at the Company's extraordinary general assembly on 25 February 2021, amended at Board meetings on 5 May 2021, 3 June 2021, 15 August 2021, at a General Assembly on 26 November 2021, at a Board meeting on 20 January 2022, at a General Assembly on 4 November 2022, and amended again at a Board meeting on 21 January 2023.


Advokat Kári Davidsen