Certain Dutch Company Law Provisions to be disclosed according to Vienna Stock Exchange Prime Market Rules

DISCLAIMER:

In accordance with the Prime Market Rules of the Austrian Stock Exchange, each company listed at the Vienna Stock Exchange with its registered office outside of Austria, shall disclose on its website the valid provisions of company law that apply with regard to the topics mentioned further below.

Because this is only a limited description of certain provisions applicable to Dutch Public Companies (*'naamloze vennootschappen'*) and a summary, it does not contain all the information that may be important with regard to Head N.V. (the **Company**). In particular, the following description does not include any applicable authorisations granted by the shareholders to the management board, nor does it reflect the contents of the articles of association of the Company or other possible obligations further to the listing rules of the countries in which the Company is listed (currently, in Austria with the Vienna Stock Exchange). For more complete information, further review of the articles of association of the Company, of the agenda and explanatory notes to the Annual General Shareholder Meeting whenever applicable and other available information disclosed on our website is inevitable. Copies of the Articles of Association of the Company may be obtained at our headquarter upon request.

No Subscription for own Shares

According to Dutch Law (Article 2:95 of the Dutch Civil Code), a company cannot subscribe for shares that it will issue at formation or at any time thereafter; any shares for which a company has nevertheless subscribed shall therefore automatically transfer to the directors jointly. Each director is solidarily (*jointly and severally*) liable to pay in full the outstanding amount for the shares including interest. The same shall apply with regard to incorporators of the company jointly when shares are being subscribed for during the incorporation of the company.

Persons who subscribe for shares in their own name, but for the account of the company, are deemed to have subscribed for these shares for their own account.

According to Article 2:98d (1) of the Dutch Civil Code, a subsidiary of the company is not allowed to subscribe for shares of the company either. The aforementioned rules apply *mutatis mutandi*.

No repayment of paid-in amounts when profit distribution is effectuated

According to Article 2:105 of the Dutch Civil Code, profits shall be distributed to the shareholders, unless the articles of association of the company provide otherwise. However, dividends can only be paid to the extent that the net assets exceed the sum of the amount of the paid and called up part of the capital and the reserves which must be

maintained by the articles. Consequently, dividends paid out of current profits despite the existence of an accumulated loss that could not be eliminated by current profits, are not permitted. The 'paid-in' amounts consisting of the issued capital of the company cannot be repaid to the shareholders.

Any dividend payment made contrary to the above mentioned rule, needs to be repaid by the shareholder, if the shareholder knew or should have known that the payment was not permitted (Article 2:105 (8) of the Dutch Civil Code).

Profit Distribution to Shareholders (the basis of distribution)

The share in the profit claimed by shareholders is defined by the percentages they hold in the share capital of the company. All shareholders share in the profit in proportion to the mandatory paid-in part of the nominal value of the shares in the capital of the company, thus 100% of the nominal share value per share (2:105 lid 6 of the Dutch Civil Code).

According to Dutch law, all distributions on ordinary shares, either as an (interim) dividend or otherwise, shall be made such that on each ordinary share an equal amount shall be paid.

None of the shareholders may be wholly excluded from participating in the profits.

Amendment of Articles of Association

The articles may only be amended upon a resolution by the shareholders (2:121 of the Dutch Civil Code) and the subsequent execution of a notarial deed executed in front of a Dutch Civil law notary containing the amended provisions (2:124 of the Dutch Civil Code). Any amendment requires a declaration of no objections from the Dutch Ministry of Justice.

Unless the articles of association of the company state otherwise, an absolute majority of the votes cast is necessary.

When a proposal to amend the articles of association is to be submitted to the general meeting of shareholders, this must be stated in the notice of the general meeting of shareholders and a copy of the proposal, setting forth the text of the proposed amendment verbatim, shall at the same time be deposited at the company's office and at such place to be designated in the notice of the meeting for inspection and shall be held available for shareholders as well as for beneficiaries of a right of usufruct and pledges with voting rights on shares, free of charge, until the end of the meeting (2:123 of the Dutch Civil Code). If the notification does not include the proposed amendment, the resolution to amend the articles of association can only be passed unanimously at a meeting at which the entire issued capital is represented.

Exclusion of pre-emptive right

Under Dutch law, holders of ordinary shares have in principle a pro rata right of pre-emption to subscribe to any issuance of ordinary shares for cash except for ordinary shares issued to employees of the company or one of its group companies, unless such

right is limited or excluded (2:96a of the Dutch Civil Code). Holders of ordinary shares have, unless the articles of association stipulate otherwise, no pro rata right of pre-emption to subscribe to any issuance of ordinary shares for consideration other than cash. Save otherwise provided in the articles, holders of preference shares do not have pre-emption rights.

If designated for this purpose by the general meeting of shareholders, the Board of Management has the power to limit or exclude such rights. A designation may be effective for up to five years and may be renewed on a rolling annual basis.

A majority of the votes cast by the shareholders meeting is required to adopt any such proposal, provided shareholders representing at least 50% of the share capital of the company are present in person or represented by proxy at the Annual General Meeting of shareholders. If shareholders representing less than 50% of the capital of the company are present in person or represented by proxy at the Annual Meeting, then a two-thirds majority of the votes cast is required.

The same notification requirements apply as described above under the paragraph on amendment of articles of association.

Acquisition of Own Shares

Under Dutch law (2:98 of the Dutch Civil Code), a company is entitled to acquire fully paid-up shares in its own capital or depositary receipts in respect thereof, provided either no valuable consideration is given or provided that:

- its net assets less the acquisition price are not less than the sum of the paid and called up part of its capital and the reserves which must be maintained by law or under the articles of association; and
- the nominal amount of the shares in its capital which the company acquires, holds, holds as pledgee or which are held by a subsidiary of the company, does not exceed 50% of the issued share capital.
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The Board of Management shall require the authorisation of the general meeting for an acquisition for valuable consideration. This authorisation may be given for a maximum of eighteen months. At the time of granting such authorisation, the general meeting must determine how many shares or depository receipts thereof may be acquired and between which limits the price must be.

The same notification requirements apply as described above under the paragraph on amendment of articles of association.