

ARTICLES OF ASSOCIATION

of

H&K AG

**with its registered place of
business in Oberndorf/Neckar**

I.

General Provisions

1. Company and registered place of business

1.1. The company's name is:

H&K AG

1.2. The company's registered place of business is Oberndorf/Neckar.

2. Corporate purpose

2.1. The corporate purpose of the company is the participation of any kind in other enterprises in Germany and abroad; the acquisition of other enterprises in Germany and abroad; retaining, managing and exploiting own enterprises and participations in other enterprises; the orientation of the strategy of the company and the group; the administration and acquisition of undeveloped and developed land, land rights similar to property rights and other assets for the aforementioned purposes.

2.2. The company may engage in any kind of business suited to serve the corporate purpose directly or indirectly. It may hold participations in, acquire or assume the management of other enterprises, even if those have another corporate purpose, and establish branch offices.

3. Duration of the company, financial year

3.1. The company has been established for an indefinite period of time.

3.2. The company's financial year shall be the calendar year.

II.

Capital Stock and Shares

4. Capital stock

- 4.1. The company's capital stock amounts to Euro 35,482,784.00 (in words: thirty-five million four hundred eighty-two thousand seven hundred and eighty-four euros). It is sub-divided into 35,482,784 (in words: thirty-five million four hundred eighty-two thousand seven hundred and eighty-four) no-par value shares.
- 4.2. The shares are bearer shares.
- 4.3. The original capital stock was provided by contributions in kind when the shareholders of the previous entity, Heckler & Koch Beteiligungs GmbH with its registered place of business in Oberndorf/Neckar, entered into the Commercial Register of the Local Court [in German: Amtsgericht] Stuttgart with the number HRB 481226, transformed this company into the legal form of a Stock Corporation [in German: Aktiengesellschaft] in due form according to Sections 190 et seqq. of the German Transformation Act [in German: Umwandlungsgesetz]. The remaining (free) assets of the limited liability company [in German: GmbH] after deduction of the debts have a value that equals no less than the amount of the original capital stock of the Stock Corporation [in German: AG]. The shares taken over by the original individual shareholders corresponds to the total of their participations in the limited liability company.
- 4.4. It shall be possible to issue non-voting preferred shares.
- 4.5. The Executive Board of the Company is authorized, with the consent of the Supervisory Board, to increase the share capital of the Company until 2 August 2027 by issuing new no-par value bearer shares on one or more occasions against cash and/or non-cash contributions by a total of up to EUR 5,978,596 (in words: five million nine hundred and seventy-eight thousand five hundred and ninety-six euros) (Authorised Capital 2022).

The shareholders shall generally be granted subscription rights. Pursuant to section 186 para. 5 of the German Stock Corporation Act [in German: Aktiengesetz (AktG)], the shares may also be taken over by one or more credit institutions or companies operating pursuant to section 53 para. 1 sentence 1 or section 53b para. 1 sentence 1 or para. 7 of the German Banking Act [in German: Kreditwesengesetz (KWG)] with the obligation to offer them for subscription to the shareholders of the Company (so-called indirect subscription right).

The Executive Board is further authorized, with the consent of the Supervisory Board, to exclude the shareholders' subscription rights for one or more capital increases under the Authorized Capital 2022 in the following cases:

- for the issuance of shares against contributions in kind, in particular - but without limitation thereto - for the purpose of (also indirect) acquiring companies, interests in companies or parts of companies or other assets or claims to the acquisition of assets including claims against the Company or its Group companies;
- for the settlement of fractional amounts;
- to the extent necessary to grant the holders or creditors of conversion and/or option rights and/or the holders or creditors of bonds with conversion or option obligations issued or to be issued by the Company or by companies dependent on the Company or directly or indirectly majority-owned by the Company, subscription rights to new shares to the extent to which they would be entitled after exercising the conversion and/or option rights or after fulfilment of the conversion and/or option obligations.

The Executive Board is authorized, with the consent of the Supervisory Board, to determine the further details of the capital increase and its implementation, in particular the content of the share rights and the terms and conditions of the share issue, including a profit participation deviating from § 60 para. 2 German Stock Corporation Act [in German: Aktiengesetz (AktG)].

The Supervisory Board is authorized to amend the wording of the Articles of Association of the Company accordingly after full or partial utilisation or the temporal expiry of the Authorized Capital 2022, in particular with regard to the amount of the share capital and the number of existing no-par value shares.

5. Share certificates

- 5.1. The form of the share certificates and the dividend and renewal coupons shall be determined by the Executive Board with the consent of the Supervisory Board. The share certificates shall be signed by the Executive Board alone. The same shall apply to any bonds and interest coupons.
- 5.2. It shall be possible to issue one certificate for several shares of one shareholder. The same shall apply to any non-voting preference shares to be issued by the company. The shareholder shall not be entitled to securitization of its share.

III.

Executive Board

6. Composition, rules of procedure

- 6.1. The company's Executive Board shall consist of one or several members. The number of members shall be determined by the Supervisory Board. The Supervisory Board may appoint a Chairman and a Vice-Chairman of the Executive Board. Deputy members of the Executive Board may be appointed.
- 6.2. Resolutions of the Executive Board shall be adopted by simple majority. In case of an equality of votes, the Chairman of the Executive Board shall have the decisive vote.
- 6.3. The Executive Board shall unanimously define its rules of procedure unless the rules of procedure for the Executive Board are determined by Supervisory Board.

7. Representation of the company

- 7.1. If only one member of the Executive Board has been appointed, it shall have the power of sole representation. If two or more members of the Executive Board have been appointed, the company shall be represented by two members of the Executive Board or by one member of the Executive Board together with a person with full power of attorney [in German: Prokurist].
- 7.2. One or several member(s) of the Executive Board may be granted the power of sole representation by a resolution of the Supervisory Board.
- 7.3. Following a resolution of the Supervisory Board, one or several member(s) of the Executive Board may be exempt from the prohibition of multiple representation laid down in Section 181, Alt. 2 of the German Civil Code [in German: BGB]; the same shall apply also if only one member of the Executive Board has been appointed. Section 112 of the German Stock Corporation Act [in German: AktG] shall remain unaffected.

IV.

Supervisory Board

8. Composition, term of office; resignation

- 8.1. The company's Supervisory Board shall have three members.
- 8.2. The members of the Supervisory Board shall be elected for a term of office that ends with the closing of the General Meeting deciding about the ratification of the acts of the members of the Supervisory Board for the fourth financial year after the start of office; the financial year when the term of office starts shall not be included in the calculation. The General Meeting may elect individual or all members of the Supervisory Board representing the shareholders for a shorter term of office. The successor of a member who has left the Supervisory Board before its term of office has expired shall be elected for the remainder of the term of office of the member who has left.
- 8.3. Re-election of a resigning member shall be possible.

- 8.4. At the same time as the election of Supervisory Board, deputy members may be elected for one or several members of the Supervisory Board representing the shareholders. If a member of the Supervisory Board leaves the Supervisory Board before expiration of the term of office, the deputy member appointed as its substitute shall become the regular member of the Supervisory Board. The term of office of the member who has joined the Supervisory Board in this way shall end when a new member of the Supervisory Board is elected as a replacement of the member who has resigned, at the latest however, when the term of office for which the member who has resigned had been appointed expires.
- 8.5. Each member of the Supervisory Board and each deputy member may resign from office by submitting a written statement to the Executive Board with a notice period of four weeks. For good cause, the resignation may have immediate effect.

9. Chairman and deputy

- 9.1. After the General Meeting in which all representatives of the Supervisory Board to be elected by the General Meeting have been newly elected, a meeting of the Supervisory Board shall take place without a special invitation. This Supervisory Board meeting shall elect a Chairman and a Deputy Chairman of the Supervisory Board.
- 9.2. If the Chairman or the Deputy Chairman resigns from office prematurely, the Supervisory Board shall immediately elect a new Chairman or Deputy Chairman for the remainder of the term of office of the person who has resigned.

10. Supervisory Board meetings

- 10.1. The Chairman of the Supervisory Board shall convene the meetings of the Supervisory Board by means of a written invitation two weeks in advance. The date of dispatch of the invitation and the date of the meeting shall not be included when calculating the two-week period. In urgent cases, the Chairman may shorten this invitation period and, if necessary, invite the members orally, by phone, fax, e-mail or electronic media. The items on the agenda must be specified when the invitation is made.

- 10.2. The resolutions of the Supervisory Board shall usually be adopted during the meetings of the Supervisory Board. Resolutions concerning items on the agenda that have not been announced in due time may only be adopted if all members of the Supervisory Board are present and no member objects to the voting. Outside of meetings of the Supervisory Board, resolutions may also be adopted orally, by phone, in written form, by fax or electronic media. The resolutions shall be recorded in minutes to be signed by the Chairman of the Supervisory Board and forwarded to all members.
- 10.3. Resolutions of the Supervisory Board shall require the simple majority of all votes cast. In case of an equality of votes, the vote of the Chairman shall be decisive.
- 10.4. The Chairman of the Supervisory Board shall determine the order in which the items on the agenda are discussed as well as the manner and the order of the voting procedures.
- 10.5. The Chairman of the Supervisory Board shall be entitled to issue the declarations of intent necessary for the implementation of Supervisory Board resolutions and to accept declarations of intent on behalf of the Supervisory Board. If the Chairman is not able to do this, the Deputy Chairman shall exert these rights.
- 10.6. The Supervisory Board shall be authorized to determine modifications of the Articles of Association which relate to their wording only.

11. Rules of procedure; confidentiality

- 11.1. The Supervisory Board shall define its rules of procedure.
- 11.2. The members of the Supervisory Board shall retain in confidence all confidential reports and confidential discussions as well as the secrets of the company, in particular trade and business secrets, they gain knowledge of in connection with their work in the Supervisory Board. This obligation shall remain in force even after resignation from office. If a member of the Supervisory Board wants to share information with a third party and it cannot be ruled out with certainty that this information is confidential or concerns any secrets of the company, it shall inform the Chairman of the Supervisory Board in advance and ask for the latter's opinion.

12. Remuneration of the Supervisory Board

- 12.1. The General Meeting shall decide about the remuneration of the individual members of the Supervisory Board and its committees.
- 12.2. Members of the Supervisory Board who belonged to the Supervisory Board for only a part of the financial year shall receive a remuneration corresponding to their actual period of office amounting to 1/12 of the remuneration determined according to paragraph 12.1 for each month or part thereof they were member of the Supervisory Board.
- 12.3. In addition, the members of the Supervisory Board shall receive reimbursement of any necessary expenses as well as a compensation for any VAT to be paid for their remuneration and expenses.

V.

General Meeting

13. Place and convocation

- 13.1. The General Meeting shall take place at the place of business of the company or in a city of the district of Rottweil or in Berlin.
- 13.2. The General Meeting shall be convened by the Executive Board or, in the cases provided for by law, by the Supervisory Board. Unless a shorter period is permitted by law, the General Meeting shall be convened at least thirty (30) days prior to the expiration of the last day by when the shareholders have to register for the Meeting; the day of the convocation and the last day of the registration period shall not be included in the calculation.
- 13.3. The transmission of notices pursuant to section 125 para. 2 of the Stock Corporation Act and section 128 of the Stock Corporation Act shall be limited to electronic communication. The Executive Board is entitled to send notices also in paper form.
- 13.4. The Executive Board is authorised to stipulate that the General Meeting is held without the physical presence of the shareholders or their authorized representative at the location of the place of the

general meeting (virtual general meeting). The authorisation applies to the holding of virtual general meetings within a period of five years after the registration of this provision of the Articles of Association in the Commercial Register of the Company.

- 13.5. Members of the Supervisory Board shall be permitted, in agreement with the Chairman of the Supervisory Board, to participate in the General Meeting by means of video and audio transmission in those cases in which their physical presence at the location of the General Meeting would not be possible or would only be possible at considerable expense due to legal restrictions, their stay abroad, their necessary stay at another location in Germany or due to an unreasonable travel time, or if the General Meeting is held as a virtual General Meeting without the physical presence of the shareholders or their proxies at the location of the General Meeting. This shall not apply to members of the Supervisory Board who chair the General Meeting pursuant to section 15.1.

14. Right to attend

- 14.1. Shareholders who have registered in text form in German or English in due time in accordance with section 14.2 and have provided evidence of their entitlement are entitled to attend the Annual General Meeting and to exercise their voting rights. A certificate of share ownership issued in text form in German or English by a domestic or foreign credit or financial services institution acting as custodian or by a German notary, a corresponding certificate issued by the Company or other evidence deemed sufficient by the Company shall be sufficient proof. If there is any doubt as to the accuracy of the proof of entitlement, the Company shall be entitled to require suitable further proof. The proof shall refer to the beginning of the 21st day before the general meeting.
- 14.2. The registration and the evidence of entitlement must be received in written or electronic form by the company at the address specified in the invitation at least six (6) days prior to the Meeting. The day of receipt shall not be included in this calculation. The minimum period defined in Paragraph 13.2, Clause 2 shall be extended by the days of the registration period pursuant to Clause 1.
- 14.3. The voting right may be exercised by proxy. The granting of the proxy, its revocation and the proof of the authorization vis-à-vis the Company must be in text form. However, the Company may specify in the

convening notice a simplification of the form and offer the transmission of the proof of proxy by certain electronic means of communication. Section 135 Stock Corporation Act [in German: AktG] remains unaffected. If the shareholder authorizes more than one person, the Company may reject one or more of them.

15. Chairmanship in the General Meeting

15.1. The General Meeting shall be chaired by the Chairman of the Supervisory Board or a person it designates. If the Chairman of the Supervisory Board is unable to attend, the members of the Supervisory Board elected by the General Meeting shall elect the Chairman by simple majority; they may also designate a third person not belonging to the company's Supervisory Board as Chairman of the General Meeting. If no member elected by the General Meeting is present or willing to chair the General Meeting, the shareholder who holds or represents the largest number of votes shall open the Meeting and have the Meeting elect a Chairman.

15.2. The Chairman shall preside the Meeting. In particular, the Chairman determines the order of the items on the agenda and the speakers as well as the manner and order of the voting procedures. The Chairman may determine that stenographic minutes or a visual or audio recording of the whole or any part of the General Meeting shall be made in a manner to be determined by him.

15.3. The Chairman shall have the right to restrict the shareholders' right to ask questions and to make oral statements to an adequate time limit in accordance with the following:

a) If, pursuant to the agenda only a resolution is to be passed on the following items (including any minority requests pursuant to section 122 Stock Corporation Act [AktG]):

- Appropriation of net income
- Ratification of the acts of the members of the Board of Management
- Ratification of the acts of the members of the Supervisory Board
- Election of the auditor of the annual financial statements

- Authorization to acquire own shares
- or individual of these items

the chairman may restrict the shareholders' right to speak and ask questions in such a way that the General Meeting does not last longer than six hours in total. In calculating the duration of the General Meeting, the periods of time allotted to interruptions of the General Meeting and the speech of the Executive Board and the Chairman's remarks from the beginning of the general debate shall be disregarded.

- b) If, according to the agenda, resolutions are also to be passed on items other than those referred to in letter a), the chairman may limit the shareholders' right to speak and ask questions in such a way that the general meeting does not last longer than ten hours in total. Letter a) Clause 2 shall apply accordingly.
- c) The Chairman may restrict the time allowed to a shareholder to speak and ask questions to 15 minutes per request to speak and, if at least three other speakers have registered at the time the shareholder is given the floor, to ten minutes. The Chairman may limit the total speaking and questioning time to which a shareholder is entitled during the meeting to 45 minutes.
- d) The restrictions in points (a) to (c) may be imposed by the Chairman.
- e) Restrictions in accordance with the full letters a) to d) are considered appropriate within the meaning of Section 131 (2) Clause 2 German Stock Corporation Act.

15.4. Irrespective of the Chairman's right to restrict the shareholders' right to ask questions and speak in accordance with Section 15.3, the Chairman can order the debate to close at 10:30 p.m. on the day of the meeting and begin voting on the items on the agenda. Once the debate has been ordered to close, further questions are no longer permitted. The right of the Chairman to restrict the shareholders' right to speak and ask questions beyond the provisions of Section 15.3 in accordance with the statutory provisions or in accordance with other principles recognized in case law remains unaffected by the above provisions.

16. Quorum; adoption of resolutions

- 16.1. The quorum required for resolutions of the General Meeting shall be achieved if more than half of the capital stock is represented. If this is not the case, a General Meeting that takes place with the same agenda within the next three months shall have the required quorum for adopting resolutions in any case.
- 16.2. Resolutions of the General Meeting shall be adopted by simple majority of the votes cast unless anything else is laid down as a compulsory rule in the German Stock Corporation Act [Aktiengesetz]. As far as the Stock Corporation Act requires in addition a majority of the stock capital for the adoption of resolutions, the simple majority of the capital represented shall suffice as far as this is legally admissible.
- 16.3. Each share shall grant one vote in the General Meeting. Preference shareholders shall have no right to vote. As far as preference shareholders are granted the right to vote by binding legal provisions, each preference share shall grant one vote.

VI.

Annual Financial Statement

17. Annual Financial Statement

- 17.1. Within the legally required timeframe, the Executive Board shall prepare the annual financial statement as well as the management report and submit them to the Supervisory Board and the auditor without delay.
- 17.2. The Supervisory Board shall review the annual financial statement, the management report and the proposal for the appropriation of net income and inform the General Meeting in writing about the result of the review. Within one month after having received the documents, the Supervisory Board shall submit its report to the Executive Board. At the end of the report, the Supervisory Board shall state whether it gives its approval to the annual financial report prepared by the Executive Board. If the Supervisory Board approves the annual financial statement after having reviewed it, the financial statement

shall be considered as accepted unless the Executive Board and the Supervisory Board decide to leave it to the General Meeting to adopt the annual financial statement.

- 17.3. Immediately after receipt of the report, the Executive Board shall convene the regular General Meeting. The General Meeting shall decide about the appropriation of profits. In doing so, it shall be bound to the adopted annual financial statement.

18. Advance payment from profits

If the Supervisory Board consents, the Executive Board shall be entitled to pay an advance payment to the shareholders after the end of the financial year if a provisional financial statement for the past financial year shows an annual surplus. The maximum amount to be paid as advance payment shall be half the remaining amount after deduction of the amounts to be allocated to the revenue reserves in accordance with the applicable law or the Articles of Association. Furthermore, the advance payment shall not exceed half the amount of the profits from the previous financial year.

19. Appropriation of profits

- 19.1. The General Meeting shall decide about the appropriation of the accumulated profits resulting from the adopted annual financial statement. It may also decide that the profits be used for another purpose than provided for in the German Stock Corporation Act [in German: Aktiengesetz], Section 58, paragraph 3 (1).
- 19.2. Besides or instead of cash payments, the General Meeting may also determine a distribution of non-cash assets if the non-cash assets to be distributed are of such a kind that they are traded in a market within the meaning of Section 3, paragraph 2 of the German Stock Corporation Act.
- 19.3. If new shares are issued, a new entitlement to profits may be determined.

VII.

Final Provisions

20. Transformation Costs

The costs for transforming the company into a stock corporation, in particular the costs for the notary and the court, the costs for the transformation audit as well as any consulting and publication costs shall be borne by the company up to a total amount of EUR 500,000.00.

21. Final Provisions

21.1. Notifications of the company shall be published in the Federal Gazette.

21.2. Within the framework permitted by law, the company shall be entitled to forward information to its shareholders in electronic form.

21.3. If one or several provisions of these Articles of Association, irrespective of the reason, are legally ineffective or unenforceable or should there be a gap in these Articles of Association, this shall not affect the validity of the remaining provisions. Instead of the ineffective or unenforceable provision or for closing the regulatory gap, an adequate provision shall apply that, as far as legally admissible, comes closest to what the shareholders had intended or wanted with respect to the meaning and the purpose of these Articles of Association if they had considered this matter when these Articles of Association were adopted.