

TERMS OF REFERENCE OF THE AUDIT COMMITTEE OF OVOSTAR UNION N.V.

These Terms of Reference indicate the role and responsibility of the audit committee (the “**Audit Committee**”) of Ovostar Union N.V. (the “**Company**”), its composition and the manner in which it discharges its duties.

Article 1 – Composition, expertise and competences, Chairman

- 1.1 The Audit Committee shall consist of at least 2 members and at least 2 of its members must be independent, as defined in article III.2.1 of the Dutch Corporate Governance Code (the “**Code**”).
- 1.2 Without prejudice to the Terms of Reference of the Board, the following requirements must be observed in composing the Audit Committee:
 - a) at least one member of the Audit Committee will be a so called financial expert, in the sense that such person has relevant knowledge and experience of financial administration and accounting for listed companies or other large legal entities;
 - b) the Audit Committee shall not be chaired by the chairman of the Board.
- 1.3 The Board shall appoint one of the Committee members as chairman. The chairman shall be primarily responsible for the adequate performance of the Audit Committee. He or she shall act as the spokesman of the Audit Committee and shall be the main contact for the Board.
- 1.4 These Terms of Reference of the Audit Committee shall be published on the Company's website, www.ovostar.ua.

Article 2 – Responsibilities

- 2.1 Without prejudice to the Terms of Reference of the Board, the Audit Committee shall make all necessary preparations in order to facilitate the decision-making process by the Board in relation to the matters set forth in this charter.

- 2.2 The Audit Committee shall in any event focus on supervising the activities of the Board with respect to:
- a) the operation of the Company's internal risk management and control systems, including supervision of the enforcement of the relevant legislation and regulations, and supervising the operation of codes of conduct;
 - b) preparing the review by the Board of the annual accounts and the review by the Board of the annual budget and major capital expenditures of the Company;
 - c) the provision of financial information by the Company (choice of accounting policies, application and assessment of the effects of new rules, information about the handling of estimated items in the annual accounts, forecasts, work of internal and external auditors, etc.);
 - d) compliance with recommendations and observations of internal and external auditors;
 - e) the role and performance of the internal audit function;
 - f) the policy of the Company on tax planning;
 - g) relations with the external auditor, including, in particular, independence, remuneration and any non-audit services for the Company;
 - h) the financing of the Company;
 - i) the applications of information and communication technology (ICT);
 - j) the recommendation for the appointment of an external auditor by the Company's general meeting of shareholders;
 - k) each year evaluating its own performance and the adequacy of the rules governing the Audit Committee.
- 2.3 The Audit Committee is entitled to investigate any matters, belonging to the domain entrusted to the Audit Committee. The Audit Committee is authorized to request all necessary information from the chairman of the Board and to seek external advice.
- 2.4 The Audit Committee shall at least annually send to the Board a report of its deliberations and findings. The Audit Committee shall also provide the Board with the information required for it to prepare its report, including general information on how the Audit Committee has carried out its duties, the number of meetings and the main items discussed.
- 2.5 The internal auditor shall have access to the external auditor and to the chairman of the Audit Committee. If there is no internal audit function, the Audit Committee shall review annually the need for an internal auditor.

Article 3 – External Auditor

- 3.1 The Audit Committee shall act as the principal contact for the external auditor if he discovers irregularities in the content of the financial reports.
- 3.2 The Audit Committee shall determine how the external auditor should be involved in the content and publication of financial reports other than the annual accounts of the Company.
- 3.3 The Audit Committee shall, together with the external auditor, be involved in drawing up the work schedule of the internal auditor. They shall also take cognizance of the findings of the internal auditor.
- 3.4 At least every four years, the Audit Committee shall, together with the Board, thoroughly assess the functioning of the external auditor in the various entities and capacities in which the external auditor operates. The main conclusions of this assessment shall be communicated to the Company's general meeting of shareholders for the purposes of assessing the nomination for the appointment of the external auditor.
- 3.5 The external auditor of the Company may ask the chairman of the Audit Committee to be allowed to be present at Audit Committee meetings.
- 3.6 The Audit Committee (and the Board) shall report their dealings with the external auditor to the Board on an annual basis, including independence in particular (for example, the desirability of rotating the responsible partners of an external audit firm that provides audit services, and the desirability of the same audit firm providing non-audit services to the Company).

Article 4 – Audit Committee meetings (agenda, attendance, minutes)

- 4.1. The Audit Committee will hold at least 2 meetings per year and whenever one or more of its members have requested a meeting. Audit Committee meetings are generally held at the offices of the Company, but may also take place elsewhere.

- 4.2 The Audit Committee shall meet with the external auditor as often as it considers necessary. Without prejudice to the preceding sentence, the Audit Committee shall decide if and when the chairman of the Board, or any of the Board members who are not a member of the Audit Committee, the corporate controller, the treasurer, the external auditor of the Company or the internal auditor of the Company will be present at its meetings.
- 4.3. Audit Committee meetings shall be convened by the member(s) requesting the meeting. Where practicable, notices convening a meeting and its agenda, including documentation of items to be considered and discussed therein, shall be dispatched at least five (5) days before the meeting to each member of the Audit Committee.
- 4.4. Minutes of the meeting shall be prepared. The minutes shall be adopted no later than the subsequent meeting. If all members of the Audit Committee agree on the contents of the minutes they may be adopted earlier. The minutes shall be signed for adoption by the chairman and shall be dispatched to the other members of the Audit Committee as soon as practically possible.
- 4.5. The secretary of the Board, if appointed, shall act as the secretary of the Audit Committee.
