

POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report No.

9

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2018

Date:

February 13th 2018

Abbreviated issuer name:

FAMUR S.A.

Subject:

Draft resolutions for Extraordinary General Meeting of FAMUR S.A.

Legal basis:

Art. 56.1.2 of the Public Offering Act – Current and periodic information

Text of the report:

Acting under Par. 38.1.3 of the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated February 19th 2009 (Dz.U. of 2009, No. 33, item 259), the Management Board of FAMUR S.A. of Katowice (the "Company") hereby publishes the draft resolutions to be considered at the Company's Extraordinary General Meeting convened for April 13th 2018.

Appendices

File	Description
FAMUR SA projekty uchwał NWZ 13.04.2018.pdf	Draft resolutions for FAMUR EGM to be held on April 13th 2018.
Statut FAMUR S.A.pdf	Consolidated text of FAMUR S.A.'s Articles of Association after EGM of October 18th 2017.pdf

FAMUR Spółka Akcyjna	(full issuer name)
FAMUR S.A.	Electromechanical (ele)
(abbreviated issuer name)	(sector according to the WSE)
40-698	Katowice
(postal code)	(city/town)
Armii Krajowej	51
(street)	(number)
+48 32 359 63 00	+48 32 359 66 77
(phone)	(fax)
sekretariat@famur.com.pl	www.famur.com
(email)	(www)
634-012-62-46	270641528
(Tax Identification Number – NIP)	(Industry Identification Number – REGON)

SIGNATURES OF AUTHORISED REPRESENTATIVES

Date	Full name	Position	Signature
February 13th 2018	Bartosz Bielak	Vice President of the Management Board	
February 13th 2018	Adam Toborek	Vice President of the Management Board	

**Draft resolutions
of the Extraordinary General Meeting of
FAMUR S.A. convened for April 13th 2018**

Re item 2 of the agenda:

**RESOLUTION NO. 1
of the Extraordinary General Meeting of FAMUR S.A.
held on April 13th 2018**

to appoint the Chairperson of the Extraordinary General Meeting

1. Acting pursuant to Art. 409.1 of the Commercial Companies Code, the Extraordinary General Meeting of FAMUR S.A. of Katowice appoints Mr/Ms ... as Chairperson of the General Meeting.
2. This Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).
The resolution has been / has not been passed.

Re item 4 of the agenda:

**RESOLUTION NO. 2
of the Extraordinary General Meeting of FAMUR S.A.
held on April 13th 2018**

to appoint a Ballot Counting Committee

1. The Extraordinary General Meeting of FAMUR S.A. of Katowice appoints a Ballot Counting Committee comprising:
2. This Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).
The resolution has been / has not been passed.

Re item 5 of the agenda:

**RESOLUTION NO. 3
of the Extraordinary General Meeting of FAMUR S.A.
held on April 13th 2018**

to demerge KOPEX Spółka Akcyjna of Katowice by transferring a part of its assets to FAMUR Spółka Akcyjna of Katowice and amend the Articles of Association accordingly.

The Extraordinary General Meeting of FAMUR Spółka Akcyjna of Katowice (the "Acquirer" or "FAMUR S.A.") resolves as follows:

Section 1

1. Acting under Art. 541 of the Commercial Companies Code, the General Meeting shall hereby approve the demerger plan agreed by the Demerged Company and the Acquirer on June 29th 2017, providing for the demerger of KOPEX S.A. of Katowice, entered in the Business Register of the National Court Register under No. KRS 0000026782, (the "Demerged Company" or "KOPEX S.A.") through transfer of a part of the Demerged Company's assets to FAMUR Spółka Akcyjna of Katowice, attached to the minutes of/notary deed concerning the General Meeting as Appendix 1 (the "Demerger Plan") and shall approve the amendments to the Articles of Association of the Acquirer indicated in Section 3 below.
2. The Demerger shall be effected pursuant to Art. 529.1.4 of the Commercial Companies Code through transfer of a part of the Demerged Company's assets in the form of an organised part of its business, comprising in particular the operating assets and shares in companies involved in the manufacture, maintenance and distribution of mining machinery and in production or investment processes, including without limitation: the manufacturing plants (currently located in Zabrze and Rybnik: KOPEX S.A. Kombajny Zabrzeńskie, Przenośniki Ryfama, Zabrze Branch, KOPEX S.A. Hydraulika, Zabrze Branch, and KOPEX S.A. Obudowy TAGOR, Zabrze Branch), and an organised real property investment business comprising a complex of investment properties with related assets and liabilities, as well as all shares in Polish and foreign companies described in detail in the Demerger Plan, to the existing company. i.e. FAMUR S.A. (a demerger through spin-off).
3. The spin-off shall be effected after registering the reduction of share capital of the Demerged Company, on the day of registration of the increase in the Acquirer's share capital (the "Demerger Date").

Section 2

1. In connection with the demerger through spin-off of the Demerged Company's certain assets onto the Acquirer, the share capital of the Acquirer shall be increased by PLN **153,227.12** (one hundred and fifty-three thousand, two hundred and twenty-seven złoty, 12/100), from PLN 5,594,405.00 (five million, five hundred and ninety-four thousand, four hundred and five złoty) to PLN **5,747,632.12** (five million, seven hundred and forty-seven thousand, six hundred and thirty-two złoty, 12/100), by way of issue of 15,322,712 (fifteen million, three hundred and twenty-two thousand, seven hundred and twelve) Series F ordinary bearer shares, with a par value of PLN 0.01 (one grosz) per share (the "Demerger Shares").
2. The Demerger Shares shall be paid for by contributing to the Acquirer the Demerged Company's certain assets in the form of an organised part of its business, comprising in particular the operating assets and shares in companies involved in the manufacture, maintenance and distribution of mining machinery and in production or investment processes, including without limitation: the manufacturing plants (currently located in Zabrze and Rybnik: KOPEX S.A. Kombajny Zabrzeńskie, Przenośniki Ryfama, Zabrze Branch, KOPEX S.A. Hydraulika, Zabrze Branch, and KOPEX S.A. Obudowy TAGOR, Zabrze Branch), and an organised real property investment business comprising a complex of investment properties with related assets and liabilities, as well as all shares in Polish and foreign companies described in detail in the Demerger Plan attached to the minutes of/notary deed concerning the General Meeting as Appendix 1, with the net value of those assets totalling PLN 253,376,460.50; the issue price per Demerger Share is the quotient of the above net asset value and the number of the Demerger Shares.
3. The Demerger Shares shall confer the right to share in distributions from the Acquirer's profit as of the financial year in which the Demerger Date takes place.
4. The Demerger Shares shall be allotted to the shareholders of the Demerged Company in accordance with the rules set out in the Demerger Plan, subject to Section 2.5.
5. The Acquirer, as a shareholder of the Demerged Company, shall not receive own shares as a result of the Demerger.
6. The share premium shall be allocated to the share premium account.

Section 3

1. Art. 6.1 of the Acquirer's Articles of Association shall be amended to reflect the capital increase referred to in Section 2 above and shall read as follows:

*"1. The share capital of the Company amounts to PLN **5,747,632.12** (five million, seven hundred and forty-seven thousand, six hundred and thirty-two zloty, 12/100) and is divided into:*

- a) 432,460,830 (four hundred and thirty-two million, four hundred and sixty thousand, eight hundred and thirty) Series A ordinary bearer shares;*
- b) 49,039,170 (forty-nine million, thirty-nine thousand, one hundred and seventy) Series B ordinary bearer shares;*
- c) 4,970,000 (four million, nine hundred and seventy thousand) Series C ordinary bearer shares;*
- d) 43,677,000 (forty-three million, six hundred and seventy-seven thousand) Series D ordinary bearer shares;*
- e) 29,293,500 (twenty-nine million, two hundred and ninety-three thousand, five hundred) Series E ordinary registered shares, to be converted into bearer shares at the shareholder's request;*
- f) 15,322,712 (fifteen million, three hundred and twenty-two thousand, seven hundred and twelve) Series F ordinary bearer shares."*

Section 4

1. The Management Board of the Acquirer shall hereby be authorised and obliged to take all practical and legal steps to implement this Resolution, and in particular to take steps designed to:
 - a) Register with the National Court Register the share capital increase effected through the issue of Series F shares, as well as the amendments to the Acquirer's Articles of Association related to the demerger of the Demerged Company;
 - b) Convert Series F shares into book-entry form and execute an agreement with the Central Securities Depository of Poland on registration of those shares with the securities depository, as referred to in Art. 5 of the Act on Trading in Financial Instruments;
 - c) Introduce Series F shares to trading on the regulated market of the Warsaw Stock Exchange;
 - d) Specify the Reference Date referred to in the Demerger Plan.

Section 5

1. This Resolution shall become effective as of its date.
2. The spin-off shall be effected after registering the reduction of share capital of the Demerged Company in the register of entrepreneurs of the National Court Register, on the day of registration of the increase in the Acquirer's share capital (the "Demerger Date").

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

ARTICLES OF ASSOCIATION

FAMUR Spółka Akcyjna

I. General provisions

Article 1

1. The Company operates under the name of FAMUR Spółka Akcyjna.
2. The Company may use the abbreviated name of FAMUR S.A.

Article 2

The Company was established as a result of the transformation of a state-owned enterprise operating under the name of Fabryka Maszyn Górniczych FAMUR. The founder of the Company is the State Treasury.

Article 3

1. The Company has its registered office in Katowice.
2. The Company has been established for an indefinite term.

Article 4

1. The Company may operate in the territory of Poland and abroad.
2. The Company may establish branches, affiliates and establishments in Poland and outside Poland, and join other companies, cooperatives and business organisations. The Company may also acquire and dispose of shares and other equity interests in other companies.

II. Company's business

Article 5

1. The object of the Company's business, as per the Polish Classification of Activities (PKD), is:
 - 1) Manufacture of machinery for mining, quarrying and construction (PKD 28.92.Z);
 - 2) Maintenance and repair of machinery (PKD 33.12.Z);
 - 3) Installation of industrial machinery and equipment (PKD 33.20.Z);
 - 4) Development of building projects (PKD 41.10.Z);
 - 5) Construction of other civil engineering projects n.e.c. (PKD 42.99.Z);
 - 6) Wholesale of waste and scrap (PKD 46.77.Z);
 - 7) Non-specialised wholesale (PKD 46.90.Z);
 - 8) Finance leasing (PKD 64.91);
 - 9) Other credit granting (PKD 64.92.Z);
 - 10) Other financial service activities, except insurance and pension funding n.e.c. (PKD 64.99.Z);
 - 11) Buying and selling of own real estate (PKD 68.10.Z);
 - 12) Rental and operating of own or leased real estate (PKD 68.20.Z);

- 13) Accounting, bookkeeping and auditing activities; tax consultancy (PKD 69.20.Z);
- 14) Other research and experimental development on natural sciences and engineering (PKD 72.19.Z);
- 15) Rental and leasing of cars and light motor vehicles (PKD 77.11.Z);
- 16) Rental and leasing of other motor vehicles, except motorcycles (PKD 77.12.Z);
- 17) Rental and leasing of other machinery, equipment and tangible goods n.e.c. (PKD 77.39.Z)
- 18) Manufacture of metal structures and parts of structures (PKD 25.11);
- 19) Repair of fabricated metal products (PKD 33.11);
- 20) Construction of residential and non-residential buildings (PKD 41.2);
- 21) Construction of roads and motorways (PKD 42.11);
- 22) Construction of railways and underground railways (PKD 42.12);
- 23) Construction of bridges and tunnels (PKD 42.13);
- 24) Construction of utility projects for fluids (PKD 42.21);
- 25) Construction of utility projects for electricity and telecommunications (PKD 42.22);
- 26) Construction of water projects (PKD 42.91);
- 27) Demolition (PKD 43.11);
- 28) Site preparation (PKD 43.12);
- 29) Plastering (PKD 43.31);
- 30) Painting and glazing (PKD 43.34);
- 31) Other building completion and finishing (PKD 43.39);
- 32) Other specialised construction activities n.e.c. (PKD 43.99);
- 33) Wired telecommunications activities (PKD 61.1);
- 34) Wireless telecommunications activities (PKD 61.2);
- 35) Architectural activities (PKD 71.11);
- 36) Engineering activities and related technical consultancy (PKD 71.12);
- 37) Technical testing and analysis (PKD 71.20.B);
- 38) Rental and leasing of construction and civil engineering machinery and equipment (PKD 77.32);
- 39) Other education n.e.c. (PKD 85.59.B);
- 40) 20.11.Z Manufacture of industrial gases;
- 41) 22.19.Z Manufacture of other rubber products;
- 42) 22.23.Z Manufacture of builders' ware of plastic;
- 43) 22.29.Z Manufacture of other plastic products;
- 44) 25.29.Z Manufacture of other tanks, reservoirs and containers of metal;
- 45) 25.50.Z Forging, pressing, stamping and roll-forming of metal; powder metallurgy;
- 46) 25.61.Z Treatment and coating of metals;
- 47) 25.62.Z Machining;
- 48) 25.99.Z Manufacture of other fabricated metal products n.e.c.;
- 49) 28.12.Z Manufacture of hydraulic and pneumatic drive equipment and accessories;
- 50) 28.13.Z Manufacture of other pumps and compressors;
- 51) 28.15.Z Manufacture of bearings, gears, gearing and driving elements;
- 52) 28.22.Z Manufacture of lifting and handling equipment;
- 53) 28.24.Z Manufacture of power-driven hand tools;
- 54) 28.29.Z Produkcja pozostałych maszyn ogólnego przeznaczenia, gdzie indziej niesklasyfikowana,
- 55) 28.30.Z Manufacture of agricultural and forestry machinery;
- 56) 28.41.Z Manufacture of metal forming machinery;
- 57) 28.93.Z Manufacture of machinery for food, beverage and tobacco processing;
- 58) 28.99.Z Manufacture of other special-purpose machinery n.e.c.;
- 59) 32.99.Z Other manufacturing n.e.c.;

- 60) 33.13.Z Repair of electronic and optical equipment;
- 61) 38.11.Z Collection of non-hazardous waste;
- 62) 38.12.Z Collection of hazardous waste;
- 63) 38.21.Z Treatment and disposal of non-hazardous waste;
- 64) 38.22.Z Treatment and disposal of hazardous waste;
- 65) 38.31.Z Dismantling of wrecks;
- 66) 38.32.Z Recovery of sorted materials;
- 67) 43.29.Z Other construction installation;
- 68) 46.14.Z Agents involved in the sale of machinery, industrial equipment, ships and aircraft;
- 69) 46.63.Z Wholesale of mining, construction and civil engineering machinery;
- 70) 46.69.Z Wholesale of other machinery and equipment;
- 71) 46.72.Z Wholesale of metals and metal ores;
- 72) 46.74.Z Wholesale of hardware, plumbing and heating equipment and supplies;
- 73) 47.79.Z Retail sale of second-hand goods in stores;
- 74) 47.9 Retail trade not in stores, stalls or markets;
- 75) 52.1 Warehousing and storage;
- 76) 64.20.Z Activities of holding companies;
- 77) 64.30.Z Trusts, funds and similar financial entities;
- 78) 71.20.A Technical testing and analysis of food quality;
- 79) 72.11.Z Research and experimental development on biotechnology;
- 80) 96.09.Z Other service activities, n.e.c.;
- 81) 78.10.Z Activities of employment placement agencies;
- 82) 78.20.Z Temporary employment agency activities;
- 83) 78.30.Z Other human resources provision;
- 84) 70.22.Z Business and other management consultancy activities.

- 2. Where a permit or licence is required under separate regulations to conduct specific activities, the Company will undertake such activities after obtaining the required permit or licence.
- 3. The Company's business profile may be changed without buying back the shares of shareholders who oppose the change provided that the relevant General Meeting resolution has been passed by a two-thirds majority in the presence of shareholders representing at least 50% of the share capital.

III. Share capital. Shareholders' rights and obligations.

Article 6

- 1. The share capital of the Company amounts to PLN 5,594,405.00 (five million, five hundred and ninety-four thousand, four hundred and five zloty) and is divided into:
 - a) 432,460,830 (four hundred and thirty-two million, four hundred and sixty thousand, eight hundred and thirty) Series A ordinary bearer shares;
 - b) 49,039,170 (forty-nine million, thirty-nine thousand, one hundred and seventy) Series B ordinary bearer shares;
 - c) 4,970,000 (four million, nine hundred and seventy thousand) Series C ordinary bearer shares;
 - d) 43,677,000 (forty-three million, six hundred and seventy-seven thousand) Series D ordinary bearer shares;

- e) 29,293,500 (twenty-nine million, two hundred and ninety-three thousand, five hundred) Series E ordinary registered shares, to be converted into bearer shares at the shareholder's request.
2. The par value per share is PLN 0.01 (one grosz).
3. New shares may be registered or bearer shares.
4. The Management Board is authorised to increase the Company's share capital by up to PLN 2,523,491.00 (two million, five hundred and twenty-three thousand, four hundred and ninety-one złoty), through the issue of new shares with an aggregate par value of up to PLN 2,523,491.00 (two million, five hundred and twenty-three thousand, four hundred and ninety-one złoty), by way of one or more share capital increases within the limit specified above (the authorised share capital).
5. As part of the authorisation to increase the share capital within the authorised capital limit, the Management Board is authorised to issue subscription warrants referred to in Art. 453.2 of the Commercial Companies Code, exercisable by the date of expiry of this authorisation.
6. The Management Board is authorised to increase the share capital within the period of three years from the date of registration by the competent court of the amendment to the Articles of Association authorising the Management Board to increase the share capital within the authorised capital limit of up to PLN 2,523,491.00 (two million, five hundred and twenty-three thousand, four hundred and ninety-one złoty).
7. In exercising the authorisation referred to in Art. 6.4 and 6.5, the Management Board decides independently – except where the provisions of the Commercial Companies Code provide otherwise – on all matters related to the share capital increase; in particular the Management Board is entitled to:
 - a. carry out the share capital increase within the aforementioned authorised capital limit through one or more issues and to assign consecutive series designations to those issues;
 - b. determine the issue price, subject to the Supervisory Board's approval;
 - c. with the Supervisory Board's approval, disapply in whole or in part the existing shareholders' pre-emptive rights with respect to the shares issued within the authorised share capital limit;
 - d. decide to deliver the shares of a given issue in exchange for a cash contribution, a non-cash contribution or any combination of a cash and non-cash contribution; the delivery of shares in exchange for a non-cash contribution may also be carried out under Art. 447¹ of the Commercial Companies Code, but will in each case require the Supervisory Board's approval;
 - e. take steps with a view to registering any shares issued within the authorised capital limit with the Central Securities Depository of Poland as well as any other steps necessary to have the shares admitted and introduced to trading on the regulated market operated by the Warsaw Stock Exchange.

Article 7

1. The Company may issue bonds convertible into shares and bonds conferring pre-emptive rights.
2. The Company's shares may be cancelled on the terms specified by the General Meeting. The detailed terms of the cancellation should be defined in a General Meeting's resolution.

Article 8

Exercising voting rights by pledgees or usufructuaries of Company shares requires written consent of the Company's Management Board.

IV. Governing bodies

Article 9

The Company's governing bodies are:

1. the Management Board;
2. the Supervisory Board;
3. the General Meeting.

Management Board

Article 10

1. The Management Board consists of one or more members.
2. Members of the Management Board are appointed and removed by the Supervisory Board.
3. When appointing members of the Management Board, the Supervisory Board determines their number and defines the function that each appointed person will perform on the Management Board.
4. Members of the Management Board are appointed for a joint term of office. The term of office of the Management Board is three years.
5. A member of the Management Board may at any time resign from his or her position. A resignation should be submitted to the Company in writing.

Article 11

1. Any representations on behalf of the Company must be made by two Management Board members acting jointly or a Management Board member and a commercial proxy acting jointly; the commercial proxy may be an independent or a joint commercial proxy.
2. If the Management Board is composed of only one member, representations on behalf of the Company may be made by one Management Board member.

Article 12

1. Resolutions of the Management Board are passed by an absolute majority of votes. In the case of a voting tie, the President of the Management Board has the casting vote.
2. The President of the Management Board directs the Management Board's work; in particular, the President coordinates, supervises and organises the Management Board members' work and convenes and chairs meetings of the Management Board. In the President's absence, the President's duties are performed by a Vice President of the Management Board or another Management Board member designated for that purpose by the President.
3. The detailed scope of rights and duties of the Management Board and its operating procedures are defined in the Rules of Procedure for the Management Board. The

Rules of Procedure for the Management Board are adopted by the Management Board and approved by the Supervisory Board.

Supervisory Board

Article 13

1. The Supervisory Board consists of five or more members appointed for a joint two-year term of office.
2. Subject to Art. 13.3–6, members of the Supervisory Board are appointed and removed from office by the General Meeting.
3. A Shareholder or Shareholders holding shares representing 20% of total voting rights at the General Meeting may appoint one Supervisory Board member. In the case of shareholdings representing more than 20% of total voting rights at the General Meeting, each shareholding held by one Shareholder or jointly by several Shareholders that represents 20% of total voting rights will entitle the Shareholder or Shareholders to appoint one Supervisory Board member.
4. Such Supervisory Board member will be appointed by way of a written representation made by the Shareholder or signed by all the Shareholders and submitted to the Company, taking effect from the date of its delivery to the Company, unless a later effective date is specified in the representation.
5. A member of the Supervisory Board appointed in accordance with Art. 13.3 and Art. 13.4 may be removed by the shareholder or the General Meeting at any time. The provisions of Art. 13.4 will apply accordingly to the removal of such Supervisory Board member.
6. If the Supervisory Board includes members appointed pursuant to Art. 13.3 and Art. 13.4 hereof, the General Meeting will only elect the remaining Supervisory Board members.
7. The Supervisory Board may establish special committees, with committee members appointed from among the Supervisory Board members.

Article 14

1. The Supervisory Board elects the Chairperson and Deputy Chairperson of the Supervisory Board from among its members.
2. The Supervisory Board operates in accordance with the rules of procedure adopted by the Supervisory Board.
3. Members of the Management Board and other persons invited by the Chairperson of the Supervisory Board may attend the meetings of the Supervisory Board.
4. Members of the Supervisory Board may vote on Supervisory Board resolutions in writing through another Supervisory Board member. Matters placed on the agenda during a Supervisory Board meeting may not be voted on in writing.
5. The Supervisory Board may pass resolutions by written ballot or using means of remote communication. A resolution is valid provided all Supervisory Board members have been given notice of the draft resolution.
6. The detailed rules and procedure for adopting resolutions referred to in Art. 14.4 and Art. 14.5 are set out in the Rules of Procedure for the Supervisory Board.
7. Supervisory Board resolutions are passed by an absolute majority of votes. If the numbers of votes for and against are equal, the Chairperson of the Supervisory Board has a casting vote.

Article 15

1. The Supervisory Board exercises ongoing supervision over the Company's activities.
2. The powers and responsibilities of the Supervisory Board include, without limitation, powers to:
 - 1) assess financial statements of the Company, Directors' Reports on the Company's operations and Management Board's proposals on allocation of profit or coverage of loss, and to submit annual reports on the assessment to the General Meeting,
 - 2) appoint and remove Management Board members,
 - 3) to determine the number of Management Board members,
 - 4) to determine the rules of remuneration of Management Board members,
 - 5) to enter into agreements with Management Board members on behalf of the Company and to represent the Company in disputes with Management Board members,
 - 6) to grant consent for Management Board members to engage in competitive business activities or participate in competitive entities,
 - 7) to suspend Management Board members from duties for valid reasons,
 - 8) to delegate Supervisory Board members to temporarily perform the duties of the Management Boards members who are unable to perform their duties, have been suspended or removed from office,
 - 9) to assess financial statements and Directors' Reports on the operations of the Group,
 - 10) to approve the Rules of Procedure for the Management Board,
 - 11) to appoint the auditor of the Company's financial statements,
 - 12) to grant consent to the acquisition or disposal of real estate or perpetual usufruct or an interest in real estate or perpetual usufruct,
 - 13) approve annual budgets of the Company and the Group prepared by the Management Board,
 - 14) approve operational strategies for the Company prepared by the Management Board,
 - 15) grant consent for the Company to acquire, dispose of or subscribe for shares in other companies, and for the Company to join companies as a shareholder or in a similar capacity,
 - 16) to approve accounting policies,
 - 17) grant consent to the acquisition of assets if the value of the acquisition transaction exceeds PLN 10m, except for standard agreements, particularly agreements to acquire assets for the building, upgrading and maintaining plant and equipment to be leased out, concluded by the Company in the ordinary course of day-to-day operations,
 - 18) to grant consent to the contracting of bank or non-bank borrowings, issuance of bonds and conclusion of lease agreements exceeding the value limit set out in the Company's budget approved by the Supervisory Board.

General Meeting

Article 16

General Meetings are held at the Company's registered office or in Warsaw.

Article 17

1. In addition to other matters set out in applicable laws and in other provisions hereof, the powers and responsibilities of the General Meeting include powers to:
 - 1) appoint and remove Supervisory Board members, subject to Art. 13.3–6 hereof,

- 2) determine the rules of remuneration of Supervisory Board members,
 - 3) determine the amounts of remuneration for the Supervisory Board members delegated to individually perform certain supervisory functions on a permanent basis.
2. Acquisition or disposal of real property, a perpetual usufruct right or interest in real property does not require the General Meeting's approval.
 3. A resolution not to consider an item placed on the agenda may be passed only for valid reason. A proposal not to consider a matter included on the agenda must be submitted with a detailed statement of reasons. A decision to remove an item from the agenda or not to consider an item placed on the agenda upon a shareholder request is sanctioned by a resolution passed by the General Meeting, which must be approved by all requesting shareholders present at the General Meeting and carried by at least 75% of the votes cast.
 4. Shareholders may attend a General Meeting via electronic means if the notice of the General Meeting provides for such an option. If such an option is allowed, the Company shall provide:
 - a. a real-time broadcast of the General Meeting, or
 - b. two-way real-time communication to ensure that shareholders can speak to the General Meeting from any location, or
 - c. voting in person or by proxy at the General Meeting.
 5. The Company's Management Board is authorised to define detailed rules of shareholders' participation in the General Meeting, as described in Art. 17.4, including the requirements and limitations necessary for identification of shareholders and for ensuring the security of electronic communications.

VI. Financial management

Article 18

1. The Company shall set up statutory reserve funds to cover any balance-sheet losses. The Company shall contribute to the statutory reserve funds at least 8% of its annual net profit until the amount of the statutory reserve funds reaches at least 1/3 of the share capital.
2. The General Meeting may resolve to set up other reserves to cover any extraordinary losses or expenses (capital reserves). Decisions on the allocation of capital reserves are made by the General Meeting.

Article 19

1. The General Meeting decides on the allocation of net profit by way of resolution.
2. The dividend record date and dividend payment date are determined by the General Meeting.
3. Dividends for the most recent financial year and preceding years may be paid as a non-cash distribution or a combination of cash and non-cash distribution. In such a case, the General Meeting shall specify the assets to be distributed as a non-cash dividend, their value and the method of distribution.
4. Upon the Supervisory Board's consent, the Management Board may pay interim dividends to Shareholders, provided that the Company holds sufficient funds to do so.

Article 20

The Company's financial year is the calendar year.