

POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report No.

36

/

2018

Date:

June 7th 2018

Abbreviated issuer name:

FAMUR S.A.

Subject:

Submission of draft resolution and amendments to the agenda of the Annual General Meeting of FAMUR S.A. convened for June 29th 2018

Legal basis:

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

Text of the report:

The Management Board of FAMUR S.A. (the “Issuer” or the “Company”) hereby notifies that today it received from TDJ Equity I Sp. z o.o., as a shareholder representing over one-twentieth of the share capital, a written motion submitted pursuant to Art. 401.1 of the Commercial Companies Code in conjunction with Art. 401.4 of the Commercial Companies Code, to:

1. amend item 10 of the agenda of the Annual General Meeting convened for June 29th 2018 to read as follows: “Adoption of a resolution on distribution of the Company’s profit for the financial year 2017 and use of the Company’s equity from retained earnings”.
2. add to the agenda of the Annual General Meeting convened for June 29th 2018 an item to amend the Company’s Articles of Association.

The shareholder’s motion together with draft resolutions and the grounds for the resolution are attached as an appendix hereto.

Further to the draft resolution on distribution of the Company’s profit for the financial year 2017 and the use of the Company’s equity from retained earnings, which provides for distribution of the Company’s profit earned in 2017 and the Company’s profits earned in previous years as dividend, and taking into account the current balance of the Company’s cash and the Company’s financial condition, the Management Board points out that the Company has the ability to pay dividend in the amount requested by the shareholder. In the opinion of the Management Board, the payment of dividend in the proposed amount will not affect the Company’s development and investment plans.

In view of the shareholder’s motion, the Company publishes, attached hereto, the amended agenda of the Annual General Meeting convened for June 29th 2018 by way of notice published in Current Report No. 34/2018.

Legal basis:

Legal basis: Par. 19.1.3 and 19.1.4 of the Minister of Finance’s Regulation of March 29th 2018 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.

Appendices

File	Description
Amended agenda of the AGM.pdf	Amended agenda of the Annual General Meeting
Shareholder’s motion and proposed draft resolutions and grounds.pdf	Shareholder’s motion to include an item on the agenda of the Annual General Meeting, proposed draft resolutions and grounds for the draft resolutions

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
June 7th 2018	Dawid Gruszczyk	Vice President of the Management Board	
June 7th 2018	Olga Panek	Commercial Proxy	

Legal basis: Par. 19.1.3 and 19.1.4 of the Minister of Finance's Regulation of March 29th 2018 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. (Dz.U. 2018, item 757)

AGENDA
for the Annual General Meeting of
FAMUR S.A.
to be held at 2.00 pm on June 29th 2018

with amendments requested by a shareholder: TDJ Equity I Sp. z o.o.
of Tarnowskie Góry (KRS No. 0000475347)

1. Opening of the Annual General Meeting.
2. Appointment of the Chairperson.
3. Confirmation that the AGM has been properly convened and has the capacity to pass resolutions.
4. Appointment of the Ballot Counting Committee.
5. Presentation of the Directors' Report on the Company's and the Group's operations in the financial year 2017, the separate financial statements for the financial year 2017 and the consolidated financial statements for the financial year 2017.
6. Presentation of the Supervisory Board's report for the Annual General Meeting on the activities of the Supervisory Board and on the assessment of the separate and consolidated financial statements, Directors' Report on the Company's and the Group's operations, the Management Board's recommendation concerning distribution of profit for the financial year 2017, and the Company's position.
7. Review of the Company's separate financial statements for the financial year 2017 and adoption of a resolution to approve the separate financial statements.
8. Review of the Directors' Report on the Company's and the Group's operations in 2017 and adoption of a resolution to approve the Directors' Report.
9. Review of the non-financial statement of FAMUR S.A. and adoption of a resolution to approve the statement.
- 10. Adoption of a resolution on distribution of the Company's profit for the financial year 2017 and use of the Company's equity from retained earnings.¹**
11. Review of the consolidated financial statements for the financial year 2017 and adoption of a resolution to approve the consolidated financial statements.
12. Review of the non-financial statement of the Group and adoption of a resolution to approve the statement.
13. Adoption of resolutions to grant discharge to members of the Company's governing bodies in respect of their duties in 2017.
- 14. Adoption of resolutions to amend the Company's Articles of Association².**
15. Closing of the AGM.

¹ Item of the agenda amended at the request of a shareholder: TDJ Equity I Sp. z o.o. of Tarnowskie Góry (KRS No. 0000475347).

² Item of the agenda added at the request of a shareholder: TDJ Equity I Sp. z o.o. of Tarnowskie Góry (KRS No. 0000475347).

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[Company seal]

FAMUR S.A.
ul. Armii Krajowej 51
40-698 Katowice, Poland

Shareholder: **TDJ Equity I Sp. z o.o.**, with registered offices at ul. Zagórska 83, 42-680 Tarnowskie Góry, Poland, entered in the Business Register of the National Court Register maintained by the District Court in Gliwice, 10th Commercial Division of the National Court Register, under KRS No. 0000475347, Industry Identification Number REGON 243360718, Tax Identification Number NIP 6452538416, with the share capital of PLN 1,850,042,950.00, represented by Czesław Kisiel, President of the Management Board.

**MOTION TO PLACE A MATTER ON THE AGENDA OF THE NEXT GENERAL MEETING,
TOGETHER WITH A DRAFT RESOLUTION**

Acting on behalf of **TDJ Equity I Sp. z o.o.** of Tarnowskie Góry, i.e. a shareholder in FAMUR S.A., pursuant to Art. 401.1 of the Commercial Companies Code in conjunction with Art. 401.4 of the Commercial Companies Code:

1. We move that item 10 of the agenda of the Annual General Meeting convened for June 29th 2018 be amended to read as follows: "*Adoption of a resolution on distribution of the Company's profit for the financial year 2017 and use of the Company's equity from retained earnings*". Draft resolution to the amended item 10 of the agenda of the Annual General Meeting convened for June 29th 2018 is attached as Appendix 1 hereto.
2. We move that an item be added to the agenda of the Annual General Meeting convened for June 29th 2018 to amend the Company's Articles of Association. Draft resolution to the proposed new item of the agenda of the Annual General Meeting convened for June 29th 2018 is attached as Appendix 2 hereto.

Grounds for the proposed draft resolutions are attached as Appendix 3 hereto.

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Appendix 1 to the shareholder's motion:

Draft resolution to the amended item 10 of the agenda of the Annual General Meeting convened for June 29th 2018

**RESOLUTION NO. ...
of the Annual General Meeting of FAMUR S.A.
held on June 29th 2018**

concerning: distribution of the Company's profit for the financial year 2017 and use of the Company's equity from retained earnings.

Pursuant to Art. 395.2.2, Art. 348.1, Art. 396.5 of the Commercial Companies Code, and pursuant to Articles 19.1–19.3 of the Articles of Association of FAMUR S.A. (the "**Company**"), the Annual General Meeting of the Company hereby resolves as follows: -----

Section 1

1. The Company's net profit earned in the financial year ended December 31st 2017, of PLN 41,125,287.05 (forty-one million, one hundred and twenty-five thousand, two hundred and eighty-seven zloty, 05/100), and the Company's net profit earned in previous years in the total amount of PLN 211,770,526.23 (two hundred and eleven million, seven hundred and seventy thousand, five hundred and twenty-six zloty, 23/100) shall be distributed as dividend in a total amount of PLN 252,895,813.28 (two hundred and fifty-two million, eight hundred and ninety-five thousand, eight hundred and thirteen zloty, 28/100), i.e. PLN 0.44 (forty-four grosz) per share.
2. The payment of dividend from retained earnings referred to in item 1 above, in a total amount of PLN 211,770,526.23 (two hundred and eleven million, seven hundred and seventy thousand, five hundred and twenty-six zloty, 23/100), shall be effected by reducing the Company's equity from retained earnings in the following manner:

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3. The right to dividend is vested in shareholders who hold Series A, B, C, D bearer shares with ISIN code PLFAMUR00012, Series E registered shares and Series F bearer shares with ISIN code PLFAMUR00046 on July 9th 2018 (the dividend record day).
 4. The dividend payment date will be July 17th 2018.-----
 5. The dividend will be paid through the Central Securities Depository of Poland (Krajowy Depozyt Papierów Wartościowych S.A.), except for the dividend from Series E registered shares.

Section 2

This Resolution shall become effective as of its date. -----

**Appendix 2 to the shareholder's motion:
Draft resolutions to amend the Articles of Association**

**RESOLUTION NO. ...
of the Annual General Meeting of FAMUR S.A.
held on June 29th 2018**

concerning: amendments to the Articles of Association

Section 1

Acting pursuant to Art. 430.1 of the Commercial Companies Code, the Annual General Meeting of FAMUR S.A. of Katowice resolves that after Art. 8, Art. 8a shall be added, reading as follows:

- “1. TDJ Equity I Sp. z o.o. (KRS No. 0000475347) holds the personal rights referred to in Art. 10 and Art. 13 of the Company's Articles of Association, provided that TDJ Equity I Sp. z o.o. holds shares representing at least 20% (twenty per cent) of the share capital.*
- 2. Amendments to Art. 8a, Art. 10 and Art. 13 of the Company's Articles of Association shall require a majority of 4/5 (four-fifths) of the votes cast.*
- 3. In the event of expiry or waiver of the personal rights, the provisions of the Articles of Association relating to such expired personal rights shall be replaced by the applicable relevant provisions of the Commercial Companies Code or relevant provisions of the Articles of Association.”*

Section 2

This Resolution shall come into force as of its date, with effect as of the entry of the amendments in the National Court Register.

**RESOLUTION NO. ...
of the Annual General Meeting of FAMUR S.A.
held on June 29th 2018**

concerning: amendments to the Articles of Association

Section 1

Acting pursuant to Art. 430.1 of the Commercial Companies Code, the Annual General Meeting of FAMUR S.A. of Katowice resolves that Article 10 shall read as follows:

- “1. The Management Board is composed of one to seven members.*
- 2. The number of Management Board members shall be determined by TDJ Equity I Sp. z o.o. by delivering a written statement to the Company. If TDJ Equity I sp. z o.o. does not exercise this right, the number of Management Board members shall be determined by the Supervisory Board.*
- 3. Subject to the provisions of Article 8a, TDJ Equity I Sp. z o.o. has the right to independently appoint and dismiss up to four members of the Management Board. The personal right also includes the right to appoint President of the Management Board from among members of the Management Board.*
- 4. TDJ Equity I Sp. z o.o. shall exercise the personal right provided for in item 3 by delivering to the Company a signed written statement on appointment or dismissal of Management Board members or on appointment or dismissal of the President of the Management Board, with the signature certified by a notary public. The statement referred to in the preceding sentence shall be*

accompanied by the consent of the person named in the statement to accept the position of a member or of the President of the Management Board.

5. If, within 30 days of expiry of the mandate the President of the Management Board or of dismissal of the President by TDJ Equity I sp. z o.o., TDJ Equity I sp. z o.o. in its capacity as a shareholder does not exercise the right to appoint a member of the Management Board or appoint President of the Management Board from among members of the Management Board, then such appointments shall be made by the Supervisory Board.

6. The other members of the Management Board shall be appointed and dismissed by the Supervisory Board.

7. When appointing members of the Management Board, the Supervisory Board shall specify the function that the appointed person will perform on the Management Board, subject to items 2-5 above.

8. Members of the Management Board are appointed for a joint term of office. The term of office of the Management Board is three years.

9. A member of the Management Board may at any time resign from his or her position. A resignation shall be submitted to the Company in writing.”

Section 2

This Resolution shall come into force as of its date, with effect as of the entry of the amendments in the National Court Register.

RESOLUTION NO. ... of the Annual General Meeting of FAMUR S.A. held on June 29th 2018

concerning: amendments to the Articles of Association

Section 1

Acting pursuant to Art. 430.1 of the Commercial Companies Code, the Annual General Meeting of FAMUR S.A. of Katowice resolves that Article 13 shall read as follows:

“1. The Supervisory Board consists of six members appointed for a joint two-year term of office.

2. Subject to the provisions of Article 8a, TDJ Equity I Sp. z o.o. has the right to independently appoint and dismiss three members of the Supervisory Board.

3. Irrespective of the manner of appointing a Supervisory Board member, TDJ Equity I Sp. z o.o. has the right to appoint one of the Supervisory Board members as Chairperson of the Supervisory Board.

4. TDJ Equity I Sp. z o.o. shall exercise the personal right provided for in item 2 or 3 by delivering to the Company a signed written statement on appointment or dismissal of Supervisory Board members or on appointment or dismissal of the Chairperson of the Supervisory Board, with the signature certified by a notary public. The statement referred to in the preceding sentence shall be accompanied by the consent of the person named in the statement to accept the position of a member or of the Chairperson of the Management Board.

5. If, within 30 days of expiry of the mandate of a Supervisory Board member appointed by TDJ Equity I Sp. z o.o. or expiry of the mandates of all members of the Supervisory Board, TDJ Equity I sp. z o.o. does not exercise the personal right specified in item 2 in whole or in part, then the General Meeting shall appoint members of the Supervisory Board to the positions not filled by TDJ Equity I

sp. z o.o. If the situation described in the first sentence occurs, the Management Board shall immediately convene the General Meeting.

6. If, within 30 days from dismissal or expiry of the mandate of the Chairperson of the Supervisory Board, TDJ Equity I sp. z o.o. in its capacity as a shareholder does not exercise the right to appoint the Chairperson from among the Supervisory Board members appointed by TDJ Equity I sp. z o.o., then the Supervisory Board shall appoint the Chairperson.

7. The other Supervisory Board members shall be appointed and dismissed by the General Meeting.

8. The Supervisory Board may establish special committees, with committee members appointed by the Supervisory Board from among its members.”

Section 2

This Resolution shall come into force as of its date, with effect as of the entry of the amendments in the National Court Register.

RESOLUTION NO. ... of the Annual General Meeting of FAMUR S.A. held on June 29th 2018

concerning: amendments to the Articles of Association

Section 1

Acting pursuant to Art. 430.1 of the Commercial Companies Code, the Annual General Meeting of FAMUR S.A. of Katowice resolves that Article 14.1 shall read as follows:

“1. The Supervisory Board shall appoint the Chairperson and Deputy Chairperson of the Supervisory Board from among its members, subject to Articles 13.2–13.6.”

Section 2

This Resolution shall come into force as of its date, with effect as of the entry of the amendments in the National Court Register.

RESOLUTION NO. ... of the Annual General Meeting of FAMUR S.A. held on June 29th 2018

concerning: amendments to the Articles of Association

Section 1

Acting pursuant to Art. 430.1 of the Commercial Companies Code, the Annual General Meeting of FAMUR S.A. of Katowice resolves that Article 17.1.1 shall read as follows:

1) appointment and dismissal of Supervisory Board members, subject to Articles 13.2–13.6 hereof”

Section 2

This Resolution shall come into force as of its date, with effect as of the entry of the amendments in the National Court Register.

RESOLUTION NO. ...

**of the Annual General Meeting of FAMUR S.A.
held on June 29th 2018**

concerning: amendments to the Articles of Association

Section 1

Acting pursuant to Art. 430.1 of the Commercial Companies Code, the Annual General Meeting of FAMUR S.A. of Katowice resolves that Article 17.3 shall read as follows:

“3. A resolution of the General Meeting to dismiss or suspend a member of the Management Board shall require a majority of 4/5 (four-fifths) of the votes cast.”

Section 2

This Resolution shall come into force as of its date, with effect as of the entry of the amendments in the National Court Register.

**RESOLUTION NO. ...
of the Annual General Meeting of FAMUR S.A.
held on June 29th 2018**

concerning: amendments to the Articles of Association

Section 1

Acting pursuant to Art. 430.1 of the Commercial Companies Code, the Annual General Meeting of FAMUR S.A. of Katowice resolves that Article 17.3 shall be renumbered as Article 17.4.

Section 2

This Resolution shall come into force as of its date, with effect as of the entry of the amendments in the National Court Register.

**RESOLUTION NO. ...
of the Annual General Meeting of FAMUR S.A.
held on June 29th 2018**

concerning: amendments to the Articles of Association

Section 1

Acting pursuant to Art. 430.1 of the Commercial Companies Code, the Annual General Meeting of FAMUR S.A. of Katowice resolves that Article 17.4 shall be renumbered as Article 17.5.

Section 2

This Resolution shall come into force as of its date, with effect as of the entry of the amendments in the National Court Register.

**RESOLUTION NO. ...
of the Annual General Meeting of FAMUR S.A.
held on June 29th 2018**

concerning: amendments to the Articles of Association

Section 1

Acting pursuant to Art. 430.1 of the Commercial Companies Code, the Annual General Meeting of FAMUR S.A. of Katowice resolves that Article 17.5 shall be renumbered as Article 17.6.

Section 2

This Resolution shall come into force as of its date, with effect as of the entry of the amendments in the National Court Register.

Appendix 3 to the shareholder's motion:

GROUNDS FOR DRAFT RESOLUTIONS

The proposed amendment to the Articles of Association is related to the new investment strategy announced by TDJ S.A., the parent, according to which TDJ S.A. may reduce its indirect interests in the existing portfolio companies to 20-40% in the future to diversify its portfolio while retaining control over the companies.

TDJ S.A., through TDJ Equity I Sp. z o.o. ("TDJ"), has controlled FAMUR S.A. for more than a decade, providing it with financial support and assistance in such areas as business development, foreign expansion and strategy implementation. The presence of a long-term anchor shareholder has been positively reflected in the Company's activity and the position it has achieved on the market. During the period, FAMUR S.A. increased its consolidated revenue from PLN 68.2m in 2003 to PLN 1.5bn in 2017 and successfully carried out a series of acquisitions, which TDJ supported both financially and organizationally on numerous occasions. One of the important moments in the development of FAMUR S.A. was the acquisition of control of KOPEX S.A. TDJ S.A. was actively involved in the transaction, assumed the risk related to the restructuring of KOPEX in the most challenging initial phase of the process, and then helped stabilise KOPEX's liquidity and organisation in the period from December 2016 to June 2017. The active participation of TDJ S.A. and its subsidiaries in these transactions was important to the success of FAMUR S.A. and had a positive effect on FAMUR S.A.'s and all its shareholders' situation.

The proposed amendments to the Articles of Association are intended to enable the existing shareholder to hold control of FAMUR S.A. by granting TDJ personal rights enabling it to appoint half of the Supervisory Board members and the majority of the Management Board members as long as TDJ holds at least 20% of FAMUR S.A.'s share capital.

In view of the above, it is the mover's opinion that the proposed amendments to the Articles of Association will enable the Company to protect its stability and predictability, and to continue its development plans, all of which is consistent with the interests of the Company and all its shareholders.

Additionally, TDJ Equity I Sp. z o.o. requests that dividend of PLN 252,895,813.28 be paid, taking into account the stable financial condition of FAMUR S.A. and its financial results. In the shareholder's opinion, the proposed dividend will not adversely affect FAMUR S.A.'s ability to implement its development plans.