

Subject: Notice of Annual General Meeting of PBG to be held on June 26th 2018 and draft resolutions

## **NOTICE OF THE ANNUAL GENERAL MEETING BY THE MANAGEMENT BOARD OF PBG SPÓŁKA AKCYJNA OF WYSOGOTOWO**

Acting pursuant to Art. 398 and Art. 399.1 of the Commercial Companies Code and pursuant to Art. 20.1 and Art. 20.5 of the Company's Articles of Association, the Management Board of PBG Spółka Akcyjna of Wysogotowo hereby gives notice of the Annual General Meeting to be held at the offices of PBG S.A. at ul. Skórzewska 35 (Building Z) in Wysogotowo, Poland, at 12 noon on June 26th 2018.

### **1. Agenda**

1. Opening of the Annual General Meeting.
2. Appointment of the Chairperson of the Annual General Meeting.
3. Recording of the legality of the Annual General Meeting.
4. Presentation of the agenda.
5. Appointment of the Ballot Counting Committee.
6. Presentation by the Management Board of the following documents: the Company's financial statements for the financial year 2017, the Directors' Report on the Company's operations in the financial year 2017, the consolidated financial statements of the Group for the financial year 2017, the Directors' Report on the Group's operations in the financial year 2017, and the Management Board's proposal regarding coverage of the Company's loss for 2017.
7. Presentation by the Supervisory Board of a report on its assessment of the Company's financial statements for the financial year 2017, the Directors' Report on the Company's operations in the financial year 2017, the consolidated financial statements of the Group for the financial year 2017, the Directors' Report on the Group's operations in the financial year 2017, and the Management Board's proposal regarding coverage of the Company's loss for 2017.
8. Review of the presented financial statements and reports.
9. Resolution to approve the Directors' Report on the Company's operations and the Company's financial statements for the financial year 2017.
10. Resolution to approve the Group's consolidated financial statements for the financial year 2017 and the Directors' Report on the Group's operations in the financial year 2017.

11. Resolution on coverage of loss.
12. Resolution regarding the Company's continued existence, pursuant to Art. 397 of the Commercial Companies Code.
13. Resolutions to approve the discharge of duties by members of the Management Board in 2017.
14. Resolutions to approve the discharge of duties by members of the Supervisory Board in 2017.
15. Closing of the Annual General Meeting.

## **2. Procedures governing attendance at the General Meeting and the exercise of voting rights**

### Shareholder's right to request that certain matters be placed on the agenda of the General Meeting

A shareholder or shareholders representing at least one-twentieth of the share capital may request that certain matters be placed on the agenda of the next General Meeting, i.e. the Annual General Meeting convened for June 26th 2018. The request should be submitted to the Management Board at least 21 days prior to the date of the General Meeting, i.e. by June 5th 2018, and should contain grounds for or a draft resolution of the proposed agenda item. The request may be submitted in electronic form to: [wza@pbg-sa.pl](mailto:wza@pbg-sa.pl), or by letter to: Zarząd PBG S.A., ul. Skórzewska 35, Wysogotowo, 62-081 Przeźmierowo, Poland.

### Shareholders' right to propose draft resolutions regarding any matters placed on the agenda of the General Meeting or any matters to be added to the agenda prior to the date of the General Meeting

Prior to the date of the Annual General Meeting, a shareholder or shareholders representing at least one-twentieth of the share capital may propose draft resolutions regarding matters placed on the agenda of the Annual General Meeting or matters to be placed on the agenda, either by letter to: Zarząd PBG S.A., ul. Skórzewska 35, Wysogotowo, 62-081 Przeźmierowo, Poland, or in electronic form to: [wza@pbg-sa.pl](mailto:wza@pbg-sa.pl).

### Shareholders' right to propose draft resolutions pertaining to items placed on the agenda in the course of the General Meeting

During the Annual General Meeting, each shareholder may propose draft resolutions regarding matters included on the agenda.

### Voting by proxy, including information on the proxy voting forms, and the manner of notifying the Company of appointing a proxy by electronic means of communication

Shareholders who are natural persons may participate in the Annual General Meeting and exercise their voting rights in person or through a proxy. Shareholders that are not natural persons may participate in the Annual General Meeting and exercise their voting rights through a person or persons authorised to make declarations of will on their behalf or through a proxy. A proxy may exercise all the Shareholder's rights at the Annual General Meeting, unless the power of proxy states otherwise. A proxy may grant further powers of proxy if the

original power of proxy so permits. A proxy may represent more than one Shareholder and may vote the shares of each Shareholder in a different manner. Shareholders holding shares registered in an omnibus account may appoint separate proxies to exercise their rights attached to the shares registered in the omnibus account. Shareholders holding shares registered in more than one securities account may appoint separate proxies to exercise their rights attached to the shares registered in each of the securities accounts. Powers of proxy to participate in the Company's Annual General Meeting and exercise voting rights must be granted in writing or in electronic form. Granting of a power of proxy in electronic form will not require the use of a safe electronic signature verifiable with the use of a valid qualified certificate.

A form of the power of proxy and a proxy voting form will be available as of the date of this notice, at [www.pbg-sa.pl](http://www.pbg-sa.pl) in the 'Investor Relations /AGM' section. Use of these forms is not obligatory.

Granting a power of proxy in electronic form should be notified to the Company by electronic means of communication, in a message sent to [wza@pbg-sa.pl](mailto:wza@pbg-sa.pl), sufficiently in advance to enable the Company to verify the identity and entitlement of both the Shareholder and the proxy. As every effort must be made to ensure effective verification of the document's validity, the power of proxy should be sent in the PDF format. A notification of granting a power of proxy should include precise identification of the proxy and the principal (first name, surname, ID card/passport number, Personal Identification Number (PESEL) and place of residence – in the case of natural persons; or name, registered address, number in the National Court Register (KRS) or other commercial register, registry court or other registration authority, and Taxpayer's Identification Number (NIP) – in the case of legal persons or other organisational units). Furthermore, the phone numbers and email addresses at which the Company will be able to contact both the Shareholder and the proxy should be provided. A notification of granting a power of proxy should also specify the number of shares on which the right to vote is to be exercised, as well as the date and name of the General Meeting during which the rights are to be exercised. Moreover, it should specify whether the power of proxy is valid only on the day when the General Meeting is opened or until its actual closing.

Along with the notification of granting a power of proxy in electronic form, the Shareholder must send in a PDF file containing scanned copies of ID cards, passports or other official documents enabling identification of the Shareholder as the principal and of the appointed proxy. If a power of proxy is granted by a legal person or an organisational unit, the Shareholder as the principal must send in a scanned copy of the entry in the relevant register where the principal is entered or other document confirming the authorisation of a natural person (natural persons) granting the power of proxy to represent the Shareholder.

Documents sent in electronic form which are not drawn up in Polish must be translated into Polish by a sworn translator.

The Company may take appropriate steps aimed at identifying the Shareholder and the proxy. In particular, such verification may consist in exchanging emails or phone calls with the Shareholder or the proxy in order to confirm the granting of the power of proxy and its scope. The Company reserves the right to treat a lack of reply to any questions asked for verification

purposes as inability to verify the granting of the power of proxy. This will constitute a sufficient basis to refuse the proxy admission to the Annual General Meeting.

The rules pertaining to notification that a power of proxy has been granted will also apply in the case of notifying the Company that a power of proxy has been revoked.

Any notification of granting or revoking a power of proxy which is not compliant with the foregoing requirements will not be binding upon the Company.

The manner of appointment of a proxy is left to the Shareholder's discretion, and the Company will not be responsible for any errors made in completing the forms or for actions taken by holders of powers of proxy.

Sending in the above documents in electronic form will not release the proxy from the obligation to produce his or her identification documents when the attendance list of persons authorised to participate in the Annual General Meeting is being prepared.

Attending the General Meeting by electronic means of communication Speaking at the General Meeting by electronic means of communication. Exercise of voting rights by electronic means of communication.

The Management Board of PBG S.A., acting pursuant to Art. 27.3 of the Company's Articles of Association, resolved not to allow participation in and taking the floor or exercising voting rights at the Annual General Meeting to be held on June 26th 2018 by electronic means of communication. The Management Board's decision is justified by the fact that there is no established practice to organise and conduct general meetings of public companies with the use of electronic means of communication and by a reasonable concern about the proper conduct of the Meeting. The Management Board believes that Shareholders may duly exercise their voting rights if the rule allowing communication by electronic means during the Annual General Meeting is departed from.

Exercising voting rights by postal ballot

Voting rights may not be exercised by postal ballot as the Rules of Procedure for the General Meeting do not provide for such a possibility.

### **3. Record date**

The record date for participation in the Annual General Meeting is June 10th 2018 (the "**Record Date**").

### **4. Information on the right to attend the Annual General Meeting**

Only natural and legal persons holding Company shares as at the Record Date (June 10th 2018) will have the right to attend the Annual General Meeting.

In order to ensure attendance at the Annual General Meeting, entitled holders of bearer shares in book-entry form should request the entity maintaining their securities accounts – not earlier than after the notice of the Annual General Meeting is issued, and not later than on the first business day after the Record Date, i.e. not later than June 14th 2018 – to issue personal certificates confirming their right to participate in the General Meeting. Certificates confirming the right to participate in the General Meeting will serve as the basis for preparation of records submitted to the entity operating the depository for securities in accordance with the laws and regulations governing trade in financial instruments. Holders of rights under registered shares may participate in the Annual General Meeting provided they are entered in the share register as at the Record Date.

The list of Shareholders entitled to attend the Annual General Meeting will be on display at the Company's registered office in Wysogotowo, at ul. Skórzewska 35 (62-081 Przeźmierowo, Poland), for three business days prior to the date of the Annual General Meeting, from 10.00 am to 2.00 pm, at the Main Secretary Office in Building Z. A shareholder may request that the list of shareholders be delivered to him/her free of charge via electronic mail, providing an email address to which the list should be delivered. Such requests should be sent to [wza@pbg-sa.pl](mailto:wza@pbg-sa.pl).

#### **5. Access to documents; website where information concerning the General Meeting will be published**

The full texts of documents to be presented to the Annual General Meeting, as well as draft resolutions to be voted on, will be available at the Company's website as from the day of convening the Annual General Meeting, pursuant to Art. 402<sup>3</sup>.1 of the Commercial Companies Code.

Information concerning the Annual General Meeting is available in the Investor Relations/AGM section of the Company's website at: [www.pbg-sa.pl](http://www.pbg-sa.pl).

#### **6. Confirmation of Shareholders' and proxies' identity on the day of the Annual General Meeting**

In order to register attendance, the Management Board may request the attendees of the Annual General Meeting to produce an ID card, a passport or another document confirming the identity of a given person. Moreover, persons representing a Shareholder which is not a natural person must furnish an original copy (or a copy certified by a notary public) of the valid entry in the relevant register or another document evidencing their authorisation to represent the Shareholder.

If a Shareholder participates in the Annual General Meeting through a proxy, the proxy must furnish the power of proxy (unless granted in electronic form) and present his or her ID card, passport or another official document confirming the proxy's identity and containing data consistent with the data given in the power of proxy. If the proxy represents a Shareholder that is not a natural person, he or she must also furnish an original copy (or a copy certified as true by a notary public) of the valid entry in the relevant register or another document

confirming the authorisation of the persons granting the power of proxy to represent the Shareholder.

Documents in a foreign language should be translated into Polish by a sworn translator.

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## **DRAFT RESOLUTIONS**

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2016**  
**to appoint the Chairperson of the Annual General Meeting**

Pursuant to Art. 409.1 of the Commercial Companies Code and Art. 25.2 of the Company's Articles of Association, the Annual General Meeting of PBG S.A. of Wysogotowo hereby appoints \_\_\_\_\_ as the Chairperson of the Annual General Meeting.

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2016**  
**to appoint the Ballot Counting Committee**

Pursuant to Par. 15 of the Rules of Procedure for the General Meeting, the Annual General Meeting of PBG S.A. of Wysogotowo hereby appoints the following persons as members of the Ballot Counting Committee:

- 1) \_\_\_\_\_,
- 2) \_\_\_\_\_,
- 3) \_\_\_\_\_.

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2016**

**to approve the Directors' Report on the Company's operations and the Company's financial statements for the financial year 2017**

Acting pursuant to Art. 28.1 of the Company's Articles of Association and Art. 395.2.1 of the Polish Commercial Companies Code, the Annual General Meeting of PBG S.A. of Wysogotowo resolves to approve the Company's financial statements for the financial year 2017 and the Directors' Report on the Company's operations in the financial year 2017.

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2016**

**to approve the Group's consolidated financial statements for the financial year 2017 and the Directors' Report on the Group's operations in the financial year 2017**

Acting pursuant to Art. 63c.4 of the Polish Accounting Act of September 29th 1994 (Dz.U. of 2009 No. 152, item 1223, as amended), the Annual General Meeting of PBG S.A. of Wysogotowo resolves to approve the Group's consolidated financial statements for the financial year 2017 and the Directors' Report on the Group's operations in the financial year 2017.

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2016**  
**on coverage of loss**

Acting pursuant to Art. 28.3 of the Company's Articles of Association and Art. 395.2.2 of the Commercial Companies Code, the Annual General Meeting of PBG S.A. of Wysogotowo hereby resolves to cover the net loss of PLN 83,723,385.97 (eighty-three million, seven hundred and twenty-three thousand, three hundred and eighty-five złoty, 97/100) disclosed in the 2017 financial statements with profits of future years.

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2016**  
**on the Company's continued existence**

Acting pursuant to Art. 397 of the Commercial Companies Code, in consideration of the fact that the loss disclosed in the Company's financial statements for 2017 exceeds the sum of its statutory reserve funds, capital reserves and one-third of the share capital, the Annual General Meeting of PBG S.A. of Wysogotowo resolves that the Company shall continue in existence.

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2016**  
**to approve discharge of duties by Mr Jerzy Wiśniewski**

Acting pursuant to Art. 28.2 of the Company's Articles of Association and Art. 395.2.3 of the Commercial Companies Code, the Annual General Meeting of PBG S.A. of Wysogotowo hereby approves the discharge of duties by Mr Jerzy Wiśniewski as President of the Management Board in 2017.

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2018**  
**to approve discharge of duties by Mr Mariusz Łożyński**

Acting pursuant to Art. 28.2 of the Company's Articles of Association and Art. 395.2.3 of the Polish Commercial Companies Code, the Annual General Meeting of PBG S.A. of Wysogotowo approves the discharge of duties by Mr Mariusz Łożyński as Vice President of the Management Board in 2017.



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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2018**  
**to approve discharge of duties by Mr Dariusz Szymański**

Acting pursuant to Art. 28.2 of the Company's Articles of Association and Art. 395.2.3 of the Polish Commercial Companies Code, the Annual General Meeting of PBG S.A. of Wysogotowo approves the discharge of duties by Mr Dariusz Szymański as Vice President of the Management Board in 2017.

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2018**  
**to approve discharge of duties by Ms Kinga Banaszak-Filipiak**

Acting pursuant to Art. 28.2 of the Company's Articles of Association and Art. 395.2.3 of the Polish Commercial Companies Code, the Annual General Meeting of PBG S.A. of Wysogotowo approves the discharge of duties by Ms Kinga Banaszak-Filipiak as Member of the Management Board in 2017.

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2018**  
**to approve discharge of duties by Ms Helena Fic**

Acting pursuant to Art. 28.2 of the Company's Articles of Association and Art. 395.2.3 of the Polish Commercial Companies Code, the Annual General Meeting of PBG S.A. of Wysogotowo approves the discharge of duties by Ms Helena Fic as Chairperson of the Supervisory Board in 2017.

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2018**  
**to approve discharge of duties by Ms Małgorzata Wiśniewska**

Acting pursuant to Art. 28.2 of the Company's Articles of Association and Art. 395.2.3 of the Polish Commercial Companies Code, the Annual General Meeting of PBG S.A. of Wysogotowo approves the discharge of duties by Ms Małgorzata Wiśniewska as Deputy Chairperson of the Supervisory Board in 2017.

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2018**  
**to approve discharge of duties by Mr Andrzej Stefan Gradowski**

Acting pursuant to Art. 28.2 of the Company's Articles of Association and Art. 395.2.3 of the Polish Commercial Companies Code, the Annual General Meeting of PBG S.A. of Wysogotowo approves the discharge of duties by Mr Andrzej Stefan Gradowski as Secretary of the Supervisory Board in 2017.

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2018**  
**to approve discharge of duties by Mr Dariusz Sarnowski**

Acting pursuant to Art. 28.2 of the Company's Articles of Association and Art. 395.2.3 of the Polish Commercial Companies Code, the Annual General Meeting of PBG S.A. of Wysogotowo approves the discharge of duties by Mr Dariusz Sarnowski as Member of the Supervisory Board in 2017.

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2018**  
**to approve discharge of duties by Mr Faustyn Wiśniewski**

Acting pursuant to Art. 28.2 of the Company's Articles of Association and Art. 395.2.3 of the Polish Commercial Companies Code, the Annual General Meeting of PBG S.A. of Wysogotowo approves the discharge of duties by Mr Faustyn Wiśniewski as Member of the Supervisory Board in 2017.

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2018**  
**to approve discharge of duties by Mr Maciej Stańczuk**

Acting pursuant to Art. 28.2 of the Company's Articles of Association and Art. 395.2.3 of the Polish Commercial Companies Code, the Annual General Meeting of PBG S.A. of Wysogotowo approves the discharge of duties by Mr Maciej Stańczuk as Member of the Supervisory Board in 2017.

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**Resolution No. [ ]**  
**Of the Annual General Meeting of**  
**PBG S.A. of Wysogotowo**  
**dated June 26th 2018**  
**to approve discharge of duties by Mr Przemysław Lech Figarski**

Acting pursuant to Art. 28.2 of the Company's Articles of Association and Art. 395.2.3 of the Polish Commercial Companies Code, the Annual General Meeting of PBG S.A. of Wysogotowo approves the discharge of duties by Mr Przemysław Lech Figarski as Member of the Supervisory Board in 2017.

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**GROUND FOR DRAFT RESOLUTIONS OF THE ANNUAL GENERAL MEETING**

As prescribed by the Code of Best Practice for WSE Listed Companies, grounds should be provided for all draft resolutions of the General Meeting except for resolutions concerning procedural matters and standard resolutions adopted by Annual General Meetings.

Accordingly, no grounds are required for the resolution to appoint the Chairperson of the General Meeting nor for the resolution to appoint the Ballot Counting Committee. As set out in Art. 395.2 of the Commercial Companies Code, the standard general meeting resolutions include the resolution concerning approval of the financial statements and directors' report for the previous financial year, the resolution concerning allocation of profit or coverage of loss, and the resolutions concerning the discharge of duties by members of the company's governing bodies. Furthermore, under Art. 395.5 of the Commercial Companies Code, the business attended to by a general meeting may also be the consideration and approval of consolidated financial statements. Hence, in the Management Board's opinion, a resolution concerning the matter, which is voted on every year to ensure compliance with the Accounting Act, requires no detailed grounds either.

As set out in Art. 397 of the Commercial Companies Code, the Company's General Meeting should vote on the Company's continued existence if the statement of financial position prepared by the Management Board shows a loss exceeding the sum of its statutory reserve funds, capital reserves and one-third of the share capital.

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## APPENDICES

- 1) Appendix 1 – Proxy form
- 2) Appendix 2 – Proxy voting form

Legal basis:

Par. 19.1.1 and 19.1.2 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 March 29th 2018

For the Company:  
Magdalena Eckert