

Current report no.: 28/2009

Wysogotowo, 21 May 2009

Subject: draft resolutions for Annual General Meeting of Shareholders of PBG SA convened for June 4<sup>th</sup> 2009

The Board of Directors of PBG SA hereby publishes draft resolutions for the General Meeting of Shareholders of the Company convened for June 14<sup>th</sup> 2008 and their justification:

**Resolution no. 1**  
**of the Annual General Meeting of Shareholders**  
**of PBG Spółka Akcyjna**  
**seated in Wysogotowo**  
**of 4th June 2009**

*on the election of Chairperson of the General Meeting of Shareholders*

Pursuant to Art. 409 Item 1 of the Commercial Companies Code the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby appoints ..... as the Chairperson of the Annual General Meeting of Shareholders.

**Resolution no. 2**  
**of the Annual General Meeting of Shareholders**  
**of PBG Spółka Akcyjna**  
**seated in Wysogotowo**  
**of 4th June 2009**

*on the election of the Voting Committee*

Pursuant to Art. 15 of the By-laws of the General Meeting of Shareholders, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby elects the following members of the Voting Committee: \_\_\_\_\_ .

**Resolution no. 3**  
**of the Annual General Meeting of Shareholders**  
**of PBG Spółka Akcyjna**  
**seated in Wysogotowo**  
**of 4th June 2009**

*on the approval of the Board's report on the Company's business in FY 2008*

Pursuant to Art. 28 Item 1 of the Articles of Association and Art. 395 Item 2 Point 1) of the Commercial Companies Code, having read and analyzed in detail the Board's report on

the Company's business in the financial year from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby confirms that the said report has been prepared in a true and fair manner and presents correctly the business events occurring in the Company and the Company's operations. In view of the above the Meeting of Shareholders approves of the Board's report on the Company's business in FY 2008.

**Resolution no. 4  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on the approval of the financial statements for FY 2008*

Pursuant to Art. 28 Item 1 of the Articles of Association and Art. 395 Item 2 Point 1) of the Commercial Companies Code, having read and analyzed in detail the financial statements for FY 2008 presented by the Board of Directors and composed of:

1. Balance sheet as of 31<sup>st</sup> December 2008 disclosing the total balance of assets, equity and liabilities at the amount of PLN 1,340,364,000 (one billion three hundred forty million three hundred sixty-four thousand zloty),
2. Profit and loss account for the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 disclosing the net profit of PLN 58,469,000 (fifty-eight million four hundred sixty-nine thousand zloty),
3. Statement of changes in equity disclosing an increase in the equity in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 by the amount of PLN 41,023,000 (forty-one million twenty-three thousand zloty),
4. Cash flow statement disclosing a decrease in the cash balance in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 by the amount of PLN 162,764,000 (one hundred sixty-two million seven hundred sixty-four thousand zloty),
5. Additional information and the notes,

and also having analyzed the opinion of certified auditor on the correctness of the financial statements for FY 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby confirms that the said statements have been prepared in a true and fair manner and present correctly the business events occurring in the Company and the Company's operations. In view of the above the Meeting of Shareholders approves of the Company's financial statements for FY 2008.

**Resolution no. 5  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

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*on the approval of the Board's report on the Company's Capital Group's business in FY 2008*

Having read and analyzed in detail the Board's report on the Company's Capital Group's business in the financial year from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby confirms that the said report has been prepared in compliance with the applicable regulations of law and in keeping with the relevant books of account and documents as well as with the actual condition. In view of the above the Meeting of Shareholders decides to approve of the Board's report on the Company's Capital Group's business.

**Resolution no. 6  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on the approval of the consolidated financial statements of the Capital Group for FY 2008*  
Having read and analyzed in detail the consolidated financial statements of the Capital Group for FY 2008 presented by the Board of Directors and composed of:

1. Consolidated balance sheet as of 31<sup>st</sup> December 2008 disclosing the total balance of assets, equity and liabilities at the amount of PLN 2,858,509,000 (two billion eight hundred fifty-eight million five hundred nine thousand zloty),
2. Consolidated profit and loss account for the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 disclosing the net profit of PLN 189,923,000 (one hundred eighty-nine million nine hundred twenty-three thousand zloty),
3. Statement of changes in consolidated equity disclosing an increase in the consolidated equity in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 by the amount of PLN 328,398,000 (three hundred twenty-eight million three hundred ninety-eight thousand zloty),
4. Consolidated cash flow statement disclosing a decrease in the cash balance in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 by the amount of PLN 120,592,000 (one hundred twenty million five hundred ninety-two thousand zloty),
5. Additional information and the notes,

and also having analyzed the opinion of certified auditor on the correctness of the financial statements, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby confirms that the said statements have been prepared in compliance with the applicable regulations of law and in keeping with the relevant books of account and documents as well as with the actual condition. In view of the above the Meeting of Shareholders decides to approve of the consolidated financial statements of the Company's Capital Group for FY 2008.

**Resolution no. 7  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on the distribution of profit from FY 2008*

Pursuant to Art. 28 Item 3 of the Articles of Association and Art. 395 Item 2 Point 2) of the Commercial Companies Code, having read and analyzed in detail the Board's report on the Company's business in the financial year from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby decides that the profit yielded in FY 2008 will be excluded from distribution and assigned in such a manner that PLN 5,000,000 (five million zloty) will be designated to the company social benefits fund, while the remaining part of the profit will be designated for reserve capital.

**Resolution no. 8  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on discharging a member of the Board of Directors for due performance of his duties*

Pursuant to Art. 28 Item 2 of the Articles of Association and Art. 395 Item 2 Point 3) of the Commercial Companies Code, having read and analyzed in detail the Board's report on the Company's business in the financial year 2008, the Company's financial statements for FY 2008, the Board's report on the Company's Capital Group' operations, and the consolidated financial statements of the Company's Capital Group for FY 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby discharges Mr. Jerzy Wiśniewski, who in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 held the function of the President of the Board of Directors, for due performance of his duties.

**Resolution no. 9  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on discharging a member of the Board of Directors for due performance of his duties*

Pursuant to Art. 28 Item 2 of the Articles of Association and Art. 395 Item 2 Point 3) of the Commercial Companies Code, having read and analyzed in detail the Board's report on

the Company's business in the financial year 2008, the Company's financial statements for FY 2008, the Board's report on the Company's Capital Group' operations, and the consolidated financial statements of the Company's Capital Group for FY 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby discharges Mr. Tomasz Woroch, who in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 held the function of the Vice-President of the Board of Directors, for due performance of his duties.

**Resolution no. 10  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on discharging a member of the Board of Directors for due performance of his duties*

Pursuant to Art. 28 Item 2 of the Articles of Association and Art. 395 Item 2 Point 3) of the Commercial Companies Code, having read and analyzed in detail the Board's report on the Company's business in the financial year 2008, the Company's financial statements for FY 2008, the Board's report on the Company's Capital Group' operations, and the consolidated financial statements of the Company's Capital Group for FY 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby discharges Mr. Przemysław Szkudlarczyk, who in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 held the function of the Vice-President of the Board of Directors, for due performance of his duties.

**Resolution no. 11  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on discharging a member of the Board of Directors for due performance of his duties*

Pursuant to Art. 28 Item 2 of the Articles of Association and Art. 395 Item 2 Point 3) of the Commercial Companies Code, having read and analyzed in detail the Board's report on the Company's business in the financial year 2008, the Company's financial statements for FY 2008, the Board's report on the Company's Capital Group' operations, and the consolidated financial statements of the Company's Capital Group for FY 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby discharges Mr. Tomasz Tomczak, who in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 held the function of the Vice-President of the Board of Directors, for due performance of his duties.

**Resolution no. 12**  
**of the Annual General Meeting of Shareholders**  
**of PBG Spółka Akcyjna**  
**seated in Wysogotowo**  
**of 4th June 2009**

*on discharging a member of the Board of Directors for due performance of his duties*

Pursuant to Art. 28 Item 2 of the Articles of Association and Art. 395 Item 2 Point 3) of the Commercial Companies Code, having read and analyzed in detail the Board's report on the Company's business in the financial year 2008, the Company's financial statements for FY 2008, the Board's report on the Company's Capital Group' operations, and the consolidated financial statements of the Company's Capital Group for FY 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby discharges Mr. Mariusz Łożyński, who in the period from 1<sup>st</sup> January 2008 to 27<sup>th</sup> November 2008 held the function of a Member of the Board of Directors, and in the period from 28<sup>th</sup> November of 2008 to 31<sup>st</sup> December 2008 held the function of the Vice-President of the Board of Directors, for due performance of his duties.

**Resolution no. 13**  
**of the Annual General Meeting of Shareholders**  
**of PBG Spółka Akcyjna**  
**seated in Wysogotowo**  
**of 4th June 2009**

*on discharging a member of the Board of Directors for due performance of his duties*

Pursuant to Art. 28 Item 2 of the Articles of Association and Art. 395 Item 2 Point 3) of the Commercial Companies Code, having read and analyzed in detail the Board's report on the Company's business in the financial year 2008, the Company's financial statements for FY 2008, the Board's report on the Company's Capital Group' operations, and the consolidated financial statements of the Company's Capital Group for FY 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby discharges Mr. Tomasz Łatawiec, who in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 held the function of a Member of the Board of Directors, for due performance of his duties.

**Resolution no. 14**  
**of the Annual General Meeting of Shareholders**  
**of PBG Spółka Akcyjna**  
**seated in Wysogotowo**  
**of 4th June 2009**

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*on discharging a member of the Supervisory Board for due performance of his duties*  
Pursuant to Art. 28 Item 2 of the Articles of Association and Art. 395 Item 2 Point 3) of the Commercial Companies Code, having read and analyzed in detail the Board's report on the Company's business in the financial year 2008, the Company's financial statements for FY 2008, the Board's report on the Company's Capital Group' operations, and the consolidated financial statements of the Company's Capital Group for FY 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby discharges Mr. Maciej Bednarkiewicz, who in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 held the function of the Chairperson of the Supervisory Board, for due performance of his duties.

**Resolution no. 15**  
**of the Annual General Meeting of Shareholders**  
**of PBG Spółka Akcyjna**  
**seated in Wysogotowo**  
**of 4th June 2009**

*on discharging a member of the Supervisory Board for due performance of his duties*  
Pursuant to Art. 28 Item 2 of the Articles of Association and Art. 395 Item 2 Point 3) of the Commercial Companies Code, having read and analyzed in detail the Board's report on the Company's business in the financial year 2008, the Company's financial statements for FY 2008, the Board's report on the Company's Capital Group' operations, and the consolidated financial statements of the Company's Capital Group for FY 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby discharges Mr. Jacek Kseń, who in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 held the function of the Vice-Chairperson of the Supervisory Board, for due performance of his duties.

**Resolution no. 16**  
**of the Annual General Meeting of Shareholders**  
**of PBG Spółka Akcyjna**  
**seated in Wysogotowo**  
**of 4th June 2009**

*on discharging a member of the Supervisory Board for due performance of his duties*  
Pursuant to Art. 28 Item 2 of the Articles of Association and Art. 395 Item 2 Point 3) of the Commercial Companies Code, having read and analyzed in detail the Board's report on the Company's business in the financial year 2008, the Company's financial statements for FY 2008, the Board's report on the Company's Capital Group' operations, and the consolidated financial statements of the Company's Capital Group for FY 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby discharges Mr. Wiesław Lindner, who in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December

2008 held the function of the Secretary of the Supervisory Board, for due performance of his duties.

**Resolution no. 17**  
**of the Annual General Meeting of Shareholders**  
**of PBG Spółka Akcyjna**  
**seated in Wysogotowo**  
**of 4th June 2009**

*on discharging a member of the Supervisory Board for due performance of his duties*  
Pursuant to Art. 28 Item 2 of the Articles of Association and Art. 395 Item 2 Point 3) of the Commercial Companies Code, having read and analyzed in detail the Board's report on the Company's business in the financial year 2008, the Company's financial statements for FY 2008, the Board's report on the Company's Capital Group' operations, and the consolidated financial statements of the Company's Capital Group for FY 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby discharges Mr. Jacek Krzyżaniak, who in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 held the function of a Member of the Supervisory Board, for due performance of his duties.

**Resolution no. 18**  
**of the Annual General Meeting of Shareholders**  
**of PBG Spółka Akcyjna**  
**seated in Wysogotowo**  
**of 4th June 2009**

*on discharging a member of the Supervisory Board for due performance of her duties*

Pursuant to Art. 28 Item 2 of the Articles of Association and Art. 395 Item 2 Point 3) of the Commercial Companies Code, having read and analyzed in detail the Board's report on the Company's business in the financial year 2008, the Company's financial statements for FY 2008, the Board's report on the Company's Capital Group' operations, and the consolidated financial statements of the Company's Capital Group for FY 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby discharges Ms. Małgorzata Wiśniewska, who in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> August 2008 held the function of a Member of the Supervisory Board, for due performance of her duties.

**Resolution no. 19**  
**of the Annual General Meeting of Shareholders**  
**of PBG Spółka Akcyjna**

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**seated in Wysogotowo  
of 4th June 2009**

*on discharging a member of the Supervisory Board for due performance of his duties*

Pursuant to Art. 28 Item 2 of the Articles of Association and Art. 395 Item 2 Point 3) of the Commercial Companies Code, having read and analyzed in detail the Board's report on the Company's business in the financial year 2008, the Company's financial statements for FY 2008, the Board's report on the Company's Capital Group' operations, and the consolidated financial statements of the Company's Capital Group for FY 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby discharges Mr. Mirosław Dobrut, who in the period from 1<sup>st</sup> January 2008 to 12<sup>th</sup> March 2008 held the function of a Member of the Supervisory Board, for due performance of his duties.

**Resolution no. 20  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on discharging a member of the Supervisory Board for due performance of his duties*

Pursuant to Art. 28 Item 2 of the Articles of Association and Art. 395 Item 2 Point 3) of the Commercial Companies Code, having read and analyzed in detail the Board's report on the Company's business in the financial year 2008, the Company's financial statements for FY 2008, the Board's report on the Company's Capital Group' operations, and the consolidated financial statements of the Company's Capital Group for FY 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby discharges Mr. Dariusz Sarnowski, who in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 held the function of a Member of the Supervisory Board, for due performance of his duties.

**Resolution no. 21  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on discharging a member of the Supervisory Board for due performance of his duties*

Pursuant to Art. 28 Item 2 of the Articles of Association and Art. 395 Item 2 Point 3) of the Commercial Companies Code, having read and analyzed in detail the Board's report on

the Company's business in the financial year 2008, the Company's financial statements for FY 2008, the Board's report on the Company's Capital Group' operations, and the consolidated financial statements of the Company's Capital Group for FY 2008, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby discharges Mr. Adam Strzelecki, who in the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008 held the function of a Member of the Supervisory Board, for due performance of his duties.

**Resolution no. 22**  
**of the Annual General Meeting of Shareholders**  
**of PBG Spółka Akcyjna**  
**seated in Wysogotowo**  
**of 4th June 2009**

on specifying the number of Supervisory Board Members

Pursuant to Art. 29 Item 2 of the Company's Articles of Association, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby decides that the Supervisory Board shall be composed of five members.

**Resolution no. 23**  
**of the Annual General Meeting of Shareholders**  
**of PBG S.A. seated in Wysogotowo**  
**of 4th June 2009**

*on issuance of "A" bonds convertible into "G" shares through a public offering, on issuance of "G" shares as a conditional increase of share capital, on complete exclusion of subscription rights of existing shareholders in relation to "A" bonds convertible into "G" shares and to "G" shares, on amendment of the Articles of Association and on applying for admission of convertible "A" bonds and "G" shares into trading on the regulated market and for uncertification of these bonds and shares*

Pursuant to Art. 393 Point 5 and Art. 448 of the Commercial Companies Code, Art. 20 and 23 of the Bond Act of 29 Jun. 1995 (Journal of Laws No. 120, Item 1300, as amended) and Art. 28 Point 6) of the Company's Articles of Association, the Annual General Meeting resolves as follows:

**§ 1.**

1. The Company shall issue 72,000 (say: seventy-two thousand) bearer "A" bonds convertible into ordinary bearer "G" shares ("**Bonds**").
2. The unit par value of each Bond shall be PLN 10,000 (say: ten thousand zloty), and the total par value of the Bond issue shall be PLN 720,000,000 (say: seven hundred and twenty million zloty).

3. The Bonds shall not have a physical document form and shall be issued as uncertified securities pursuant to Art. 5 of the Financial Instruments Trading Act of 29 Jul. 2005 ((Journal of Laws No. 183, Item 1538, as amended). Pursuant to Art. 5b of the Bond Act of 29 Jun. 1995, the rights and obligations of the issuer and bondholders shall be specified in the terms and conditions of the bond issue (**Terms and Conditions of the Bond Issue**) adopted by the Company's Board of Directors under a resolution adopted before making the proposal to purchase the Bonds public.
4. Before making the proposal to purchase the Bonds public, the Board of Directors shall adopt a resolution to specify the number of Bonds to be offered to be taken up by Investors.
5. The Bonds shall not be hedged.

## **§ 2.**

The purpose of the Bonds issuance has not been specified.

## **§ 3.**

1. The Bonds issuance shall be made through a public offering pursuant to Art. 3 of the Act on public offering and conditions of introducing financial instruments into an organized trading system and on public companies (Journal of Laws No. 184, Item 1539, as amended), and in compliance with Art. 9 Sec. 1 Point 1 of the Bond Act of 29 Jun. 1995.
2. The Company's Board of Directors shall be authorized and obliged to take all legal and factual actions provided for in the law to conduct the Bonds public offering, including but not limited to submission of an application to the Polish Financial Supervision Authority for approval of prospectus in relation with the public offering of the Bonds, conclusion of a contract for registration of Bonds in the securities deposit kept by the Krajowy Depozyt Papierów Wartościowych S.A. (*national deposit of securities*) to have the Bonds uncertificated.

## **§ 4.**

The Bond issue price shall be specified by the Company's Board of Directors in a resolution adopted before making the proposal to purchase the Bonds public.

## **§ 5.**

The Bonds shall earn interest. The type of interest rate, i.e. floating or fixed, the method of calculating the amount of interest, or the numerically denominated amount of interest, and particular terms and conditions of payment of the interest payable shall be specified by the Company's Board of Directors in a resolution adopted before making the proposal to purchase the Bonds public. The interest shall be earned on the Bond's par value.

## **§ 6.**

1. Bonds shall be redeemed by the Company through a payment of an amount of money, whereas the Bondholder may at any time request to have the Bonds redeemed

by exchanging them for "G" shares, subject to the condition that such an exchange may not be performed more than four times a calendar year, and only on dates indicated by the Board of Directors in the Terms and Obligations of the Bonds Issue.

2. Bonds shall be redeemed by the Company through a payment of an amount of money equal to the Bond's par value. The redemption price may be increased by a bonus (**Bonus**) at the amount as specified by the Board of Directors in the Terms and Obligations of the Bonds Issue.
3. In the Terms and Obligations of the Bonds Issue the Board of Directors may provide for a right to redeem the Bonds at the Company's request or at the bondholder's request, other than the right under Sec. 4 (**Earlier redemption**). The rules of earlier Bond redemption, including the amount of Bonus payable to bondholders, shall be specified by the Board of Directors in the Terms and Obligations of the Bonds Issue.
4. Bonds that will not be converted into the "G" shares or subject to earlier redemption shall be redeemed by the Company not earlier than on the first working day after an expiry of 24, 36 or 48 months following the bond assignment date (Final redemption date). The Bond redemption date shall be announced in a resolution by the Company's Board of Directors.

#### § 7.

1. Bondholders are entitled to acquire ordinary bearer "G" shares, in keeping with the following conditions:
2. The number of „G" shares granted in exchange for one Bond shall be equal to the rounded down quotient of the Bond's par value and the value of conversion price of "G" shares given in exchange for convertible bonds.
3. The conversion price of "G" shares given in exchange for the Bonds expressed in a form of a number or an algorithm shall be specified by the Company's Board of Directors in a resolution adopted before making the proposal to purchase the Bonds public, subject to the section below.
4. The conversion price cannot be specified in such a manner that the par value of the "G" shares acquired in that exchange is greater than the par value of the converted Bonds.
5. Conversion of the Bonds into shares will be made under written declarations of bondholders. The Company's Board of Directors reported a list of shares taken up to the registration court in order to update the entry on the share capital in a manner compliant with Art. 452 of the Commercial Companies Code.
6. The dates for submission of the declarations as set forth in Sec. 5 above shall be specified by the Board of Directors in the Terms and Obligations of the Bonds Issue.

#### § 8.

Should the par value of the Company's share be changed, the bondholder takes up shares on terms and conditions specified in Art. 7 hereof, save for the rule that for each PLN 1 of the Bond's par value there will be at the most PLN 1 of the "G" share's par value.

### **§ 9.**

In case of the Company's transformation or liquidation before the Final Bond Redemption Date, all Bonds are subject to earlier redemption, as on the transformation date or liquidation opening date, through a payment of an amount of money equal to the Bond's par value increased by the interest accrued and the Bonus, at the amount specified by the Company's Board of Directors in the Terms and Obligations of the Bonds Issue.

### **§ 10.**

The Company's Board of Directors shall be authorized to specify the other terms, conditions and dates of the issuance of the Bonds and "G" shares not included in the present resolution, in particular the division of the public offering into tranches and the rules of making transfers between tranches, to specify the type of Investors to whom the public offering will be directed and to perform the assignment of Bonds, whereas the Company's Board of Directors, on terms set forth in the issue prospectus, can assign the Bonds in a number smaller than specified in Art. 1 Sec. 1.

### **§ 11.**

1. In order to grant the rights to take up „G” shares by bondholders of convertible „A” bonds, the Company's share capital shall be increased conditionally by the amount of PLN 4,000,000.00 (four million zloty) by issuance of 4,000,000 (four million) ordinary bearer „G” shares with the par value of PLN 1.00 (one zloty) each.
2. The increase of the share capital through issuance of „G” shares shall become effective provided the bondholders of convertible „A” bonds should exercise their right to take up the „G” shares on terms and conditions specified in the present resolution.
3. The right of bondholders of convertible „A” bonds to take up „G” shares can be exercised not later than by the Final Redemption Date of the convertible „A” bonds determined pursuant to Art. 6 Sec. 4.
4. The issue price of one „G” share shall be determined by the Company's Board of Directors and shall be equal to the conversion price determined in keeping with the rules specified in the present resolution.
5. „G” shares will participate in the dividend paid in the given financial year if they are registered on the securities account of the former bondholder by the dividend payment date as determined by the Company's General Meeting in a resolution on the distribution of profit and determining the dividend payment date. „G” shares shall participate in the dividend starting from 1 January 2009, i.e. for the financial year 2009.
6. Having read the written opinion of the Company's Board of Directors justifying the reasons for exclusion from the subscription right and for determining the issue price for convertible „A” bonds and „G” shares, the General Meeting excludes completely the subscription rights of existing shareholders in relation to convertible „A” bonds and „G” shares.

### **§ 12.**

The General Meeting of Shareholders decides to amend the Company's Articles of Association in such a manner that in Art. 9 of the Articles of Association there is a new Section 3 added as follows:

„3. The Company's share capital has been be increased conditionally by the amount of PLN 4,000,000.00 (four million zloty) by issuance of 4,000,000 (four million) ordinary bearer “G” shares with the par value of PLN 1 (one zloty) each. The conditional increase of the share capital has been performed in order to grant the right to subscribe to “G” shares to holders of convertible bearer “A” bonds, with the exclusion of the subscription right in relation to the Company's existing shareholders.”

### **§ 13.**

The Company's Supervisory Board shall be authorized to prepare unified text of the Company's Articles of Association accounting for the amendment pertaining to the conditional increase of the Company's share capital.

### **Resolution no. 24**

#### **of the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowooof 4<sup>th</sup> June 2009**

***on increasing the Company's share capital through issuance of „H” shares with the complete exclusion of the existing shareholders from the subscription right, on amending the Articles of Association, on applying for admission of “H” shares into trading on the regulated market and for uncertification of the “H” shares***

Pursuant to Art. 430, 431, 432, 433 Sec. 2 of the Commercial Companies Code Act of 15 Sept. 2000 (Journal of Laws No. 94, Item 1037, as amended), the General Meeting resolves as follows:

### **§ 1.**

1. The Company's share capital shall be increased by the amount of up to PLN 865,000 (eight hundred sixty-five thousand zloty) by issuance of shares in a number not greater than 865,000 (eight hundred sixty-five thousand ) ordinary bearer “H” shares with the par value of PLN 1 (one zloty) each.
2. „H” shares shall be covered with monetary contributions.
3. „G” shares shall participate in the dividend starting from 1 January 2009, i.e. for the financial year ending on 31 December 2009.

### **§ 2.**

1. “H” shares shall be offered for subscription only to qualified investors selected by the Management Board pursuant to Art. 8 Sec. 1 of the Act on public offering and conditions of introducing financial instruments into an organized trading system and on public companies (Journal of Laws No. 184, Item 1539, as amended) (“**Act**”). „H” shares shall be taken up through a private subscription in the understanding of Art. 431 Sec. 2 Point 1) of the Commercial Companies Code.



2. The Board of Directors shall be authorized to select the method of offering the "H" shares. In particular, the offering of the "H" shares subscription – directed to the qualified investors – can be conducted as a public offering in the understanding of Art. 3 in relation to Art. 7 Sec. 3 Point 1) of the Act. In such a case the investors to whom the "H" shares offering will be directed will be selected based on the bookbuilding process in relation to the public offering of the "H" shares.
3. The subscription conditions for „H” shares specified by the Board of Directors can provide for the pre-emptive right for subscribing to the "H" shares on terms indicated in the said conditions to investors who are the Company's shareholders as at the end of the day before the day of offering the "H" share for subscription, to whom the "H" shares subscription offering will be directed, irrespective of the method off the share offering. The type of the pre-emptive rights will be the same for all the above-mentioned investors.
4. The contracts for the „H” shares subscription shall be concluded not later than within 3 months from the resolution adoption date.
5. The Company's Board of Directors shall be authorized and obliged to determine by means of respective resolutions:
  - (a) the issue price for „H” shares,
  - (b) the method of selecting addressees of the "H" shares subscription offering, including the pre-emptive right for subscription of the "H" shares,
  - (c) the other terms and conditions of the „H” shares issuance in a scope not regulated in the present resolution.

### **§ 3.**

1. „H” shares, rights to the „H” shares shall be subject to application for admission into trading on the regulated market.
2. The Company's Board of Directors shall be authorized and obliged to take all legal and factual actions provided for in the law to introduce the "H" shares and the rights to the "H" shares into trading on the regulated market, including but not limited to conclusion of a contract for registration of the "H" shares and the rights to the "H" shares in the securities deposit kept by Krajowy Depozyt Papierów Wartościowych S.A. (*national deposit of securities*) in order to have the "H" shares and the rights to the "H" shares uncertificated in relation to applying for admission of the shares for trading on the regulated market or in relation to the public offering of the "H" shares, in case the Board of Directors decides to use this method of the "H" shares offering and submission of all requests and documents to GPW (Giełda Papierów Wartościowych w Warszawie S.A. – Warsaw Stock Exchange) in Warsaw.

### **§ 4.**

The Board of Directors presented the General Meeting with a written opinion on the reasons for exclusion of shareholders from the subscription rights and on the method of determining the issue price. The General Meeting agrees with the Board's standing

presented in the written opinion, and excludes completely the existing shareholders from the "H" shares subscription rights, as they found this will be in the Company's interest.

#### **§ 5.**

Further to the increasing of the share capital through the "H" shares issuance, the General Meeting of the Company shall amend the Company's Articles of Association in such a way that:

- b) Art. 9 Sec. 1 of the Company's Articles of Association shall have the following wording:  
„1. The initial capital of the Company shall be not more than PLN 14,295,000.00 (fourteen million and two hundred ninety-five thousand zloty), divided as follows: 5,700,000 (five million and seven hundred thousand) of the "A" shares, 1,500,000 (one million and five hundred thousand) of the "B" shares, 3,000,000 (three million) of the "C" shares, 330,000 (three hundred and thirty thousand) of the "D" shares, 1,500,000 (one million and five hundred thousand) of the "E" shares and 1,400,000 (one million four hundred thousand) of the "F" shares and not more than 865,000 (eight hundred and sixty-five thousand) of the "H" shares.
- b) Art. 10 Sec. 2 of the Company's Articles of Association shall have the following wording:  
"Series B, C, D, E, F and H shares shall be bearer shares."

#### **§ 6.**

The Company's Board of Directors shall be authorized to determine the amount of share capital taken up in result of the share capital increase as set forth in Art. 1 Sec. 1 of the present resolution in order to adjust the amount of the share capital in the Company's Articles of Association, pursuant to Art. 310 Sec. 2 and 4 and in reference to Art. 431 Sec. 7 of the Commercial Companies Code.

#### **§ 7.**

The Company's Supervisory Board shall be authorized to prepare unified text of the Company's Articles of Association accounting for the amendment pertaining to the increase of the Company's share capital.

### **Resolution no. 25 of the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowooof 4<sup>th</sup> June 2009**

*on amending the Company's Articles of Association in reference to the authorization granted to the Board of Directors to increase the share capital within the target capital with the possibility of exclusion from the subscription right, on applying for admission of shares issued within the target capital for trading on the regulated market and on the uncertification of shares*

Pursuant to Art. 430, 431, 444, 445 and 446 of the Commercial Companies Code, the General Meeting resolves as follows:

### **§ 1.**

The Company's Articles of Association shall be amended in such a manner that in Art. 9 of the Articles of Association there is a new Art. 9a added as follows:

#### **„§9a**

The Company's Board of Directors shall be authorized to increase the share capital on a single-time or multiple basis by the total amount of not more than PLN 2,700,000 (two million seven hundred thousand zloty) – the target capital, however not later than by 5<sup>th</sup> June 2011. The share issue within the limits of the authorization for the share capital increase can be performed against contributions in kind. Resolutions of the Board of Directors on determining the issue price and on the share issue within the limits of the target capital against contributions in kind may be adopted only if the Company's Supervisory Board agrees to them. The Company's Board of Directors shall be authorized to exclude shareholders from the subscription rights to shares issued within the limits of the target capital, either fully or partly, however subject to the Company's Supervisory Board consent. The Board of Directors shall perform the marking of the shares' series."

### **§ 2.**

The General Meeting decides that all shares issued by the Board of Directors under the authorization to increase the share capital within the limits of the target capital and under the rights to shares shall be subject of applying for admission for trading on the regulated market on GPW (Giełda Papierów Wartościowych w Warszawie S.A. – Warsaw Stock Exchange) in Warsaw. The share issue may be performed as a public offering pursuant to Art. 3 of the Act of 29 Jul. 2005 on public offering and conditions of introducing financial instruments into an organized trading system and on public companies (Journal of Laws No. 184, Item 1539, as amended).

### **§ 3.**

Further to the above, all shares issued within the limits of the target capital shall be uncertificated. The Company's Board of Directors shall be authorized to conclude a contract with Krajowym Depozytem Papierów Wartościowych S.A. in respect of the registration and uncertification of shares and rights to shares. Additionally, the Board of Directors shall be also authorized to apply for admission of shares and rights to shares for trading on the regulated market.

### **§ 4.**

The Company's Board of Directors shall be authorized to take all legal and factual actions to introduce shares and rights to shares into trading on GPW (Giełda Papierów Wartościowych w Warszawie S.A. – Warsaw Stock Exchange) in Warsaw, including but not limited to submission of all requests, documents or notifications to the Polish Financial Supervision Authority and taking all required actions and submission of all requests,

documents or notifications in order to introducing the shares, rights to shares into trading on GPW (Giełda Papierów Wartościowych w Warszawie S.A. – Warsaw Stock Exchange) in Warsaw.

**Resolution no. 26  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on amending the Articles of Association in relation to Point 18 of the agenda*

Pursuant to Art. 430 Item 1 of the Commercial Companies Code, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby decides to amend the Company's Articles of Association in such a way that Art. 5 shall have the following wording:

„The scope of business of the Company shall be as follows, in accordance with the Polish Classification of Economic Activities (PKD):

1. Manufacture of tools PKD 25.73.Z
2. Manufacture of lifting and handling equipment PKD 28.22.Z
3. Manufacture of non-domestic cooling and ventilation equipment PKD 28.25.Z
4. Manufacture of other general-purpose machinery n.e.c. PKD 28.29.Z
5. Manufacture of machinery for mining, quarrying and construction PKD 28.92.Z
6. Manufacture of plastic and rubber machinery PKD 28.96.Z
7. Manufacture of other special-purpose machinery n.e.c. PKD 28.99.Z
8. Repair of machinery PKD 33.12.Z
9. Repair of electronic and optical equipment PKD 33.13.Z
10. Installation of industrial machinery and equipment PKD 33.20.Z
11. Production of electricity PKD 35.11.Z
12. Transmission of electricity PKD 35.12.Z
13. Distribution of electricity PKD 35.13.Z
14. Trade of electricity PKD 35.14.Z
15. Distribution of gaseous fuels through mains PKD 35.22.Z
16. Trade of gas through mains PKD 35.23.Z
17. Water collection, treatment and supply PKD 36.00.Z
18. Sewerage PKD 37.00.Z
19. Collection of non-hazardous waste PKD 38.11.Z
20. Collection of hazardous waste PKD 38.12.Z
21. Treatment and disposal of non-hazardous waste PKD 38.21.Z
22. Treatment and disposal of hazardous waste PKD 38.22.Z
23. Remediation activities and other waste management services PKD 39.00.Z
24. Construction of residential and non-residential buildings PKD 41.20.Z
25. Construction of roads and motorways PKD 42.11.Z
26. Construction of railways and underground railways PKD 42.12.Z
27. Construction of bridges and tunnels PKD 42.13.Z
28. Construction of utility projects for fluids PKD 42.21.Z
29. Construction of utility projects for electricity and telecommunications PKD 42.22.Z

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30. Construction of water projects PKD 42.91.Z
31. Construction of other civil engineering projects n.e.c. PKD 42.99.Z
32. Demolition PKD 43.11.Z
33. Site preparation PKD 43.12.Z
34. Test drilling and boring PKD 43.13.Z
35. Electrical installation PKD 43.21.Z
36. Plumbing, heat and air conditioning installation PKD 43.22.Z
37. Other construction installation PKD 43.29.Z
38. Plastering PKD 43.31.Z
39. Joinery installation PKD 43.32.Z
40. Floor and wall covering PKD 43.33.Z
41. Painting and glazing PKD 43.34.Z
42. Other building completion and finishing PKD 43.39.Z
43. Roofing activities PKD 43.91.Z
44. Other specialised construction activities n.e.c. PKD 43.99.Z
45. Wholesale of other intermediate products PKD 46.76.Z
46. Transport via pipeline PKD 49.50.A
47. Transport of other goods via pipeline PKD 49.50.B
48. Warehousing and storage of gaseous fuels PKD 52.10.A
49. Warehousing and storage of other goods PKD 52.10.B
50. Activities of holding companies PKD 64.20.Z
51. Trusts, funds and similar financial entities PKD 64.30.Z
52. Financial leasing PKD 64.91.Z
53. Other credit granting PKD 64.92.Z
54. Other financial service activities, except insurance and pension funding n.e.c. PKD 64.99.Z
55. Other activities auxiliary to financial services, except insurance and pension funding PKD 66.19.Z
56. Renting and operating of own or leased real estate PKD 68.20.Z
57. Accounting, bookkeeping and auditing activities; tax consultancy PKD 69.20.Z
58. Business and other management consultancy activities PKD 70.22.Z
59. Architectural activities PKD 71.11.Z
60. Engineering activities and related technical consultancy PKD 71.12.Z
61. Other technical testing and analysis PKD 71.20.B
62. Renting and leasing of trucks PKD 77.12.Z
63. Renting and leasing of construction and civil engineering machinery and equipment PKD 77.32.Z
64. Renting and leasing of office machinery and equipment (including computers) PKD 77.33.Z
65. Renting and leasing of other machinery, equipment and tangible goods n.e.c. PKD 77.39.Z
66. Other professional, scientific and technical activities n.e.c. PKD 74.90.Z



67. Museums activities PKD 91.02.Z.

**Resolution no. 27  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on amending the Articles of Association in relation to Point 18 of the agenda*

Pursuant to Art. 430 Item 1 of the Commercial Companies Code, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby decides to amend the Company's Articles of Association in such a way that Art. 23 Sec. 1 shall have the following wording:

„The General Meeting shall be convened in compliance with the applicable regulations, and in particular as of 3<sup>rd</sup> August 2009, the Annual General Meeting of Shareholders of the Company as a public company shall be convened by making an announcement on the Company's website and in a manner specified for submission of current information pursuant to provisions on the public offer and conditions of introducing financial instruments into an organized trading system and on the public companies.”

**Resolution no. 28  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on amending the Articles of Association in relation to Point 18 of the agenda*

Pursuant to Art. 430 Item 1 of the Commercial Companies Code, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby decides to amend the Company's Articles of Association in such a way that Art. 24 shall be deleted.

**Resolution no. 29  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo**

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**of 4th June 2009**

*on amending the Articles of Association in relation to Point 18 of the agenda*

Pursuant to Art. 430 Item 1 of the Commercial Companies Code, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby decides to amend the Company's Articles of Association in such a way that Art. 26 Sec. 3 shall have the following wording:

„Resolution on a significant change of the Company's scope of business shall be adopted by a majority of 2/3 (two thirds) of validly cast votes in the presence of shareholders holding at least a half of the share capital.”

**Resolution no. 30  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on amending the Articles of Association in relation to Point 18 of the agenda*

Pursuant to Art. 430 Item 1 of the Commercial Companies Code, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby decides to amend the Company's Articles of Association in such a way that Art. 27 shall be complemented with Sec. 3 with the following wording:

„3. The Company shall permit participation of shareholders in General Meetings convened after 3<sup>rd</sup> August 2009 using means of electronic communications.”

**Resolution no. 31  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on authorizing the Supervisory Board to prepare the unified text of the Company's Articles of Association*

Pursuant to Art. 430 Item 5 of the Commercial Companies Code, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby decides to authorize the Supervisory Board to prepare the unified text of the Company's Articles of Association.

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**Resolution no. 32  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on amending the By-laws of the Supervisory Board*

Pursuant to Art. 19 Item 1 of the By-laws of the Supervisory Board, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby decides to amend the By-laws of the Supervisory Board and adopt the unified wording of the By-laws of the Supervisory Board whose text is enclosed to the present Resolution as an annex.

**UNIFIED TEXT OF THE BY-LAWS OF THE SUPERVISORY BOARD**

**BY-LAWS OF THE SUPERVISORY BOARD  
of PBG Spółka Akcyjna**

**§ 1.**

1. The By-laws of the Supervisory Board, hereinafter referred to as the By-laws, regulate the work of the Supervisory Board of the Company, as well as the rights and duties of the Supervisory Board members.
2. Whenever the By-laws mention Board Members, it will mean all persons appointed as members of the Supervisory Board pursuant to the Articles of Association, i.e. Board Chairperson, Vice-Chairperson, Secretary and its Members.
3. The Supervisory Board acts in line with the Company's Articles of Association, the Commercial Companies Code, binding legal regulations, rules of good practices in the public companies as well as these By-laws.

**§ 2.**

1. The Supervisory Board, hereinafter referred to as the Board, is a supervising and controlling body, representing the shareholders' interests
2. The works of the Board are managed by the Board Chairperson, who is responsible for the current performance of the Board's duties. Should the Board Chairperson be absent, the works of the Board are managed by its Vice-Chairperson.
3. First and foremost, the Supervisory Board Member should bear in mind Company interests.

**§ 3.**

1. The Board is composed of at least five members, appointed and dismissed by the General Meeting. The number of the Board Members in a given term is determined by the General Meeting.

2. Each person eligible to participate in the General Meeting shall have the right to propose one or a few candidates for the Supervisory Board Members within 7 (seven) days prior to the General Meeting. A written proposal should include:
  - 1) name and surname or business name of the shareholder making the proposal, and if a representative acts on behalf of a shareholder, also representative's name and surname,
  - 2) name and surname as well as a short résumé of the candidate,
  - 3) detailed justification for the candidacy.
3. The Company's Board of Directors shall make the names of the candidates public within 5 (five) days prior to the General Meeting.
4. Each Member of the Supervisory Board, including those elected pursuant to article 385 § 3 of the Commercial Companies Code, should comply with the following requirements:
  - a) have adequate education,
  - b) have at least five years' professional experience,
  - c) have life experience,
  - d) represent high moral standards.
5. The Board is formed at its first meeting, selecting a Chairperson, Vice-Chairperson and Secretary from the group of the Members. They may be dismissed at any time from their positions upon the request of at least two Board Members.
6. The Chairperson must convene the Board meeting within three days after receiving the request referred to in section 5 of this paragraph, pursuant to paragraphs 12.8, 12.9 and 12.10 hereof.
7. The Board Members may participate in the Board meetings and perform other duties of the Board Members only in person. Subject to applicable regulations, Members of the Supervisory Board may participate in passing the Board resolution by casting a vote in writing by means of another Board Member.
8. The Supervisory Board cannot include the Board of Directors members, proxies, liquidators, agents, site managers or branches, as well as the chief accounting officer, legal advisor or attorney, and other persons reporting directly to a Member of the Board of Directors or a liquidator. The provision included in the preceding sentence is applicable to the Members of the Board of Directors and company or subsidiary liquidators.
9. The term in office of the Supervisory Board Members is one year.
10. Members of the Supervisory Board may be reelected.
11. The Board Members may be dismissed at any time by a resolution of the General Meeting.
12. The mandates of the Supervisory Board Members expire on the day when the General Meeting approves of the financial statements for the last full accounting year in the function of the Supervisory Board Member.
13. The term in office of the Supervisory Board Member expires:
  - a) when he/she dies,
  - b) in the case of dismissal by the General Meeting,
  - c) as of the date of resignation filed by the Supervisory Board Member in writing. The statement on resignation should be submitted to the Board of Directors, and for attention of the Supervisory Board's Chairperson (or if the resignation is filed by person holding the position of the Supervisory Board Chairperson – for the attention of the Supervisory Board's Vice-Chairman).

14. The Supervisory Board Member should not resign from his/her office during the term of office if it could prevent due performance of the Supervisory Board's duties, and, in particular, if it could prevent adoption of any important resolution in due time.
15. The Chairperson must convene the Board meeting within three days after receiving the request referred to in section 5 of this paragraph, pursuant to paragraphs 12.8, 12.9 and 12.10 hereof.
16. Should anything prevent a Management Board Member from execution of their obligations, they must notify the Chairperson of the Supervisory Board immediately about such impossibility and its reasons.
17. A member of the Supervisory Board should immediately notify the other members of the Supervisory Board about:
  - a) any occurring conflict of interests with the Company. In such a case the Member of the Supervisory Board must abstain from speaking up and voting over adoption of a resolution concerning the issue in which the conflict of interest occurred. Information about the reported conflict of interest should be placed in the minutes of the Supervisory Board's meeting.
  - b) personal, actual and organizational connections of the Supervisory Board Member with a particular shareholder, and particularly with the majority shareholder which may have an impact of the Company's matters.
18. The personal connection with a shareholder should be understood as the first degree relationship and kinship. The actual connection with a shareholder should be understood as remaining in fixed commercial relations. The organizational connection with a shareholder should be understood as relations resulting from contracts of employment and the like.
19. The Company may from time to time require a member of the Supervisory Board to submit a declaration on the relations as specified above.
20. Information about personal, actual and organizational connections of the Supervisory Board Member submitted under section 17 (b) and section 19 of this paragraph shall be made public in a form of current reports.

#### **§ 4.**

The Board shall represent the Company in all contracts and disputes with the Board of Directors Members. Each contract with a Board of Directors Member shall be made in writing. On the part of the Company the contract is signed by the Board Chairperson, Board Vice-Chairperson or other Supervisory Board Member appointed in the Supervisory Board resolution.

#### **§ 5.**

1. The Board shall perform its duties jointly. Moreover, the Board may delegate Board Members to perform particular supervisory, controls and advisory actions. The scope of actions performed by the delegated Board Member is defined each time by the Supervisory Board or, upon its authorization, by the Board Chairperson.

2. The Supervisory Board Member delegated to perform particular actions should report to the Supervisory Board on their function at the meeting following these actions and at least once a year during the Supervisory Board meeting convened before the Annual General Meeting.
3. The Supervisory Board Member delegated by the group of shareholders to regular and individual performance of supervisory actions in line with applicable regulations should report to the Supervisory Board on their function at least once a quarter and once a year during the Supervisory Board meeting convened before the Annual General Meeting.

#### **§ 6.**

The Board's powers cover all issues specified by the provisions of the Commercial Companies Code and the Company's Articles of Association.

#### **§ 7.**

The Supervisory Board ensures continuous supervision over the Company's activities in all areas of its operation. The Supervisory Board shall each year submit to the General Meeting a concise assessment of the Company's condition, determined during the Supervisory Board meeting, convened before the Annual General Meeting.

#### **§ 8.**

1. In order to perform its duties, the Board may review each department of the Company, request reports and explanations from the Company's Board of Directors and employees, review the assets, and inspect the books of account and documents.
2. Members of the Supervisory Board shall take any actions required to ensure that the Board of Directors provides regular and complete information on any significant issues concerning the Company's operations and the business risks and methods of risk management. At each meeting of the Supervisory Board, the Board of Directors presents a report on any significant issues concerning the Company's business. In the case of urgent issues, the Supervisory Board Members are notified by the Board of Directors in the circulation mode (in writing). In such a case, the President or two Vice-Presidents of the Board of Directors, or a Vice-President and a Board of Directors member, or a Vice-President and Proxy, or a Board of Directors member and Proxy shall notify the Board Chairperson in writing.
3. The Board may, by a resolution, entrust the performance of specified supervisory actions to individual Board Members.
4. In the case of delegating a given Member or Members of the Board to perform the specified supervisory, control or advisory actions, he/she (they) shall submit to the Board of Directors of a copy of the Supervisory Board resolution delegating him/her (them) to perform this action, before the given action is undertaken.

#### **§ 9.**

Should the Board of Directors be suspended or unable to perform the duties, the Supervisory Board should immediately undertake proper action to supplement the Board of Directors. In order to perform



the duty specified in the first sentence of this paragraph, the Supervisory Board may in particular delegate its member to perform the duties of the Board of Directors members temporarily.

#### **§ 10.**

1. The Board shall have the right to convene the Extraordinary General Meeting pursuant to the Company's Articles of Association, if the Board of Directors fails to do so within two weeks of the application for convention by authorized persons or body, or if the Board of Directors convenes it with agenda different from that included in the application for convention, or if the Board of Directors sets the date of the Extraordinary General Meeting of Shareholders on the day after 2 (two) months of the application for convention reception date.
2. The Board shall be entitled to convene the Ordinary General Meeting of Shareholders pursuant to the Articles of Association if the Board of Directors fails to do so within the period as specified in the Articles of Association.
3. The Board submits to the Board of Directors applications on issues which require the decision of the Board of Directors.

#### **§ 11.**

The actions specified in § 8 may be performed by the Board Members within the Company's working hours.

#### **§ 12.**

1. The Board meetings are convened by the Board Chairperson when necessary, at least once every three months, determining the date and agenda.
2. The Board meetings are held at the Company seat or at other place designated by the Board Chairperson. The Board meeting may be also held in a form of a teleconference or a videoconference.
3. The Board Chairperson must convene the Board meeting upon a written request of the Company Board of Directors or a Supervisory Board Member. The persons requesting the Supervisory Board meeting should determine the subject of the meeting and its proposed agenda in their request.
4. A Board Member may request the Board Chairperson to include an issue in the agenda of the next meeting.
5. Requests specified in sections 3 and 4 should be addressed to the Board Chairperson and lodged with the Company seat.
6. The Company Board of Directors must, within 1 (one) working day, inform the Board Chairperson that a request to convene a Board meeting has been lodged by sending a telegram or an e-mail to the address specified by the Board Chairperson as the address for services or to the e-mail address. The notification should include the contents of the request and the name and surname (name) of the applicant.
7. In cases specified in section 3, the Board Chairperson must convene the Board meeting immediately, and not later than within 14 days of the reception of a relevant request to the Company seat. The Supervisory Board meeting is convened in the mode as specified in sections 8, 9

- and 10. Should the Board Chairperson fail to convene a meeting within time specified hereinabove, the applicant may convene it independently, and supply the date, place and proposed agenda.
8. The notification on the Board meeting is performed by means of an email or a registered mail sent to an address designated by each of the Board Members. In cases of emergency, the Supervisory Board meetings may be convened also by means of a telephone or telefax.
  9. The notification shall be effective if it was sent to the address given by the Board Member following his/her appointment as an address for service, not later than within 7 days before the planned date of Board meeting. In cases of emergency, specified in section 8 of this paragraph, the notification shall be considered effective if it was sent at least one day prior to the planned date of Board meeting.
  10. The notification specified in section 8 should include date, hour and proposed agenda of the Board meeting.
  11. Should all Board Members be present at the meeting, the Chairperson may set a date of the next Board meeting. The date given by the Chairperson is the binding date for all Board Members.

### **§ 13.**

1. The Supervisory Board is entitled to making resolutions included in the agenda if all the Board Members have been notified about the Board meeting.
2. The agenda of a Supervisory Board meeting shall not be amended or supplemented during the meeting they apply to, except for the instances when:
  - a) a) all Board Members are present and give consent to amending or supplementing the agenda,
  - b) taking relevant actions by the Board is necessary to protect the Company against loss,
  - c) the subject of the resolution is the assessment whether there is a conflict of interests between a Board Member and the Company.
3. Procedural requests may always be the subject of a valid resolution, even if they are not included in the agenda.
4. The Board meetings are presided over by the Chairperson, and in the case of their absence, by the Vice-Chairperson of the Supervisory Board.
5. The Board makes decisions by absolute majority of votes cast, unless the Articles of Association require qualified majority, however, at least three Board Members must vote for the resolution.
6. In the case of equal number of votes cast for and against a resolution (calculated including the abstaining votes), the casting vote shall belong to the Board Chairperson.
7. Without the consent of majority of independent members of the Supervisory Board, no resolutions shall be adopted on the following issues:
  - a) provision of any kind of benefits by the Company and any entities associated with the Company for the benefit of Members of the Board of Directors;
  - b) giving a consent to conclude any material agreement by the Company or its subsidiary with any party related to the Company, member of the Supervisory Board and of the Board of Directors, or their related parties;
  - c) appointment of a certified auditor to audit the Company's financial statements.

8. The decisions of the Supervisory Board are made in an open voting, unless the legal regulations provide otherwise, or if at least one Board Member requests that the decision be made in a confidential voting.
9. The Board of Directors members may participate in the Supervisory Board meetings, save for issues directly related to the Board of Directors or its members, in particular: dismissal, liability, and determination of remuneration. Also other persons invited by the Supervisory Board may participate in the meetings. In the case of examination of reports pertaining to the Company operations, the Supervisory Board may invite the Company employees in order to obtain explanations.
10. The minutes of the Board meetings are taken by a person appointed by the Chairperson of the Supervisory Board meeting. The draft minutes of meetings of the Supervisory Board shall be e-mailed or faxed to the Supervisory Board Members within 2 (two) weeks after the Supervisory Board meeting, for them to read the text. The Supervisory Board Members may report remarks regarding the minutes within 2 (two) weeks of the date of reception of minutes, however not later than 1 (one) working day prior to the next meeting of the Supervisory Board. Before starting the meeting, a note on whether there are any reservations as to the manner of convening the meeting should be included in the minutes. The reservations may be reported only along with a detailed justification. The decision on continuation of the meeting is made by the person managing the meeting.
11. Resolutions of the Supervisory Board may be adopted without holding a meeting, in a special mode, i.e.:
  - a) in the circulation mode, by submitting signatures below the text of the resolution subsequently by individual Members of the Supervisory Board,
  - b) in the written voting mode, by signing by each Supervisory Board Member of the text of the proposed resolution with a designation whether the vote is "for", "against" or "abstaining" and submitting the so-signed text of the resolution to the Supervisory Board Chairperson,
  - c) during a meeting held via a direct remote communication means, in particular during a teleconference or videoconference.The resolution is valid if all Supervisory Board Members have been notified about the contents of the draft resolution. Making resolutions in such a manner does not apply to the selection of the chairperson, vice-chairperson and the secretary of the Supervisory Board, appointing a Board of Directors Member, as well as to dismissing and suspending the actions of these persons.
12. The decision on application of the special voting mode for the given issue shall be made by the Supervisory Board Chairperson, or in case of his/her absence, by the Vice-Chairperson. Should at least one Supervisory Board Member object to the voting outside the meeting, a voting for the given issue shall be held on the next Board meeting.
13. The minutes should include the date, agenda, surnames and names of present Board Members, the subject matter of resolutions made and number of votes cast for each resolution, and present the course of the meeting. Each of the Supervisory Board Members, who are against the resolution, has the right to express their position in the form of a different position included in the minutes of meeting or resolution, or lodging it as a separate document.
14. Resolutions of the Supervisory Board adopted at the meeting shall be made in writing and added to the minutes of the meeting following the vote casting by the present Supervisory Board Members.

Documents with resolutions adopted in the special mode shall be attached to the book of minutes and resolutions.

15. When adopting resolutions in the special mode as set forth in section 11 hereinabove, the Supervisory Board Members are allowed to sign a resolution or cast votes on separate subsequently numerated documents prepared in a manner provided for in the provisions of section 16 hereinbelow. A document with a resolution shall be understood in such a case as all separate documents concerning the given resolution on which the Supervisory Board Members put their signatures or cast their votes.
16. The following rules shall apply to preparation of documents with resolutions adopted in the special mode:
  - a) the content of the resolution shall indicated to the special mode of adopting the resolution, which can be executed by including an inscription: „Resolution adopted in the circulation mode”, „Resolution adopted in the written voting mode”, „Resolution adopted in the teleconference mode” or „Resolution adopted in the videoconference mode”;
  - b) when a resolution is being adopted in the circulation mode or in the written voting mode, each Supervisory Board Member shall put the date when they signed the resolution or cast the vote;
  - c) when a resolution is being adopted using remote communication means, separate documents with resolutions may be made separated for each place where the Supervisory Board Members are located; in this case the resolution content shall specify the place;
  - d) when a resolution is signed or votes cast by Supervisory Board Members on separate documents, these separate documents must be numerated with ordinal numbers and specify the total number of all separate documents concerning the given resolution; documents shall be numerated after the resolution adoption.

#### **§ 14.**

On the Supervisory Board meetings decisions are made in a form of:

1. requests to and opinions for the General Meeting resulting from supervisory and control actions performed;
2. resolutions in other issues.

#### **§ 15.**

1. A Supervisory Board Member must participate in the meetings, supervise and control the implementation of the General Meeting and Board resolutions and:
  - a) provide assistance for particular organizational units of the Company in performing their duties;
  - b) participate in sessions of the General Meeting,
  - c) within their powers and to the extent necessary to resolve issues discussed at the General Meeting, provide the participants of the Meeting with due explanations and information concerning the Company;
  - d) keep the information pertaining to performance of duties in the Board confidential.
2. A Supervisory Board Member should make it possible for the Board of Directors to publish (in line with a relevant procedure) the information on the disposal or acquisition of the Company shares or

shares of its holding company or a subsidiary, and on any transactions with these entities, provided that such information is material for its financial standing.

3. A Supervisory Board Member shall submit information specified in regulations pertaining to the financial instruments trading in the mode as specified in these regulations.
4. Each member of the Supervisory Board should particularly protect the confidential information pursuant to the legal regulations.

#### **§ 16.**

1. The minutes and documentation of incoming and outgoing mail of the Supervisory Board shall be kept in the Company's headquarters.
2. The Board appoints a person responsible for keeping the book of Board minutes, preparing copies of resolutions and issuing them to eligible persons, preparing materials for the Board Meetings.
3. The office service of the Board is assured by the Company Board of Directors.

#### **§ 17.**

1. Each member of the Supervisory Board is eligible to remuneration due to performance of their duties.
2. The remuneration of the Supervisory Board Members is determined by the General Meeting.
3. The costs of the Supervisory Board's operation are incurred by the Company.
4. Total remuneration of all and each member of the Board should be published in the annual report along with the information on the procedures and principles of the remuneration determination.

#### **§ 18.**

1. Within the Supervisory Board an Audit Committee and Remuneration Committee will operate, whose composition is determined by the Supervisory Board, out of its members, pursuant to the provisions of these By-laws. The Supervisory Board may establish other temporary or standing committees to perform specific duties of the Board. When creating a committee, the Board appoints the persons responsible for managing the committee.
2. The Committees should report to the Supervisory Board on their function and decisions made when necessary and during the Supervisory Board meeting convened before the Annual General Meeting.
3. The Audit Committee is composed of two independent Board Members, of which one must be experienced in accounting and finance.
4. The Audit Committee is responsible especially for:
  - a) review of the independence of a selected certified auditor, advising the Supervisory Board on the selection of a certified auditor as well as on the terms of agreement with such expert and the amount of remuneration payable to such expert. Should the Supervisory Board select a certified auditor other than the expert recommended by the Audit Committee, such a decision must be supported with a detailed rationale.
  - b) Analysis and evaluation of relations and dependencies within the Company, the Supervisory Board and the Board of Directors with respect to any actual and potential conflicts of interest; delivery of actions aimed to eliminate such problems.

- c) ensuring of possibly most efficient communication between the certified auditor and the Supervisory Board,
  - d) analyzing the quarterly, semi-annual and annual financial statements drawn up by the members of the subsidiaries which are the part of the Company's corporate group, as well as of the quarterly, semi-annual and annual consolidated financial statements of the Company's corporate group.
5. The Audit Committee gathers according to the needs but at least once in four months.
  6. The Remuneration Committee shall be composed of 2 persons and shall be responsible for:
    - a) general monitoring of the remuneration policy and the level of remuneration within the Company
    - b) defining the conditions for hiring members of the Company's Board of Directors and officers,
    - c) defining of the bonus scheme for the financial year.
  7. The Remuneration Committee meets when required, but at least once a quarter.
  8. The Remuneration Committee shall select, out of its members, a Chairperson of the Committee, who manages the works of the Committee.
  9. The reports of the committees will be made public to the shareholders in a current report.

#### **§ 19.**

1. All and any amendments and supplements of these By-laws shall be made by the General Meeting by a resolution.
2. All issues not included in the By-laws shall be governed by the relevant legal regulations, Articles of Association, resolutions of the Supervisory Board or General Meeting.
3. In the case of any non-compliances of the provisions of these By-laws with the Company's Articles of Association or any other legal acts of higher order, the provisions of these acts shall be binding.

#### **§ 20.**

These By-laws shall be effective as at the date of passing by the General Meeting. The By-laws shall be available to the public.

**Resolution no. 33  
of the Annual General Meeting of Shareholders  
of PBG Spółka Akcyjna  
seated in Wysogotowo  
of 4th June 2009**

*on amending the By-laws of the General Meeting of Shareholders*

Pursuant to Art. 38 Item 1 of the By-laws of the General Meeting of Shareholders, the Annual General Meeting of Shareholders of PBG S.A. seated in Wysogotowo hereby decides to amend the By-laws of the General Meeting of Shareholders and adopt the unified wording of the By-laws of the General Meeting of Shareholders whose text is enclosed to the present Resolution as an annex.

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## UNIFIED TEXT OF THE BY-LAWS OF THE GENERAL MEETING OF SHAREHOLDERS

### BY-LAWS OF THE GENERAL MEETING OF SHAREHOLDERS of PBG Spółka Akcyjna

#### I. General provisions

##### § 1. [Subject of the By-laws]

These By-laws specify detailed principles and procedure of convening and conducting sessions of the General Meeting of Shareholders of the Company.

##### § 2. [Definitions]

In these By-laws, the following terms and expressions shall mean as follows:

- 1) „By-laws” mean these by-laws adopted by a resolution of the General Meeting of Shareholders of the Company,
- 2) „Company” means PBG S.A. seated in Wysogotowo by Poznań,
- 3) „Articles of Association” mean the Company's Articles of Association of 1 December 2003 as amended,
- 4) “Board of Directors” means the Board of Directors of the Company,
- 5) “Supervisory Board” means the Supervisory Board of the Company,
- 6) „General Meeting Participant” means the Company's Shareholder or his/her proxy,
- 7) „proxy” means a person authorized to participate in a session of the General Meeting, holding a relevant power of attorney or any other applicable document that authorizes him/her to represent the Shareholder at that session of the General Meeting,
- 8) „Chairperson” means the Chairperson of the General Meeting of the Company,
- 9) „Good Practices” mean „Good Practices in Public Companies 2005” as annexed to Resolution No. 44/1062/2004 of the Board of GPW (Giełda Papierów Wartościowych w Warszawie S.A. – Warsaw Stock Exchange) dated 15 December 2004.

##### § 3. [Legal basis]

Sessions of the General Meeting are convened and conducted pursuant to applicable regulations of law, the present By-laws and accounting for the provisions of the “Good Practices”.

#### II. Procedures proceeding a session of the General Meeting

##### § 4. [Drafts of resolutions]

1. Drafts of resolutions with their justification, complete text of the documentation that is to be presented to the General Meeting and, if no resolutions are planned to be adopted, commentaries of the Board of Directors or the Supervisory Board pertaining to the issues included in the agenda or issues that are to be included in the agenda before the General Meeting date shall be made available on the Company's website after the day of convening the General Meeting.

2. A Shareholder may request to be given a copy of applications pertaining to issues included in the agenda a week before the General Meeting.
3. Also drafts of resolutions that were submitted before the date of the General Meeting by a Shareholder or Shareholders who represent at least one twentieth of share capital and pertaining to the issues included in the agenda or issues that are to be included in the agenda of the General Meeting are made available In the mode as set forth in Point 1 above

#### **§ 5. [List of Shareholders]**

1. The Shareholder List is the specification of these Shareholders who proved their rights and secured participation in the General Meeting for themselves. The Shareholder List includes the surnames and forenames or business names, place of residence of the entitled persons/entities as well as the type and number of their shares and votes.
2. The Shareholder List, signed by the Board of Directors, will be made available for inspection by Shareholders in the Board of Director's seat for three weekdays preceding the session of the General Meeting from 10.00 a.m. to 3.00 p.m. and during the session of the General Meeting. A Shareholder may request a copy of the list to be made at his/her cost or sent free of any charge via e-mail, giving the address to which the list should be sent.

#### **§ 6. [Holding a Session of General Meeting of Shareholders]**

1. Should Shareholders representing at least one twentieth of the share capital submit a request to convene an Extraordinary General Meeting of Shareholders, such an Extraordinary General Meeting of Shareholders shall be held on the date indicated in the request, and if such date cannot be complied with for significant reasons – on the nearest date possible that enables consideration by the General Meeting of the issues brought forward.
2. A request for convening an Extraordinary General Meeting, and also for placing some specific issues on the agenda of the nearest General Meeting should include justification or drafts of resolutions pertaining to issues included in the agenda. In such a case Art. 3 Sec. 1 of the By-laws shall apply.
3. An Extraordinary General Meeting of Shareholders convened pursuant to Sec. 1 of this article, the agenda of which includes issues indicated by Shareholders representing at least one twentieth of the share capital can be cancelled only upon consent of the petitioners.
4. In any other instances the General Meeting can be cancelled if extraordinary obstructions (force majeure) occur or it has become apparently unsubstantiated. The cancellation shall proceed in the same manner as the convening, with the least severe consequences for the Company and Shareholders ensured, at least not later than three weeks before the planned date.
5. The procedure of changing the date of the General Meeting is the same as for the cancellation, so that the proposed agenda is not changed.

### **III. Participation in a Session of General Meeting**

#### **§ 7. [Shareholders and Their Proxies]**

1. A Shareholder may participate in the General Meeting and to exercise voting rights personally or by proxy or by any other representative.

2. The proxy authorizing someone to act in the name of the Shareholder shall be given in writing or in an electronic form that does not require any secure electronic signature to be affixed and to be verified using a special certificate.
3. The proxy shall exercise the voting right in compliance with the procedure specified under Point 6 of the present article.
4. Any persons representing the Shareholder other than the proxy shall duly document their right to act in their name (in particular using certified copies from relevant registers).
5. A Shareholder may participate in the General Meeting using means of electronic communication and in particular:
  - a) real-time transmission of a session of the General Meeting on the Company's website,
  - b) real-time bi-directional communication via which Shareholders may express their opinions during a session of the General Meeting, while they are in a place other than the place of the session,
  - c) exercising the voting rights personally or by proxy before and during a session of the General Meeting.
6. Procedures concerning participation in a session of the General Meeting and exercising the voting right shall be specified by the Board of Directors prior to convening the General Meeting. Notification about convening the General Meeting shall contain the Board's information on:
  - a) the manner of exercising the voting right by a proxy, in particular on the forms used for voting by proxies, and on the manner of notifying the Company about a proxy appointment, using some means of electronic communication,
  - b) possibility and method of participation in the General Meeting using means of electronic communication,
  - c) manner of expressing opinions during a session of the General Meeting using means of electronic communication,
  - d) manner of exercising the voting right via mail or using means of electronic communication.

#### **§ 8. [Members of Corporate Bodies and Certified Auditor]**

1. The General Meeting may be attended by members of the Supervisory Board and the Board of Directors. Members of the Board of Directors and Members of the Supervisory Board shall participated in the sessions of the General Meeting in a composition that enables provision of substantial answers to questions asked by the General Meeting.
2. The Annual General Meeting shall be attended by the certified auditor. The certified auditor should participate in this Extraordinary General Meeting at which the Company's financial issues are to be discussed.

#### **§ 9. [Experts and Guests]**

1. The General Meeting or its relevant part may be attended by experts and guests invited by the body who convened the General Meeting.
2. The persons as defined in Sec. 1 above may take the floor only on the consent of the Chairperson.

#### **IV. Session of General Meeting of Shareholders**

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### **§ 10. [Opening of General Meeting of Shareholders]**

The person who opens the General Meeting shall refrain from settling any substantial or formal issues and lead the General Meeting to electing the Chairperson as soon as possible.

### **§ 11. [Election of the Chairperson]**

1. The Chairperson shall be elected from participants of the General Meeting.
2. Each participant of the General Meeting may enter one candidate. Such a candidate shall be entered into the list of candidates, provided he/she declared to agree to run for the position first. The list of candidates shall be made by the person who opens the General Meeting.
3. The Chairperson shall be elected in a secret vote by giving one's vote consecutively to each candidate, in an alphabetical order.
4. The person who opens the General Meeting shall ensure appropriate course of the vote over the election of the Chairperson, declare who has been elected the Chairperson and transfer the lead of the session to that person.

### **§ 12. [Obligations of the Chairperson]**

1. The Chairperson shall ensure that the session runs smoothly and all rights and interests of all participants of the General Meeting are respected. The obligations of the Chairperson shall include in particular:
  - 1) making a list of attendance,
  - 2) confirming the General Meeting's capacity to adopt resolutions on issues included in the agenda;
  - 3) presentation of the proposed agenda to participants of the General Meeting,
  - 4) giving the floor,
  - 5) managing the votes,
  - 6) announcing the vote results and signing documents containing the vote results,
  - 7) giving respective disciplinary orders in the session room,
  - 8) announcing a technical break,
  - 9) settling any regulatory doubts,
  - 10) ensuring that the entire agenda is exhausted.
2. The Chairperson shall counteract instances of particularly abuse of rights by the General Meeting participants and ensure that rights of minority Shareholders are also respected.
3. Without any serious reasons, the Chairperson may not resign from the function, or delay the signing of the minutes of the General Meeting without any reasonable reasons.
4. The Chairperson may use ancillary staff to perform his/their duties.

### **§ 13. [List of Attendance]**

1. After being elected, the Chairperson shall draft the list of attendance as soon as possible.
2. The list of attendance is a specification of participants of the General Meeting and contains:

- 1) name and surname or business name of a shareholder and if a representative acts on behalf of a shareholder, also the representative's name and surname,
- 2) number and type of shares presented by the General Meeting participant,
- 3) number of votes attributable to the General Meeting participant,
- 4) comment that the General Meeting participant participates in the session using means of electronic communication,

The list of attendance shall be signed by the General Meeting participants present in the place where the session is held and the Chairperson, who with his/her signature confirms that the list has been made correctly.

3. Before the General Meeting, the personnel appointed by the Board of Directors is obliged to perform all technical operations required for allowing Shareholders to participate in the General Meeting. This personnel shall in particular:
  - 1) check whether the Shareholder is on the list of people authorized to participate in the General Meeting,
  - 2) check whether people who represent Shareholders have the required documents and whether these documents are formally correct,
  - 3) ensure that the Shareholder or his/her representative present in the place where the session is held affixes his/her signature on the list of attendance,
  - 4) attach original documents authorizing a person to represent a Shareholder to the list of attendance, unless the General Meeting participant takes part in the session using means of direct communication or the power of attorney was granted in the electronic form,
  - 5) hand out voting cards to Shareholders and representatives of Shareholders.
4. The list of attendance may be made in a few equally valid copies and/or in a form of separate documents containing lists of Shareholders holding shares of the same type.
5. After signing the list of attendance, Shareholders and other people holding the right of vote pick up the voting cards prepared by the Board of Directors.
6. The list of attendance is made available for viewing to the General Meeting participants and remains available the entire session through.
7. At a request of Shareholders holding one tenth of the share capital represented at that General Meeting, the list of attendance should be checked by a committee elected for this purpose and composed of at least three persons. The requesting Shareholders may choose one member of the inspection committee.
8. Should it be necessary to complement the list of attendance with any additional participants, it is the General Meeting who will decide in a resolution on their participation in the General Meeting.
9. In case there are changes in the composition of the General Meeting participants, before preceding to the next vote, the Chairperson may order a check up of the number of votes which the present participants have. After each complementation and adjustment of the list of attendance, the Chairperson shall mark the moment in which the activity took place. After adjourning the General Meeting, the Chairperson shall sign the list of attendance again.

## **§ 14. [Agenda]**

1. After signing the list of attendance and confirming that the General Meeting is capable to adopt resolutions, the Chairperson of the General Meeting presents the proposed agenda to the General Meeting participants.
2. The Chairperson shall not be entitled, without consent of the General Meeting, to remove or change the order of items in the agenda.
3. It is allowed to enter new issues into the agenda and discuss them, however without the possibility of adopting resolutions in this respect.
4. A resolution on abandoning an issue included in the agenda may be adopted only if there are some significant reasons for such abandonment. A request in this respect shall be justified in detail.
5. Removal or abandonment of an issue from the agenda at a request of Shareholders shall require a resolution of the General Meeting to be adopted with the majority of 75% of votes, but first all the present Shareholders who made a request to such an effect shall agree to the removal or abandonment.
6. Upon exhaustion of the agenda, the Chairperson adjourns the General Meeting. At this point the General Meeting shall cease to operate as a body of the Company, and the General Meeting participants present may not adopt valid resolutions.

#### **§ 15. [Voting Committee]**

1. The General Meeting may elect the Voting Committee. The Voting Committee shall be composed of three persons selected from participants of the General Meeting.
2. Each participant of the General Meeting may enter one candidate. Such a candidate shall declare that he/she agrees to run for the position.
3. Members of the Voting Committee shall be elected in a secret vote, subject to Sec. 4 and Art. 26 Sec. 3 clause 3 of the By-laws, by giving one's vote consecutively to each candidate, in an alphabetical order. The Committee will be then composed of people who got the biggest number of votes.
4. If only three candidates are entered for the function of the Voting Committee Member, the voting over all three candidates shall be performed at the same time.
5. Duties of the Voting Committee shall cover:
  - 1) ensuring that the voting runs correctly,
  - 2) determining the voting results, accounting for votes cast by the participants who participate in the General Meeting using means of electronic communication and votes cast by mail, and submitting the voting results to the Chairperson, who announces them,
  - 3) supplying information on any possible irregularities in the voting, accompanied by suggestions on how to deal with them, to the Chairperson, as soon as possible,
  - 4) performing all the other actions related to performing a voting.
6. Documents confirming the results of each voting shall be signed by all members of the Voting Committee and the Chairperson.

#### **§ 16. [Start-up of the Discussion]**

1. Each participant of the General Meeting may take the floor in issues covered by the agenda adopted, however only in the area that is being entertained at the given moment.



2. Having presented each consecutive issue from the agenda, the Chairperson shall open the discussion and give the floor in the order of the speakers coming forward.
3. The Chairperson may give the floor out of the listed order to members of the Board of Directors and Supervisory Board and invited experts, whose voices will not be accounted for when making the list and deciding on the number of speakers.
4. A speaker shall introduce themselves with the first name and surname; representatives declare additionally on whose behalf they act. The Chairperson may order for a written list of speakers willing to participate in the discussion to be made which accounts for the first name and surname of the speaker, and for representatives additionally for the person on whose behalf they act.
5. Appearance can be made exclusively in relation to matters covered by the agenda and in the scope of the item currently entertained.
6. Each appearance in the discussion over a specific draft of a resolution shall be closed up with a clear declaration if the speaker is for or against the draft of the resolution discussed.

#### **§ 17. [Course of the Discussion and Competences of the the Chairperson]**

1. Before starting a discussion over an issue, the Chairperson may determine the time of speaking for each speaker. The above limitation cannot be applied to a member of the Board of Directors and Supervisory Board and an invited person.
2. It is the Chairperson who decides about allowing an additional appearance by a speaker.
3. The Chairperson shall ensure that the discussion runs correctly. The Chairperson may reprimand a speaker who diverges in his/her appearance from the subject of the discussion, exceeds the permitted speaking time or speaks in a manner that is not allowed.
4. Should the speaker not account for the reprimand, the Chairperson may take the floor from the speaker away.
5. The Chairperson may make a decision to exclude a person who disturbs the peace and order of the session by declaring that the person impedes the session. The person who has been excluded from the General Meeting shall leave the room of the General Meeting immediately.
6. After all speakers have appeared, the Chairperson closes the discussion over a given issue.
7. If anyone disagrees with the Chairperson's decision concerning the speaking time, having the floor taken away from him/her, being excluded from the General Meeting and closing of the discussion, he/she may appeal against it. The General Meeting may sustain or revoke the Chairpersons decision by adopting a relevant resolution.

#### **§ 18. [Information at the General Meeting of Shareholders]**

1. Each participant of the General Meeting may ask questions to the Board of Directors, the Supervisory Board and a certified auditor of the Company in issues covered by the agenda adopted in the area currently entertained.
2. Members of the Board of Directors and Supervisory Board and the certified auditor of the Company – each in the area of their competences – shall be obliged to provide answers to questions asked in the scope needed for settlement of issues discussed by the General Meeting.
3. Responses to questions should be made accounting to the fact that informative obligations are fulfilled by the Company in a manner compliant with regulations concerning the financial instrument

trading, and that certain information cannot be provided in any manner other than prescribed by these regulations.

#### **§ 19. [Procedural Motions]**

1. Each participant of the General Meeting may submit a procedural motion. For procedural matters the Chairperson may give the floor out of the agreed order.
2. Procedural are the issues concerning the method of holding the session and voting, and in particular:
  - 1) closing the reporting of speakers,
  - 2) determining the speaking time,
  - 3) limiting, postponing or closing the discussion,
  - 4) ordering a break in the session,
  - 5) determining the order of voting over motions,
  - 6) closing the list of candidates.
3. The discussion concerning procedural issues shall be opened directly after they are reported. The General Meeting shall decide over a procedural motion after listening to the petitioner and possibly to one opponent of the motion.
4. Directly after the discussion, the Chairperson submits a formal motion for voting.

#### **§ 20. [Declarations]**

1. At the request of participants of the General Meeting, their written declarations are included in the minutes.
2. Declarations as set forth in Sec. 1 above shall be accepted at the end of a session.

#### **§ 21. [Breaks in the session]**

1. The General Meeting may order breaks in a session with a majority of two thirds of votes. In total the breaks may not last longer than thirty days.
2. A resolution on ordering a break shall specify the date, time and place when and where the session of the General Meeting will be resumed.

Should the General Meeting order a break(s) to be made in the session, for the purpose of maintaining continuation of the General Meeting, it is not necessary to maintain the object identity of the General Meeting participants, and in particular:

- a) after the break the General Meeting may be attended by a different number of the General Meeting participants, provided however that all participants are included in the attendance list made on the day of resuming the General Meeting,
- b) if the person elected the Chairperson before the break was ordered is present, then a new Chairperson is not elected and the session is chaired by the same person,
- c) in case of Shareholders' representatives – if they are different people, the relevant power of attorney or any other applicable document that authorizes him/her to represent the Shareholder must be submitted,

- d) the right of participation in the General Meeting shall be decided pursuant to rules specified in the law, and the dates and periods indicated therein shall be counted in reference to the announced date of the General Meeting and not to the date when the session is resumed.
3. The resolution as set forth in Sec. 2 shall not require any additional convention or announcement about continuation of the General Meeting and about its agenda.
  4. It is forbidden to expand the agenda of the General Meeting in reference to the content of the announcement that convenes the General Meeting.
  5. Should a break be ordered by the General Meeting, the resolutions adopted before the break shall be recorded and an annotation shall be made that the session of the General Meeting was suspended.
  6. After the session of the General Meeting is resumed, all resolutions adopted in this part of the session shall be recorded in separate minutes, and if there are more breaks – in several separate minutes.
  7. Each minutes made in keeping with the sections above and certified by a notary shall have a list of attendance attached thereto specifying the participants of the General Meeting taking part in the given part.

#### **§ 22. [Technical Break]**

In justified circumstances, the Chairperson may order a short break in the session (technical break). Such a technical break may not make it difficult to the Shareholders to exercise their rights.

#### **§ 23. [Resolutions]**

1. Written drafts of resolutions included in the agenda of the General Meeting shall be prepared by the Board of Directors. In some circumstances provided for in the law, Shareholders shall be entitled to prepare and send the drafts of resolutions to the Board of Directors.
2. Each participant of the General Meeting shall be entitled to propose amendments to drafts of resolutions, however not later than by the closing of the relevant discussion.
3. If such an amendment has a significant impact on the content of the draft resolution, the Chairperson may order the speaker to submit a written draft of the amended resolution. In such a case the Chairperson may order a technical break.

#### **§ 24. [Order of Voting]**

1. After closing the discussion and reading draft resolutions by the notary, Chairperson or a person appointed by the Chairperson, the Chairperson shall declare that the General Meeting shall proceed to voting.
2. If a motion has been submitted with a proposal to amend the draft resolution, the General Meeting will vote over the motion first, and its adoption or rejection will decide about any other motions, and then the General Meeting shall vote over the complete draft resolution. It is the Chairperson who shall decide about the order of voting over motions to the draft resolution.
3. A draft resolution can be submitted in a written form to the Chairperson.
4. Should a significant number of motions be submitted during the session, the General Meeting may appoint a motion committee at the Chairperson's request.
5. The Motion Committee may be composed of three persons selected from participants of the

General Meeting. The election shall be conducted pursuant to rules provided for the election of the Voting Committee members.

6. The Motion Committee shall be responsible for final editing of draft resolutions that may be subject to vote.
7. Decisions of the Motion Committee shall be adopted in an open vote with the ordinary majority of votes.
8. The draft resolution or a motion for amending the content of the draft resolution can be withdrawn by the persons who have submitted it.
9. If a draft resolution is rejected in a vote due to a failure to obtain the required majority of votes, this shall not mean that the General Meeting adopted a negative resolution with a content opposite to the motion submitted for voting.
10. After obtaining the voting results, the Chairperson shall announce the number of votes cast for the resolution, against the resolution and abstaining votes, and then he/she shall declare whether the resolution has been adopted or not.

#### **§ 25. [Exclusion from Voting]**

A Shareholder may not, whether personally or by proxy, or as a proxy of a different person, vote over resolutions pertaining to:

- 1) his/her responsibility to the Company by any virtue, including discharging from his/her duties,
- 2) releasing him/her from his/her responsibility to the Company,
- 3) a dispute between him/her and the Company.

Representatives of legal persons shall abstain from voting also in a case when the substantial premise applies to the Shareholder represented by them.

#### **§ 26. [Method of Voting]**

1. The Chairperson may order that all the General Meeting participant will vote in an order determined by the Chairperson.
2. The General Meeting of Shareholders shall vote in an open vote.
3. Secret votes shall be ordered for elections and for voting over motions for dismissal of members of the Company's bodies or liquidators, for bringing them to justice, and also for personal matters.
4. Even at a request of one participant of the General Meeting, the Chairperson shall order a secret vote, unless absolutely binding regulations of law require for an open vote to be carried out. The General Meeting may adopt a resolution on revoke the secret character of the vote for issues pertaining to the election of a committee appointed by the General Meeting.
5. A vote may be carried out using the technology of computer-aided counting of votes.
6. After obtaining the voting results, the Chairperson shall announce the number of votes cast for the resolution, against the resolution and abstaining votes, and then he/she shall declare whether the resolution has been adopted or not.
7. Documents containing the results of each voting shall be signed by all members of the Voting Committee and the Chairperson.

8. It is allowed to vote at the General Meeting via mail subject to the below provisions.
9. A vote may be cast via mail on the condition that a form published by the Board of Directors on the Company's website pursuant to applicable regulations of law is used, on pain of nullity. The mail vote shall be deemed cast validly if it is serviced to the Company not later than by the moment the respective voting is ordered at the General Meeting.
10. In order to identify the Shareholder who votes via mail, the Board of Directors shall take all the necessary actions in keeping with the rules as set forth in Art. 7 Sec. 6 of the present By-laws, subject to the condition that mail voting requires a signature to be affixed that complies with the notary-certified specimen of signature submitted to the Company. The Board of Directors of the Company shall keep the specimen of signature sheets submitted to the Company.

#### **§ 27. [Majority]**

Resolutions of the General Meeting shall be made by absolute majority of votes cast, unless a mandatory legal provision or the Articles of Association require a qualified majority to pass a given resolution.

#### **§ 28. [Objections]**

The General Meeting participants who object to a resolution may justify their objection shortly.

#### **§ 29. [Candidates for Members of the Supervisory Board]**

1. The number of members of the Supervisory Board shall be determined by the General Meeting accounting for the Company's Articles of Association.
2. Each person eligible to participate in the General Meeting shall have the right to propose one or more candidates for the Supervisory Board Members within 7 (seven) days prior to the General Meeting the agenda of which includes a suggestion of changes in the Supervisory Board. A written proposal should include:
  - 1) name and surname or business name of the shareholder who proposes a candidate, and, if a representative acts on behalf of a shareholder, also the representative's name and surname,
  - 2) name and surname as well as a short résumé of the candidate,
  - 3) detailed justification for the candidacy.
3. The Company's Board of Directors shall make the names of the candidates public within 5 (five) days prior to the General Meeting. The Board of Directors shall present to the Chairperson all proposals of candidates to the Supervisory Board together with the documents submitted with such proposals.
4. Such a candidate shall be entered into the list of candidates, provided he/she declared to agree to run for the position first. The list of candidates shall be drafted by the Chairperson. The list of candidates cannot be closed if the number of candidates is smaller than the number of the Supervisory Board Members as determined by the General Meeting.
5. Any physical person who has full legal capacity may be a candidate for the Supervisory Board Member, subject to a submission of a written declaration that he/she agrees to run for the position.

### **§ 30. [Election of the Supervisory Board]**

The Supervisory Board Members shall be elected in a secret vote by giving one's vote consecutively to each candidate, in an alphabetical order.

### **§ 31. [Voting in Separate Groups]**

1. At a request of Shareholders representing at least one fifth of the share capital, the Supervisory Board shall be elected by the nearest General Meeting through a separate group voting.
2. A written request shall be submitted to the Board of Directors in reasonable time that enables including the issue of electing the Supervisory Board through a separate group voting in the agenda to be published in the announcement on convening the General Meeting.
3. People who at the General Meeting represent this part of shares that results from dividing the total number of represented shares by the number of the Supervisory Board Members may establish a separate group in order to elect the Supervisory Board Member, however they shall not participate in the election of the remaining Members.
4. Before the election of the Supervisory Board Members through a separate group voting, the Chairperson shall notify the General Meeting about the number of shares represented at the General Meeting and the minimum number of shares necessary for establishing a group capable of electing a Member of the Supervisory Board.
5. The body convening the General Meeting shall provide the possibility of meeting and carrying out a vote to each so established group. In each of the groups there must be a chairperson elected to conduct the meeting of the group.
6. Mandates in the Supervisory Board which have not been filled by the appropriate group of Shareholders established pursuant to Sec. 3 shall be filled through a vote attended by all the Shareholders whose votes have not been cast while electing the Supervisory Board Members elected through a separate group voting.
7. If the General Meeting as set forth in Sec. 3 above shall not establish not even one group capable to elect a Member of the Supervisory Board, the election shall not be carried out.
8. As of the moment of electing at least one Member of the Supervisory Board pursuant to Sec. 1-7 above, the mandates of all the other hitherto acting Members of the Supervisory Board shall expire.

### **§ 32. [Adjourning of the General Meeting]**

Upon exhaustion of the agenda, the Chairperson adjourns the General Meeting.

### **§ 33. [Notarized Minutes]**

1. Resolutions of the General Meeting shall be included in the minutes prepared by a notary.
2. The minutes shall include a confirmation of the correctness of convening the General Meeting and of its capacity to adopt valid resolutions, the resolutions adopted together with their content, the number of votes given for each resolution and any objections raised. The minutes shall have the list of attendance at the General Meeting attached to it.



#### **§ 34. [Book of Minutes]**

1. The proofs of convening the General Meeting shall be placed by the Board of Directors in the book of minutes.
2. A copy of the minutes with the proofs of convening the General Meeting and powers of attorney granted by Shareholders shall be placed by the Board of Directors in the book of minutes.
3. Shareholders may view the book of minutes and request copies of resolutions certified by the Board of Directors to be issued to them. The Company may request a Shareholder to reimburse the costs of making the copies.

#### **§ 35. [Additional Minutes]**

Apart from the notarized minutes, the Chairperson may order that additional minutes of the General Meeting shall be made for the fuller recording of the course of the session. It is the Chairperson who shall decide about the scope and form of the additional minutes.

#### **§ 36. [Servicing of General Meeting of Shareholders]**

The body convening the General Meeting shall ensure the required legal, notarial, organizational and technical servicing of the General Meeting.

### **V. Final provisions**

#### **§ 37. [Issues Not Covered by the By-laws]**

For issues not covered by the By-laws the respective regulations of law and provisions of the Articles of Association shall apply.

#### **§ 38. [Amendment of the By-laws]**

1. An amendment of the present By-laws must be approved by a resolution of the General Meeting. Amendments of the By-laws shall become effective starting from the next General Meeting.
2. Should the By-laws be amended by the General Meeting, the Board of Directors shall be obliged to make a unified text of the By-laws within 14 days thereupon.

### **Justification of Resolutions:**

In compliance with rules specified in the Good Practices for GPW Listed Companies, draft resolutions of the General Meeting should be justified, apart from resolutions pertaining to procedural and formal issues and resolutions that are typical resolutions adopted in the course of the Annual General Meeting.

Further to the above, there is no requirement to justify the resolution on electing the Chairperson of the Annual General Meeting and on electing the Voting Committee.

Pursuant to Art. 395 Sec. 2 of the Commercial Companies Code, the typical resolutions adopted in the course of the Annual General Meeting include a resolution on approving the financial statements and the Board's report on the company's business for the former financial year, a resolution on the distribution of profit, resolutions on discharging members of the company's bodies from their duties. Moreover, pursuant to Art. 395 Sec. 5 of the Commercial Companies Code, the scope of the Annual General Meeting may also cover analyzing and approval of the financial statements of the capital group, and in the opinion of the Board of Directors the resolution in the above issue, as a resolution that is adopted on a year-to-year basis in order to satisfy the obligations as specified in the Accountancy Act, does not require any detailed justification either.

Resolution on changes in the Supervisory Board is a consequence of the necessity to confirm the number of members of the Supervisory Board in the current term in office, under Art. 29 Sec. 2 of the Articles of Association.

Amendment of Art. 5 of the Articles of Association is related to the amendment of the Polish Classification of Economic Activities (PKD). The new designation of the scope of business activity refers to the nomenclature used in PKD 2007.

The resolution concerning the deletion of Art. 24 was adopted to ensure efficiency and flexibility of the process of making decisions in the competence of the General Meeting and having an essential impact on the Company's operations. In view of the dispersion of shares it seems necessary that the Company's Articles of Association must provide for the possibility of making quick decisions in matters that are most essential to the Company by shareholders who have the greatest number of votes at the General Meeting.

By amending Art. 26 Sec. 3, the Articles of Association have been made compliant in this respect to the provisions of the Commercial Companies Code Act of 15 Sept. 2000 (Journal of Laws from 2000, No. 94, Item 1037, as amended).

The other proposed amendments in the Company's Articles of Association and in the By-laws of the General Meeting are justified by the amendment of the Commercial Companies Code Act of 15 Sept. 2000 (Journal of Laws from 2000, No. 94, Item 1037, as amended), which will become effective on 3 Aug. 2009. The said amendment of the Act regulates new rules of convening general meetings, scope of information disclosed on a company's websites, rules of publishing draft resolutions, the possibility of participating in general meetings using means of electronic communication, the possibility and rules of casting votes via mail and the rules of casting votes through proxies. The Board of Directors

of the Company proposes to introduce amendments to the Articles of Association and the By-laws of the General Meeting that will confirm or render it possible to use rules provided for in the amended act, and in particular that will enable convening sessions of the General Meeting by placing a relevant announcement on the Company's website, participation of Shareholders in General Meetings using means of electronic communication and casting votes via mail. The proposed amendments, if adopted, will provide the Shareholders with the possibility of participating in the General Meeting without the need to appear in the designated place and with the possibility of casting votes without the personal participation in the session. The other amendments to the By-laws confirm the statutory rules of making materials available for the General Meeting, announcing and publishing draft resolutions, scope of information made available on the website and using forms for mail voting and for voting by a proxy.

The Board of Directors proposes that the detailed rules of: (i) exercising the right of voting by a proxy, (ii) using forms, (iii) notifying the Company using means of electronic communication about an appointment of a proxy, (iv) participating in the General Meeting using means of electronic communication, (v) exercising the right of voting via mail or using means of electronic communication, should be specified from time to time by the Board of Directors of the Company in the announcement on convening the General Meeting published on the Company's website. Adoption of this procedure will make it possible to adjust the above rules flexibly for the running needs of the Company and Shareholders. It seems that a rigid determination of the said rules already in the text of the By-laws may not satisfy the real needs that will become apparent as the new regulation is being applied.

The proposed amendments in the By-laws of the Supervisory Board cover introduction of rules for identifying resolutions that are adopted in the special modes. They include also the editing of some provisions in order to adjust them to the practice of the Company's body functioning.

An amendment of the Company's Articles of Association in which the Board of Directors will be authorized to increase the share capital within the limits of the target capital is

aimed at simplifying the capital increasing procedure and at limiting the time needed for its execution, and thus making it easier to obtain financial means in the most optimal way possible. Adoption of the resolution that permits increasing the Company's capital within the limits of the target capital is justified in view of the Company's plans for expending its business operations onto new areas and developing its activity on foreign markets. Fulfillment of these plans may require a sudden demand for capital. Taking advantage of such a permit, the Board of Directors will be able to adjust the size and time of the share issue to the market conditions and running needs of the Company. This kind of an improvement will also result in reducing the costs of winning capital, particularly of those related to convening the General Meeting of Shareholders, and related delays. The Company is now conducting negotiations with companies that may be taken control of, both inland and abroad. Moreover, the investment projects are being prepared and analyzed in which the Company's participation is being considered, and in case of a positive assessment of profitability, decisions may be made on execution of investments that will provide the Company with the possibility of starting operations in such areas as long-term operator's services. At the moment it is difficult to specify the date of completing talks and the possible parameters of the transactions, therefore due to the time-consuming character of the procedure of obtaining capital, it would be advisable for the Company to ensure a possibility of conducting quick issue of new shares within the adopted target capital.

Thus obtained means could be appropriated particularly for financing investment outlays related to participation in new projects and considered take-over of other entities that have competences, references and executive potential in areas complementary to the present scope of operations and also of other entities having the executive potential in the present areas of the business activity of the PBG Group in the context of the already concluded and expected contracts.

Individual issues of shares within the target capital can be carried out both in a quick form of share issue without a need to prepare an issuance prospectus and in a form of public offering conducted on the grounds of an issuance prospectus approved of by KNF, with the subscription right and without the subscription right (i.e. each issue in a different way).

Due to such a range of options in relation to detailed parameters of the issue, the Company has a relatively high flexibility in respect of dates and methods of obtaining capital.

In order to have the quick procedure of share issue applied without the issuance prospectus made, it is required to have an issue adopted with a possibility of excluding the existing Shareholders from the subscription, and this is what the Board of Directors proposes. It would make it possible to obtain funds for financing development of the PBG Group, pursuant to the Group's strategy, more quickly than in case of the issue with the subscription right that requires the procedure before KNF in order to have the issue prospectus approved. The impossibility of excluding the subscription right in this mode would impose a significant limitation to the possibility of using the target capital by the Board of Directors, which would be unjustified in view of the Company's interest and needs. The fact that the actual share capital increase and limiting or excluding the subscription right depend on the approval of the Supervisory Board ensures the due protection of Shareholders' rights.

In view of the Company's interest and the need to protect Shareholders' rights in the due manner, the issue price will be determined and the decision on issuance of shares against contributions in kind will be made subject to the Supervisory Board's consent. In case of share issues in a public offering, the issue price can be determined in the process of bookbuilding, which will ensure the optimal level from the point of view of the investors and the Company.

Conditional increase of the share capital by an issue of „G” shares results from the need to provide holders of the convertible “B” bonds with the possibility of exercising their right to acquire some shares in the Company. Conditional increase of the share capital will render it possible for the Company to satisfy its obligations towards holders of the convertible “B” bonds arising out of the conditions of their issuance. Further to the presented position, the Board of Directors puts forward a request to adopt the issuance of convertible bonds and shares within the conditional increase of the Company's share capital and at the same time to adopt an increase of the share capital within the target capital as an alternative

that could be used depending on the shapes of the market conditions, particularly the PBG share price and financial costs of the debt.

As the amended regulations of the financial market law does not provide for a possibility of issuing shares given to holders of convertible bonds in case of exercising rights arising out of the bonds in a period shorter than one year without making a prospectus for these shares, in practice the capital may be obtained from issuance of convertible bonds only in a form of a public offering based on an issuance prospectus approved by KNF. In case of a quick issue of bonds convertible into shares without a valid prospectus that would apply to them, bondholders who wish to convert them into shares would have to accept the fact that they are not listed by the time the prospectus is approved by KNF and accept the risk related to that fact.

Therefore the issue of convertible bonds and shares within the conditional increase of the share capital is taken up in the Company's interest and accounting for its needs to obtain financial means.

The issue terms and conditions will be described in detail in the issue prospectus approved by KNF.

The share issue within the target capital and issue of bonds convertible to shares require a time-consuming formal procedure to be performed, which at best will let the Company to obtain capital only in the fourth quarter 2009.

Accounting for the degree of advancement of talks with the target of potential acquisitions, it is probable that already in the third quarter of 2009 the Company will have to engage some funds related to the planned acquisitions (purchase of stock/shares or earlier capital incomings).

Due to the need to involve significant sums in the working capital related to the execution of already concluded contracts and to the growing financial costs related to winning external financing, PBG estimates that in order to ensure security of the Group's financing and its hitherto profitability it is necessary to secure the required funds in the shortest period possible.

Aims of the issue:

- Acquisition of:
  - i. companies that have competences, references and executive potential in areas complementary to the present scope of operations, particularly in the energy and power sector,



- ii. companies that have the executive potential in the present areas of the business activity of the PBG Group in the context of the expected contracts in Poland and abroad (gas pipelines, roads),
  - iii. foreign companies that have the executive potential in the present areas of the business activity of the PBG Group (Ukraine).
- Financial security for servicing such large infrastructural contracts as:
  - i. the National Stadium,
  - ii. Baltic Arena,
  - iii. the Municipal Stadium in Poznań,
- Securing the possibilities of applying for more material infrastructural agreements such as:
  - i. Building the Second Line of the Underground in Warsaw,
  - ii. Building of Gazoport LNG with the accompanying infrastructure,
  - iii. Road building,
  - iv. Building of tunnels in Warsaw, Crocow and Gdańsk,
  - v. Building a municipal waste incinerating plant,
  - vi. Building of underground car parks.

Legal basis:

§ 38 Sec.1 Point 3) of the resolution dated Feb. 19, 2009 on current and periodic information to be supplied by issuers of securities and on conditions of acknowledging information required by the laws of a non-member country as equivalent.

Signature of the authorized person:  
Magdalena Eckert-Boruta