

# **GRUPA KAPITAŁOWA IMMOBILE S.A.**

## **Articles of Association (consolidated text 13 August 2015)**

### **I. GENERAL PROVISIONS**

#### **Article 1**

The Company shall operate under the name of Grupa Kapitałowa IMMOBILE Spółka Akcyjna. The Company may use the abbreviated company name of Grupa Kapitałowa IMMOBILE S.A.

#### **Article 2**

The Company is seated in Bydgoszcz.

#### **Article 3**

Removed.

#### **Article 4**

The Company shall operate based on the provisions of the applicable legal regulations and these Articles of Association.

#### **Article 5**

5.1 The Company shall operate within the Republic of Poland and abroad.

5.2 The Company may establish its branches within the Republic of Poland and abroad.

#### **Article 6**

Duration of the Company shall be unlimited.

### **II. SCOPE OF ACTIVITY**

#### **Article 7**

1. The Company's scope of activity shall include manufacturing, construction and service activities in line with the scope defined in the Polish Classification of Activity:

- 1) 24.51.Z Founding of cast iron,
- 2) 24.52.Z Founding of cast steel,
- 3) 24.53.Z Founding of light metals,
- 4) 24.54.A Founding of copper and copper alloys,
- 5) 24.54.B Founding of other non-ferrous metals, not elsewhere classified,
- 6) 25.11.Z Manufacture of metal structures and their parts,
- 7) 25.29.Z Manufacture of other tanks, cisterns and metal containers,
- 8) 25.30.Z Manufacture of steam generators except for boilers for hot water central heating,
- 9) 25.61.Z Metal processing and coating,
- 10) 25.62.Z Mechanical processing of metal elements,
- 11) 28.21.Z Manufacture of furnaces and furnace burners,
- 12) 28.22.Z Manufacture of lifting and handling equipment,
- 13) 28.92.Z Manufacture of machinery for mining, quarrying and construction,
- 14) 28.99.Z Manufacture of other special purpose machinery, not elsewhere classified,

- 15) 30.11.Z Manufacture of ships and floating structures,
- 16) 30.12.Z Manufacture of sports and pleasure boats,
- 17) 33.11.Z Repair and maintenance of metal finished products,
- 18) 33.12.Z Repair and maintenance of machinery,
- 19) 33.15.Z Repair and maintenance of ships and boats,
- 20) 33.20.Z Installation of industrial machinery and equipment,
- 21) 43.99.Z Other specialist construction works, not elsewhere classified,
- 22) 52.10.B Warehousing and storage of other goods,
- 23) 52.22.A Service activities supporting maritime transportation,
- 24) 52.24.B Cargo handling at inland ports,
- 25) 68.20.Z Rental and management of own or leased land property,
- 26) 72.19.Z Research and development in other natural sciences and engineering,
- 27) 69.20.Z. Accounting and book-keeping services, tax consultancy,
- 28) 70.10.Z Activities of head offices and holdings, excluding financial holdings,
- 29) 70.22.Z Other consultancy business activity and management
- 30) 77.11.Z Renting and leasing of cars and vans
- 31) 82.11.Z Service activity related to administrative support offices.

2. The activity specified in the above Section 1 may be conducted independently by the Company or in cooperation with domestic or foreign entities. The activity subject to concessions, permits, licenses etc. and their letters of commitment may be undertaken only after such documentation has been obtained.

### **III. SHARE CAPITAL**

#### **Article 8**

Removed.

#### **Article 9**

1. The Company's share capital amounts to PLN18.215.733,00 (in words: eighteen million, two hundred fifteen thousand, seven hundred and thirty-three Polish Złoty) and is divided into:

- 1/ 8.925.736 (eight million, nine hundred twenty-five thousand, seven hundred and thirty-six) bearer shares with the nominal value of PLN0,25 (twenty-five Polish Grosz), each classified as series A and numbered from 1 to 8.925.736,
- 2/ 3.200.132 (three million, two hundred thousand, one hundred and thirty-two) bearer shares with the nominal value of PLN0,25 (twenty-five Polish Grosz) each classified as series B and numbered from 8.925.737 to 12.125.868,
- 3/ 1.602.132 (one million, six hundred and two thousand, one hundred and thirtytwo) bearer shares with the nominal value of PLN0,25 (twenty-five Polish Grosz) each classified as series C and numbered from 12.125.869 to 13.728.000,
- 4/ 18.147.724 (eighteen million, one hundred and forty-seven thousand, seven hundred and twenty-four) bearer shares with the nominal value of PLN0,25 (twenty-five Polish Grosz) each classified as series D and numbered from 13.728.001 to 31.875.724,
- 5/ 1.814.772 (one million, eight hundred and fourteen thousand, seven hundred and seventy-two) bearer shares with the nominal value of PLN0,25 (twenty-five Polish Grosz) each classified as series E and numbered from 31.875.725 to 33.690.496,
- 6/ 8.000.000 (eight million) bearer shares with the nominal value of PLN0,25 (twenty-five Polish Grosz) each classified as series F and numbered from 33.690.497 to 41.690.496,

7/ 28.557.974 (twenty-eight million, five hundred and fifty-seven thousand, nine hundred and seventy-four) bearer shares with the nominal value of PLN0,25 (twenty five Polish Grosz) each classified as series I and numbered from 41.690.4977 to 70.248.470.

8/ 2.614.462 (two million, six hundred and fourteen thousand, four hundred and sixty-two) bearer shares with the nominal value of PLN0,25 (twenty five Polish Grosz) each classified as series J and numbered from 70.248.471 to 72.862.932.

2. Shares series I and shares series J had been paid up in kind prior to registration of the share capital increase through issuance of shares series I and shares series J.

3. Share capital increase may take place either by way of transfer, to the share capital, of some of the reserve fund's resources or through subscription of further issuance of registered and bearer shares which are allotted for contributions made in cash and in kind.

### **Article 9**

10.1. The Company may issue registered shares and bearer shares.

10.1.2. The Company's bearer shares shall be ordinary shares. The Company's registered shares may, upon the shareholder's request, be converted into bearer shares. Conversion of preference registered shares into bearer shares shall result in a loss of preference.

Registered shares shall be freely transferable.

Sale of a registered share shall require notification of the Company's Management Board about the transfer of the shares onto another shareholder. This obligation shall be borne jointly by the seller and the purchaser.

General Assembly of Shareholders may pass a resolution on conversion of all non-preference registered shares of each issuance into ordinary bearer shares.

Ordinary bearer shares shall not be convertible into registered shares.

10.2 removed

10.3. The Company may issue bonds including bonds convertible into shares.

### **Article 10**

10.1. The Company's shares may be redeemed with the consent of the shareholder whose redemption applies, by their acquisition by the Company (voluntary redemption), without the consent of the shareholder (compulsory redemption) or by virtue of occurrence of the events specified in the Articles of Association of the Company (cancellation of automatic).

10.2. The Company's own shares may be redeemed.

10.3. Resolution of the General Assembly on redemption of shares shall determine the manner and conditions of redemption, and the legal basis for redemption, the amount of compensation payable the shareholders for redeemed shares or a justification of redemption of shares without remuneration and the method of reduction of share capital.

### **Article 11**

11.1. The Management Board shall be authorized to increase the share capital through one or several increases by an amount no greater than PLN 13.661.799,00 (in words: thirteen million six hundred

sixty-one thousand seven hundred ninety-nine Polish Zloty) (authorized capital) by way of issuance of no more than 54.647.196 (in words: fifty-four million six hundred forty-seven thousand one hundred ninety-six) ordinary bearer shares classified as subsequent series, in line with the following principles:

- 1) authorization shall be granted for a period prior to 30 December 2016,
- 2) resolution of the Management Board, determining the issuing price of shares issued within the authorized capital, shall require unanimous consent of the Supervisory Board,
- 3) shares issued within the authorized capital may be acquired in exchange for both contributions in cash and in kind, where issuance of shares in exchange for a contribution in kind shall require unanimous consent of the Supervisory Board,
- 4) the Management Board may, having unanimous consent of the Supervisory Board, deprive the Company's shareholders, in whole or in part, of the right to acquire shares issued in association with an increase of the share capital within the authorized capital,
- 5) share capital increase under the authorization may not be made from the Company's own resources,
- 6) the Management Board may not issue preference shares or assign personal entitlements referred to in Article 354 of the CCC to any shareholders,
- 7) Management Board Resolutions adapted within the limits of the statutory authorization shall replace General Assembly resolutions on share capital increase,
- 8) in the event of capital increase with deprivation of shareholders of the right to acquire shares, the shares issuing price may not be determined below the book value per one share, stated in the last published consolidated periodic quarterly or semi-annual report on consolidated data for the period immediately preceding the date of issue.

11.2. Authorization of the Management Board to execute share capital increase within the authorized capital shall be without prejudice to the competences of the General Assembly in terms of ordinary increase of the share capital during the period of the Management Board's exercise of the authorization referred to in Section 1.

## **IV. GOVERNING BODIES**

### **Article 12**

The Company's Governing Bodies shall be:

- A. Management Board,
- B. Supervisory Board,
- C. General Assembly.

## **A. MANAGEMENT BOARD**

### **Article 13**

13.1. The Management Board shall constitute of one or more members acting as President, Vice-President or Member of the Management Board. The Management Board's term of office shall amount to three years. The term of office shall jointly apply to the entire body.

13.2. removed

13.3 The Supervisory Board shall determine the number of Members of the Management Board.

13.4. The Supervisory Board may dismiss the Management Board President, Members of the Management Board or the entire Management Board prior to expiration of the Management Board's term of office.

#### **Article 14**

14.1 The Management Board shall exercise all the powers within the scope of Company management except for the powers which are reserved by the law or these Articles of Association for other governing bodies of the Company.

14.2 The mode of operation of the Management Board as well as the matters which can be delegated to its particular members shall be specified in detail by the Regulations of the Management Board.

#### **Article 15**

Required, in order to make statements and sign on behalf of the Company, shall be the cooperation of two members of the Management Board or one member of the Management Board along with the proxy. In the event when the Management Board consists of one person, the sole member of the Management Board shall independently make statements and sign on behalf of the Company.

#### **Article 16**

Removed.

### **B. SUPERVISORY BOARD**

#### **Article 17**

17.1. The Supervisory Board shall consist of five to seven members. The common term of office of the members of the Supervisory Board shall amount to five years.

17.2. Members of the Supervisory Board shall be appointed and dismissed by the General Assembly of Shareholders subject to the provisions of Article 17 Section 3.

17.3. Should the personal composition of the Supervisory Board decrease below the required minimum of five persons during its term of office, the remaining members of the Supervisory Board may each time by means of a resolution appoint a new member or members of the Supervisory Board so that the quantitative composition of this governing body meets the required minimum.

17.4. Election of a new member of the Supervisory Board pursuant to Article 17 Section 3 shall require approval of such decision by the next General Assembly of Shareholders.

17.5. Refusal of the General Assembly of Shareholders to approve the selection shall be without prejudice to the actions undertaken by the Supervisory Board with the participation of a member appointed pursuant to Article 17 Section 3.

#### **Article 18**

18.1. The Supervisory Board shall elect from among its members the Chairman along with the Deputy Chairman and Secretary.

18.2. Chairman of the Supervisory Board shall convene and conduct meetings of the Supervisory Board. Chairman of the outgoing Supervisory Board shall convene and open the first meeting of the newly appointed Supervisory Board and shall act as Chairman until the moment the new Chairman has been appointed.

18.3. The Supervisory Board shall elect the three-person Audit Committee from among its members. In the event when the Supervisory Board consists of no more than 5 members, the duties of the Audit Committee shall be performed by the Supervisory Board.

#### **Article 19**

19.1. The Supervisory Board shall convene at least once a quarter.

19.2. Chairman of the Supervisory Board, or their Deputy, shall be obligated to convene a meeting upon a written request of the Management Board or a member of the Supervisory Board. The meeting shall be convened within one week from the date of submittal of the request, falling on a date no later than within two weeks from the date of convening.

19.3. The Supervisory Board may pass resolutions in writing or using means of direct communication at a distance provided all the members of the Supervisory Board have agreed in writing to such manner of passing resolutions.

19.4. A resolution passed in writing or using means of direct communication at a distance shall be binding if all the members of the Supervisory Board have been informed about the contents of the draft resolution.

## **Article 20**

20.1. Required in order for a Supervisory Board Resolution to be valid shall be a written invitation of all the members delivered at least seven days before the set date of the meeting. Resolutions may be passed without a meeting if all the members of the Supervisory Board approve in writing the decision to be passed or approve a written voting.

20.2. The Supervisory Board shall pass resolutions by an absolute majority of votes and, in the case of equality of votes, the vote of the Chairman of the Supervisory Board shall be decisive. Members of the Supervisory Board may participate in the passing of the Supervisory Board's resolutions by casting votes in writing or through another member of the Supervisory Board. Voting in writing may not regard matters introduced to the agenda in the course of a Supervisory Board meeting. A vote cast in writing through another member of the Supervisory Board must be attached to the Supervisory Board's protocol in order to be valid.

20.3. Passing of resolutions through another member of the Supervisory Board or with the use of means of direct communication may not regard the election of the chairman or vicechairman of the Supervisory Board or the appointment, dismissal or suspension of members of the Management Board or the Chairman or Vice-Chairman of the Supervisory Board.

20.4. The Supervisory Board shall pass its regulations which specify its organization and manner of conduct.

## **Article 21**

21.1. The Supervisory Board shall perform its duties collectively, but may also delegate its members to individually perform specific supervisory activities.

21.2. If the General Assembly elects the Supervisory Board by voting of separate groups, members of the Supervisory Board elected by each of the groups may delegate one member to permanent, individual performance of supervisory activities.

## **Article 22**

22.1 The Supervisory Board shall exercise constant, general supervision over the operations of the Company and shall in particular:

1/ assess the financial statement in terms of both compliance with the documentation and the factual state, assess the report of the Management Board on the Company's operations, analyze and

opinionate requests of the Management Board regarding the division of profits, sources and manners of covering losses, the amounts allocated to funds etc. and present opinions on these matters to the General Assembly,

2/ present the General Assembly its position regarding all the matters which are to be the subject of the meetings of this body.

22.2 The Supervisory Board shall also be obligated to:

1/ request or convene ordinary or extraordinary General Assemblies should the Management Board fail to do so despite expiration of the statutory term or should the Management Board fail to do so within two weeks from submittal of the request by the Supervisory Board,

2/ appoint, dismiss and suspend the President of the Management Board and, upon the request of the latter, also members of the Management Board where the lack of such request does not limit the competences of the Supervisory Board, and to execute, towards the Management Board, the powers associated with the working relationship and further also to determine the principles and manner of remuneration to the Management Board due to the functions performed,

3/ adopt the Management Board Regulations and amendments thereof,

4/ approve the allotment of shares purchased with the intent to sell pursuant to Article 363 § 3 of the CCC,

5/ approve the Company's purchases or sales of land property, perpetual usufruct right or a share in land property or perpetual usufruct right

6/ permit the Management Board to: grant guarantees, securities or loans, purchase shares or stocks, establish a pledge or mortgage, take a loan or credit, order granting of a guarantee for the Company, sell or purchase a component of fixed assets and lease, if the value of any of the above-mentioned activities exceeds 20% of the Company's share capital,

7/ choose one expert auditor to examine the Company's financial statements

### **Article 23**

Remuneration of the members of the Supervisory Board shall be determined by the General Assembly.

## **C. GENERAL ASSEMBLY**

### **Article 24**

24.1. Ordinary General Assembly shall be convened by the Management Board. It should be held within six months from the end of each financial year. The Supervisory Board may convene an ordinary General Assembly if the Management Board fails to do so within the period specified by law.

24.2. Extraordinary General Assembly shall be convened by the Management Board on its own initiative or upon written request of shareholders representing at least 1/20 (one twentieth) of the share capital. The Management Board shall be obligated to convene the assembly within two weeks from the date of receipt of such request. Should it fail to do so, the registry court may authorize the request-making shareholders to convene an Extraordinary General Assembly.

24.3. Extraordinary General Assembly may also be convened by the Supervisory Board, if it deems it advisable, or by the shareholders representing at least one half of the share capital or by at least one half of the total votes in the Company.

24.4. Shareholder or shareholders representing at least 1/20 (one twentieth) of the share capital may demand that specific matters be included in the agenda of the next General Assembly. Such request should be reported on time and contain a justification or draft of the resolution regarding the proposed

item of the agenda. Such shareholders may also report solely the draft resolutions regarding the matters introduced to the agenda of an already convened General Assembly or matters which are to be introduced to the agenda.

24.5. Request to convene an extraordinary General Assembly, request to place specific matters in the agenda of the next General Assembly or report of a draft resolution regarding the matters of an already convened General Assembly ought to be submitted to the Management Board in writing to the address of the Company's seat or in the electronic form to the address specified on the Company's website. Along with the request, the shareholder or shareholders shall be obligated to present the Management Board with documentation allowing identification of the shareholder and possession of a proper part of the share capital.

24.6. General Assembly shall be convened by means of a notice on the Company's website and in the manner specified for conveying current information by public companies. The Company's Management Board shall be obligated to perform the above actions as well as all the other organizational and technical proceedings allowing the General Assembly to be held also in the event when it is not convened on its initiative or when it does not convene it itself.

24.7. Cancellation of a General Assembly shall be possible only in a situation where it becomes obsolete or in the event of an extraordinary obstacle to its being held. Cancellation or rescheduling of a General Assembly shall take place in the same manner as the convening. Cancellation and rescheduling of a General Assembly ought to be executed in a way causing the least negative impact on the Company and the shareholders.

24.8. General Assembly may pass a resolution on abandoning consideration of a matter placed on the agenda as well as on changing the order of matters covered thereof. The resolution on abandoning consideration of the matter placed on the agenda shall require approval of all the present shareholders who submitted such request and the majority  $\frac{3}{4}$  (three fourths) of the cast votes. Requests regarding the above matters ought to be justified in detail.

## **Article 25**

25.1. At a General Assembly, shareholders may participate and vote in person or by proxy.

25.2. Power of attorney to participate in the General Assembly and to vote ought to be granted in writing or in the electronic form.

25.3. The shareholder shall notify the Company about granting power of attorney in the electronic form by sending, to the e-mail address provided at the Company's website, the filled in power of attorney form available on the said website.

## **Article 26**

General Assemblies shall take place in Warsaw or at the seat of the Company.

## **Article 27**

General Assemblies may pass resolutions regardless of the number of shareholders or represented shares unless these Articles of Association or the Law provide otherwise.

## **Article 28**

28.1. Resolutions of the General Assembly are adopted by an absolute majority of cast votes unless these Articles of Association or the Law provide otherwise. The said majority shall be required in particular as regards the following matters:

1/ consideration and approval of the Management Board's report on the Company's operations and the financial statement for the previous financial year,  
2/ adoption of a resolution on division of profits or covering losses,  
3/ granting to the members of the Company's governing bodies an acknowledgement of the fulfillment of their duties.

28.2. Resolutions of the General Assembly shall be passed with the majority of 3/4 of cast votes as regards:

1/ issuance of convertible bonds or bonds with subscription rights,  
2/ amendment of the Articles of Association,  
3/ redemption of shares,  
4/ reduction of the share capital,  
5/ sale of the enterprise or its organized part,  
6/ dissolution of the Company.

28.3. Resolutions amending the Company's Articles of Association which increase the benefits of shareholders or limit the rights granted personally to specific shareholders shall require the approval of all the shareholders they concern.

28.4. General Assembly may, for important reasons, decide upon postponing the meeting to a later date.

#### **Article 29**

29.1. Voting at General Assemblies shall be open. Secret ballots shall be ordered as regards elections or motions to dismiss governing body members or liquidators of the Company, hold them accountable or in personal matters.

29.2. Resolutions on a significant change to the scope of activity of the Company shall require the majority of 2/3 of votes and shall be adopted by open and registered voting and be announced.

#### **Article 30**

30.1. General Assembly shall be opened by the Chairman of the Supervisory Board or the person appointed thereof, following which, from among the persons authorized to vote, the Assembly's Chairman shall be elected.

30.2. General Assembly shall adopt its Regulations.

### **V. EXERCISE OF RIGHTS ATTACHED TO SHARES**

#### **Article 31**

Removed.

#### **Article 31 a**

Removed.

#### **Article 31 b**

Removed.

### **VI. MANAGEMENT OF THE COMPANY**

#### **Article 32**

The Company's organization shall be defined by organizational regulations adopted by the Management Board and approved by the Supervisory Board.

### **Article 33**

The Company's financial year shall be constituted by the calendar year.

### **Article 34**

Within three months from the end of the financial year, the Management Board shall be obligated to prepare and submit to the Supervisory Board the balance sheet as of the last day of the year, the profits and losses statement and a detailed written report on the Company's operations during this period.

### **Article 35**

35.1. The Company's Net profit may be allotted in particular for:

- 1/ supplementary capital,
- 2/ investments fund,
- 3/ additional reserve capital,
- 4/ dividend,
- 5/ other purposes defined by a General Assembly's resolution.

35.2. General Assembly's resolution to allot the annual profits to be divided among the shareholders shall indicate the dividend payment date and the date of record.

35.3. Adopting a resolution on distribution of profit, the General Assembly may decide to pay dividend in the amount exceeding the profit for the last financial year, but not more than the amount permitted by the relevant provisions of the Commercial Companies Code.

35.4. The Board, with the consent of the Supervisory Board, is authorized to pass a resolution on payment for shareholders an advance on the dividend forecast for the end of the financial year, if The Company has sufficient funds.

## **VII. FINAL PROVISIONS**

### **Article 36**

36.1. The Company shall post its announcements on its own website at *www.immobile.com.pl* and in publications required by the applicable law including in the form of current and periodic information in line with the provisions regulating the operation of public companies.

36.2. Removed.

36.3 To any matters not regulated herein, the provisions of the Commercial Companies Code and the Regulations of the General Assembly of Shareholders, the Supervisory Board and the Management Board of Grupa Kapitałowa IMMOBILE S.A. shall apply