

**ARTICLES OF ASSOCIATION  
OF TOYA S.A.  
Consolidated text**

**I. GENERAL PROVISIONS**

§ 1

1. The Company's business name shall be: "TOYA" Spółka Akcyjna (joint-stock company).
2. The Company may use the abbreviation: "TOYA" S.A., an equivalent of this abbreviation in foreign languages and it may use a verbal mark distinguishing it.

§ 2

The seat of the Company shall be in Wrocław.

§ 3

The founders of the Company are:

1. Jan Szmidt,
2. Tomasz Koprowski,
3. Romuald Szałagan,
4. Wojciech Sielecki.

§ 4

1. The Company shall operate in the territory of the Republic of Poland and abroad.
2. The Company may create its representations, local offices, agencies, branches, and other organisational units as well as create and have interest in other companies and other economic entities in Poland and abroad.

§ 5

The duration of the Company shall be unlimited.

**II. OBJECTS OF THE COMPANY'S ACTIVITY**

§ 6

1. The objects of the Company's activity shall be the following:
  - 1) Growing of other non-perennial crops,
  - 2) Growing of perennial crops,
  - 3) Plant propagation,
  - 4) Raising of animals,
  - 5) Growing of crops combined with raising of animals (mixed activity),
  - 6) Support activities to agriculture and post-harvest crop activities,
  - 7) Hunting, trapping and related service activities,
  - 8) Silviculture and other forestry activities, excluding forestry products,
  - 9) Logging,
  - 10) Gathering of wild growing non-wood products,
  - 11) Support services to forestry,
  - 12) Fishing,
  - 13) Aquaculture,
  - 14) Quarrying of stone, sand and clay,

- 15) Manufacture of vegetable and animal oils and fats,
- 16) Manufacture of beverages,
- 17) Sawmilling and planing of wood,
- 18) Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials,
- 19) Repair and maintenance of fabricated metal products, machinery and equipment,
- 20) Electric power generation, transmission, distribution and trading,
- 21) Manufacture of fuel gases; distribution and trading in fuel gases through mains,
- 22) Manufacture and supply of steam, hot water and air for air-conditioning systems,
- 23) Water collection, treatment and supply,
- 24) Sewerage,
- 25) Waste collection,
- 26) Waste treatment and disposal,
- 27) Remediation activities and other waste management services,
- 28) Development of building projects,
- 29) Construction of residential and non-residential buildings,
- 30) Construction of roads and railways,
- 31) Construction of pipelines, telecommunication and power lines,
- 32) Construction of other civil and water engineering structures,
- 33) Demolition and site preparation,
- 34) Electrical, plumbing and other construction installation activities,
- 35) Building completion and finishing,
- 36) Other specialised construction activities,
- 37) Wholesale and retail sale of cars and light motor vehicles,
- 38) Maintenance and repair of motor vehicles, excluding motorcycles,
- 39) Wholesale and retail sale of motor vehicle parts and accessories, excluding motorcycles,
- 40) Wholesale and retail sale of motorcycles, their repair and maintenance as well as wholesale and retail sale of parts and accessories for the same,
- 41) Wholesale on a fee or contract basis,
- 42) Wholesale of farm produce and live animals,
- 43) Wholesale of food, beverages and tobacco products,
- 44) Wholesale of household items,
- 45) Wholesale of information and communications technology tools,
- 46) Wholesale of machinery, devices and additional equipment,
- 47) Wholesale of fuels and derivatives,
- 48) Non-specialised wholesale,
- 49) Retail sale conducted in non-specialised stores,
- 50) Retail sale of food, beverages and tobacco products conducted in specialised stores,
- 51) Retail sale of fuels for motor vehicles at petrol stations,
- 52) Retail sale of other products conducted in specialised stores,
- 53) Retail sale conducted via stalls and markets,
- 54) Retail sale conducted not in stores, stalls and markets,
- 55) Passenger rail transport, interurban,
- 56) Freight rail transport,
- 57) Other passenger land transport,
- 58) Freight road transport and service activities related to removals,
- 59) Warehousing and storage of goods,
- 60) Service activities incidental to land transportation,
- 61) Hotels and similar accommodation,
- 62) Holiday and other short-stay accommodation,
- 63) Camping grounds, recreational vehicle parks and trailer parks,

- 64) Other accommodation,
- 65) Restaurants and other catering establishments,
- 66) Preparation of food for external recipients (catering) and other catering service activities,
- 67) Preparation and serving of beverages,
- 68) Publishing of books, periodicals and other publishing activities, excluding with respect to software,
- 69) Other software publishing,
- 70) Sound recording and music publishing activities,
- 71) Radiobroadcasting,
- 72) Television programming and broadcasting activities,
- 73) Wired telecommunications activities,
- 74) Wireless telecommunications activities, excluding satellite telecommunications,
- 75) Satellite telecommunications activities,
- 76) Other telecommunications activities,
- 77) Computer programming and consulting activities with respect to IT and related activities,
- 78) Data processing, hosting and related activities; activities of web portals,
- 79) Other service activities with respect to information,
- 80) Activities of holding companies,
- 81) Trusts, funds and similar financial entities,
- 82) Other financial service activities, excluding insurance and pension funding,
- 83) Other activities auxiliary to financial services, except insurance and pension funding,
- 84) Fund management activities,
- 85) Buying and selling of own real estate,
- 86) Rental and operating of own or leased real estate,
- 87) Real estate market service activities conducted on a fee or contract basis,
- 88) Legal activities,
- 89) Accounting, bookkeeping and auditing activities; tax consultancy,
- 90) Activities of head offices and holdings, except financial holdings,
- 91) Management-related consultancy,
- 92) Architectural and engineering activities and technical consultancy connected therewith,
- 93) Technical testing and analyses,
- 94) Advertising,
- 95) Market research and public opinion polling,
- 96) Specialised design activities,
- 97) Photographic activities,
- 98) Translation and interpretation activities,
- 99) Other professional, scientific and technical activities n.c.e.,
- 100) Rental and leasing of cars, excluding motorcycles,
- 101) Rental and leasing of personal and household goods,
- 102) Rental and leasing of other machinery, equipment and tangible goods,
- 103) Leasing of intellectual property and similar products, except copyrighted works,
- 104) Activities of employment placement agencies,
- 105) Travel agency activities,
- 106) Other reservation service and related activities,
- 107) Combined facilities support activities,
- 108) General cleaning of buildings,
- 109) Office administrative service activities, including support activities,
- 110) Activities of call centres,
- 111) Organisation of conventions and trade shows,
- 112) Commercial activities n.c.e.,
- 113) Non-school forms of education,
- 114) Education support activities,

- 115) Gambling and betting activities,
- 116) Other sports activities,
- 117) Other amusement and recreation activities,
- 118) Activities of other membership organisations n.e.c.,
- 119) Repair and maintenance of computers and peripheral equipment,
- 120) Repair and maintenance of personal and household goods,
- 121) Other individual service activities.

2. If undertaking or conducting any of the aforementioned activities requires consent, permission, or licence, then the commencement or conducting of such activity by the Company may take place upon obtainment of such consent, permission, or licence.

### III. SHARE CAPITAL

#### § 7

1. The share capital shall be PLN 7,504,222.60 (say: seven million five hundred four thousand two hundred and twenty-two zlotys 60/100) and shall be divided into 75,042,226 (say: seventy-five million forty-two thousand two hundred and twenty-six) A series ordinary bearer shares with a nominal value of PLN 0.10 (10/100) each.
2. The shares of the Company may be bearer shares or registered shares.
3. The conversion of registered shares into bearer shares shall be made by the Management Board upon a shareholder's request.
4. Bearer shares shall not be subject to conversion into registered shares.
5. The Management Board shall be entitled to increase the Company's capital by issuing new shares with a total nominal value of no more than 233 000 (two hundred thirty-three thousand) zlotys by way of increasing the share capital (target capital) for the purpose of making the Company's investment consisting in obtaining 100% control in the subsidiary company, YATO TOOLS. The issue price shall be PLN 4.25 (say: four zlotys 25/100) for each share. The Management Board's authorisation to increase the share capital and to issue shares as part of the target capital shall also authorise to issue shares in exchange for non-cash contributions. The authorisation which is referred to in the preceding sentence shall expire upon the lapse of 3 (three) years of the date of entering the present change to the Articles of Association into the register of entrepreneurs.
6. The Management Board is hereby authorised, upon the Supervisory Board's consent, to deprive the shareholders in full of their pre-emptive right with respect to the shares issued within the target capital.
7. Unless the provisions of the Code of Commercial Companies state otherwise, the Management Board shall decide any matters related to increasing the share capital as part of the target capital. In particular, the Management Board is authorised to make any and all actual and legal transactions related to offering shares as part of the target capital, dematerialisation of those shares, and the Company applying for their admission and introduction into a regulated market and to enter into an agreement for registration of shares in the securities deposit.
8. The Company's share capital has been conditionally increased by an amount not higher than PLN 224,343 (say: two hundred and twenty-four thousand three hundred and forty-three zlotys) by issuing not more than 2,243,430 (say: two million two hundred forty-three thousand four hundred and thirty) new D series ordinary bearer shares with a nominal value of PLN 0.10 (10/100) each for the purpose of granting the right of subscription for D series shares to the holders of subscription warrants of A series issued to be offered to persons entitled as part of the incentive scheme as implemented within the Company based on resolution no. 2 of the Extraordinary General Shareholders' Meeting of 08 February 2011 in the matter of adopting incentive scheme principles for the managerial staff and the key employees of the Company.

#### § 8

1. Transferring the ownership of registered shares, excluding inheritance, establishing a pledge or the right of use upon the same, shall require the consent of the Management Board.

2. A shareholder intending to dispose of registered shares shall be under the obligation to notify the Management Board in writing, indicating the number and price of the shares, the identity of the buyer and the envisaged transaction date in the request for consent.
3. The priority in purchasing registered shares shall fall to other shareholders holding registered shares. The Management Board shall immediately notify those shareholders of the receipt of the request for granting consent to dispose of registered shares, indicating a time limit for placing orders for the shares, not shorter than 7 and not longer than 21 days of receipt of the notification. If the number of requests for the shares exceeds the number of shares designated for disposal, the Management Board shall reduce them in proportion to the number of shares held by the shareholders.
4. In the event that the other shareholders holding registered shares fail to exercise the priority right or in the event that there are no other shareholders having registered shares apart from the shareholder intending to dispose of their shares, and the Management Board refuses to issue the permission, the Management Board shall specify another buyer within 1 month of the date of receiving the request. Failure to specify another buyer in the case and within the time limit as referred to in the preceding sentence shall be interpreted as expressing consent to the disposal of the registered shares.
5. The payment for the shares shall take place within 14 days of the day of transferring the ownership of the shares. The price for the shares shall be the price as determined in the request which is referred to in section 2.
6. Violation of the aforementioned provisions shall result in the disposal of the shares being null and void with respect to the Company.
7. In the event of disposal of registered shares in response to the summons to subscribe for the sale or conversion of all the remaining shares of the Company, the limitations on disposal of the registered shares as provided for in section 1 shall not apply. Further, if, as a result of the summons referred to in the above sentence, a shareholder has obtained at least 75% of the general number of votes in the Company, the limitations on disposal of the registered shares as provided for in section 1 shall become null and void.

#### § 9

1. Shares may be redeemed by way of resolution of the General Meeting, upon the consent of the shareholder whose shares are to be redeemed. Redemption shall take place out of net profit or by decreasing the share capital.
2. The Company may purchase shares for the purpose of their redemption and for the purpose of accomplishing other goals as provided for in relevant provisions.
3. The condition for redeeming shares shall be prior adoption of a resolution by the General Meeting of the Company determining the following:
  - a) total number of shares which may be subject to redemption,
  - b) time limit for concluding agreements between the Company and the shareholders in the matter of purchasing shares or for the purpose of their redemption,
  - c) authorisation for the Management Board to conclude agreements for purchasing shares for the purpose of their redemption,
  - d) amount of remuneration paid by the Company to the shareholders in exchange for the shares purchased for the purpose of redemption; alternatively, the resolution shall determine the method of setting such remuneration.

### IV. CAPITAL AND FUNDS

#### § 10

The Company shall create the following capitals and funds:

1. share capital,
2. supplementary capital,
3. reserve capital,

4. employee benefit fund,
5. other funds created by way of resolution of the General Meeting.

## **V. BODIES OF THE COMPANY**

### § 11

The bodies of the Company shall be:

- A. the Company's Management Board
- B. the Supervisory Board
- C. the General Meeting

## **A. THE COMPANY'S MANAGEMENT BOARD**

### § 12

1. The Management Board shall be composed of one to seven members, including the President of the Management Board and, if the Board is a collective one, the Vice President of the Board. The number of the members of a given term of office of the Management Board shall be determined by the Supervisory Board.
2. The members of the Management Board shall be appointed and removed by the Supervisory Board.
3. The members of the Management Board shall be appointed for a common term of office. The Management Board's term of office shall be 3 (three) years.
4. The terms of office of the members of the Management Board shall end as of the date of holding a General Meeting approving the financial statement for the last full fiscal year of their tenure at the latest.

### § 13

1. The Company's Management Board, under the leadership of the Management Board's President, shall manage the Company and represent it before third parties.
2. Any matters related to running the Company that do not fall within the scope of the General Meeting or the Supervisory Board shall fall within the scope of the Management Board's operation.
3. The mode of the Management Board's operation shall be determined by the Regulations. The Regulations shall be adopted by the Management Board and approved by the Supervisory Board.

### § 14

The following persons shall be authorised to submit and sign declarations of intent on behalf of the Company: the President of the Management Board individually or the Vice President of the Management Board jointly with a Board member.

### § 15

1. Agreements with members of the Management Board shall be concluded on behalf of the Company by a representative of the Supervisory Board delegated by the same. Other legal transactions connected with the legal relationship between a Board member and the Company shall be made in the same way.
2. The terms and conditions of the agreements under which the Board members serve their functions shall be determined by the Supervisory Board.

## **B. THE SUPERVISORY BOARD**

### § 16

1. The Supervisory Board shall be composed of five to seven members appointed for a common term

of office. The number of the Supervisory Board members of a given term of office shall be determined by the General Meeting.

2. The Supervisory Board members shall be appointed and removed by the General Meeting.
3. The Supervisory Board's term of office shall be 3 (three) years. The terms of office of the Supervisory Board members shall end as of the date of holding a General Meeting approving the financial statement for the last full fiscal year of their tenure at the latest.
4. In the period in which the Company's shares are approved for the regulated market in the territory of the Republic of Poland, at least 2 (two) Supervisory Board members must meet the criteria of independence from the Company and entities remaining in a substantial relationship with the Company. The independence criteria shall be specified in the Regulations of the Supervisory Board while taking into account the principles of corporate governance as applicable on this regulated market.
5. Together with expressing their consent to being appointed to the Supervisory Board, a candidate for an independent Supervisory Board member shall submit a written statement confirming that they meet the independence criteria referred to in section 4 above.
6. An independent Supervisory Board member must meet the independence criteria referred to in section 4 above during the entire term of office. An independent Supervisory Board member shall be obliged to immediately notify the Company should they cease to meet the independence criteria.
7. Failure to meet or loss of independence status during their tenure by any of the independent Supervisory Board members shall not result in the expiry of the tenure, and neither shall it affect the Supervisory Board's capacity to exercise its powers.
8. Where the expiry of tenures of certain Supervisory Board members (due to reasons other than removal) causes the Supervisory Board to be composed of fewer members than the number determined under section 1, but at least 5 (five) members, the Supervisory Board shall be capable of adopting important resolutions until additional members are appointed.

#### § 17

1. The tasks of the Supervisory Board shall include ongoing supervision over the Company's activities in all its areas of operation.
2. Resolutions of the Supervisory Board shall be required in matters falling within the scope of the Supervisory Board in the provisions of the law, and furthermore in the following matters:
  - a) selecting an expert auditor for auditing the Company's financial statement, upon the presentation of a recommendation by the Audit Committee,
  - b) approving the regulations of the Management Board,
  - c) the Management Board making an advance payment to the shareholders against a projected dividend,
  - d) approving annual or long-term budgets, business plans, and strategic plans of the Company,
  - e) giving opinion on candidates for the function of the Company's proxy,
  - f) purchasing, disposing and encumbering of real estate and establishing limited property rights upon the same if the value of such a transaction exceeds PLN 1,000,000, except for encumbering of real estate and establishing limited property rights on the same for the purpose of securing credits and loans connected with the Company's primary activity,
  - g) taking out credits, loans, granting sureties, guarantees, issuing bills of exchange or avals exceeding the scope of the Company's customary activity or not related to the primary activity of the Company if the value of such transaction exceeds PLN 500,000,
  - h) acquiring or purchasing shares in other companies or purchasing convertible bonds and bonds with priority right to acquire shares of other companies (senior bonds) if the result of such transaction is presenting in the Company's accounts the total book value of the shares or bonds acquired or purchased with the value exceeding PLN 500,000,
  - i) expressing consent to purchase, sale, lease and disposal of any breakdown of assets or other

- assets of the Company as part of a transaction exceeding the Company's customary activity or unrelated to the Company's primary activity, whose value exceeds PLN 1,000,000,
- j) the Company making a charge upon the breakdown of its assets other than real estate if such transactions are not directly related to or do not arise from the customary or primary activity of the Company and the value of such charges exceeds PLN 1,000,000,
  - k) expressing consent to the Company's conclusion of an agreement, another transaction or several related agreements or other transactions exceeding the Company's customary activity or not related to the primary activity of the Company, within the scope other than as indicated in letters f) - j), whose total value exceeds PLN 2,000,000.
3. The adoption of resolutions of the Supervisory Board which are referred to in section 2 above shall not be required by the transactions of the Management Board made as part of the budget or business plan as approved by the Supervisory Board.
  4. The Supervisory Board shall adopt the Regulations of the Audit Committee and appoint the Audit Committee members for the period of its term of office from among its members while taking into account the requirement that at least one Audit Committee member should possess the knowledge and skills in the area of accounting or auditing financial statements as well as that the majority of the Audit Committee members should meet the independence criterion which is referred to in the applicable provisions of the law.
  5. An Audit Committee member's term of office shall expire in the event of:
    - a) expiry of their term of office as the Supervisory Board member selected to the Audit Committee before the lapse of the term of office of the entire Supervisory Board,
    - b) their resignation from the function served on the Audit Committee;
    - c) removal from the Committee by way of resolution of the Supervisory Board.

#### § 17a

The Management Board's information obligations set out in Article 3801 § 1 and § 2 of the Code of Commercial Companies and Partnerships shall be limited in such a manner that the Management Board shall be obliged to provide the information indicated in the aforementioned provisions only at the express request of the Supervisory Board.

#### § 18

1. The Chairman and the Vice Chairman of the Supervisory Board and, if need arises, the Secretary of the Supervisory Board shall be elected by the Supervisory Board from among its members.
2. The Chairman of the Supervisory Board, and in the case of their absence, the Vice Chairman, shall convene the meetings of the Board and preside over them. The Chairman of the Supervisory Board of the previous term of office shall convene and open the first meeting of the newly elected Supervisory Board and preside over the same until the new Chairman is elected.
3. The Supervisory Board may remove the Chairman, Vice Chairman or Secretary of the Supervisory Board.

#### § 19

1. The deliberations of the Supervisory Board shall be minuted.
2. The minutes shall enumerate the members taking part in the meeting and state the manner of carrying out and the result of the voting. The minutes must be gathered in the minute book.
3. The Supervisory Board members may take part in adopting a resolution of the Supervisory Board by casting their vote in writing via another Supervisory Board member. This manner of voting shall be admissible solely in matters provided for in the agenda of the Supervisory Board meeting, reviewed by members of the Supervisory Board. Voting in this manner while adopting resolutions on the election of the Chairman and Vice Chairman of the Supervisory Board and appointing, removing, and suspending Management Board members in their duties shall be excluded.



4. Meetings of the Supervisory Board shall be held at the Company's registered office, either in Wrocław or in Warsaw, or in Krynicy or in the Tricity, or using means of direct remote communication (remote meeting). It is allowed to adopt resolutions outside the meetings of the Supervisory Board in writing or using means of direct remote communication.
5. The Supervisory Board meetings may also be attended using means of direct remote communication.

#### § 20

1. The Supervisory Board meets at least once every quarter of the financial year.
2. The Chairman or Deputy Chairman of the Supervisory Board shall be obliged to convene a Board meeting also at the written request of the Company's Management Board or a Supervisory Board member. The request for convening a meeting of the Supervisory Board should contain the proposed agenda. Such a meeting should be held within two weeks of the request. In the event that the Chairman or, in his absence, the Deputy Chairman of the Supervisory Board fails to convene the requested meeting of the Supervisory Board within the required time, the Management Board of the Company or a Supervisory Board member who has requested the convening of a meeting may convene such a meeting.
3. Meetings of the Supervisory Board shall be convened in writing, with invitations sent to the addresses provided by the members of the Supervisory Board or delivered to them personally with confirmation of receipt or made by telephone to the telephone numbers provided by the members of the Supervisory Board or by e-mail to the e-mail addresses indicated by the members of the Supervisory Board. The invitations should be delivered to the members of the Supervisory Board at least 7 days before the planned date of the Supervisory Board meeting.
4. The invitations referred to in section 4 shall include the date of the meeting, the start time of the meeting, the place of the meeting, excluding instances of remote meetings, a detailed agenda, and information on how to use the means of direct remote communication during the meeting. If possible, the invitations shall be accompanied by draft resolutions to be adopted at the convened meeting.

#### § 21

1. For the validity of the resolutions of the Supervisory Board, all Supervisory Board members must be invited to the meeting and at least half of its members must be present. The above provision shall apply accordingly in the case referred to in § 19, section 4 hereof.
2. The Supervisory Board shall adopt resolutions with the absolute majority of votes and in the event of equal number of votes, the Chairman of the board shall have the casting vote.
3. The Supervisory Board shall adopt its Regulations, detailing the mode of the Board's operation, and it shall be approved by the General Meeting.

#### § 22

The Supervisory Board may delegate its members to perform particular supervision activities individually.

#### § 23

1. The Supervisory Board members shall exercise their rights and obligations personally.
2. The remuneration for the Supervisory Board members shall be determined by the General Meeting.

### C. THE GENERAL MEETING

#### § 24

1. A General Meeting shall be ordinary or extraordinary.
2. The General Meetings shall take place at the Company's seat in Warsaw or in Krynicy.
3. An Ordinary General Meeting shall be convened by the Company's Management Board and must

take place within six months of the lapse of each fiscal year.

4. An Extraordinary General Meeting shall be convened by the Management Board upon its own initiative or upon a written request of the Supervisory Board or upon a request of shareholders representing at least 1/20 of the share capital submitted to the Management Board in writing or electronically. The request for convening a meeting must specify the matters to be deliberated upon or contain a draft of the resolution concerning the agenda proposed.
5. Convening an Extraordinary General Meeting upon a request of the Supervisory Board shall take place within two weeks of the date of submitting the request.
6. The Supervisory Board shall convene a General Meeting:
  - a) in the event that the Company's Management Board has failed to convene an Ordinary General Meeting within the time limit set,
  - b) if, despite the Supervisory Board submitting the request which is referred to in section 4, the Company's Management Board has failed to convene a General Meeting within the time limit which is referred to in section 5 or
  - c) when it deems it desirable.
7. The shareholders representing at least half of the share capital or at least half of the total number of votes in the Company may convene an Extraordinary General Meeting. The shareholders shall appoint the chairperson of that meeting. The Management Board shall be obliged to immediately announce the convening of a General Meeting in the mode as provided for in the provisions of the law.
8. The shareholders may take part in a General Meeting and exercise the right to vote personally or via attorneys.
9. The possibility of taking part in a General Meeting with the use of means of electronic communication upon the conditions as detailed by the Management Board.

#### § 25

1. The General Meeting may adopt resolutions regardless of the number of shareholders present or shares represented, except where otherwise stipulated in provisions of the law.
2. The resolutions of the General Meeting shall be adopted with the absolute majority of votes unless provisions of the law or the present Articles of Association provide otherwise.
3. The resolutions of the General Meeting shall be adopted with the majority of ¾ of votes cast in the following matters:
  - a) amending the Articles of Association, including issuance of new shares,
  - b) issuing convertible bonds and senior bonds,
  - c) merging the Company with another one,
  - d) decreasing the share capital,
  - e) redeeming the shares,
  - f) disposal of the Company's enterprise or its organised part thereof,
  - g) dissolution of the Company.
4. The resolutions as to changes to the Articles of Association, increasing the shareholders' benefits or depleting the rights granted personally to particular shareholders shall require the consent of all the shareholders, to whom they refer to.
5. The validly adopted resolutions of the General Meeting shall be binding upon all the Company's bodies, as well as upon all the shareholders, including also those absent from the General Meeting.

#### § 26

1. Adopting resolutions in the following matters shall fall within the scope of the General Meeting:
  - a) hearing and approving the report of the Management Board and Supervisory Board as well as the financial statement,
  - b) adopting a resolution on distribution of profit or coverage of losses,
  - c) acknowledging the performance of duties by the members of the company's bodies,
  - d) making resolutions as to claims for redressing loss caused upon the formation of the Company or exercising management or supervision,

- e) disposal and lease of the enterprise or its organised part thereof and establishing a limited property right thereon,
  - f) purchasing own shares,
  - g) issuing convertible bonds or senior bonds,
  - h) amending the Articles of Association, including increasing or decreasing the share capital,
  - i) merging or transforming the Company,
  - j) dissolving and liquidating the Company,
  - k) setting remuneration for the Supervisory Board members,
  - l) electing and removing the Supervisory Board members,
  - m) creating and liquidating special funds,
  - n) approving the rules of the Supervisory Board,
  - o) redeeming the shares.
2. Purchasing and disposing of real estate, perpetual usufruct or a share in real estate by the Company shall not require the consent of the General Meeting.

§ 27

1. General Meeting shall be opened by the Chairman and in the event of their absence, the Vice Chairman or a person indicated accordingly by the Chairman of the Supervisory Board or Vice Chairman of the Supervisory Board, after which from among the persons entitled to vote, the Chairman of the General Meeting is elected.
2. The General Meeting shall adopt its rules.

**VI. MANAGEMENT OF THE COMPANY**

§ 28

The fiscal year of the Company shall be the calendar year, nonetheless, the first financial statement shall be prepared for the period counted of the company's incorporation date until 31 December, 2000.

§ 29

1. The company's net profit may, in particular, be allocated towards:
  - a) supplementary capital,
  - b) investments,
  - c) reserve fund with designation towards the payment of the future dividend,
  - d) dividend for the shareholders,
  - e) other purposes determined by way of resolution of the General Meeting.
2. The shares that are not fully paid shall participate in the dividend according to the part paid.
3. The Management Board shall be authorised to make an advance payment to the shareholders towards the envisaged dividend at the end of the fiscal year if the Company possesses sufficient funds for the payment. The payment of the advance shall require the consent of the Supervisory Board.

§ 30

Repealed.