

**ARTICLES OF ASSOCIATION**

**CCC SPÓŁKA AKCYJNA**

**POLKOWICE**

**ul. Strefowa 6**

**Consolidated Text at 24-06-2015**

(With registered amendments made in the notarial deed of 24.06.2015, Notarial Register A  
number 5139/2015, made by Radosław Stępnik deputy notary,  
Civil Law Notary of Notarial Office in Lubin, Odrodzenia Street 25/4)

# ARTICLES OF ASSOCIATION OF JOINT STOCK COMPANY

## I. Preliminary Provisions

### § 1.

1. The Company shall operate as a joint stock company acting pursuant to the provisions of the Commercial Companies Code – the Act of 15 September 2000 (Journal of Laws Dz.U. No. 94, Item 1037, as amended) – hereinafter the “Commercial Companies Code” and the Articles of Association set out herein – hereinafter referred to as the “Company.”
2. The Company was established through transformation of the legal form of CCC Spółka z ograniczoną odpowiedzialnością [*CCC Limited Liability Company*] with its registered office in Polkowice Dolne into a joint stock company styled CCC Spółka Akcyjna [*CCC Joint Stock Company*].
3. The promoters of the Company are the Shareholders of CCC Spółka z ograniczoną odpowiedzialnością, i.e.: Dariusz Marek Milek, Leszek Józef Gaczorek, Mariusz Kazimierz Gnych, Renata Milek, Teresa Jadwiga Ziola, Lech Kazimierz Chudy, Wojciech Fenrich and Ryszard Dobrosik.

## II. Name and Registered Office. Life of the Company.

### § 2.

The Company acts under the name of CCC Spółka Akcyjna [*CCC Joint-Stock Company*]. The Company may use its distinguishing logo.

### § 3.

1. The registered office of the Company shall be in Polkowice.
2. The Company shall operate within the Republic of Poland and abroad.
3. The life of the Company shall be unlimited.

### § 4.

The Company may open branches and representative offices at home and abroad and also participate in other Companies and business entities at home and abroad.

## III. Objects of the Company

### § 5.

1. According to the Polish Classification of Activities [*PKD*], the objects of the Company include:
  - 1) Warehousing and storage of other goods PKD-52.10.B;
  - 2) Development of building projects PKD-41.10.Z;
  - 3) Buying and selling of own real estate PKD-68.10.Z;
  - 4) Renting and operating of own or leased real estate PKD-68.20.Z;
  - 5) Management of real estate on a fee or contract basis PKD-68.32.Z;
  - 6) Combined facilities support activities PKD-81.10.Z;

- 7) Public relations and communication activities PKD-70.21.Z;
  - 8) Business and other management consultancy activities PKD-70.22.Z;
  - 9) Advertising agencies PKD-73.11.Z;
  - 10) Market research and public opinion polling PKD-73.20.Z;
  - 11) Packaging activities PKD-82.92.Z;
  - 12) Tanning and dressing of leather; dressing and dyeing of fur PKD-15.11.Z;
  - 13) Manufacture of luggage, handbags and the like, saddlery and harness PKD-15.12.Z;
  - 14) Manufacture of footwear PKD-15.20.Z;
  - 15) Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials PKD-16.29.Z;
  - 16) Manufacture of other rubber products PKD-22.19.Z;
  - 17) Manufacture of other plastic products PKD-22.29.Z;
  - 18) Manufacture of paper and paperboard PKD-17.12.Z;
  - 19) Manufacture of other articles of paper and paperboard PKD-17.29.Z;
  - 20) Other printing PKD-18.12.Z;
  - 21) Manufacture of plastic packing goods PKD-22.22.Z;
  - 22) Construction of residential and non-residential buildings PKD-41.20.Z;
  - 23) Electrical installation PKD-43.21.Z;
  - 24) Plumbing, heat and air conditioning installation PKD-43.22.Z;
  - 25) Other construction installation PKD-43.29.Z;
  - 26) Other building completion and finishing PKD-43.39.Z;
  - 27) Other specialised construction n.e.c. PKD-43.99.Z;
  - 28) Wholesale of textiles PKD-46.41.Z;
  - 29) Wholesale of clothing and footwear PKD-46.42.Z;
  - 30) Retail sale of clothing in specialised stores PKD-47.71.Z;
  - 31) Retail sale of footwear and leather goods in specialised stores PKD-47.72.Z;
  - 32) Other monetary intermediation PKD-64.19.Z;
  - 33) Financial leasing PKD-64.91.Z;
  - 34) Activities of holding companies PKD-64.20.Z;
  - 35) Other financial service activities, except insurance and pension funding PKD-64.99.Z;
  - 36) Security and commodity contracts brokerage PKD-66.12.Z;
  - 37) Other activities auxiliary to financial services, except insurance and pension funding PKD-66.19.Z;
  - 38) Other passenger land transport n.e.c. PKD-49.39.Z;
  - 39) Repair of footwear and leather goods PKD-95.23.Z;
  - 40) Production of electricity PKD-35.11.Z;
  - 41) Other retail sale in non-specialised stores PKD-47.19.Z;
  - 42) Activity of other transport agencies PKD-52.29.C;
  - 43) Other out-of-school forms of education, n.e.c. - PKD-85.59.B.
2. Any modification of objects shall be made without buyout of shares of those Shareholders who disagree to that modification if the resolution of the General Meeting is adopted by the majority of two thirds of votes in the presence of persons representing at least half of the share capital.
  3. For any business that requires any permits or licenses, the Company shall apply for them.

#### **IV. Share Capital of the Company**

##### **§ 6.**

1. The share capital of the Company is PLN 3,840,000.00 (three million, eight hundred forty thousand).
2. The share capital is divided into 38,400,000 (thirty eight million, four hundred thousand) shares of a par value of PLN 0.10 (ten grosz) each, specifically:
  - 1) 6,650,000 (six million, six hundred fifty thousand) preference registered shares of A1 series, numbered 0.000.001 to 6.650.000;
  - 2) 13,600,000 (thirteen million, six hundred thousand) ordinary bearer shares of A2 series, numbered 00.000.001 to 13.600.000;
  - 3) 9,750,000 (nine million, seven hundred fifty thousand) ordinary bearer shares of B series, numbered 0.000.001 to 9.750.000;
  - 4) 2,000,000 (two million) ordinary bearer shares of C series, numbered 0.000.001 to 2.000.000; and
  - 5) 6,400,000 (six million, four hundred thousand) ordinary bearer shares of D series, numbered 0.000.001 to 6.400.000.
  - 6) Registered shares of A1 series have voting privileges attached so that one share of that series entitles to two votes.
4. The share capital was fully paid up before registration of the Company with the Register of Entrepreneurs.
5. Shares of new issues may be registered shares or shares made to bearer.
6. There is no option to exchange bearer shares into registered shares.
7. The Company may issue bonds convertible into shares and bonds with pre-emptive right.

#### **§ 6a.**

1. The Company's Management Board is authorized to increase the share capital by an amount not bigger than 383,999.90 PLN (say: three hundred eighty-three thousand nine hundred ninety-nine zlotys and ninety groszy) by issuing not more than 3,839,999 (say: three million eight hundred thirty nine thousand and nine hundred ninety-nine) ordinary bearer shares with a nominal value of 0.10 PLN (ten groszy) within the new issue of shares of the Company (target capital). The Management Board may exercise the granted authorization by carrying out one or several consecutive increases in the share capital of the Company. The Company's Management Board may issue shares only in exchange for cash contributions.
2. Authorization of the Company's Management Board to increase the share capital of the Company within the limits of the target capital shall expire after three (3) years since the date of registering in the register of entrepreneurs the amendment of the Statute of Company made by the resolution of the Ordinary General Meeting No. 16/OGM/2014 of 27 June 2014.
3. Resolution of the Company's Management Board adopted in accordance with paragraph 1 above is replaced by a resolution of the General Meeting to increase the share capital of the Company and a notarial deed is required for its validity.
4. The Company's Management Board, with the consent of the Company's Supervisory Board, may deprive the Company's existing shareholders' subscription rights in full to shares issued under the authorization granted to the Company's Management Board to increase the share capital referred to in paragraph 1 above.

5. Subject to paragraph 4 above and as far as the provisions of the Code of Commercial Companies provide otherwise, the Company's Management Board shall decide on all matters related to the increase of the share capital of the Company within the limits of the target capital. The Board is empowered in particular to:
  - a. determine the issue price of the shares, with the consent of the Company's Supervisory Board, whereas the issue price of each issue of shares within the target capital as defined above may not be less than: (i) the arithmetic mean of the averages, daily weighted prices of the volume of traded shares of the Company on the Warsaw Stock Exchange for the period of three (3) months immediately preceding the resolution of the Company's Management Board in this matter; and (ii) 100 PLN (say: one hundred zlotys)
  - b. after obtaining the consent of the Company's Supervisory Board, in the case of adoption by the Company's Management Board of a decision of depriving existing shareholders' subscription rights for the issue of shares, the Company's Management Board is obliged to offer the issued shares in the first place to those professional clients who are (i) the shareholders of the Company, as of the end of the day, in which the Company's Management Board shall adopt the resolution on the Company's share capital increase within the target capital (the " Preference Day " ) and (ii) who will present during the book-building process a document confirming that the entity being a professional client was the shareholder on the Preference Day.
  - c. conclude agreements on investment or service underwriting or other agreements securing the success of the issue of Company's shares,
  - d. take action on dematerialization of rights to shares and to shares of the Company and conclude agreements with the National Depository for Securities (KDPW) for registration of rights to shares and shares of the Company,
  - e. take action in order to apply for admission of rights to shares and the Company's shares to be traded on the regulated market operated by the Warsaw Stock Exchange in Warsaw S.A., in which the Company's shares are listed.

#### **§ 6b.**

1. The conditional share capital of the Company amounts to no more than PLN 76,800 (say: seventy-six thousand eight hundred PLN) and is divided into no more than 768,000 (say: seven hundred sixty-eight thousand) ordinary bearer series E shares with nominal value of PLN 0.10 (10/100) each.
2. The purpose of the conditional share capital increase referred to in section 1, above, is to grant rights to take up series E shares to the holders of subscription warrants issued pursuant to the Resolution No. 6 of the Extraordinary General Meeting of 19 December 2012.
3. Persons eligible to take up series E shares shall be the holders of the subscription warrants issued by the Company pursuant to the Resolution No. 6 of the Extraordinary General Meeting of 19 December 2012.
4. The holders of the subscription warrants referred to in section 3 above shall be entitled to exercise the right to take up series E shares by 30 June 2018, subject to § 3 section 7 of the Resolution No. 6 of the Extraordinary General Meeting of 19 December 2012.
5. Series E Shares shall be covered in cash.

## § 7.

1. Shareholders have the pre-emptive right to acquire preference registered shares intended for sale.
2. Any Shareholder intending to sell preference registered shares has a duty to give a written notice to all remaining Shareholders holding preference registered shares and to the Management Board of the Company, providing the name of purchaser, number of shares intended for sale and price set for them. The notice should include a letter of authorisation for the Company to receive statements of exercise of pre-emptive right.
3. In the event of intention to sell shares, the purchase price per share in exercise of pre-emptive right shall be equal to the sale price declared in the notice referred to in Sub-par. 2, which, however, cannot exceed:
  - 1) Amount of book value per share as agreed by the Company by reliance on the most recent financial statements of the Company that have been verified by statutory auditor; or
  - 2) Average stock exchange price of ordinary bearer shares for the last three months immediately preceding the month of notice referred to in Sub-par. 2 – in the event that shares have been admitted to public trading in securities.
4. Shareholders may exercise the pre-emptive right within 14 (fourteen) days of receiving the notice by delivering directly to the Management Board of the Company their statements of exercise of pre-emptive right, in accordance with the terms laid down in the Articles.
5. In the event that statements of exercise of the pre-emptive right refer to the number of shares exceeding those offered for sale, the Management Board of the Company will reduce that number pro rata to the number of shares declared in statements of exercise of the pre-emptive right and, secondly, to the number of preference registered shares held by those Shareholders who exercise the pre-emptive right.
6. Within 7 (seven) days after expiration of the deadline for submission of statements of exercise of the pre-emptive right referred to in Sub-par. 3, the Management Board of the Company will compile a list of persons who made such statements and forward it to the Shareholder intending to sell shares and to Shareholders exercising the pre-emptive right. The list will specify persons exercising the pre-emptive right and the assignment of quantity and number of shares purchased.
7. The deadline for payment for shares acquired in exercise of pre-emptive right is 90 (ninety) days counted from the distribution of the list referred to in Sub-par. 5 above among the interested parties by the Management Board of the Company. In the event that no payment is made within the deadline for payment for shares, the Shareholder may sell all or any of them to any purchaser nominated in the notice and on the terms and conditions laid down therein.
8. In the event that the pre-emptive right is not exercised with respect to all or any shares intended for sale, the transfer of ownership of preference registered shares shall require permission of the Management Board of the Company. A decision to grant permission should be made within 30 (thirty) days after submission of a written request. Such a request should nominate the identity of purchaser, quantity of shares subject to purchase and price agreed for shares. If the deadline set in the preceding sentence expires without their decision, it shall be equal to the grant of permission to sell shares.

9. If the permission to sell preference registered shares is denied, the Management Board of the Company should nominate a purchaser or purchasers of shares within 50 (fifty) days of delivery of the Shareholder's request. The purchaser nominated by the Company is obligated to purchase preference registered shares and pay the price within 50 (fifty) days of his nomination by the Management Board of the Company.
10. The share purchase price for a third party nominated by the Management Board in compliance with the foregoing Sub-paragraph will be equal to the sale price declared in the request referred to in Sub-par. 8, however, no more than the amounts defined, as appropriate, in accordance with Sub-par. 3 (1) and (2).
11. In the event that no purchaser of preference registered shares referred to in Sub-par. 8 is nominated and such a purchaser fails to purchase shares or to pay the price, the Shareholder interested in selling preference registered shares may sell those shares to the person and on the terms stated in the request referred to in Sub-par. 8.
12. The sale of preference registered shares in breach of obligations set out in the foregoing sub-paragraphs shall be null and void vis-à-vis the Company, subject to Sub-par. 13.
13. It is not required to follow the obligations under the paragraph 1 to 12 to sell off inscribed preferred shares to the ascendants, descendants, spouses or affiliates within the meaning of art. 4 point 15 of the Act of 29<sup>th</sup> July 2005 on public offerings and the conditions of introducing financial instruments to the organized trading and on public companies (Journal of Laws of 2005 No. 184, pos.1539) in relation to the shareholder's inscribed shares as well as other shareholders holding inscribed preferred shares.

#### **§ 8.**

1. The Company's shares may be redeemed in accordance with the terms set out by the General Meeting.
2. The detailed terms of share redemption shall be determined by the General Meeting in a resolution.

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

#### **§ 9.**

The governing bodies of the Company are:

- Management Board;
- Supervisory Board; and
- General Meeting.

#### **Management Board**

#### **§ 10.**

1. The Management Board consists of one to seven members, including President of the Management Board, and, in the event that the Management Board consists of more than one member – Vice President of the Management Board or Vice Presidents of the Management Board.
2. Members of the Management Board are appointed and removed by the Supervisory Board, provided that members of the initial Management Board have been appointed in the course of transformation of the Company's legal form by its Shareholders.

3. The number of members of the Management Board for each term of office is determined by the Supervisory Board electing Members to the Management Board.
4. The term of office of the Management Board is three years. Members of the Management Board are appointed for the joint term of office.
5. A member of the Management Board may resign from the function at any time. The resignation must be tendered in writing to the Chairperson of the Supervisory Board and notified to the remaining members of the Management Board.

#### **§ 11.**

The power to represent the Company vis-à-vis third parties is vested in:

- 1) President of the Management Board – alone;
- 2) Two members of the Management Board acting jointly or one member of the Management Board acting jointly with a proxy.

#### **§ 12.**

1. Each member of the Management Board may alone act on business within the scope of ordinary management without a prior resolution. Business which requires a prior resolution of the Management Board will be defined in the Regulations of the Management Board as referred to in Sub-par. 4.
2. Resolutions of the Management Board are adopted by the absolute majority of votes. In the event of a tie vote, the President of the Management Board has a casting vote.
3. The President of the Management Board directs the work of the Management Board and, without limitation, coordinates, oversees and organises work of members of the Management Board and also convenes and chairs meetings of the Management Board. During the absence of President of the Management Board, those responsibilities are fulfilled by Vice President of the Management Board or a member of the Management Board designated by President of the Management Board.
4. The detailed scope of rights and responsibilities of the Management Board and its proceedings are set forth in the Regulations of the Management Board. The Regulations of the Management Board are adopted by the Management Board and approved by the Supervisory Board.

### **Supervisory Board**

#### **§ 13.**

1. The Supervisory Board consists of five to seven members who are appointed and removed by the General Meeting for the joint term of office of two years.
2. The General Meeting defines the number of members of the Supervisory Board for a given term of office while making their election.
3. A member of the Supervisory Board should have adequate education, professional and life experience, demonstrate high moral standards and be able to devote sufficient time as necessary for proper performance of his or her functions on the Supervisory Board.



Candidates for members of the Supervisory Board should be proposed with detailed reasons to allow making an informed choice.

4. The Supervisory Board should include at least two members that meet the independence criteria set out in the Best Practices of WSE Listed Companies.
5. At least one member of the Supervisory Board meeting the independence criteria being referred to a paragraph 4, moreover, should meet the independence criteria indicated in the Act of 7<sup>th</sup> May 2009 on auditors and their self-government, entities authorized to audit financial statements and public supervision (Journal of Laws No. 77, item 649).
6. Members of the Supervisory Board may recognize that a member of the Supervisory Board has the status of an independent despite not meeting any of the criteria being referred to in paragraph 4, as well as despite meeting them, other circumstances indicate that such status is not entitled to him or her.

#### § 14.

Chairperson of the Supervisory Board is appointed by the General Meeting. The General Meeting may remove any member of the Supervisory Board from the office of Chairperson of the Supervisory Board and, at the same time, offer that function to another member of the Supervisory Board.

#### § 15.

1. The Supervisory Board proceeds on the basis of the Regulations adopted by it and approved by the General Meeting.
2. President of the Management Board may participate in meetings of the Supervisory Board. Also other persons invited by the Chairperson of the Supervisory Board may attend such meetings.
3. Members of the Supervisory Board may participate in adoption of resolutions of the Supervisory Board by casting their votes via other member of the Supervisory Board. Voting in writing cannot apply in matters added to the agenda during a meeting of the Supervisory Board.
4. Members of the Supervisory Board may adopt resolutions in writing or with the use of means of direct long-distance communication. A resolution is valid provided that all members of the Supervisory Board have been notified of the text of draft resolution.
5. The detailed terms and procedure for adoption of resolutions referred to in § 15 (3) and (4) are set forth in the Regulations of the Supervisory Board.
6. Resolutions of the Supervisory Board are passed by the absolute majority of votes of members of the Supervisory Board.

#### § 16.

1. The Supervisory Board exercises permanent supervision over operations of the Company.
2. The responsibilities of the Supervisory Board include:
  - 1) to appoint and dismiss members of the Management Board;

- 2) to evaluate the Company's financial statements, financial statements of the Group, reports of the Management Board on the activities of the Company and the Group and its conclusions about the distribution of profits and covering losses, and submit the annual reports of the results of this evaluation to the General Meeting;
  - 3) to present the Annual General Meeting the concise evaluation of the Company's condition including an evaluation of internal control and risk management system necessary for the Company;
  - 4) to present the Annual General Meeting the assessment of their work;
  - 5) a review and evaluation of issues to be covered by the General Meeting;
  - 6) to select an auditor to review and audit the individual financial statement, consolidated financial statement, statement of the Company's activity and the report of the Capital Group's activities;
  - 7) to determine the remuneration of members of the Management Board;
  - 8) representing the Company in agreements and disputes between the Company and members of the Management Board, unless the General Meeting establish a proxy for this purpose;
  - 9) approvals of the Regulations of the Management Board, approvals of the Company's Organizational Regulations and other normative acts submitted by the Management Board;
  - 10) adopting the Regulations of the Supervisory Board;
  - 11) approving a financial plan prepared by the Management Board.
3. The Supervisory Board may establish committees made up of members of the Supervisory Board.
  4. If the number of the Supervisory Board members are more than five, the Supervisory Board will establish an Audit Committee consisting of at least three members.
  5. The Audit Committee should include at least one member that is referred to in § 13 point 5.
  6. If the Supervisory Board consists of not more than five members, the Supervisory Board is authorized to perform the tasks of the Audit Committee.

### **General Meeting**

#### **§ 17.**

General Meetings are held in the registered office of the Company, in Warsaw or in Wrocław.

#### **§ 18.**

In addition to matters set forth in the laws, excluding purchase and sale of real estate, perpetual usufruct or interest in immovable property, and as set out in other Articles, the responsibilities of the General Meeting include:

- 1) Election and removal of members of the Supervisory Board;
- 2) Approval of the Regulations of the Supervisory Board;
- 3) Determining the rules of remuneration of the Supervisory Board; and

- 4) Determining the amount of emoluments of members of the Supervisory Board delegated to exercise permanent oversight on an individual basis.

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

### **§ 19.**

1. The Company establishes a spare capital to cover balance-sheet losses. 8% of annual net profit will be transferred to the spare capital until that capital is equal to at least 1/3 of the share capital.
2. The General Meeting may decide on establishment of other reserve to cover specific losses or expenditures (capital reserve).
3. The General Meeting determines how such a capital reserve is to be used.

### **§ 20.**

The financial year of the Company coincides with calendar year, however, the first financial year shall end on the last day of calendar year during which CCC Spółka Akcyjna is registered with the Register of Entrepreneurs.

### **§ 21.**

The Management Board is authorised, subject to approval of the Supervisory Board, to pay interim dividend to the Shareholders on account of dividend expected at the end of financial year, provided that the Company has sufficient funds for its distribution.

<b>SIGNATURES OF ALL MEMBERS OF THE MANAGEMENT BOARD</b>		
Dariusz Milek	President of Management Board	
Mariusz Gnych	Vice President of Management Board	
Piotr Nowjalis	Vice President of Management Board	