

**Subject: Draft resolutions for the Ordinary General Shareholders Meeting of Pfeiderer Group S.A., to be held on 21 June 2017**

**RB 28/2017**

The Management Board of Pfeiderer Group S.A. (the “**Company**”) hereby presents draft resolutions for the Company’s Ordinary General Shareholders Meeting, to be held on 21 June 2017.

**Resolution No. 1  
of the Ordinary  
General Shareholders Meeting  
of Pfeiderer Group S.A. (the “Company”)  
of 21 June 2017**

*concerning approval of the Management Board Report on the operations of the Company  
and the Group for the financial year January 1st to December 31st 2016*

**§ 1**

The Ordinary General Shareholders Meeting of the Company, acting on the basis of Article 393 item 1 and Article 395 § 2 item 1 of the Commercial Companies Code, hereby resolves to approve the Management Board Report on the operations of the Company and the Group for the financial year January 1st to December 31st 2016.

**§ 2**

The resolution comes into force on the day of its adoption.

**Resolution No. 2  
of the Ordinary  
General Shareholders Meeting  
of Pfeiderer Group S.A. (the “Company”)  
of 21 June 2017**

*concerning approval of the Company’s financial statements for the period from January 1st  
to December 31st 2016*

**§ 1**

The Ordinary General Shareholders Meeting of the Company, acting on the basis of Article 393 item 1 and Article 395 § 2 item 1 of the Commercial Companies Code, hereby resolves to approve the financial statements of the Company for the period from January 1st to December 31st 2016, comprising:

- a) statement of financial position as at 31.12.2016, showing an amount of PLN 2,224,785 thousand,
- b) statement of comprehensive income for a period from 01.01.2016 to 31.12.2016 showing net profit amounting to PLN 207,056 thousand,

- c) statement of changes in equity for a period from 01.01.2016 to 31.12.2016 showing increase in equity by an amount of PLN 176,416 thousand,
- d) statement of cash flows for a period from 01.01.2016 to 31.12.2016 showing a net decrease in cash amounting to PLN 26,306 thousand,
- e) notes to the financial statements and other explanatory information.

## **§ 2**

The resolution comes into force on the day of its adoption.

### **Resolution No. 3 of the Ordinary General Shareholders Meeting of Pfeleiderer Group S.A. (the "Company") of 21 June 2017**

*concerning approval of the consolidated financial statements of the capital group of the  
Company for the period from January 1st to December 31st 2016*

## **§ 1**

The Ordinary General Shareholders Meeting of the Company, acting on the basis of Article 395 § 5 of the Commercial Companies Code, hereby resolves to approve the consolidated financial statements of the capital group of the Company for the period from January 1st to December 31st 2016, comprising:

- a) consolidated statement of financial position as at 31.12.2016, showing an amount of EUR 954,580 thousand,
- b) consolidated statement of comprehensive income for a period from 01.01.2016 to 31.12.2016 showing net profit amounting to EUR 14,748 thousand,
- c) consolidated statement of changes in equity for a period from 01.01.2016 to 31.12.2016 showing decrease in equity by an amount of EUR 7,893 thousand,
- d) consolidated statement of cash flows for a period from 01.01.2016 to 31.12.2016 showing a net increase in cash amounting to EUR 76,995 thousand,
- e) notes to the consolidated financial statements and other explanatory information.

## **§ 2**

The resolution comes into force on the day of its adoption.

### **Resolution No. 4 of the Ordinary General Shareholders Meeting**

**of Pfeiderer Group S.A. (the "Company")  
of 21 June 2017**

*concerning distribution of net profit for the period from January 1st to December 31st 2016*

**§ 1**

The Ordinary General Shareholders Meeting of the Company, acting on the basis of Article 395 § 2 item 2 of the Commercial Companies Code, hereby resolves to allocate entire net profit for the period from January 1st to December 31st 2016 as follows:

- a) in the amount of PLN 71,171,107.70, i.e. PLN 1.10 per share to the payment of dividends to the Company's shareholders,
- b) the remaining amount to the Company's supplementary capital.

**§ 2**

The date used to prepare the list of shareholders eligible to receive the dividend referred to in § 1 letter a) (record date) is hereby set for 5 July 2017. The dividend payment date is set for 19 July 2017.

**§ 3**

The resolution comes into force on the day of its adoption.

**Resolution No. 5  
of the Ordinary  
General Shareholders Meeting  
of Pfeiderer Group S.A. (the "Company")  
of 21 June 2017**

*concerning approval of the performance of duties by members of the Company's  
Management Board for the period from January 1st to December 31st 2016*

**§ 1**

The Ordinary General Shareholders Meeting of the Company, acting on the basis of Article 393 item 1 and Article 395 § 2 item 3 of the Commercial Companies Code, hereby resolves to approve performance of duties by all members of the Company's Management Board composed of: Wojciech Gątkiewicz, Rafał Karcz, Dariusz Tomaszewski, Dr Gerd Schubert, Richard Mayer, Dirk Hardow and Michael Wolff for the period from January 1st to December 31st 2016.

**§ 2**

The resolution comes into force on the day of its adoption.

**Resolution No. 6**

**of the Ordinary  
General Shareholders Meeting  
of Pfeiderer Group S.A. (the “Company”)  
of 21 June 2017**

*concerning approval of the performance of duties by members of the Company’s  
Supervisory Board for the period from January 1st to December 31st 2016*

**§ 1**

The Ordinary General Shareholders Meeting of the Company, acting on the basis of Article 393 item 1 and Article 395 § 2 item 3 of the Commercial Companies Code, hereby resolves to approve performance of duties by all members of the Company’s Supervisory Board composed of: Gerd Hammerschmidt, Richard Mayer, Jochen Schapka, Jan Woźniak, Dr Michael Keppel, Christoph Mikulski, Dr Paolo Antonietti, Zbigniew Prokopowicz, Jason Clarke, Tod Kersten, Krzysztof Sędzikowski and Stefan Wegener for the period from January 1st to December 31st 2016.

**§ 2**

The resolution comes into force on the day of its adoption.

**Resolution No. 7  
of the Ordinary  
General Shareholders Meeting  
of Pfeiderer Group S.A. (the “Company”)  
of 21 June 2017**

*on amendment of the Company’s Articles of Association, and authorization of the Supervisory  
Board to adopt the consolidated text of the Company’s Articles of Association*

The Ordinary General Shareholders Meeting of the Company (the “**Meeting**”), acting on the basis of Article 415 § 1 of the Commercial Companies Code and Article 28 Section 2 item 1 of the Company’s Articles of Association, hereby resolves as follows:

**§ 1**

1. The Meeting hereby resolves that Article 8 of the Company’s Articles of Association in its current wording:

*“The Company’s equity fund shall amount to total value of foundation fund and enterprise fund, fixed in the closing balance sheet of this enterprise. The equity fund shall be divided into:*

1. *share capital,*
2. *reserve capital.”*

**shall be deleted.**

2. The Meeting hereby resolves that Article 17 section 3 of the Company’s Articles of Association in its current wording:

*“At least 1 member in the Supervisory Board consisting of 5 members, 2 members in the Supervisory Board consisting of 7 members and 3 members in the Supervisory Board consisting of 9 members, shall be independent members i.e. members who meet the criteria as specified below:*

- a) they are neither members of governing bodies of a company dominant towards Pfeiderer Grajewo S.A. nor the members of governing bodies of subsidiaries of the company dominant towards Pfeiderer Grajewo S.A.,*
- b) they are neither employed in the company dominant towards Pfeiderer Grajewo S.A. nor in the subsidiaries of the company dominant towards Pfeiderer Grajewo S.A.,*
- c) they are not a close person (spouse, linear ascendant and linear descendant) to the members of governing bodies of Pfeiderer Grajewo S.A. or the company dominant towards Pfeiderer Grajewo S.A.*

*A candidate for independent member of the Supervisory Board shall be obliged to submit to the Company a written declaration stating whether he meets the criteria set forth in this section.”*

**shall be amended to read as follows:**

*“At least 1 member in the Supervisory Board consisting of 5 members, 2 members in the Supervisory Board consisting of 7 members and 3 members in the Supervisory Board consisting of 9 members, shall be independent members i.e. members who meet the criteria as specified below:*

- a) they are neither members of governing bodies of a company dominant towards Pfeiderer Group S.A. nor the members of governing bodies of subsidiaries of the company dominant towards Pfeiderer Group S.A.,*
- b) they are neither employed in the company dominant towards Pfeiderer Group S.A. nor in the subsidiaries of the company dominant towards Pfeiderer Group S.A.,*
- c) they are not a close person (spouse, linear ascendant and linear descendant) to the members of governing bodies of Pfeiderer Group S.A. or the company dominant towards Pfeiderer Group S.A.*

*A candidate for independent member of the Supervisory Board shall be obliged to submit to the Company a written declaration stating whether he meets the criteria set forth in this section.”*

3. The Meeting hereby resolves that Article 22 section 8 of the Company's Articles of Association in its current wording:

*“delegation of the members of Supervisory Board to perform the actions of Management Board in case of suspending or dismissing the entire Management Board or in case if the Management Board is not capable to operate for other reasons,”*

**shall be amended to read as follows:**

*“delegation of the members of Supervisory Board, for a period of no more than three months, to temporarily perform the actions of the Management Board members, which have been dismissed, have resigned or are not capable to exercise their duties for other reasons,”*

4. The Meeting hereby resolves that Article 22 section 9 of the Company's Articles of Association in its current wording:

*“Granting a consent for conclusion by the Company of the agreements for sale of liquid fuel, solid fuel, gaseous fuel and derivative products to the entities which do not belong to capital group of Pfeiderer Grajewo S.A.”*

**shall be amended to read as follows:**

*“granting a consent for conclusion by the Company of the agreements for sale of liquid fuel, solid fuel, gaseous fuel and derivative products to the entities which do not belong to capital group of Pfeiderer Group S.A.”*

5. The Meeting hereby resolves that after Article 22 section 9 of the Company's Articles of Association,

**section 10 shall be added and shall read as follows:**

*“appointing an entity authorized to audit financial statements.”*

6. The Meeting hereby resolves that Article 24 section 2 of the Company's Articles of Association in its current wording:

*“The Management Board shall convene the Extraordinary General Assembly from its own initiative, upon a written motion of the Supervisory Board or upon a motion of shareholders representing at least 10% (ten percent) of share capital.”*

**shall be amended to read as follows:**

*“The Management Board shall convene the Extraordinary General Assembly at its own initiative, upon a written motion of the Supervisory Board or upon a motion of shareholders representing at least 5% (five percent) of share capital.”*

7. The Meeting hereby resolves that Article 25 section 2 of the Company's Articles of Association in its current wording:

*“The Supervisory Board and the shareholders representing at least 10% (ten percent) of share capital may demand adding particular matters to the agenda of General Assembly.”*

**shall be amended to read as follows:**

*“The Supervisory Board and the shareholders representing at least 5% (5 percent) of share capital may demand adding particular matters to the agenda of General Assembly”.*

8. The Meeting hereby resolves that Article 32 of the Company's Articles of Association in its current wording:

*“The organizational bylaws adopted by the Management Board shall describe the organization of the Company.”*

**shall be amended to read as follows:**

*“The organizational chart adopted by the Management Board shall describe the organization of the Company.”*

9. The Meeting hereby resolves that Article 36 section 2 of the Company's Articles of Association in its current wording:

*“The shareholders may receive an advance on the dividends predicted for given business year provided that the Company has means sufficient for payment of such dividend. The Company may pay to the shareholder the advance on expected dividends if its financial report for previous business year, audited by an auditor shows profits. The advance may amount to not more than*

*half of the profits earned from the end of the previous business year, shown in the financial report audited by the auditor, increased by undistributed profits from previous business years and reduced by the losses from previous years and amounts of obligatory reserve capitals created according to the law or Company's Statute."*

**shall be amended to read as follows:**

*"The shareholders may receive an advance on the dividends predicted for given business year provided that the Company has means sufficient for payment of such dividend. The Company may pay to the shareholder the advance on expected dividends if its approved financial report for previous business year, audited by an auditor shows profits. The advance may amount to not more than half of the profits earned from the end of the previous business year, shown in the financial report audited by the auditor, increased by such reserve capitals created out of profit as the Management Board may employ in paying out advances, and reduced by uncovered losses and own shares."*

10.The Meeting hereby resolves that Article 37 section 1 of the Company's Articles of Association in its current wording:

*"The Company shall make its announcements in Court and Economic Monitor."*

**shall be amended to read as follows:**

*"The Company shall make its announcements in Court and Economic Monitor, as well as in other places and manners provided for by the mandatory provisions of law applicable to the Company."*

11.The Meeting hereby resolves that Article 37 section 2 of the Company's Articles of Association in its current wording:

*"The announcements of the Company shall be additionally put in the seat of the Company in the places available for the shareholders and employees."*

**shall be deleted.**

12.The Meeting hereby authorizes the Company's Supervisory Board to prepare a consolidated text of the Company's Articles of Association incorporating the amendments made under this resolution.

## **§ 2**

The resolution comes into force on the day of its adoption.

**Justification to the draft resolution No. 7 of the Ordinary  
General Shareholders Meeting  
of Pfeiderer Group S.A. (the "Company")  
of 21 June 2017**

*on the amendments of the Company's Articles of Association and authorization of the*

*Supervisory Board to adopt the consolidated text of the Company's Articles of Association*

Article 8 of the Company's Articles of Association has been deleted as not relevant and of historical value only.

Article 17 section 3 and Article 22 section 9 of the Company's Articles of Association have been amended in order to adjust the Company's business name to the current one.

Article 22 section 8, Article 24 section 2, Article 25 section 2 and Article 36 section 2 of the Company's Articles of Association have been adjusted to the current requirements of the Commercial Companies Code.

Article 22 section 10 of the Company's Articles of Association has been added, so that the Company's body authorized to appoint entity authorized to audit financial statements is Supervisory Board, instead of General Assembly (as it is currently). Such manner of appointing entity authorized to audit financial statements is commonly used in public companies.

Article 32 of the Company's Articles of Association has been amended in order to reflect the current manner of describing the organization of the Company.

Article 37 sections 1 and 2 of the Company's Articles of Association have been amended, as they did not correspond with the standards of information disclosure for public companies. All the required documents and information are disclosed, in principle, on the Company's website in accordance with the binding provisions of law.

**Resolution No. 8  
of the Ordinary  
General Shareholders Meeting  
of Pfeiderer Group S.A. (the "Company")  
of 21 June 2017**

*concerning appointment of an entity authorized to audit financial statements of the  
Company and its capital group*

**§ 1**

The Ordinary General Shareholders Meeting of the Company, acting on the basis of Article 393 item 1 of the Commercial Companies Code and Article 66 Section 4 of the Accounting Act, hereby resolves to appoint Deloitte Polska Spółka z ograniczoną odpowiedzialnością Spółka komandytowa with its registered office in Warsaw as an entity authorized to audit annual and review interim, standalone financial statements of the Company and consolidated financial statements of Company's capital group, prepared for the periods between 1 January 2017 and 31 December 2017.

**§ 2**

The resolution comes into force on the day of its adoption.

**Justification to the draft resolution No. 8 of the Ordinary**



**General Shareholders Meeting  
of Pfeiderer Group S.A. (the “Company”)  
of 21 June 2017**

*concerning appointment of an entity authorized to audit financial statements of the Company  
and its capital group*

The change of the entity authorized to audit financial statements is connected with coming into force of the principle of rotation of the entity authorized to audit financial statements introduced by the Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC.

**Resolution No. 9  
of the Ordinary  
General Shareholders Meeting  
of Pfeiderer Group S.A. (the “Company”)  
of 21 June 2017**

*on the approval of a treasury share repurchase programme and the establishment of the capital  
reserve for the purposes of such programme*

**§1.**

Acting pursuant to Article 393(6) in conjunction with Article 362 § 1(8) and Article 396 §§ 4 and 5 of the Commercial Companies Code (the “CCC”), the Ordinary General Meeting of the Company hereby consents, and authorises the Management Board of the Company, to repurchase ordinary bearer shares in the Company, paid up in full, (the “Shares”), subject to the terms and conditions specified herein (the “Programme”).

**§2.**

The Shares under the Programme shall be repurchased on the following terms and conditions:

1. The Company may repurchase no more than 6,470,100 (in words: six million four hundred seventy thousand one hundred) Shares representing jointly no more than 10% of the Company's share capital;
2. The repurchase price of the Shares cannot be lower than PLN 0.33 (in words: thirty-three) per Share and no higher than PLN 60 (in words: sixty zlotys) per Share;
3. The authorisation granted to the Management Board for the repurchase of the Shares shall cover the period until 30 June 2018;
4. The Shares shall be repurchased by way of:
  - a. the submission by the Company to all the shareholders a voluntary offer (one or more) to repurchase the Shares, whereas in the event that the number of tendered Shares in response to the offer submitted by the Company exceeds the aforementioned limit, the Company shall be required to apply a proportionate reduction of the shares tendered for sale by the shareholders of the Company; or
  - b. transactions concluded on the regulated market or outside the regulated market

5. The terms and conditions of the repurchase of the Shares (including the repurchase price of the Shares) must be approved by the Supervisory Board;
6. The Shares repurchased under the Programme may be: (i) offered to eligible individuals authorised to purchase the Shares under an incentive programme at the Company, if a decision is made to launch such programme by the Management Board or the Supervisory Board; (ii) redeemed; or (iii) otherwise disposed of by the Management Board of the Company with a view to the needs resulting from the Company's business, at the Management Board's discretion.

**§3.**

In order to fund the repurchase of the Shares under the Programme, pursuant to Article 396 §§ 4 and 5 in conjunction with Article 362 § 2 (3) and Article 348 § 1 of the CCC and in relation to the resolution of the Ordinary General Meeting regarding the division of net profit for year 2016, the Ordinary General Meeting resolves to establish a capital reserve for the purposes of the Programme to be used for the payment of the price for the Shares repurchased by the Company under the Programme and to pay the repurchase costs. For the purpose of establishing the capital reserve referred to in the preceding sentence:

1. the amount of PLN 140,000,000 (in words: one hundred forty million zlotys) shall be transferred from the capital reserve of the Company established under resolution No. 3 of the Extraordinary General Meeting of the Company dated 22 October 2015 ("**Resolution No. 3**") to the capital reserve established for the purpose of the Programme. Simultaneously, the capital reserve established under the Resolution No. 3 shall be released;
2. the amount of PLN 250,000,000 (in words: two hundred fifty million zlotys) shall be transferred from the supplementary capital of the Company (from funds originating from the distributable profits) to the capital reserve established for the purpose of the implementation of the Programme. Simultaneously, the supplementary capital shall be reduced by the amount of the capital reserve established.

**§4.**

With the consent of the Supervisory Board, the Management Board may terminate the Programme before the expiry of the period referred to in § 2 Section 3, or before all the funds set aside for the repurchase of the Shares under the Programme run out, or forego the repurchasing of the Shares, in full or in part.

**§5.**

The Management Board of the Company shall be authorised to take any legal and other actions aimed at implementing the Programme and repurchasing the Shares pursuant to the provisions of this Resolution, including specifically, defining detailed rules of repurchasing the Shares to the extent not defined herein.

**§6.**

This resolution comes into force upon its adoption.

**Justification to the draft resolution No. 9 of the Ordinary  
General Shareholders Meeting  
of Pfleiderer Group S.A. (the "Company")  
of 21 June 2017**

*on the approval of a treasury share repurchase programme and the establishment of the capital reserve for the purposes of such programme*

The management board has decided to request that the general meeting of the shareholders considers the possible implementation of a treasury share repurchase programme in the Company under the terms and conditions defined in this resolution (the “**Programme**”).

If implemented, the Programme will allow the Company at some time in the future to launch an incentive programme for members of its governing bodies that would be based on the Company's shares and would not require the issuance of new shares. This solution would make it easier for the Company to deliver the shares to the eligible persons.

In the case of shares that would not be offered to members of the incentive program, any shares bought back could be redeemed or otherwise disposed of by the management board, depending on the needs resulting from the Company's operation. Any decisions regarding the use of the bought back shares would be subject to the approval of the supervisory board of the Company.

Also, due to the relatively low liquidity of the Company's shares, the buyback of the Company's treasury shares would allow its shareholders to recover their capital invested in the shares. According to the analyses received by the management board, since April 2016 the total turnover from trading in the Company's shares has amounted to some PLN 273 million, which corresponds to approximately 12% of the total capitalization of the Company as compared with the median of 19.7% for companies listed on mWIG40 (and the average of 27.7%).

In light of the above, the management board is of the opinion that the buyback of the Company's treasury shares is in the best interest of the Company, which will be beneficial for the shareholders of the Company.

The management board and the supervisory board will agree on the timeline and procedure of the buyback, the number of shares to be bought, and the maximum purchase price for the shares on the regulated market or the price to be quoted in the tender offer to subscribe for the sale of the Company's own shares, subject to the parameters defined in the resolution of the general meeting of the shareholders.

This report was prepared pursuant to § 38 Section 1 item 2 and 3 of the Regulation of the Polish Council of Ministers on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a nonmember state, dated February 19th 2009 (Dz. U. No. 33, item 259 as amended).

25.05.2017