

# **CONSOLIDATED TEXT OF ARTICLES OF ASSOCIATION OF ERGIS S.A. WITH REGISTERED OFFICE IN WARSAW**

entered into the Register of Entrepreneurs of the National Court Register  
**under entry no. KRS 0000057820**

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*The consolidated text of Articles of Association was prepared additionally by the Company.*

*The present consolidated text includes all existing amendments to the Articles of Association adopted by the General Shareholders Meeting and entered into the National Court Register, including amendments to the Articles of Association adopted by the Ordinary Shareholders Meeting, held on 24 June 2019, entered into the court register on 30 July 2019.*

*The uniform text shall be prepared by the Supervisory Board of ERGIS S.A. at its next session, according to the point 430.5 of Commercial Companies Code upon the power granted by the General Shareholders Meeting (Resolution no. 18 of the General Shareholders Meeting of 24 June 2019).*

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## **I. General**

### Article 1.

The Company shall operate under the business name ERGIS Spółka Akcyjna. The Company shall have the right to use the abbreviated name ERGIS S.A. -----

### Article 2.

The registered office of the Company shall be in Warsaw. -----

### Article 3.

The Company shall operate pursuant to the Commercial Companies Code of September 15, 2000 (uniform text: Dz.U. of 2016, item 1578, as amended), hereinafter referred to as the "Commercial Companies Code," other regulations in force, and these Articles of Association.

### Article 4.

1. The Company shall operate within the territory of the Republic of Poland and abroad. -----
2. Subject to the consent of the Supervisory Board, the Company shall be entitled to create branches and representative offices within the territory of the Republic of Poland and abroad. A branch shall be an employer as defined by the provisions of the Labour Code. ---
3. The Company shall be entitled to participate in domestic and foreign companies. -----

### Article 5.

The Company was established for an unlimited time. -----

## II. Scope of Business

### Article 6.

1. The scope of the Company's business shall be: -----

- 1) Manufacture of plastic packing goods - PKD 22.22.Z,
- 2) Manufacture of builders' ware of plastic - PKD 22.23.Z,
- 3) Manufacture of plastic plates, sheets, tubes and profiles - PKD 22.21.Z,
- 4) Manufacture of other plastic products - PKD 22.29.Z,
- 5) Recovery of sorted materials - PKD 38.32.Z,
- 6) Agents specialised in the sale of other particular products - PKD 46.18.Z,
- 7) Wholesale of chemical products - PKD 46.75.Z,
- 8) Wholesale of other intermediate products - PKD 46.76.Z,
- 9) Non-specialised wholesale trade - PKD 46.90.Z,
- 10) Other retail sale in non-specialised stores - PKD 47.19.Z,
- 11) Freight transport by road - PKD 49.41.Z,
- 12) Warehousing and storage of other goods - PKD 52.10.B
- 13) Manufacture of other textiles, n.e.c. - PKD 13.99.Z,
- 14) Other manufacturing, n.e.c. - PKD 32.99.Z
- 15) Manufacture of wallpaper - PKD 17.24.Z,
- 16) Manufacture of paper and paperboard - PKD 17.12.Z,
- 17) Manufacture of other articles of paper and paperboard - PKD 17.29.Z,
- 18) Other printing - PKD 18.12.Z,
- 19) Wholesale of other household goods - PKD 46.49.Z,
- 20) Wholesale of wood, construction materials and sanitary equipment - PKD 46.73.Z,
- 21) Retail sale of carpets, rugs, wall and floor coverings in specialised stores - PKD 47.53.Z;
- 22) Other retail sale of new goods in specialised stores - PKD 47.78.Z;
- 23) Manufacture of glues - PKD 20.52.Z,
- 24) Wholesale of other machinery and equipment - PKD 46.69.Z,
- 25) Other forms of granting loans - PKD 64.92.Z,
- 26) Renting and leasing of cars and vans - PKD 77.11.Z,
- 27) Renting and leasing of other motor vehicles, except for motorcycles - PKD 77.12.Z,
- 28) Renting and leasing of office machinery and equipment, including computers - PKD 77.33.Z,
- 29) Renting and leasing of other machinery, equipment and tangible goods n.e.c. - PKD 77.39.Z,
- 30) Other technical testing and analysis PKD 71.20.B
- 31) Leasing of intellectual property and similar products, except copyrighted works PKD 77.40.Z.

2. Subject to the appropriate provisions of the law, change of the Company's scope of business may take place without the obligation of share buyout, however the resolution of the General Shareholders Meeting in this regard shall be adopted by a majority of two thirds of votes in the presence of representatives of no less than a half of the share capital. -----

### III. Share Capital

#### Article 7.

1. The Share Capital of the Company amounts to PLN 22.673.964,60 (PLN twenty-two million six hundred seventy-three thousand nine hundred and sixty-four 20/100). -----
2. The Share Capital of the Company is divided into 37.789.941 (thirty-seven million seven hundred eighty-nine thousand nine hundred and forty-one) series B1, C, D, E and F bearer shares at the par value of PLN 0.60 (sixty grosz) each, including: -----
  - 1) 1,527,135 (one million five hundred twenty-seven thousand one hundred and thirty-five) series B1 ordinary bearer shares, -----
  - 2) 853,470 (eight hundred fifty-three thousand four hundred and seventy) series C ordinary bearer shares, -----
  - 3) 4,026,653 (four million twenty-six thousand six hundred and fifty-three) series D ordinary bearer shares, -----
  - 4) 31,282,683 (thirty-one million two hundred eighty-two thousand six hundred and eighty-three) series E ordinary bearer shares, -----
  - 5) 100,000 (one hundred) series F ordinary bearer shares. -----

#### Article 7A

Deleted.

#### Article 7B

Deleted.

#### Article 8.

1. The Company shall issue registered and bearer shares. -----
2. Bearer shares shall not be exchangeable to registered shares. -----
3. The share capital shall be covered by both cash and in-kind contributions. -----

#### Article 9.

The Company may issue bonds, including bonds with the right of first refusal and convertible bonds. The volume of issue of bonds as well as the date, manner and terms of their conversion into shares shall be established each time by a resolution of a General Shareholders Meeting. -----

#### Article 10.

1. Company shares may be redeemed. -----
2. Company shares may be redeemed upon a shareholder's consent, by virtue of their purchase by the Company (voluntary redemption). -----
3. Company's purchase of treasury shares for the purposes of their redemption requires the consent of the General Shareholders Meeting. -----
4. The terms, manner and rules of share redemption shall be established by a resolution of the General Shareholders Meeting. -----

## IV. Governing Bodies

### Article 11.

The governing bodies of the Company shall be: -----  
A. the Management Board, -----  
B. the Supervisory Board, -----  
C. the General Shareholders Meeting. -----

### A. MANAGEMENT BOARD

#### Article 12.

1. The Management Board shall comprise of one or more members appointed and removed by the Supervisory Board for a joint term of office. The Management Board's term of office shall be three years. -----
2. The Supervisory Board shall establish the number of members of the Management Board. -
3. The Supervisory Board may remove the President of the Management Board, any member of the Management Board or the entire Management Board before the end of the term of office. A member of the Management Board may be removed or suspended from duties also by the General Shareholders Meeting. -----

#### Article 13.

1. The Management Board shall manage the affairs of the Company and shall represent the Company. -----
2. All matters which are not reserved by legal regulations or the provisions of these Articles of Association for other Company governing bodies shall be within the powers of the Management Board.-----
3. The procedure of work by the Management Board and matters which may be assigned to its specific members shall be specified in detail by the rules of procedure for the Management Board. The rules of procedure for the Management Board shall be adopted by the Management Board and approved by the Supervisory Board. -----

#### Article 14.

1. If the Management Board comprising of two or more members is appointed, two members of the Management Board acting jointly or one member of the Management Board acting together with the commercial proxy shall be required to make declarations of will on behalf of the Company. -----
2. If the Management Board comprises of one member, one member of the Management Board or the commercial proxy shall be authorised to make declarations of will on behalf of the Company.-----
3. Appointing a commercial proxy requires the consent of all the members of the Management Board upon a prior approval of the Supervisory Board. The commercial power of representation may be recalled by any member of the Management Board. -----

#### Article 15.

In an agreement between the Company and a member of the Management Board as well as in a dispute, the Company shall be represented by the Supervisory Board. The Supervisory

Board may authorise, by means of a resolution, one or more members to perform such legal actions. -----

**B. SUPERVISORY BOARD**

Article 16.

- 1. The Supervisory Board shall comprise of at least 5 (five) members. Members of the Supervisory Board shall be appointed for a joint term of office which shall be three years. ----
- 2. Members of the Supervisory Board shall be appointed by the General Shareholders Meeting. -----
- 3. The number of members of the Supervisory Board in a given term shall be established by the General Shareholders Meeting. -----
- 4. A member of the Supervisory Board shall possess an adequate education, professional and life experience, be of the high moral standards and be able to dedicate necessary amount of time, enabling it to perform its functions in the Supervisory Board in an appropriate way. Candidatures for members of the Supervisory Board shall be put forward and substantiated in details in order to enable making a conscious choice.-----
- 5. Fulfilment of the independence criteria by the Supervisory Board members shall be governed by generally applicable law and the standards adopted by the Company. -----

Article 17.

- 1. The Supervisory Board elects from its members a Chairman and one or two Vice-Chairmen and a Secretary. -----
- 2. Meetings of the Supervisory Board shall be convened and conducted by the Chairman of the Board, failing whom by the Vice-Chairman or a person designated by the Chairman. A Chairman of a resigning Supervisory Board convenes and opens the first meeting of a newly elected Supervisory Board and conducts the meeting until a new Chairman is elected. -----

Article 18.

- 1. The Supervisory Board shall hold meetings at least once every quarter. -----
- 2. The Chairman of the Supervisory Board is obliged to convene a meeting of the Board upon written demand of a member of the Supervisory Board or the Management Board. The meeting shall take place within two weeks from the submission of the motion. -----

Article 19

- 1. For resolutions of the Supervisory Board to be valid, a written invitation for all its members, delivered at least seven days before a scheduled date of a meeting, is required. -----
- 2. The Supervisory Board adopts resolutions by the absolute majority of votes present, in -- the presence of at least half of the Supervisory Board, and provided that all its members have been invited. In the event of equal number of votes, the vote of the Chairman of the Supervisory Board shall prevail. -----
- 3. Members of the Supervisory Board may participate in adopting resolutions of the Board by casting their vote in writing through another member of the Supervisory Board. Voting in writing may not apply to matters placed on an agenda during a meeting of the Supervisory Board. -----
- 4. Members of the Supervisory Board may adopt resolutions in writing or using means of direct remote communication. Adopting a resolution in that way requires for the validity thereof, the submission of a draft resolution to all the members of the Board. -----

- 5. Such a procedure of voting as referred to in Article 19.4 may be ordered by the Chairman, and should that be impossible, by the Vice-Chairman or a person designated by the Chairman. -----
- 6. Resolutions concerning appointment, dismissal or suspension from duties of the Chairman, Vice-Chairman and Secretary and of the members of the Management Board may not be adopted in the manner specified in Article 19.3 and Article 19.4. -----
- 7. The Supervisory Board shall adopt its own rules of procedure which shall specify its course of action in detail.-----

Article 20.

- 1. The Supervisory Board shall exercise supervision over the Company’s activities. -----
- 2. Apart from matters stipulated in the generally applicable provisions of law, other provisions of these Articles or resolutions of the General Shareholders Meeting, the following matters shall in particular be within the powers of the Supervisory Board:
  - 1) assessment of financial statements in respect of their compliance with accounting books, records and factual status,
  - 2) assessment of Directors’ report on operations and motions of the Management Board regarding profit distribution or loss coverage,
  - 3) presentation of an annual written report on the results of actions referred to in items 1 and 2 to the General Shareholders Meeting,
  - 4) selection of an auditing company (a certified auditor) to audit financial statements of the Company,
  - 5) approval of business activity plans, financial plans, marketing plans as well as assessment of the Management Board’s reports on implementing these plans,
  - 6) appointing and removing members of the Management Board,
  - 7) suspension from duties, for important reasons, of individual or all members of the Management Board,
  - 8) delegating member or members of the Supervisory Board, for a period not longer than three months, to temporarily perform functions of members of the Management Board, who have been removed, have submitted their resignation or are unable to perform their functions for other reasons,
  - 9) giving consent to incur liabilities or dispose of property not included in a budget of the Company, if the aggregated value of the liabilities or disposed property exceeds PLN 2,000,000 (PLN two million) within a year,
  - 10) giving consent for acquisition or taking up shares in commercial companies, as well as entering into companies and partnerships of commercial and civil law, giving consent for acquisition and disposal of real property, perpetual usufruct or a share in real property.
- 3. The Supervisory Board shall perform its functions jointly; it may however delegate its members to perform specific supervisory actions independently. -----
- 4. Audit Committee appointed by and composed of the Supervisory Board members operates in the Company. The tasks, appointment, and actions of the Audit Committee shall be governed by the generally applicable provisions of law. The Supervisory Board can determine additional tasks for the Audit Committee or a detailed course of its actions. -----
- 5. Other Committees can be appointed within the Supervisory Board. -----
- 6. Responsibilities of the Supervisory Board and the Audit Committee or other Committees include performing actions resulting from the standards, which the Company voluntarily adopted. -----

Article 21.

Remuneration of members of the Supervisory Board shall be determined by the General Shareholders Meeting. -----

**C. GENERAL SHAREHOLDERS MEETING**

Article 22.

1. The General Shareholders Meeting may be held as Ordinary or Extraordinary. -----
2. The Ordinary General Shareholders Meeting shall be convened by the Management Board. The Ordinary General Shareholders Meeting shall be held within six months from the end of each financial year.-----
3. (deleted).
4. (deleted).
5. (deleted).

Article 23.

1. The agenda of the General Shareholders Meeting shall be established by the Management Board in agreement with the Supervisory Board. -----
2. (deleted).
3. (deleted).

Article 24.

General Shareholders Meetings shall take place at the Company's registered office or in its branch on the territory of the Republic of Poland. -----

Article 25.

General Shareholders Meeting may adopt resolutions regardless of the number of represented shares unless the provisions of the Commercial Companies Code or other statutes provide otherwise. -----

Article 26.

1. Resolutions of the General Shareholders Meeting shall be adopted by the absolute majority of votes unless the Articles of Association or the Commercial Companies Code provide otherwise. -----
2. In addition to other matters referred to in the Commercial Companies Code, the following matters shall in particular require a resolution of the General Shareholders Meeting: -----
  - 1) assessment and approval of the Directors' report on the Company's operations and financial statements for the prior financial year, -----
  - 2) adopting a resolution on profit distribution or loss coverage, -----
  - 3) granting discharge of duties to members of the Company's governing bodies.-----
3. Resolutions of the General Shareholders Meeting are adopted by the majority of three fourths of votes in the following matters: -----
  - 1) change in the Articles of Association,-----
  - 2) issuance of the convertible bonds and bonds with the right of first refusal, -----
  - 3) decreasing the share capital, -----
  - 4) sale of the undertaking or an organised part thereof,-----
  - 5) dissolution of the Company. -----
4. Resolutions on changes in the Articles of Association increasing benefits for shareholders or decreasing rights granted personally to individual shareholders shall require the consent of

- all the shareholders to whom they pertain. -----
5. Resolution on refraining from discussing a matter placed on an agenda may only be adopted if there are important reasons therefor. A motion in this matter should be justified in details. Removing a matter from the agenda or refraining from the discussion on a matter put in the agenda on request of shareholders shall require adopting a resolution of a General Shareholders Meeting upon prior consent expressed by all present shareholders who have submitted such a motion, supported by the three fourths of votes of the General Shareholders Meeting. -----
  6. Purchase and sale of real properties, perpetual usufruct or share in a real property do not require resolution of the General Shareholders Meeting. -----

Article 27.

1. Voting at a General Shareholders Meeting shall be open. A secret vote shall be arranged to elect Company governing bodies and when voting on motions to dismiss members of the governing bodies or liquidators of the Company, to hold them responsible, as well as in personnel matters. -----
2. The provision referred to in Article 27.1 above shall not apply when one shareholder takes part in the General Shareholders Meeting. -----

Article 28.

- The General Shareholders Meeting shall be opened by the Chairman of the Supervisory Board or a person designated by him/her; next, a Chairman of the Meeting shall be elected from persons entitled to vote. In the event those persons are absent, the Meeting shall be opened by the President of the Management Board or a person designated by the Management Board. -----
2. The General Shareholders Meeting shall adopt its rules of procedure.-----

**V. Company Management**

Article 29.

The Company management is settled by organisational rules adopted by the Management Board and approved by the Supervisory Board. -----

Article 30.

A financial year of the Company shall be a calendar year. -----

Article 31.

Within three months after the end of a financial year, the Management Board is obliged to prepare and submit to the Supervisory Board a balance-sheet as of the last day of a year, a profit and loss account and a detailed written report on operations of the Company in that period. -----

Article 32.

1. Allocation of the Company’s net profit shall be determined by a resolution of the General Shareholders Meeting. -----
2. The Company’s net profit may in particular be allocated for: -----
  - 1) supplementary fund, -----
  - 2) investment fund,-----



- 3) additional reserve capital, -----
  - 4) dividends, -----
  - 5) other purposes determined by a resolution of the General Shareholders Meeting. -----
3. Resolution of the General Shareholders Meeting on distribution of annual profit among shareholders shall establish a date of establishing a right to dividend (ex-dividend date) and a dividend payment date. -----
4. The Company may create reserve capitals. -----

## **VI. Final provisions**

### Article 33.

The Company shall publish all announcements required by law in Monitor Sądowy i Gospodarczy. -----

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