

**Announcement about
The Ordinary General Meeting of a public company
LUG Spółka Akcyjna
based in Zielona Góra**

Pursuant to § 17 of the Company's Statute, the Management Board of LUG S.A. ("Company," Issuer ") convenes an Ordinary General Meeting, which will be held on **28.06.2023 at 12:00** at the registered office of LUG S.A. in Zielona Góra, ul. Gorzowska 11.

DETAILED AGENDA OF THE ANNUAL MEETING OF THE ORDINARY GENERAL MEETING

1. Opening of the Meeting.
2. Election of the Chairman of the Ordinary General Meeting.
3. Confirming correctness of convening the OGM and its legal ability to adopt resolutions.
4. Adoption of the Agenda.
5. Presentation and consideration of the Management Board's Statement on LUG S.A. and LUG S.A. Capital Group activities in 2022 together with the Non-financial Statement for 2022.
6. Presentation and consideration of the LUG S.A. financial statement for 2022 and the Management Board's proposal of coverage of the net loss for 2022.
7. Presentation and consideration of the LUG S.A. Capital Group consolidated financial statement for 2022.
8. Presentation by the Supervisory Board and discussion on the following:
 - a. Report of the Supervisory Board of LUG S.A. on the results of the assessment of the Management Board's Statement on the activities of the Company and the LUG S.A. Capital Group along with the Non-financial Statement for 2022, financial statements for the financial year 2022 and the proposal of the company's Management Board regarding the coverage of the net loss for 2022.;
 - b. Report of the Supervisory Board of LUG S.A. from supervision over the activities of LUG S.A. in 2022;
9. Adoption of resolutions on:
 - a. approving the Management Board's Statement on the LUG S.A. and LUG S.A. Capital Group in 2022 together with the Non-financial Statement for 2022;
 - b. approving the separate financial statement of LUG S.A. for 2022;
 - c. approving the consolidated financial statement of the LUG S.A. Capital Group for 2022;
 - d. the coverage of the net loss for 2022;
 - e. approving the fulfillment of duties by the members of the Management Board in 2022;
 - f. approving LUG S.A. Supervisory Board report on the company's operations in 2022;

- g. discharging the members of the Supervisory Board from their duties in 2022;
 - h. amendments to the Articles of Association of the company;
 - i. drafting the consolidated text of the Company's Articles of Association.
10. Free conclusions.
11. Closing of the Meeting.

INFORMATION ABOUT THE RIGHT TO PARTICIPATE IN A GENERAL MEETING

Only persons who are shareholders of the Company 16 days before the date of the General Meeting, i.e. on the day of registration, have the right to participate in the General Meeting. **The Record date of participation in the General Meeting is June 12, 2023. (called "record date").**

In order to participate in the General Meeting, shareholders holding dematerialized shares should, between the date of the announcement of the General Meeting (31.05.2023) and the first weekday after *record date* (13.06.2023) apply to the entities keeping their securities accounts for issuing a personal certificate of the right to participate in the General Meeting of the Company.

Persons entitled to participate in the General Meeting are asked to register and download the voting card directly in front of the meeting room for 15 minutes before the start of the meeting.

INDICATION OF WHERE AND HOW TO GET A FULL TEXT OF THE DOCUMENTS CONCERNING THE GENERAL MEETING, INCLUDING LIST OF ENTITIES LEGALLY AUTHORIZED FOR PARTICIPATION IN THE GENERAL ASSEMBLY

Complete documentation regarding the General Meeting is placed on the Company's website at www.lug.com.pl in the "Investor Relations" tab, "E/OGSM" section. In addition, every shareholder has the right to visit the Company and obtain the documentation related to the General Meeting in-person.

The list of shareholders entitled to participate in the Ordinary General Meeting will be available at the Company Headquarters in Zielona Góra, Gorzowska 11 Street, from 9.00 to 16.00, three weekdays before the date of the General Meeting, i.e. between 23.06.2023 and 27.06.2023.

A shareholder may request the Company to send him a list of shareholders entitled to participate in the Ordinary General Meeting of the Company, free of charge by e-mail, providing their own e-mail address to which the list should be sent. Such a request should be sent to the Company's e-mail address (wza@lug.com.pl).

PRECISE DESCRIPTION OF PROCEDURES REGARDING PARTICIPATION IN THE GENERAL MEETING AND THE EXERCISE OF VOTING RIGHTS.

1. Shareholder's right to request placing specific matters on the agenda of the General Meeting.

According to art. 401 § 1 of the Commercial Companies Code, a shareholder or shareholders representing at least one-twentieth of the share capital may request that specific matters be placed on the agenda of the General Meeting. The request should be submitted to the Management Board in writing (by post or fax), no later than 21 days before the set date of the General Meeting, i.e. no later than on 07.06.2023.

The request should include justification or a draft resolution regarding the proposed item on the agenda. It is permissible for the request to be submitted in an electronic form. For this purpose, the relevant request should be sent to the Company's e-mail address (wza@lug.com.pl).

Exercising of the rights resulting from art. 401 § 1 of the Commercial Companies Code may take place if the entitled entities forward by post, fax, electronic or submit a personal deposit certificate (valid on the date of the exercise of the right) together with an appropriate identification document.

The Management Board is obligated to announce immediately, but not later than eighteen days before the set date of the General Meeting, the changes to the agenda, introduced at the request of shareholders. The announcement is made in a manner appropriate for convening the General Meeting.

2. The shareholder's right to submit draft resolutions regarding matters added to the agenda of the General Meeting or matters that are to be included in the agenda before the date of the General Meeting.

According to Art. 401 § 4 of the Commercial Companies Code, a shareholder or shareholders representing at least one-twentieth of the share capital may, before June 28, 2022, submit to the Company in writing or by means of electronic communication draft resolutions regarding matters included in the agenda of the GM or matters that are to be included in the agenda. Draft resolutions in electronic form should be sent to the e-mail address of the company wza@lug.com.pl. The company immediately announces the received draft resolutions on its website.

Exercise of rights resulting from art. 401 § 4 of the Code of Commercial Companies may take place if the entitled entities forward by post, fax, electronic or submit to the Company a personal deposit certificate (valid on the day of exercising the right) together with a relevant identification document.

3. The shareholder's right to submit draft resolutions regarding matters added to the agenda during the General Meeting.

According to art. 401 § 5, each shareholder may submit draft resolutions regarding matters included in the agenda during the GM.

4. The right to appoint a representative, the manner of exercising the right to vote by a proxy, the form of the power of attorney, the manner of notifying about granting the power of attorney in electronic form and the means of verifying the validity of the power of attorney.

A shareholder who is a natural person may participate in the Ordinary General Meeting and exercise the right to vote in person or by proxy. A shareholder who is not a natural person may participate in the Ordinary General Meeting and exercise the voting rights through a person authorized to make declarations of will on his behalf or through a proxy.

The right to appoint a proxy at the General Meeting and the number of proxies cannot be limited. The proxy exercises all the shareholder's rights at the General Meeting, unless otherwise stated in the power of attorney. The proxy may grant a further power of attorney if it results from the content of the power of attorney. A proxy may represent more than one shareholder and vote differently from the shares of each shareholder. A shareholder holding shares registered on more than one securities account may appoint separate proxies to exercise the rights attached to shares registered on each of the accounts.

The right to represent a shareholder who is not a natural person should result from an excerpt from the relevant register (submitted in the original or a copy certified by a notary), or a series of powers of attorney, presented during the preparation of the attendance list. The person or persons granting the power of attorney on behalf of a shareholder who is not a natural person should be indicated in the current excerpt from the register relevant for a given shareholder. The proxy votes in accordance with the instructions given by the shareholder. The template of the instruction regarding the exercise of the right to vote by proxy is available on the Company's website <http://www.lug.com.pl>, the "Investor Relations" tab, "GM" section.

The power of attorney granted in electronic form should be notified to the Company by e-mail, by sending the power of attorney to the address wza@lug.com.pl, making every effort to ensure that its validity can be effectively verified.

The power of attorney should be made in writing under pain of nullity and attached to the minutes of the Ordinary General Meeting or granted in electronic form by sending an appropriate document in the form of a file in .pdf or .jpg format, constituting a scanned power of attorney with the signature of a duly represented shareholder to the Company's e-mail address (wza@lug.com.pl). Granting a power of attorney in electronic form does not require a secure electronic signature verified by means of a valid qualified certificate.

The notification on granting the power of attorney by electronic means should contain the following data concerning the principal and the proxy:

- for natural persons: name, surname, address, PESEL, e-mail address, telephone number;
- for entities that are not natural persons: company, headquarters address, KRS number or other relevant registry, REGON, NIP, e-mail address, telephone number;

On Company's website: <http://www.lug.com.pl>, the "Investor relations" tab, "E/OGSM" section, the Company provides the Application Form for the notification of granting the power of attorney

in electronic form, which may be used by the Shareholder to notify the Company about granting power of attorney in electronic form. After completing, the form should be sent by the Shareholder to the e-mail address: wza@lug.com.pl in .pdf or .jpg format.

In order to identify the shareholder to the notification of granting the power of attorney in an electronic form, the scan should also be attached (in .pdf or .jpg format):

- in case of a shareholder who is a natural person - an identity card or passport of a shareholder;
- in case of a shareholder who is not a natural person - an excerpt from the relevant register confirming the authorization of the person/persons granting the power of attorney, to act on behalf of the shareholder.

The power of attorney for its validity should include:

- the date of granting the power of attorney;
- exact designation of the principal and proxy (name and surname/ company, address of residence/ address of headquarters, PESEL/ REGON, NIP, KRS or other relevant registry);
- specification of the scope of the power of attorney (i.e. indicate the shares from which the voting right will be exercised by the proxy, instructions on how to vote by the proxy on each resolution);
- the date and name of the General Meeting at which these rights will be exercised;
- information whether the proxy is authorized to grant further power of attorney and indicate whether the power of attorney applies only to the opening day of the General Meeting or to its actual closure;
- principal's signature.

Notification of granting the power of attorney in an electronic form must be made at least 24 hours before the date of the General Meeting, due to the need to carry out verification activities.

Verification of validity of the granted powers of attorney will be carried out through:

- checking the correctness of data in the notification of granting the power of attorney on the electronic form and comparing them with information included on the list of persons entitled to participate in the General Meeting,
- confirmation of the compliance of the powers of persons granting power of attorney on behalf of shareholders who are not natural persons, with the conditions appearing on relevant copies of the National Court Registry and other registries.

The Company reserves the right to refuse to allow a proxy to participate in the General Meeting if it is unable to verify the data contained in the notification of granting the power of attorney in electronic form, or the entity granting the power of attorney to act on behalf of the shareholder who is not a natural person.

After arriving at the Ordinary General Meeting, and before signing the attendance list, the proxy should present a power of attorney granted in writing or a copy of the power of attorney granted in electronic form, as well as a document allowing to determine the identity of the attorney.

The form for granting the power of attorney in a written form is available on the Company's website at <http://www.lug.com.pl>, the "Investor Relations" tab, "WZA" section. Other forms of the power of attorney are possible provided that all legally required elements are included on them.

5. Participation in the General Meeting by means of electronic communication.

The Company's internal regulations do not allow participating in the General Meeting by means of electronic communication.

6. Exercising the right to vote by correspondence or using electronic means of communication.

The Company's internal regulations do not provide options for speaking during the General Meeting using electronic means of communication or exercising the right to vote by means of electronic communication or by correspondence.

DRAFT RESOLUTIONS**RESOLUTION NUMBER 1****ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters located in Zielona Góra
28.06.2023*****due to: selection of the Chairman of the Meeting***

Based on Article. 409 § 1 of the Code of Commercial Companies, the Ordinary General Meeting of LUG S.A. with its registered office in Zielona Góra, resolves as follows:

§ 1

The Ordinary General Meeting of the Company under the name: LUG Spółka Akcyjna with its registered office in Zielona Góra selects Mr./Ms.
as the Chairman of the Ordinary General Meeting.

§ 2

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

RESOLUTION NUMBER 2**Ordinary General Meeting of LUG S.A.
with its headquarters located in Zielona Góra
28.06.2023****due to: adoption of the meeting agenda****§ 1**

The Ordinary General Meeting of Shareholders approves following meeting agenda:

1. Opening of the Meeting.
2. Election of the Chairman of the Ordinary General Meeting.
3. Confirming correctness of convening the OGM and its legal ability to adopt resolutions.
4. Adoption of the Agenda.
5. Presentation and consideration of the Management Board's Statement on LUG S.A. and LUG S.A. Capital Group activities in 2022 together with the Non-financial Statement for 2022.
6. Presentation and consideration of the LUG S.A. financial statement for 2022 and the Management Board's proposal of coverage of the net loss for 2022.
7. Presentation and consideration of the LUG S.A. Capital Group consolidated financial statement for 2022.
8. Presentation by the Supervisory Board and discussion on the following:
 - a. Report of the Supervisory Board of LUG S.A. on the results of the assessment of the Management Board's Statement on the activities of the Company and the LUG S.A. Capital Group along with the Non-financial Statement for 2022, financial statements for the financial year 2022 and the proposal of the company's Management Board regarding the coverage of the net loss for 2022.;
 - b. Report of the Supervisory Board of LUG S.A. from supervision over the activities of LUG S.A. in 2022;
9. Adoption of resolutions on:
 - a. approving the Management Board's Statement on the LUG S.A. and LUG S.A. Capital Group in 2022 together with the Non-financial Statement for 2022;
 - b. approving the separate financial statement of LUG S.A. for 2022;
 - c. approving the consolidated financial statement of the LUG S.A. Capital Group for 2022;
 - d. the coverage of the net loss for 2022;
 - e. approving the fulfillment of duties by the members of the Management Board in 2022;
 - f. approving LUG S.A. Supervisory Board report on the company's operations in 2022;
 - g. discharging the members of the Supervisory Board from their duties in 2022;
 - h. amendments to the Articles of Association of the company;
 - i. drafting the consolidated text of the Company's Articles of Association.
10. Free conclusions.
11. Closing of the Meeting.

§ 2

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

RESOLUTION NUMBER 3
ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters located in Zielona Góra
28.06.2023

***due to: approval of the Management Board Statement on the activities of LUG S.A.
and LUG S.A. Capital Group in 2022 along with the Non-financial Statement for 2022***

§ 1

The Ordinary General Meeting of LUG S.A., based on art. 20 points a) of the Articles of Association of the Company in connection with art. 395 §2 points 1 i §5 of the Code of Commercial Companies, after considerations, hereby approves the Management Board's Statement on the activities of LUG S.A. and LUG S.A. Capital Group in 2022 together with the Non-financial Statements for 2022.

§ 2

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

RESOLUTION NUMBER 4
ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters located in Zielona Góra
28.06.2023

approval of the separate financial statement of LUG S.A. for 2022

The Ordinary General Meeting of LUG S.A. acting based on §20 points a) of the Articles of Association of the Company and pursuant to art. 53 section 1 of the Act of 29 September 1994 on accounting and art. 395 §2 points 1 of the Code of Commercial Companies, resolves the following:

§ 1

After consideration, the separate financial statement of LUG S.A. presented by the Management Board are hereby approved for the period from 01.01.2022 to 31.12.2022, consisting of:

1. introduction to the financial statements of LUG S.A.;
2. reports on the financial situation of LUG S.A., which on the side of assets and liabilities as at 31.12.2022 is closed by the amount of PLN 35,160,229.24 (in words: thirty-five million one hundred and sixty thousand two hundred and twenty-nine zlotys 24/100);
3. the profit and loss account of LUG S.A., which shows net loss in the amount of PLN 618,762.83 (in words: six hundred and eighteen thousand seven hundred and sixty-two zlotys 83/100);
4. statement of comprehensive income, which shows the sum of total income in the amount of minus PLN 618,762.83 (in words: six hundred and eighteen thousand seven hundred and sixty-two zlotys 83/100);
5. reports on changes in equity of LUG S.A. showing a decrease in equity by PLN 618,762.83 (in words: six hundred and eighteen thousand seven hundred and sixty-two zlotys 83/100);
6. cash flow statements of LUG S.A. showing an increase in cash by PLN 37,708.54 (in words: thirty-seven thousand seven hundred and eight zlotys 54/100);
7. additional information and explanations of LUG S.A.

§ 2

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

RESOLUTION NUMBER 5
ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters located in Zielona Góra
28.06.2023

***due to: approval of the consolidated financial statement
of LUG S.A. Capital Group for 2022***

The Ordinary General Meeting of LUG S.A. acting pursuant to art. 63 c para. 4 of the Act of 29 September 1994 on accounting and art. 395 §5 of the Code of Commercial Companies, resolves the following:

§ 1

After consideration, the consolidated financial statement of the LUG S.A. Capital Group for the period from 01.01.2022 to 31.12.2022, submitted by the Management Board are hereby approved and consists of:

1. introduction to the consolidated financial statements of the LUG S.A. ;
2. consolidated statement of financial situation of the LUG S.A. Capital Group, which on the side of assets and liabilities at December, 31, 2022 is closed with the amount of PLN 201,399,390.89 (in words: two hundreds and one million three hundred and ninety-nine thousand three hundred ninety zlotys 89/100);
3. consolidated statement of profit and loss of the LUG S.A. Capital Group, which discloses a net profit for shareholders of the parent company in the amount of PLN 3,086,518.04 (in words: three millions eighty-six thousand five hundred and eighteen zlotys 04/100);
4. consolidated statement of comprehensive income, which shows the sum of total income attributable to the parent company in the amount of PLN 1,894,917.05 (in words: one million eight hundred and ninety-four thousand nine hundred and seventeen zlotys 05/100);
5. consolidated statement of changes in equity of the LUG S.A. Capital Group, which shows an increase in total equity by PLN 2,841,193.36 (in words: two million eight hundred and forty-one thousand one hundred and ninety-three zlotys 36/100);
6. consolidated statement of cash flows from the LUG S.A. Capital Group showing a decrease in cash by PLN 1,524,913.77 (in words: one million five hundred twenty-four thousand nine hundred and thirteen zlotys 77/100);
7. additional information and explanations of the LUG S.A. Capital Group.

§ 2

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

RESOLUTION NUMBER 6
ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters located in Zielona Góra
28.06.2023

due to: the coverage of the net loss for 2022

§ 1

The Ordinary General Meeting of LUG S.A. based on §20 points c) due to §23 para. 2 letters d and e of the Articles of Association in connection with art. 395 §2 points 2 of the Code of Commercial Companies, after hearing the assessment of the Supervisory Board, decides to cover the net loss of LUG S.A. for 2022 in the amount of PLN 618.762,83 (in word: six hundred and eighteen thousand seven hundred and sixty-two zlotys 83/100) from the "reserve capital".

§2

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

RESOLUTION NUMBER 7
ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters located in Zielona Góra
28.06.2023

due to: granting discharge to Mr. Ryszard Wtorkowski,
acting as the President of the Management Board of LUG S.A.

§1

The Ordinary General Meeting of LUG S.A. based on §20 points b) of the Articles of Association of the Company in connection with art. 395 §2 point 3 of the Code of Commercial Companies, grants a discharge from performance of duties in 2022 to the President of the LUG S.A. Management Board, Mr. Ryszard Wtorkowski.

§2

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

RESOLUTION NUMBER 8
ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters located in Zielona Góra
28.06.2023

due to: granting discharge to Mr. Mariusz Ejsmont,
acting as the Vice President of the Management Board of LUG S.A.

§ 1

The Ordinary General Meeting of LUG S.A. based on §20 points b) of the Articles of Association of the Company in connection with art. 395 §2 points 3 of the Code of Commercial Companies, grants a discharge from performance of duties in 2022 to the V-ce President of the LUG S.A. Management Board, Mr. Mariusz Ejsmont.

§ 2

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

RESOLUTION NUMBER 9
ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters located in Zielona Góra
28.06.2023

*due to: granting discharge to Ms. Małgorzata Konys,
acting as the Member of the Management Board of LUG S.A.*

§ 1

The Ordinary General Meeting of LUG S.A. based on §20 points b) of the Articles of Association of the Company in connection with art. 395 §2 points 3 of the Code of Commercial Companies, grants a discharge from performance of duties in 2022 to the Member of the LUG S.A. Management Board, Ms. Małgorzata Konys.

§ 2

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

RESOLUTION NUMBER 10
ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters in Zielona Góra
28.06.2023

***due to: regarding the approval of the Supervisory Board of LUG S.A. report
on the supervision over the Company's operations for 2022.***

§ 1

The Ordinary General Meeting of LUG S.A. after consideration, approves the report of the Supervisory Board of LUG S.A. from supervision over the Company's operations for 2022.

§ 2

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

RESOLUTION NUMBER 11**ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters located in Zielona Góra
28.06.2023**

***due to: granting discharge to Mrs. Iwona Wtorkowska,
the Chairwoman of the Supervisory Board of LUG S.A.***

§ 1

The Ordinary General Meeting of LUG S.A. based on §20 points b) of the Articles of Association of the Company in relations to art. 395 §2 point 3 of the Code of Commercial Companies, grants a discharge from performance in 2022 to the Chairman of the Supervisory Board of LUG S.A., Mrs. Iwona Wtorkowska.

§ 2

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

RESOLUTION NUMBER 12**ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters in Zielona Góra
28.06.2023**

***due to: granting discharge to Mr. Eryk Wtorkowski,
the Member of the Supervisory Board of LUG S.A.***

§ 1

The Ordinary General Meeting of LUG S.A. based on §20 points b) of the Articles of Association of the Company in relations to art. 395 §2 point 3 of the Code of Commercial Companies, grants a discharge from performance in 2022 to the member of the Supervisory Board of LUG S.A., Mr. Eryk Wtorkowski.

§ 2

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

RESOLUTION NUMBER 13

ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters located in Zielona Góra
28.06.2023

***due to: granting discharge to Mrs. Renata Baczańska,
the Member of the Supervisory Board of LUG S.A.***

§ 1

The Ordinary General Meeting of LUG S.A. based on §20 points b) of the Articles of Association of the Company in relations to art. 395 §2 point 3 of the Code of Commercial Companies, grants a discharge from performance in 2022 to the Member of the Supervisory Board of LUG S.A., Mrs. Renata Baczańska.

§ 2

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

RESOLUTION NUMBER 14

ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters located in Zielona Góra
28.06.2023

***due to: granting discharge to Mr. Zygmunt Ćwik,
the Member of the Supervisory Board of LUG S.A.***

§ 1

The Ordinary General Meeting of LUG S.A. based on §20 points b) of the Articles of Association of the Company in relations to art. 395 §2 point 3 of the Code of Commercial Companies, grants a discharge from performance in 2022 to the member of the Supervisory Board of LUG S.A., Mr. Zygmunt Ćwik.

§ 2

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

RESOLUTION NUMBER 15

ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters located in Zielona Góra
28.06.2023

***due to: granting discharge to Mr. Szymon Ziolo,
the Member of the Supervisory Board of LUG S.A.***

§ 1

The Ordinary General Meeting of LUG S.A. based on §20 points b) of the Articles of Association of the Company in relations to art. 395 §2 point 3 of the Code of Commercial Companies, grants a discharge from performance in 2022 to the member of the Supervisory Board of LUG S.A., Mr. Szymon Ziolo.

§ 2

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

RESOLUTION NUMBER 16**ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters in Zielona Góra
28.06.2023**

due to: changes to the content of §9 section 1 of the Company's Articles of Association

§ 1

Ordinary General Meeting of LUG S.A. amends the Company's Articles of Association in such a way that §9 sec. 1 of the Company's Articles of Association in the current wording:

"1. The Supervisory Board consists of three to seven members appointed by the General Meeting."

is replaced with the following new wording:

"1. The Supervisory Board consists of five to seven members appointed by the General Meeting."

§ 2

The resolution comes into effect on the day of its adoption, effective as of the day of registering the amendment to the Articles of Association in the National Court Register.

RESOLUTION NUMBER 17**ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters in Zielona Góra
28.06.2023**

due to: changes to the content of §12 of the Company's Articles of Association

§ 1

Ordinary General Meeting of LUG S.A. amends the Company's Articles of Association in such a way that §12 of the Company's Articles of Association in the current wording:

- “1. Meetings of the Supervisory Board are held at least once every four months and are convened by its Chairman, on his own initiative or at the request of the Management Board or a member of the Supervisory Board.*
- 2. If the Chairman of the Supervisory Board has not convened a meeting of the Supervisory Board within four months from the date of the last meeting, as well as within 14 (fourteen) days from the submission by the Management Board or at least one member of the Supervisory Board of a written request to convene it, the right to convene a meeting of the Supervisory Board is vested in also applicants.*
- 3. Resolutions of the Supervisory Board may be adopted if all members have been notified of the meeting.*
- 4. Notices containing the agenda and specifying the time and place of the meeting should be sent by registered mail at least 14 (fourteen) days before the date of the meeting of the Supervisory Board to the addresses indicated by the members of the Supervisory Board. In emergencies, meetings of the Supervisory Board may also be convened by telephone, fax or e-mail, at least 1 (one) day before the date of the meeting.*
- 5. The agenda is set and notifications are sent by the Chairman of the Supervisory Board. In the case referred to in section 2, the notification is sent by the applicant.*
- 6. The Chairman of the Supervisory Board shall include each submitted motion in the agenda at least fourteen days before the meeting of the Supervisory Board.*
- 7. The Chairman of the meeting is the Chairman of the Supervisory Board, and in his absence, the Vice-Chairman of the Supervisory Board. In matters not included in the agenda, the Supervisory Board may not adopt resolutions, unless all its members are present and consent to adopting the resolution.*
- 8. The Supervisory Board may also adopt resolutions without a formal notification of the meeting, if all its members are present and agree to hold the meeting and include particular issues in the agenda.*
- 9. Unless the Articles of Association provide otherwise, resolutions of the Supervisory Board are adopted by an absolute majority of votes cast, in the presence of at least half of all members of the Supervisory Board. In the event of an equal number of votes, the Chairman of the Supervisory Board has the casting vote.*

10. Resolutions of the Supervisory Board may also be adopted without holding a meeting in such a way that all members of the Supervisory Board agree in writing to the decision to be adopted.”

is replaced with the following new wording:

- “1. Meetings of the Supervisory Board are held as needed, but not less frequently than once in each quarter of the financial year and are convened by its Chairman, on his own initiative or at the request of the Management Board or a member of the Supervisory Board.
2. If the Chairman of the Supervisory Board has not convened a meeting of the Supervisory Board within two weeks from the submission by the Management Board or at least one member of the Supervisory Board of a written request for its convening, the applicant is also entitled to convene a meeting of the Supervisory Board.
3. Resolutions of the Supervisory Board may be adopted in the presence of at least half of its members, provided that all members have been notified of the meeting.
4. Notifications containing the agenda and indicating the time and place of the meeting, as well as the use of means of direct communication remotely, should be sent by registered mail or in the form of an e-mail message at least 1 (one) day before the date of the meeting of the Supervisory Board to the addresses indicated by the members of the Supervisory Board. In emergencies, meetings of the Supervisory Board may also be convened by telephone or by e-mail, at least 1 (one) day before the date of the meeting.
5. The agenda is set and notifications are sent by the Chairman of the Supervisory Board. In the case referred to in section 2, the notification is sent by the applicant.
6. The Chairman of the Supervisory Board shall include each submitted motion in the agenda at least 1 (one) day before the Supervisory Board meeting.
7. The Chairman of the meeting is the Chairman of the Supervisory Board. In matters not included in the agenda, the Supervisory Board may not adopt resolutions, unless all its members are present and consent to the adoption of the resolution, and no one objects to the inclusion of particular matters on the agenda. Members of the Supervisory Board may participate in adopting resolutions of the Supervisory Board by casting their votes in writing through another member of the Supervisory Board. Casting a vote in writing may not concern matters introduced to the agenda at the meeting of the Supervisory Board.
8. The Supervisory Board may also adopt resolutions without formal notification of the meeting, if all its members are present and consent to the meeting and placing particular issues on the agenda.
9. Resolutions of the Supervisory Board are adopted by an absolute majority of votes cast, in the presence of at least half of all members of the Supervisory Board. In the event of an equal number of votes, the Chairman of the Supervisory Board has the casting vote.
10. Resolutions of the Supervisory Board may also be adopted without holding a meeting in such a way that all members of the Supervisory Board agree in writing to a decision which is to be taken. Resolutions may also be adopted using means of direct remote communication. A resolution is valid when all members of the Supervisory Board have been notified of the content of the draft resolution and at least half of the members of the Supervisory Board took part in adopting a resolution.
11. Votes by the Supervisory Board are public.”

§ 2

The resolution comes into effect on the day of its adoption, effective as of the day of registering the amendment to the Articles of Association in the National Court Register.

RESOLUTION NUMBER 18**ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters in Zielona Góra
28.06.2023**

due to: changes to the content of §16 of the Company's Articles of Association

§ 1

Ordinary General Meeting of LUG S.A. amends the Company's Articles of Association in such a way that §16 of the Company's Articles of Association in the current wording:

- "1. The consent of the Supervisory Board is required for:
- a. auditing the balance sheet and profit and loss accounts for a given financial year;
 - b. auditing the Management Board's report on the Company's activities;
 - c. submitting a written report on the results of the above audit to the General Meeting;
 - d. selection of the auditor;
 - e. representing the Company in contracts and disputes between the Company and members of the Management Board;
 - f. appointing and dismissing members of the Management Board;
 - g. adopting the regulations of the Management Board;
 - h. expressing consent to the purchase and sale of real estate, perpetual usufruct rights to land or an interest in real estate or perpetual usufruct of land;
 - i. determining the rules for remunerating members of the Company's Management Board."

is replaced with the following new wording:

- "1. The consent of the Supervisory Board is required for:
- a. auditing the financial statement of a given financial year;
 - b. auditing the Management Board's report on the Company's activities;
 - c. submitting a written report on the results of the above audit to the General Meeting;
 - d. selection of the auditor;
 - e. representing the Company in contracts and disputes between the Company and members of the Management Board;
 - f. appointing and dismissing members of the Management Board;
 - g. adopting the regulations of the Management Board;
 - h. expressing consent to the purchase and sale of real estate, perpetual usufruct or shares in real estate or perpetual usufruct of land;
 - i. determining the rules for remunerating members of the Company's Management Board."

§ 2

The resolution comes into effect on the day of its adoption, effective as of the day of registering the amendment to the Articles of Association in the National Court Register.

RESOLUTION NUMBER 19**ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters in Zielona Góra
28.06.2023**

due to: changes to the content of §20 of the Company's Articles of Association

§ 1

Ordinary General Meeting of LUG S.A. amends the Company's Articles of Association in such a way that §20 of the Company's Articles of Association in the current wording:

“Resolutions of the General Meeting, apart from other matters specified in the provisions of law and the provisions of the Articles of Association require:

- a. consideration and approval of the Management Board's annual financial statements, along with a report on the Company's activities in a given financial year;*
- b. providing a receipt to the members of the Company's authorities on the performance of their duties;*
- c. distribution of profit and determination of the method of covering losses and excluding profit from distribution;*
- d. any provisions regarding claims for compensation for damage caused during the establishment of the Company or the exercise of management or supervision;*
- e. sale and lease of an enterprise or its organized part and establishment a limited property right on them;*
- f. appointing and dismissing members of the Supervisory Board;*
- purchase of own shares in the cases referred to in Art. 362 §. 1 point 2 of the Code of Commercial Companies. ”*

is replaced with the following new wording:

“Resolutions of the General Meeting, apart from other matters specified in the provisions of law and the provisions of the Articles of Association require:

- a. consideration and approval of the Management Board's annual financial statements, along with a report on the Company's activities in a given financial year;*
- b. granting discharge to members of the Company's authorities for the performance of their duties;*
- c. distribution of profit and determination of the method of covering losses and excluding profit from distribution;*
- d. any provisions regarding claims for compensation for damage caused during the establishment of the Company or the exercise of management or supervision;*
- e. sale and lease of an enterprise or its organized part and establishment a limited property right on them;*
- f. appointing and dismissing members of the Supervisory Board;*
- g. purchase of own shares in the cases referred to in Art. 362 §. 1 point 2 of the Code of Commercial Companies. ”*

§ 2

The resolution comes into effect on the day of its adoption, effective as of the day of registering the amendment to the Articles of Association in the National Court Register.

RESOLUTION NUMBER 20**ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters in Zielona Góra
28.06.2023**

due to: changes to the content of §13 of the Company's Articles of Association

§ 1

Ordinary General Meeting of LUG S.A. amends the Company's Articles of Association in such a way that §13 of the Company's Articles of Association in the current wording:

*"1. Members of the Supervisory Board may exercise their rights and duties in the Supervisory Board in person or through other members of the Supervisory Board.
The Supervisory Board may entrust the performance of specific activities to individual members, and use the help of experts."*

is replaced with the following new wording:

*"1. Members of the Supervisory Board may exercise their rights and duties in the Supervisory Board in person or through other members of the Supervisory Board.
2. The Supervisory Board may entrust the performance of specific activities to individual members, and use the help of experts."*

§ 2

The resolution comes into effect on the day of its adoption, effective as of the day of registering the amendment to the Articles of Association in the National Court Register.

RESOLUTION NUMBER 21**ORDINARY GENERAL MEETING OF LUG S.A.
with its headquarters in Zielona Góra
28.06.2023*****due to: the determination
the consolidated text of the Company's Articles of Association***

The Ordinary General Meeting of LUG S.A., acting pursuant to art. 430 §1 of the Code of Commercial Companies, hereby decides to establish a consolidated text of the Company's Articles of Association, taking into account the changes adopted by this Ordinary General Meeting of June 28, 2023. Consolidated text of the Statute of LUG S.A. is attached to this resolution.

Appendix to Resolution no. 19 of the Ordinary General Meeting of LUG S.A. with its registered office in Zielona Góra of June 28, 2023:

**CONSOLIDATED TEXT
ARTICLES OF ASSOCIATION OF LUG S.A.
as of June 28, 2023****GENERAL PROVISIONS****§1**

1. The company operates under the name "LUG" Spółka Akcyjna. The Company may use the abbreviation of "LUG" S.A. and its distinctive logo.
2. The company was established as a result of the transformation of the legal form of "LUG" Spółka z ograniczoną odpowiedzialnością" into a joint-stock company under the name "LUG" Spółka Akcyjna.

§2

The seat of the Company is Zielona Góra.

§3

1. The company operates in the territory of the Republic of Poland and abroad.
2. In the area of its operation, the Company may establish and run its branches, plants, subsidiaries, representative offices and other organizational units, and establish companies and join existing companies, as well as participate in any organizational and legal connections permitted by law.
3. The duration of the Company is indefinite.
4. The announcements of the Company provided by the law will be published in "Monitor Sądowy i Gospodarczy".

II. SUBJECT OF THE COMPANY'S ACTIVITIES

§4

1. The subject of the Company's activity, according to the Polish Classification of Activities, includes:
 - 1/ 25 - production of finished metal products, excluding machinery and equipment;
 - 2/ 26 - production of computers, electronic and optical products;
 - 3/ 27 - manufacture of electrical equipment;
 - 4/ 28 - production of machinery and equipment, not elsewhere classified;
 - 5/ 33 - repair, maintenance and installation of machines and apparatus;
 - 6/ 41 - construction works relating to erection of buildings;
 - 7/ 42 - works related to the construction of civil and water engineering facilities;
 - 8/ 43 - specialist construction works;
 - 9/ 46 - wholesale trade, excluding trade in motor vehicles;
 - 10/47 - retail trade, excluding retail trade in motor vehicles;
 - 11/ 49 - land transport and pipeline transport;
 - 12/ 52 - warehousing and service activities supporting transport;
 - 13/ 62 - activities related to software and consultancy in the field of IT and related activities;
 - 14/ 68 - activities related to the real estate market;
 - 15/ 71 - activities in the field of architecture and engineering; technical research and analysis;
 - 16/ 70 – advice to central companies (head office) and advice related to management.

2. Business activity under separate regulations requiring a license or permit will be undertaken by the Company only after obtaining them.

III. CAPITAL AND SHARES

§5

1. The share capital of the company amounts to PLN 1,799,642.50 (one million seven hundred ninety-nine thousand six hundred and forty-two 50/100) and is divided into 7,198,570 (seven million one hundred ninety-eight thousand five hundred and seventy) ordinary bearer shares, including:
 - a) 4,320,000 (four million three hundred and twenty thousand) series A ordinary bearer shares with a nominal value of PLN 0.25 (twenty-five groszy) each, with numbers from number A 1 to number A 4,320,000,
 - b) 1,438,856 (one million, four hundred and thirty-eight thousand, eight hundred and fifty-six) series B ordinary bearer shares with a nominal value of PLN 0.25 (twenty-five groszy) each, numbered from number B 1 to number B 1,438,856,
 - c) 1,439,714 (one million, four hundred and thirty-nine thousand, seven hundred and fourteen) series C ordinary bearer shares with a nominal value of PLN 0.25 (twenty-five groszy) each numbered from number C 1 to number C 1,439,714.

2. New issue shares may be registered shares or bearer shares.

3. The share capital may be increased by issuing new shares on the terms set out in a resolution of the General Meeting. Existing shareholders have the pre-emptive right to take up shares of new issues in proportion to the shares held.
4. A shareholder holding registered shares may request their conversion into bearer shares. Upon conversion of registered shares into bearer shares, they lose all previously held privileges.
5. Registered shares that are subject to dematerialization are transformed into bearer shares upon dematerialization.
6. Shareholders may not demand conversion of bearer shares into registered shares, except for the abolition of dematerialization of shares. In such a case, shareholders may demand that the shares they held before dematerialization be handed over to them.
7. On the basis of a resolution of the General Meeting, the company may issue bonds, including convertible bonds or bonds with pre-emptive rights. Resolutions regarding the issue of convertible bonds or pre-emptive bonds require a three-fourths majority.

§5a

1. The share capital, before registration in the amount of PLN 1,080,000, was covered as follows:
 - Ryszard Piotr Wtorkowski will acquire 4,000,000 (four million) series "A" registered shares, numbered from 0001 (one) to 4,000,000 (four million), with a total nominal value of PLN 800,000 (eight hundred thousand zlotys),
 - Iwona Wtorkowska will acquire 1,400,000 (one million four hundred thousand) series "A" registered shares numbered from 4,000,001 (four million one) to 5,400,000 (five million four hundred thousand), with a total nominal value of PLN 280,000 (two hundred and eighty thousand zlotys).
2. The equity of the Company: "LUG" Spółka Akcyjna with its registered office in Zielona Góra is covered with the capital of the Company: "LUG" Spółka z ograniczoną odpowiedzialnością with its registered office in Zielona Góra. The share capital of the Company: "LUG" Spółka Akcyjna with its registered office in Zielona Góra amounts to PLN 1,080,000 (one million eighty thousand zlotys), while the remaining part of the limited liability company's equity is the supplementary capital of the joint-stock company.
3. The equity referred to in section 2 was determined in accordance with the opinion of March 1, 2007 (March 1, two thousand and seven), for the valuation of the assets and liabilities of the Company: "LUG" Spółka z ograniczoną odpowiedzialnością with its registered office in Zielona Góra.

IV. SALE OF SHARES

§6

1. The shares are tradable.
2. The Company's shares may be redeemed with the consent of the shareholder whose shares the redemption concerns, by way of their purchase by the Company (voluntary redemption).
3. Redemption of shares takes place by reducing the share capital of the Company.

4. The resolution of the General Meeting on redemption of shares defines the manner and conditions of redemption of shares, and in particular the amount, date and manner of payment of the shareholder's remuneration for the redemption of its shares, the legal basis for the redemption, as well as the method of reducing the share capital.

V. BODIES OF THE COMPANY

§7

The Company's governing bodies are:

- 1) Management Board
- 2) Supervisory Board;
- 3) General Meeting.

§8

1. The Management Board conducts the Company's affairs, represents the Company and is authorized to make all decisions not reserved for the competence of the General Meeting or the Supervisory Board.
2. Members of the Management Board are obliged and entitled to jointly manage the Company's affairs on the terms set out in the "Regulations of the Management Board".
3. The "Regulations of the Management Board" adopted by the Management Board require approval by the Supervisory Board in order to be valid.
4. The Management Board of the Company consists of one or more members, including the President of the Management Board who chairs the Management Board and directs its work.
5. Members of the Management Board are appointed and dismissed by the Supervisory Board, with the proviso that the members of the Management Board of the first term of office were appointed in the process of changing the Company's legal form into a joint-stock company.
6. The term of office of the Management Board is three years, with members of the Management Board of the first term appointed for one year.
7. If a member of the Management Board is appointed during the term of office of the Management Board, he/she is appointed for a period until the end of this term.
8. The mandates of members of the Management Board expire on the date of the General Meeting approving the financial statements for the last financial year ending during their term of office.
9. Resolutions of the Management Board are adopted by an absolute majority of votes. In the case of equality of votes, the vote of the President of the Management Board is decisive.
10. The following persons are authorized to make statements on behalf of the Company: the President of the Management Board acting independently or two members of the Management Board acting jointly or one member of the Management Board acting jointly with a proxy.

§9

1. The Supervisory Board consists of five to seven members appointed by the General Meeting.
- 1a. Members of the Supervisory Board will be appointed and dismissed as follows:
 - a) As long as the shareholder Ryszard Wtorkowski holds at least 5% (five percent) of votes at the General Meeting, appoints and dismisses in accordance with Art. 385

- §2 of the Code of Commercial Companies, one member of the Supervisory Board who acts as the Chairman of the Supervisory Board. Shareholder Ryszard Wtorkowski appoints and dismisses the Chairman of the Supervisory Board by submitting a written statement in this regard to the shareholders' meeting.
- b) Other members of the Supervisory Board are appointed and dismissed by the General Meeting.
- c) In the event of a decrease in the number of votes at the General Meeting below 5% (five percent) held by a shareholder entitled to appoint and dismiss the Chairman of the Supervisory Board, this shareholder loses his rights under § 9 sec. 1a lit. (a), and the mandate of the Chairman of the Supervisory Board appointed by him expires. The expiry of the mandate is confirmed by the Supervisory Board in the form of a resolution at its next meeting.
2. The term of office of the Supervisory Board lasts three years. The Supervisory Board is appointed for a joint term of office. The mandates of members of the Supervisory Board expire on the date of the General Meeting approving the report for the last financial year of the joint term of office.
 3. At least half of the members of the Supervisory Board, and if one of the shareholders holds a block of shares in the Company giving him more than 50% (fifty percent) of the total number of votes at the General Meeting, at least two members of the Supervisory Board should be independent members of the Supervisory Board. Independent members of the Supervisory Board are persons who are not shareholders or employees of the Company and who are free from connections with the Company, if such connections could significantly affect the ability of an independent member of the Supervisory Board to make impartial decisions. Detailed criteria for the independence of a member of the Supervisory Board are set out in sec. 4 below.
 4. A person shall be considered an independent member of the Supervisory Board:
 - 1) who is not an employee of the Company or a Related Entity;
 - 2) not a member of the Affiliate's management or supervisory bodies;
 - 3) not being a shareholder holding at least 10% (ten percent) of votes at the General Meeting of the Company or at the general meeting of the Affiliated Entity;
 - 4) not being a member of supervisory or managing authorities or an employee of a shareholder, holding at least 10% (ten percent) of votes at the General Meeting of the Company or at the Affiliate's general meeting;
 - 5) who is not an ascendant, descendant, spouse, sibling, spouse's parent, or a person remaining in an adoption relationship with any of the persons mentioned previously.
 5. Within the meaning of this Statute:
 - 1) a given entity is a "Related Entity" if it is a Parent Entity of the Company, a Subsidiary of the Company or a Subsidiary of the Parent Entity of the Company.
 - 2) For the purposes of these Articles of Association, a given entity is a "Subsidiary" of another entity ("Parent Entity"), if the Parent Entity:
 - 3) holds the majority of votes in the bodies of another entity (Subsidiary), also on the basis of agreements with other persons, or
 - 4) is entitled to appoint or dismiss the majority of members of the management bodies of another entity or

- 5) more than half of the members of the management board of the second entity (Subsidiary) are at the same time members of the management board or persons performing managerial functions of the first entity or another entity with the first entity in a dependency relationship.
6. The independence criteria of a member of the Supervisory Board must be met throughout the term of the mandate.
7. In order to ensure the appointment of members of the Supervisory Board, in accordance with the principles set out in par. 1 to 6 above, shareholders proposing candidates for members of the Supervisory Board during the General Meeting are each time required to provide a detailed justification for their personal proposals, including submitting a statement on whether or not the candidate meets the criterion of an independent member of the Supervisory Board" within the meaning of sec. 1 to 6 above.
8. A member of the Supervisory Board is obliged to provide the Management Board with information on his connections (economic, family or other, which may affect the position of the member of the Supervisory Board on the matter under consideration) with a shareholder holding shares representing not less than 5% of the total number of votes at the General Meeting.

§10

The Chairman of the Supervisory Board is appointed by the General Meeting. General Meeting can recall a member of the Supervisory Board from the function of the Chairman of the Supervisory Board at any time while entrusting this function to another member of the Supervisory Board.

§11

1. The Supervisory Board adopts its regulations specifying its organization and the manner of performing its activities.
2. Each member of the Management Board may participate in meetings of the Supervisory Board. They may also be attended by other persons invited by the Chairman of the Supervisory Board.
3. Members of the Supervisory Board may participate in adopting resolutions of the Supervisory Board by casting their votes in writing through another member of the Supervisory Board. Casting a vote in writing may not concern matters introduced to the agenda at the meeting of the Supervisory Board.
4. Members of the Supervisory Board may adopt resolutions in writing or using means of direct remote communication. The resolution is valid when all members of the Supervisory Board have been notified of the content of the draft resolution.
5. Resolutions of the Supervisory Board are passed by an absolute majority of votes of the members of the Supervisory Board.

§12

1. Meetings of the Supervisory Board are held as needed, but not less frequently than once in each quarter of the financial year and are convened by its Chairman, on his own initiative or at the request of the Management Board or a member of the Supervisory Board.

2. If the Chairman of the Supervisory Board has not convened a meeting of the Supervisory Board within two weeks from submission by the Management Board or at least one member of the Supervisory Board of a written request for its convening, the applicant is also entitled to convene a meeting of the Supervisory Board.
3. Resolutions of the Supervisory Board may be adopted in the presence of at least half of its members, provided that all members have been notified of the meeting.
4. Notifications containing the agenda and indicating the time and place of the meeting, as well as the use of means of direct communication remotely, should be sent by registered mail or in the form of e-mail message at least 1 (one) day before the date of the meeting of the Supervisory Board to the addresses indicated by the members of the Supervisory Board. In emergencies, meetings of the Supervisory Board may also be convened by telephone or via e-mail, at least 1 (one) day before the meeting date.
5. The agenda is set and notifications are sent by the Chairman of the Supervisory Board. In the case referred to in section 2, the notification is sent by the applicant.
6. The Chairman of the Supervisory Board shall include each submitted motion in the agenda at least 1 (one) day before the Supervisory Board meeting.
7. The Chairman of the meeting is the Chairman of the Supervisory Board. In matters not included in the agenda, the Supervisory Board may not adopt resolutions, unless all its members are present and consent to the adoption of the resolution, and no one objects to the inclusion of particular matters on the agenda. Members of the Supervisory Board may participate in adopting resolutions of the Supervisory Board by casting their votes in writing through another member of the Supervisory Board. Casting a vote in writing may not concern matters introduced to the agenda at the meeting of the Supervisory Board.
8. The Supervisory Board may also adopt resolutions without a formal notice of the meeting, if all its members are present and consent to the meeting and placing particular issues in the agenda.
9. Resolutions of the Supervisory Board are adopted by an absolute majority of votes cast, in the presence of at least half of all members of the Supervisory Board. In the event of an equal number of votes, the Chairman of the Supervisory Board has the casting vote.
10. Resolutions of the Supervisory Board may also be adopted without holding a meeting in such a way, that all members of the Supervisory Board agree in writing to the decision which is to be taken. Resolutions may also be adopted using means of direct remote communication. A resolution is valid when all members of the Supervisory Board have been notified of the content of the draft resolution and at least half of the members of the Supervisory Board took part in adopting a resolution.
11. Votes by the Supervisory Board are public.

§13

1. Members of the Supervisory Board may exercise their rights and duties in the Supervisory Board in person or through other members of the Supervisory Board.
2. The Supervisory Board may entrust the performance of specific activities to individual members, and use the help of experts.

§14

The Supervisory Board is obliged and entitled to exercise permanent supervision over the Company's operations in all areas of the Company's operations.

§15

1. The Supervisory Board may suspend individual or all members of the Management Board for important reasons.
2. In place of members of the Management Board suspended by the Supervisory Board or members of the Management Board who cannot perform their duties for other reasons, the Supervisory Board may delegate its members to temporarily perform the duties of members of the Management Board.

§16

1. The consent of the Supervisory Board is required for:
 - a. auditing the financial statements for a given financial year;
 - b. auditing the Management Board's report on the Company's activities;
 - c. submitting a written report on the results of the above audit to the General Meeting;
 - d. selection of the auditor;
 - e. representing the Company in contracts and disputes between the Company and members of the Management Board;
 - f. appointing and dismissing members of the Management Board;
 - g. adopting the regulations of the Management Board;
 - h. expressing consent to the purchase and sale of real estate, perpetual usufruct or shares in real estate or perpetual usufruct of land;
 - i. determining the rules for remunerating members of the Company's Management Board.
2. The right referred to in Art. 3821 of the Code of Commercial Companies is excluded.
3. The requirement referred to in Art. 3841 §1 of the Code of Commercial Companies is excluded.

§17

1. The General Meeting may be held as an Ordinary or Extraordinary General Meeting.
2. General Meetings may be held at the Company's registered office, in Warsaw or at the registered office of the company operating the stock exchange on which the Company's shares are traded.

§18

The Annual General Meeting should be held within six months after the end of each financial year.

§19

1. Resolutions are adopted by an absolute majority of votes if the provisions of the Commercial Companies Code or these Articles of Association do not provide otherwise.
2. A simple majority of votes is sufficient to elect the Chairman of the General Meeting.

3. Resolution on removal from the agenda or failure to consider the matter placed on the agenda shall be taken only if there are compelling reasons for doing so. Request for removal from the agenda or for failure to consider a case placed on the agenda requires detailed justification.
4. Removal from the agenda or failure to consider an issue placed on the agenda of the General Meeting at the request of a shareholder or shareholders shall require a resolution of the General Meeting, after prior consent of all applicants present at the General Meeting. Resolution on removing from the agenda or refraining from considering an issue placed on the agenda of the General Meeting at the request of a shareholder

§20

Resolutions of the General Meeting, apart from other matters specified in the provisions of law and the provisions of the Articles of Association require:

- a. consideration and approval of the annual financial statements of the Management Board along with a report on the Company's activities in a given financial year;
- b. granting discharge to members of the Company's authorities for the performance of their duties;
- c. distribution of profit and determination of the method of covering losses and excluding profit from distribution;
- d. any provisions regarding claims for compensation for damage caused during the establishment of the Company or the exercise of management or supervision;
- e. sale and lease of an enterprise or its organized part and establishment a limited property right on them;
- f. appointing and dismissing members of the Supervisory Board;
- g. purchase of own shares in the cases referred to in Art. 362 §. 1 point 2 of the Code of Commercial Companies.

VI. COMPANY ACCOUNTING

§21

The organization of the Company's enterprise is defined by the organizational regulations established by the Company's Management Board and approved by the Supervisory Board.

§22

1. The company keeps accounting and bookkeeping in accordance with applicable regulations.
2. The Company's financial year is the calendar year.
3. The first financial year of the Company begins on the date of registration of the Company and ends on December 31, 2007.

§23

1. Detailed principles and organization of accounting are determined by the Management Board.
2. The Company's net profit may be allocated in particular to:
 - a) increasing the share capital,
 - b) write-offs for supplementary capital,
 - c) write-offs for reserve capital and special funds,

- d) dividend for shareholders,
 - e) other purposes specified by a resolution of the General Meeting.
3. The shareholders entitled to the dividend for a given financial year are entitled to shares on the date of adoption of the resolution on the distribution of the Company's net profit. The Ordinary General Meeting may specify a different day according to which the list of shareholders entitled to dividend for a given financial year is established (dividend day), but the dividend day cannot be set later than within three months from the date of adoption of the resolution on the distribution of the Company's net profit.
 4. The Ordinary General Meeting sets the date of dividend payment to the Shareholders and the date of payment of the dividend. The dividend day may be set on the date of adoption of the resolution by the Ordinary General Meeting or within three consecutive months from the date of adoption of the resolution.

VII. FINAL PROVISIONS

§24

1. All disputes arising from the application of the provisions of these Statutes will be considered by the court competent for the registered office of the Company.

In matters not covered by the Articles of Association, the provisions of the Commercial Companies Code shall apply and other applicable legal acts.