

**GROUNDS FOR DRAFT RESOLUTIONS**  
**of the Extraordinary General Meeting of FAMUR S.A.**  
**convened for October 18th 2017**

***Item 2 of the agenda: Resolution to appoint the Chairperson of the Extraordinary General Meeting:***

The resolution is of a procedural nature; its adoption is required by the Commercial Companies Code.

***Item 4 of the agenda: Resolution to appoint a Ballot Counting Committee:***

The resolution is of a procedural nature.

***Item 5 of the agenda: Resolutions to amend the Company's Articles of Association:***

The purpose of the proposed amendments is to align the Company's Articles of Association with the prevailing market practice and legislative changes. The amendments concern mainly the scope of the Supervisory Board's powers, which need to be updated in particular by indicating the key powers that ensure effective supervision of the Company. The following powers of the Supervisory Board are proposed to be added to those stipulated by the Commercial Companies Code:

- granting consent to the acquisition or disposal of real estate or perpetual usufruct or an interest in real estate or perpetual usufruct,
- approving annual budgets of the Company and the Group prepared by the Management Board,
- approving operational strategies for the Company prepared by the Management Board,
- granting consent for the Company to acquire, dispose of or subscribe for shares in other companies, and for the Company to join companies as a shareholder or in a similar capacity,
- approving accounting policies,
- granting consent to the acquisition of assets if the value of the acquisition transaction exceeds PLN 10m, except for standard agreements, particularly agreements to acquire assets for the building, upgrading and maintaining plant and equipment to be leased out, concluded by the Company in the ordinary course of day-to-day operations,
- granting consent to the contracting of bank or non-bank borrowings, issuance of bonds and conclusion of lease contracts exceeding the value limit set out in the Company's budget approved by the Supervisory Board.

***Item 6 of the agenda: Resolution to authorise the Supervisory Board to prepare a consolidated text of the amended Articles of Association:***

The resolution is of a procedural nature; its adoption is required by the Commercial Companies Code. This draft resolution is a consequence of the agenda item concerning proposed amendments to the Articles of Association.

***Item 7 of the agenda: Resolution to approve the Rules of Procedure for the Supervisory Board:***

The draft resolution to approve the Rules of Procedure for the Supervisory Board was placed on the agenda to ensure approval of the Rules of Procedure adopted by the Supervisory Board. The purpose of the proposed new wording of the Rules of Procedure is to align them with the prevailing market practice.

***Item 8 of the agenda: Resolution to determine the number of Supervisory Board members:***

Given the entry into force of the amended Act on Statutory Auditors, Audit Firms, and Public Oversight, introduced to transpose into Polish law the provisions of the new EU audit-related legislation, i.e. Directive 2014/56/EU amending Directive 2006/43/EU on statutory audits of annual accounts and consolidated accounts and Regulation No. 537/2014 on specific requirements regarding statutory audit of public-interest entities, it is necessary to ensure that the composition of the Supervisory Board is in compliance with the statutory requirements.

***Item 9 of the agenda: Resolutions to change the composition of the Supervisory Board:***

Given the entry into force of the amended Act on Statutory Auditors, Audit Firms, and Public Oversight, introduced to transpose into Polish law the provisions of the new EU audit-related legislation, i.e. Directive 2014/56/EU amending Directive 2006/43/EU on statutory audits of annual accounts and consolidated accounts and Regulation No. 537/2014 on specific requirements regarding statutory audit of public-interest entities, it is necessary to ensure that the composition of the Supervisory Board is in compliance with the statutory requirements.

***Item 10 of the agenda: Resolutions to determine the rules of remuneration for Supervisory Board members:***

Pursuant to Art. 392.1 of the Commercial Companies Code in conjunction with Art. 17.1.3 of the Company's Articles of Association, members of the Supervisory Board may receive remuneration. The remuneration amount is determined by a resolution of the General Meeting. Since the legal regulations specified above require that an Audit Committee be appointed from among members of the Supervisory Board, it is reasonable to set a different amount of remuneration for Supervisory Board members from that paid to date, with a specific proposal in this regard to be submitted by shareholders at the General Meeting.