



**ARTICLES OF ASSOCIATION OF  
PCF GROUP S.A.**



**ARTICLES OF ASSOCIATION  
OF  
PCF GROUP SPÓŁKA AKCYJNA**

**I. GENERAL PROVISIONS**

**§ 1.**

1. The Company was created by way of the transformation of PCF Group spółka z ograniczoną odpowiedzialnością (a limited liability company) with its registered office in Warsaw into a joint-stock company.
2. The Company conducts business under the business name PCF Group Spółka Akcyjna.
3. The Company may use an abbreviated form of the part of its name designating its legal form: "S.A."

**§ 2.**

1. The Company has its registered office in the capital city of Warsaw.
2. The duration of the Company is unlimited.

**§ 3.**

1. The Company operates in the territory of the Republic of Poland and abroad.
2. The Company may set up its branches, representative and affiliated offices, both in Poland and abroad, may operate establishments and other organizational units, establish entities, including companies of any business profile operating in Poland and abroad and participate in other companies as a partner or shareholder, pursuant to the relevant provisions of law.

**II. THE COMPANY'S BUSINESS**

**§ 4.**

1. The scope of Company's business:
  - 1) 18.13.Z – Pre-press and pre-media services,
  - 2) 18.20.Z – Reproduction of recorded media
  - 3) 26.40.Z – Manufacture of consumer electronics,
  - 4) 28.99.Z – Manufacture of other special-purpose machinery not elsewhere classified,
  - 5) 32.40.Z – Manufacture of games and toys,
  - 6) 33.19.Z – Repair and maintenance of other equipment,



- 7) 33.20.Z – Installation of industrial machinery and equipment and fit-out;
- 8) 47.65.Z – Retail sale of games and toys in specialized stores;
- 9) 47.91.Z – Retail sale via mail order houses or via Internet;
- 10) 58.11.Z – Book publishing;
- 11) 58.12.Z – Publishing of directories and registers (e.g. street, phone directory);
- 12) 58.13.Z – Publishing of newspapers;
- 13) 58.14.Z – Publishing of journals and other periodicals;
- 14) 58.19.Z – Other publishing activities;
- 15) 58.21.Z – Publishing of computer games;
- 16) 58.29.Z – Other software publishing;
- 17) 59.11.Z – Motion picture, video and television program production activities;
- 18) 59.12.Z – Motion picture, video and television program post-production activities;
- 19) 59.13.Z – Motion picture, video and television program distribution activities;
- 20) 59.20.Z – Sound recording and music publishing activities;
- 21) 60.10.Z – Radio broadcasting;
- 22) 60.20.Z – Broadcasting of television programming on a free-to-air or subscription basis;
- 23) 62.01.Z – Computer programming activities;
- 24) 62.02.Z – Computer consultancy activities;
- 25) 62.03.Z – Computer facilities management activities;
- 26) 62.09.Z – Other information on technology and computer service activities;
- 27) 63.11.Z – Data processing, hosting and related activities;
- 28) 63.12.Z – Web portals;
- 29) 74.20.Z – Photographic activities;
- 30) 79.90.C – Other information on reservation service activities not elsewhere classified;



- 31) 85.52.Z – Out-of-school forms of cultural education;
  - 32) 90.01.Z – Performing arts activities;
  - 33) 90.02.Z – Support activities to performing arts;
  - 34) 90.03.Z – Support activities to performing arts;
  - 35) 93.29.Z – Other amusement and recreation activities;
2. If any concession, license or permit is required to engage in a specific activity or if the conduct of any specific activity is reserved for authorized persons, the company may engage in such activity only upon obtaining the relevant concession, license or permit or if such activity is to be conducted through authorized persons.
  3. If a resolution on a material change to the scope of the Company's business is adopted by a majority of two-thirds of the votes in the presence of persons representing at least one half of the share capital of the Company, the change to the scope of the Company's business takes place without the squeeze out of the shareholders who do not consent to the change.

### **III. SHARE CAPITAL OF THE COMPANY**

#### **§ 5.**

1. The share capital of the Company amounts to PLN 601,726.60 (six hundred and one thousand seven hundred and twenty-six zloty and sixty groszy) and is divided into:
  - 1) 27,500,000 (twenty seven million five hundred thousand) Series A ordinary, bearer shares with the nominal value of PLN 0.02 (two groszy) each,
  - 2) 2,062,512 (two million sixty two thousand five hundred and twelve) Series B ordinary, bearer shares with the nominal value of PLN 0.02 (two groszy) each,
  - 3) 387,714 (three hundred eighty seven thousand seven hundred and fourteen) Series D ordinary, bearer shares with the nominal value of PLN 0.02 (two groszy) each,
  - 4) 136,104 (one hundred and thirty-six thousand one hundred and four) Series E ordinary, bearer shares with the nominal value of PLN 0.02 (two groszy) each.
- 1<sup>1</sup>. Pursuant to "Resolution number 5 of the Extraordinary General Meeting of the Company of 26 June 2020 on the issue of subscription warrants, the conditional share capital increase through the issue of Series C ordinary shares, the exclusion of all the pre-emptive rights of current shareholders in relation to all the subscription warrants and all the Series C Shares, the seeking of the admission of Series C Shares to trading on a regulated market operated by the Warsaw Stock Exchange, the dematerialization of Series C Shares and the



authorization to conclude an agreement on the registration of the Series C Shares in the depository of securities, and on amendments to the Articles of Association of the Company”, the share capital of the Company was conditionally increased by an amount not exceeding PLN 31,118.44 (thirty-one thousand one hundred and eighteen złotych and forty-four groszy) through the issuance of no more than 1,555,922 (one million five hundred fifty-five thousand nine hundred and twenty-two) Series C ordinary bearer shares. The purpose of the conditional increase in the Company’s share capital is to grant subscription rights in respect of Series C Shares to holders of the subscription warrants referred to in Section 1<sup>2</sup> below.

- 1<sup>2</sup>. The persons authorized to acquire Series C Shares are holders of Series A and B subscription warrants issued by the Company pursuant to the resolution referred to in Section 1<sup>1</sup> above. The rights attached to the warrants to acquire Series C Shares may be exercised to 31 December 2025.
2. The shares in the Company may be registered or bearer shares.
3. The warrants may be issued in the form of multiple-share certificates.
4. Registered shares that are to be dematerialized pursuant to the provisions of the Act on Trading in Financial Instruments of 29 July 2005 will be converted to bearer shares upon their dematerialization.
5. Conversion of bearer shares into registered shares is not permitted.
6. No conversion of registered shares to bearer shares is permitted until the day on which shares in the Company are admitted to trading on a regulated market.

#### **§ 5<sup>1</sup>**

1. The Management Board of the Company is authorized to increase the Company’s share capital by an amount not exceeding in aggregate PLN 29,562.50 (twenty nine thousand five hundred and sixty two zlotys fifty groszy) in one or more share capital increases within the limit specified above (authorized capital), by way of issuing ordinary bearer shares with a nominal value of PLN 0.02 (two groszy) each, in a number not exceeding 1,478,125 shares.
2. This authorization for the Management Board to increase the share capital and issue new shares within the limits of the authorized capital will expire as of the third anniversary of registration of this amendment to the Articles of Association of the Company establishing the authorized capital in the in register of entrepreneurs of the National Court Register.
3. In increasing the share capital within the limits of the authorized capital the Management Board may issue shares for cash or in-kind contribution.
4. The shares issued within the authorized capital will participate in the dividend as of the first day of the accounting year following the year of their original subscription.



5. Consent of the Supervisory Board of the Company is required for the adoption of any resolution of the Management Board determining the issue price of shares issued within the authorized capital.
6. Upon consent of the Supervisory Board, the Management Board is authorized to exclude preemptive rights of the Company's current shareholders in full or in part with respect to any increase of the share capital increase within the limits of the authorized capital.
7. The Management Board of the Company cannot issue preferred shares or afford any personal rights to any of the shareholders acquiring shares in a share capital increase executed within the limits of the authorized share capital.
8. Save as required by law or the provisions of this Section, the Management Board is authorized to decide on all matters related to an increase of the share capital within the limits of the authorized capital. In particular, the Management Board is authorized to:
  - a) determine the number of shares to be issued in each increase of the share capital within the limits of the authorized capital;
  - b) determine the detailed terms and methods for issuing shares and the proposed subscription for the shares being issued in the share capital increase within the limits of the authorized capital, in the form of a private placement or closed or open subscription;
  - c) enter into underwriting agreements or other agreements securing the success of the shares issue;
  - d) take any actual and legal actions in order to cause (i) the Company to seek admission to trading and listing on the regulated market operated by the Warsaw Stock Exchange (*Giełda Papierów Wartościowych w Warszawie S.A.*, the "**WSE**") of its shares or rights to shares, should the conditions for admission and listing of the latter be fulfilled; (ii) dematerialization, as defined in the Act of 29 July 2005 on Trading in Financial Instruments, of the shares or rights to shares, as well as to take any actual and legal actions, including the filing of appropriate applications, statements and notifications as required by law and the regulations, resolutions or guidelines of the WSE or the National Depository for Securities (*Krajowy Depozyt Papierów Wartościowych S.A.*, the "**NDS**") with respect to: (x) seek admission to trading and listing of the shares or rights to shares on the regulated market operated by the WSE; (y) dematerialization of shares or rights to shares; and (z) executing with the NDS an agreement regarding the registration of the shares or rights to shares, should the conditions for admission and listing of the latter on the regulated market operated by the WSE be fulfilled, in the securities deposit kept by the NDS.

## § 6.

The share capital of the Company referred to in § 5 was subscribed for in full, thus as result of the conversion:



- 1) Sebastian Wojciechowski (“**SW Shareholder**”) acquired 15,852,500 (fifteen million eight hundred fifty-two thousand five hundred) Series A ordinary registered shares, marked with numbers from 1 through 15852500, with the nominal value of 2 (two) groszy per one share;
- 2) Bartosz Kmita acquired 2,750,000 (two million seven hundred fifty thousand) Series A ordinary registered shares, marked with numbers from 15852501 through 18602500, with the nominal value of 2 (two) groszy per one share;
- 3) Krzysztof Dolaś acquired 1,925,000 (one million nine hundred twenty-five thousand) Series A ordinary registered shares, marked with numbers from 18602501 through 20527500, with the nominal value of 2 (two) groszy per one share;
- 4) Bartosz Biełuszko acquired 1,925,000 (one million nine hundred twenty-five thousand) Series A ordinary registered shares, marked with numbers from 20527501 through 22452500, with the nominal value of 2 (two) groszy per one share;
- 5) Michał Nowak acquired 337,500 (three hundred thirty-seven thousand five hundred) Series A ordinary registered shares, marked with numbers from 22452501 through 22790000, with the nominal value of 2 (two) groszy per one share;
- 6) Jarosław Palczyński acquired 210,000 (two hundred ten thousand) Series A ordinary registered shares, marked with numbers from 22790001 through 23000000, with the nominal value of 2 (two) groszy per one share;
- 7) Bartłomiej Roch acquired 217,500 (two hundred seventeen thousand five hundred) Series A ordinary registered shares, marked with numbers from 23000001 through 23217500, with the nominal value of 2 (two) groszy per one share;
- 8) Krzysztof Przybyło acquired 217,500 (two hundred seventeen thousand five hundred) Series A ordinary registered shares, marked with numbers from 23217501 through 23435000, with the nominal value of 2 (two) groszy per one share;
- 9) Michał Dzięcielski acquired 217,500 (two hundred seventeen thousand five hundred) Series A ordinary registered shares, marked with numbers from 23435001 through 23652500, with the nominal value of 2 (two) groszy per one share;
- 10) Sebastian Kowalczyk acquired 285,000 (two hundred eighty five thousand) Series A ordinary registered shares, marked with numbers from 23652501 through 23937500, with the nominal value of 2 (two) groszy per one share;
- 11) Jarosław Surowiec acquired 367,500 (three hundred sixty-seven thousand five hundred) Series A ordinary registered shares, marked with numbers from 23937501 through 24305000, with the nominal value of 2 (two) groszy per one share;



- 12) Lech Arvaniti acquired 382,500 (three hundred eighty-two thousand five hundred) Series A ordinary registered shares, marked with numbers from 24305001 through 24687500, with the nominal value of 2 (two) groszy per one share;
- 13) Piotr Nowakowski acquired 337,500 (three hundred thirty-seven thousand five hundred) Series A ordinary registered shares, marked with numbers from 24687501 through 25025000, with the nominal value of 2 (two) groszy per one share;
- 14) Piotr Arendarski acquired 217,500 (two hundred seventeen thousand five hundred) Series A ordinary registered shares, marked with numbers from 25025001 through 25242500, with the nominal value of 2 (two) groszy per one share;
- 15) Dariusz Korotkiewicz acquired 210,000 (two hundred ten thousand) Series A ordinary registered shares, marked with numbers from 25242501 through 25452500, with the nominal value of 2 (two) groszy per one share;
- 16) Jarosław Eliaż-Skąpski acquired 210,000 (two hundred ten thousand) Series A ordinary registered shares, marked with numbers from 25452501 through 25662500, with the nominal value of 2 (two) groszy per one share;
- 17) Anna Kulczyńska acquired 67,500 (sixty seven thousand five hundred) Series A ordinary registered shares, marked with numbers from 25662501 through 25730000, with the nominal value of 2 (two) groszy per one share;
- 18) Krzysztof Cyngot acquired 150,000 (one hundred fifty thousand) Series A ordinary registered shares, marked with numbers from 25730001 through 25880000, with the nominal value of 2 (two) groszy per one share;
- 19) Paweł Mikołajewski acquired 187,500 (one hundred eighty-seven thousand five hundred) Series A ordinary registered shares, marked with numbers from 25880001 through 26067500, with the nominal value of 2 (two) groszy per one share;
- 20) Rafał Pawłowski acquired 217,500 (two hundred seventeen thousand five hundred) Series A ordinary registered shares, marked with numbers from 26067501 through 26285000, with the nominal value of 2 (two) groszy per one share;
- 21) Adrian Kołodziejczyk acquired 210,000 (two hundred ten thousand) Series A ordinary registered shares, marked with numbers from 26285001 through 26495000, with the nominal value of 2 (two) groszy per one share;
- 22) Marcin Winkowski acquired 217,500 (two hundred seventeen thousand five hundred) Series A ordinary registered shares, marked with numbers from 26495001 through 26712500, with the nominal value of 2 (two) groszy per one share;
- 23) Szymon Barchan acquired 187,500 (one hundred eighty seven thousand five hundred) Series A ordinary registered shares, marked with numbers





from 26712501 through 26900000, with the nominal value of 2 (two) groszy per one share;

- 24) Krystian Stefański acquired 217,500 (two hundred seventeen thousand five hundred) Series A ordinary registered shares, marked with numbers from 26900001 through 27117500, with the nominal value of 2 (two) groszy per one share;
- 25) Marcin Czartyński acquired 225,000 (two hundred twenty-five thousand) Series A ordinary registered shares, marked with numbers from 27117501 through 27342500, with the nominal value of 2 (two) groszy per one share;
- 26) Łukasz Sopata acquired 157,500 (one hundred fifty-seven thousand five hundred) Series A ordinary registered shares, marked with numbers from 27342501 through 27500000, with the nominal value of 2 (two) groszy per one share;

#### **§ 7.**

Shares may be redeemed with the shareholder's consent by way of their acquisition by the Company (voluntary redemption).

#### **§ 8.**

The Company may issue bonds, including convertible bonds and bonds with pre-emptive rights. The manner of issuance, number of bonds and their nominal value must be determined in a resolution of the General Meeting.

### **IV. CORPORATE AUTHORITIES**

#### **§ 9.**

The governing bodies of the Company are:

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

### **V. GENERAL MEETING**

#### **§ 10.**

1. The General Meeting may be held as an annual or extraordinary meeting.
2. General Meetings are held at the Company's registered office.
3. Each share gives the right to one vote at the General Meeting.

#### **§ 11.**

1. The competencies of the General Meeting include, without limitation:



- 1) examining and approving the Management Board report on the Company's business and the financial statements for the preceding financial year,
- 2) examining and approving the Management Board report on the Company group's business and its consolidated financial statements for the preceding financial year,
- 3) adopting resolutions on the distribution of profit or covering of losses,
- 4) endorsing the record of work of members of the Company's Management Board,
- 5) increasing or decreasing the share capital,
- 6) amending the Articles of Association,
- 7) mergers of the Company with other entities, demergers or transformations of the Company,
- 8) winding-up the Company,
- 9) appointing and revoking members of the Supervisory Board in accordance with the provisions of the Articles of Association,
- 10) revoking or suspending all or individual members of the Management Board,
- 11) determining the rules of remuneration for members of the Supervisory Board,
- 12) appointing liquidators,
- 13) decisions concerning claims for damages in respect of losses incurred at the formation of the Company or in the course of its management or supervision,
- 14) sale or lease of the Company's enterprise or an organized part thereof or establishing any encumbrance on the Company's enterprise or an organized part thereof,
- 15) acquisition or disposal of real property, perpetual usufruct rights or any interests in real property,
- 16) issuing convertible bonds, bonds with pre-emptive rights or subscription warrants,
- 17) *Repealed.*
- 18) other matters referred to the Management Board, set forth in the Commercial Companies Code, other laws and regulations or these Articles of Association.



## **§ 12.**

1. The resolutions of the General Meeting on the amendments to the Articles of Association as well as on the transfer and lease of an enterprise or an organized part thereof or establishing limited rights in rem require the attendance of shareholders representing at least half of the Company's share capital.
2. The General Meeting adopts resolutions by an absolute majority of the votes cast, unless the Commercial Companies Code or these Articles of Association require otherwise.

## **VI. MANAGEMENT BOARD**

### **§ 13.**

1. The Management Board manages the Company's business and represents the Company.
2. The Management Board consists of one or more members, including the President of the Management Board. The number of Management Board members is determined by the Supervisory Board.
3. If the Management Board consists of more than one member, it may include, in addition to the President of the Management Board, Vice Presidents or Members of the Management Board.
4. The joint term of office of the Management Board members is five years.
5. As long as the SW Shareholder holds shares carrying no less than 25% (twenty five percent) of the total number of votes in the Company, the SW Shareholder will enjoy a personally vested right to appoint and revoke the Member of the Management Board holding the position of the President of the Management Board. This right will expire if the SW Shareholder ceases to be a shareholder of the Company; the personal right cannot be restored by way of re-acquiring the Company shares. If the number of shares held by the SW Shareholder falls below the aforesaid threshold of the total number of votes in the Company, but the SW Shareholder continues to be a shareholder of the Company, then re-acquiring a sufficient number of the Company shares to achieve or exceed aforesaid threshold will restore the SW Shareholder's personal right.
6. The personal right to appoint and revoke the President of the Management Board is exercised by way of delivering a written representation to the Company. As of the date of the admission of the Company shares to trading on a regulated market, this representation must be accompanied by a deposit certificate confirming the number of shares held by the SW Shareholder on the date of exercising the personal right.
7. The remaining Management Board Members are appointed and revoked by the Supervisory Board. The Supervisory Board may appoint one or more of the Management Board members as Vice-President(s) of the Management Board.
8. Resolutions of the Management Board are adopted by an ordinary majority of the votes cast i.e. abstaining from a vote does not count as a vote cast. In the



event of a tied vote, the President of the Management Board has the casting vote.

9. If the Management Board consists of one person – the Company is represented by the President of the Management Board; if the Management Board is composed of more than one person – the Company is represented by the President of the Management Board acting jointly with another member of the Management Board.
10. Members of the Management Board receive remuneration for their work, determined in a resolution of the Supervisory Board. Additionally, Members of the Management Board may receive separate remuneration on the basis of agreements to provide advisory or consulting services, or services related to game development and production to the Company.
11. The Management Board may only appoint registered proxies authorized to act jointly. Appointing a registered proxy requires the consent of all Members of the Management Board. A registered proxy can be revoked by any Member of the Management Board acting individually.

#### **§ 14.**

1. The Management Board is competent for all matters related to the management of the Company's affairs that are not reserved by the Commercial Companies Code or these Articles of Association for the competence of the General Meeting or Supervisory Board.
2. The Management Board operates on the basis of the Management Board Rules adopted by the Supervisory Board.

### **VII. SUPERVISORY BOARD**

#### **§ 15.**

1. The company has a Supervisory Board.
2. The Supervisory Board's responsibilities are as follows:
  - 1) reviewing the Management Board report on the Company's business and the financial statements for the preceding financial year and the Management Board report on the Company group's business and the consolidated financial statements of the Company's group for the preceding financial year in terms of their compliance with the books and documents as well as the actual state of affairs, and reviewing Management Board recommendations concerning the distribution of profits or covering of losses,
  - 2) submitting annual written reports on the results of the review referred to in point 1) above to the General Meeting,
  - 3) suspending all members or individual members of the Management Board for important reasons, as well as delegating members of the Supervisory Board, for a period no longer than three months, to temporarily perform



the duties of members of the Management Board members who were revoked, resigned or cannot perform their duties for other reasons,

- 4) appointing the statutory auditor to audit the Company's financial statements or the consolidated financial statements of the Company's group.
3. The joint term of office of the Supervisory Board members is three years.
4. The Supervisory Board operates on the basis of the Supervisory Board Rules adopted by the General Meeting.

#### **§ 16.**

1. The provisions of § 16 apply up to the date of the admission of the Company's shares to trading on a regulated market, whereupon they will expire and will be replaced by the provisions of § 17.
2. The Supervisory Board consists of three to five members including the Chairman, elected by the Members of the Supervisory Board from among their number. The number of members of the Supervisory Board is determined by the General Meeting.
3. Supervisory Board members are appointed and revoked by the General Meeting.

#### **§ 17.**

1. The provisions of this § 17 apply as of the date of the admission of the Company's shares to trading on a regulated market.
2. The Supervisory Board consists of five to seven members. The number of members of the Supervisory Board is determined by the General Meeting.
3. The SW Shareholder (PESEL: 72102700915), Bartosz Kmita (PESEL: 79022408972), Krzysztof Dolaś (PESEL: 84040204651) and Bartosz Biełuszko (PESEL: 79061911831) who jointly constitute the Group of the Eligible Shareholders (the "**Group of the Eligible Shareholders**") enjoy certain personal rights specified in Sections 5-6. These rights are vested jointly in the shareholders constituting the Group of the Eligible Shareholders and may only be exercised by all of them jointly, without prejudice to Section 4. The personal rights remain in force as long as the Group of the Eligible Shareholders holds no less than 40% (forty percent) of the total number of votes in the Company. If their share of the total number of votes falls below that threshold, the Group of the Eligible Shareholders will not be able to exercise the personal rights; if the percentage of their voting rights again reaches 40% or more, the Group of the Eligible Shareholders' ability to exercise the personal rights will be restored.
4. Any member of the Group of the Eligible Shareholders will forfeit his personal rights if he ceases to be a shareholder of the Company; the personal right cannot be restored by way of re-acquiring Company's shares. However, if one or more member(s) of the Group of the Eligible Shareholders forfeits their personal rights, the personal rights vested in the other member(s) of the Group of the Eligible Shareholders remain in force as before, as long as the members of the



Group of the Eligible Shareholders hold jointly or individually such number of voting shares in the Company as will vest the percentage of votes referred to in the third sentence of Section 3.

5. If the General Meeting decides that the Supervisory Board will consist of five members, the Group of the Eligible Shareholders will enjoy a personal right to appoint and revoke three members of the Supervisory Board and appoint the Chairman of the Supervisory Board from among their number.
6. If the General Meeting decides that the Supervisory Board will consist of six or seven members, the Group of the Eligible Shareholders will enjoy a personal right to appoint and revoke four members of the Supervisory Board and appoint the Chairman of the Supervisory Board from among their number.
7. The remaining Supervisory Board members will be appointed and revoked by the General Meeting.
8. The personal rights to appoint and revoke the Supervisory Board members referred to in Sections 5 and 6 above will be exercised by way of delivering to the Company an unanimous written representation(s) of all the members of the Group of the Eligible Shareholders. In the event of members of the Group of the Eligible Shareholders being unable to submit an agreed joint representation, the personal right will not be exercised. Each member of the Group of the Eligible Shareholders will attach to the representation a certificate of deposit confirming the number of shares held by that shareholder on the date of the exercise of the personal right.
9. Subject to Section 10, if the Group of the Eligible Shareholders does not exercise the personal right within one month of becoming authorized to do so or if the tenure of a Supervisory Board member appointed by the Group of the Eligible Shareholders expires, the Management Board will, within three days, convene the General Meeting for a date falling no later than sixty days from the expiry date of the Supervisory Board member's term of office in order to appoint a Supervisory Board member. The Supervisory Board member appointed by the General Meeting according to the rules stipulated in the preceding sentence may be at any time revoked by the Group of the Eligible Shareholders and the Group of the Eligible Shareholders may appoint another person instead.
10. In the event of the need to appoint Supervisory Board members in connection with the expiry of the tenures of Supervisory Board members appointed by the Group of the Eligible Shareholders as a result of the approval of the financial statements for the last full financial year of the incumbency of the Supervisory Board members, the representation referred to in Section 8 above must be delivered to the Company no later than seven days ahead of the date of the Annual General Meeting, at which it is planned to approve the financial statements for the last full financial year of the incumbency of Supervisory Board members. This representation will take effect upon the expiry of the tenures of the current Supervisory Board members. The representation may alternatively indicate the names of the three or four Supervisory Board members being appointed, depending on the number of all Supervisory Board members determined by the Annual General Meeting during which the tenures of the current Supervisory Board members expired.



11. If the Group of the Eligible Shareholders does not exercise the right referred to in Section 10, the Supervisory Board members will be appointed by the Annual General Meeting. The provisions of the 2nd sentence of Section 9 apply *mutatis mutandis*.
12. In the event of the expiry of the personal rights referred to in Sections 5 and 6, the right to appoint and revoke a Supervisory Board member will be vested in the General Meeting. The General Meeting may also revoke a Supervisory Board member appointed as a result of the exercise of a personal right that has expired.

#### **§ 18.**

1. Within one month of the Company's shares being admitted to trading on a regulated market, the Group of the Eligible Shareholders will submit a representation to the Company, stating which Supervisory Board members it deems to be appointed pursuant to the exercise of the personal right described in § 17 Section 5 above. The representation will include the designation of the Chairman of the Supervisory Board. The Supervisory Board members referred to in the first sentence should be regarded as appointed by the Group of the Eligible Shareholders pursuant to the personal right described in § 17 Section 5, and the Chairman of the Supervisory Board – as designated by the Group of the Eligible Shareholders. The Group of the Eligible Shareholders retains the right to revoke the Supervisory Board members referred to in the first sentence.
2. Failure to submit the representation referred to in the first sentence of Section 1 above will not cause the Supervisory Board to lose the status of the Company's corporate body or constitute an obstacle to valid resolutions being passed by it.

#### **§ 19.**

1. Once the Company's General Meeting adopts a resolution on seeking the admission of the Company's shares to trading on a regulated market and as long as the Company is a public interest entity within the meaning of the provisions of the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Supervision, at least two Supervisory Board members should be independent members meeting the criteria of independence defined in Article 129 Section 3 of said Act ("**Independent Supervisory Board Members**"). Failure to meet the requirement set out in the first sentence (e.g., in the form of failure to appoint Supervisory Board members meeting the independence criteria, the loss of the status of an independent Supervisory Board member during their tenure or the expiry of the tenure of such Supervisory Board member) will not cause the Supervisory Board to lose the status of the Company's corporate body or constitute an obstacle to valid resolutions being passed by it.
2. If the Management Board receives a statement from an Independent Supervisory Board Member that he or she no longer satisfies the independence criteria as set out in Section 1 above, or obtains such knowledge from another source, the Management Board will, within two weeks of the receipt of such statement or obtaining such knowledge, convene an extraordinary General Meeting in order to appoint a new Independent Supervisory Board Member.



## **§ 20.**

1. Once the Company's General Meeting adopts a resolution on seeking the admission of the Company's shares to trading on a regulated market and as long as the Company is a public interest entity within the meaning of the provisions of the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Supervision, the Supervisory Board will appoint the audit committee. The audit committee will be made up of at least three members, including at least one member appointed by the Group of the Eligible Shareholders from the date of the admission of the Company's shares to trading on a regulated market. A majority of the audit committee members should meet the independence criteria referred to in § 19 Section 1 of these Articles of Association. As regards the requirements concerning the composition of the audit committee, the provisions of the Act referred to in § 19 Section 1 of these Articles of Association will apply.
2. The duties of the audit committee include in particular:
  - 1) monitoring the financial reporting process, the efficiency of internal control and risk management systems and internal audit, including in respect of financial reporting and performance of financial auditing,
  - 2) controlling and monitoring the independence of the statutory auditor and the audit company,
  - 3) informing the Supervisory Board on the audit results and explaining in what way the audit contributed to the accuracy of financial reporting in the Company, as well as what role the auditing committee played in the auditing process,
  - 4) assessing the independence of the statutory auditor and consenting to the provision by him/her of permitted services other than the Company's audit,
  - 5) devising the policy of selection of an audit company to audit the Company's financial statements,
  - 6) determining the procedure for selection of an audit company by a public interest entity,
  - 7) issuing recommendations aimed at ensuring the integrity of financial reporting in the Company.
3. The Supervisory Board may also appoint other committees, specifically, a nomination and remuneration committee. The detailed duties and rules of the appointment and operation of the committees are stated in the Supervisory Board Rules.

## **§ 21.**

1. Supervisory Board members are entitled to the remuneration specified in a General Meeting Resolution.





2. Supervisory Board members are entitled to the reimbursement of costs related to participation in the work of the Supervisory Board.

#### **§ 22.**

1. For the resolutions of the Supervisory Board to be valid, it is required that all the members of the Supervisory Board are invited to the meeting, and at least half of them attend the Supervisory Board meeting at which such resolutions are to be adopted.
2. Resolutions of the Supervisory Board are passed by an absolute majority of votes. In the event of a tied vote, the Chairman of the Supervisory Board has the casting vote.
3. Members of the Supervisory Board may participate in the adoption of resolutions of the Supervisory Board by casting their vote in writing through the intermediation of another member of the Supervisory Board. Votes may not be cast in writing with respect to any matters that have been placed on the agenda during the Supervisory Board meeting.
4. Resolutions of the Supervisory Board may be adopted in writing or with the use of means of direct long-distance communication.

#### **§ 23.**

1. If, due to the expiry of the term of office of certain members of the Supervisory Board (for reasons other than revocation), the number of members of the Supervisory Board of a specific term decreases below the number of members indicated in the relevant provisions of these Articles of Association, including below the minimum number determined by statutes, the remaining members of the Supervisory Board, provided there are at least two of them, may co-opt a new member of the Supervisory Board who will perform his duties until the election of his/her successor by the next General Meeting or by the Group of the Eligible Shareholders. Nonetheless, the General Meeting or the Group of the Eligible Shareholders may approve the co-opted member of the Supervisory Board.
2. A Supervisory Board member will be deemed to be appointed at the time of such person's receipt of the representation on his/her appointment.
3. The Supervisory Board, in the composition supplemented with the co-opted members, will immediately convene a General Meeting in order to approve the co-opted member or elect his/her successor or will request the Group of the Eligible Shareholders to deliver a representation on its approval of the co-opted member or the appointment of his/her successor in accordance with Section 1 above. Absent the approval of the co-opted Supervisory Board member or the election of his/her successor within 30 days of the date of convening the General Meeting or of addressing the request to the Group of the Eligible Shareholders, the term of office of the co-opted Supervisory Board member will continue on general terms. The General Meeting and the Group of the Eligible Shareholders retain the right to revoke the co-opted Supervisory Board member.



## VIII. DISPOSAL AND ENCUMBRANCE OF SHARES

### § 23<sup>1</sup>

1. The provisions of § 24 are applicable up to the date of the admission of shares in the Company to trading on a regulated market. Notwithstanding the foregoing, the provisions of § 24 Sections 2–8 are not applicable to the disposal of shares in the Company by its shareholders and the provisions of § 24 Section 9 are not applicable to the issuance of new shares in the Company when the disposal or issuance of shares in the Company, respectively, is conducted as a public offering of securities subject to the obligation to publish a prospectus pursuant to Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”). In addition, the provisions of § 24 Section 9 are not applicable to the issuance of Series C ordinary bearer shares.
2. The provisions of § 25 are applicable up to the date of the admission of shares in the Company to trading on a regulated market. Notwithstanding the foregoing, the provisions of § 25 are not applicable to shares in the Company disposed by its shareholders or new issue shares in the Company when the disposal or issuance of shares in the Company, respectively, is conducted as a public offering of securities subject to the obligation to publish a prospectus pursuant to the Prospectus Regulation. In addition, the provisions of § 25 are not applicable to Series C ordinary bearer shares.
3. The provisions of § 26 are applicable up to the date of the admission of shares in the Company to trading on a regulated market, with the reservation that the Drag-Along Right referred to in § 26 Section 1 below is not vested in the SW Shareholder with respect to:
  - 1) shareholders of the Company who acquired or subscribed for shares in the Company in a public offering of securities subject to the obligation to publish a prospectus pursuant to the Prospectus Regulation;
  - 2) shareholders of the Company holding Series C ordinary bearer shares.

### § 24.

1. *Repealed.*
2. If the Company’s shareholder decides to dispose of all or some of the shares in the Company to another person, including another shareholder of the Company (the “**Proposed Buyer**”), all other shareholders of the Company entered into the share register, subject to Section 5, have a pre-emptive right to acquire the shares to be disposed of by the shareholder on the same terms as those offered to the Proposed Buyer.
3. The shareholder notifies the Company of the intention to dispose of the shares in writing, enclosing a copy of the offer to acquire shares submitted by the Proposed Buyer (the “**Notification**”). In the Notification, the shareholder will provide at least:



- 1) the number of shares to be disposed of;
  - 2) the sale price for each share to be disposed of and the total price for all shares and the payment date; if the shares are to be disposed of other than by way of a sales agreement (e.g. contributed in kind to another company), the sale price for the shares is the fair value of mutual consideration to be received in exchange for the shares disposed of;
  - 3) details of the Proposed Buyer with information about the group of companies to which it belongs;
  - 4) all other material terms of the disposal of the shares to be disposed of.
4. The Company will send the Notification to other shareholders entered into the share register of the Company promptly upon the date of receipt of the Notification by the Company, by registered mail or courier at their addresses disclosed in the share register or by email at the address notified to the Company by a shareholder.
  5. Shareholders submit declarations to the Company on the exercise of their pre-emptive rights in writing within seven days of receipt of the Notification. Within 14 days of sending the Notification (Section 4), the Company will prepare a list of shareholders who submitted their declarations on the exercise of their pre-emptive rights and then promptly send it to all shareholders in the manner specified in Section 4.
  6. If more than one shareholder makes a declaration on the exercise of the pre-emptive right, these shareholders are entitled to purchase the shares being disposed of pro rata to their stakes in the Company's share capital as disclosed in the share register as at the date of receipt of the Notification by the Company. If, as a result of the application of the rule referred to above, a shareholder would be entitled to acquire a fractional share, the number of shares to which the shareholder is entitled will be rounded down to the nearest whole number. The shareholder entitled to acquire the largest number of shares pursuant to sentence 1. of this paragraph will be entitled to acquire the shares remaining as a result of such rounding. The list of shareholders prepared by the Company referred to in Section 5 will provide the number of shares to be disposed of allocated to individual shareholders.
  7. Disposal of shares to shareholders in the exercise of their pre-emptive rights and payment of the share price should be effected within 14 days of the date on which the Company prepares the list of shareholders referred to in Section 5 hereinabove. If the transfer of shares requires a consent, permit or other administrative decision, the disposal of shares and payment of the share price referred to in sentence 1 above should be effected within 14 days from the date of the shareholder obtaining such consent, permit or other administrative decision. A shareholder who intends to dispose of the shares becomes free if the shareholder exercising the pre-emptive right does not pay the price within the time limit specified in sentence 1 or 2 hereinabove.
  8. Shares in the Company may be transferred only in favor of the person who acceded to the Shareholders' Agreement of 22 September 2015, as amended



(the “**Shareholders’ Agreement**”) by making the Statement of Accession enclosed to the Shareholders’ Agreement.

9. The provisions of Section 8 will apply *mutatis mutandis* to the acquisition of new shares in the Company by a person who is not a shareholder of the Company.

#### § 25.

1. The establishment of a limited right in rem on shares in the Company requires the prior consent of the Company’s Management Board.
2. It is prohibited to grant the right to vote with encumbered shares to the holder of a limited right in rem.

#### § 26.

1. If any third party not being a shareholder of the Company makes an offer to purchase 100% of the shares in the Company's share capital to the SW Shareholder, the SW Shareholder will be entitled to demand from all other shareholders of the Company other than the SW Shareholder, and all those other shareholders of the Company will be irrevocably and unconditionally obliged to comply with such a demand, subject to the provisions of Section 4 below, to sell their shares in the Company to a specified third party, if the sale price for one share being disposed of (the “**Exit Price**”) by a shareholder of the Company other than the SW Shareholder to the third party corresponds to the price per share in the Company for which the SW Shareholder is to sell his shares (the “**Drag-Along Right**”), provided that all shares held in the Company's share capital are to be sold also by the SW Shareholder to the same third party.
2. In order to exercise the Drag-Along Right, the SW Shareholder will have the right, within 30 days from the date of receipt of the final purchase offer from the third party, to request all other shareholders (the “**Drag-Along Shareholders**”) to dispose of their shares on the terms on which the SW Shareholder disposes of his shares in the Company, in particular at the same Exit Price.
3. In the event that the SW Shareholder requests the disposal of shares, the Drag-Along Shareholders will be required to submit to the third party indicated by the SW Shareholder, together with a copy addressed to the SW Shareholder, within 30 days of the date of the announcement of the drag-along request, a statement (in writing) on the acceptance of the drag-along request and to transfer the ownership of the shares to the third party, subject to Section 4 hereinbelow.
4. Each shareholder of the Company has the right to refuse the sale of shares in the Company’s share capital pursuant to Section 1 hereinabove by making a statement on refusal within 30 days of the receipt of a drag-along notice or by not submitting a statement on acceptance of the drag-along request, provided that in such circumstances each shareholder refusing to dispose of its shares is jointly and severally liable with the other shareholders refusing to dispose of their shares to purchase shares from the SW Shareholder on the terms offered by the third party referred to in Section 1, within 30 days of making a statement to the SW Shareholder on the refusal to sell shares in the Company.



5. In the event of exercising the rights set forth in this article the shareholders will not have the pre-emptive right referred to in § 24 of the Articles of Association.

## **IX. NON-COMPETE CLAUSE**

### **§ 27.**

1. The provisions of § 27 are applicable up to the date of the admission of shares in the Company to trading on a regulated market, with the reservation that the Non-Compete Clause referred to in § 27 Section 2 hereinbelow is not applicable to:
  - 1) shareholders of the Company who acquired or subscribed for shares in the Company in a public offering of securities subject to the obligation to publish a prospectus pursuant to the Prospectus Regulation;
  - 2) shareholders of the Company holding Series C ordinary bearer shares.
2. Shareholders, irrespective of the number of shares they hold, and members of the Company's Management Board are obliged to refrain from conducting, without the prior consent of the Company's corporate body referred to in Section 3 hereinbelow, both directly and indirectly, any activity competitive to the activity of the Company or its subsidiaries, regardless of the legal form and type of engagement (in particular, as an investor, member of the authorities, associate, creditor, lender, shareholder or employee) (the "**Non-Compete Clause**").
3. Consent to conduct competitive activity by shareholders who are not members of the Management Board of the Company is granted by the Management Board of the Company, and for members of the Management Board – by the Supervisory Board.
4. The Non-Compete Clause applies to the shareholders and members of the Management Board of the Company in the Republic of Poland and in the countries where the Company operates, has commenced or plans to commence business or where its products are distributed.

## **X. THE COMPANY'S ACCOUNTING**

### **§ 28.**

1. The Company's financial year is a calendar year.
2. The Company's Management Board is obliged, within three months of the end of a financial year, to prepare the financial statements for the given financial year and a detailed report on the Company's operations in that period, and then, within six months of the end of a financial year, submit them to the General Meeting for approval.

### **§ 29.**

1. The General Meeting may establish capital and supplementary reserves as well as special purpose funds.



2. The Management Board of the Company is authorized to pay, with the Supervisory Board's consent, interim dividends on account of expected dividends for a given financial year.

# PEOPLE CAN FLY

**PCF GROUP S.A.**

AL. SOLIDARNOŚCI 171, 00-877, WARSAW, POLAND

+48 22 887 34 30

OFFICE@PEOPLECANFLY.COM