

**RB 28/2016 – Extraordinary General Meeting of BOŚ S.A. resolutions of 27 April 2016** – released 27 April 2016

In fulfilment of provisions of § 38 subpara. 1 point 7 of the Regulation of the Minister of Finance of 19 February 2009 on current and interim reports published by issuers of securities and on the conditions under which such information is recognised as equivalent to information required under regulations of a non-member state, the Management Board of Bank Ochrony Środowiska S.A. with registered seat in Warsaw publishes herewith resolutions an Extraordinary General Meeting of BOŚ S.A. passed on 27 April 2016, along with information on the number of shares represented by valid votes, the percentage of valid votes in share capital and the total number of valid votes „for”, „against” and „abstained”.

The Extraordinary General Meeting waived consideration of none of the items on the proposed agenda and no objection was raised against the minutes of the proceedings during the EGM.

**Appendix**

**Extraordinary General Meeting of BOŚ S.A. resolutions of 27 April 2016**

**Resolution No. 1/2016  
of an Extraordinary General Meeting of Bank Ochrony Środowiska S.A.  
of 27 April 2016  
on electing a Chairman of the General Meeting**

This Extraordinary General Meeting of BOŚ S.A. hereby appoints Mateusz Deska Chairman of the General Meeting.

This resolution comes into force as of the day of adoption.

The Deputy Chairman of the Supervisory Board, Andrzej Matysiak, declared that the resolution was passed in secret ballot, on a total of **17.978.754** valid votes cast of which:

- **17.978.754** votes were cast “for”,
- 0 votes were cast “against”,
- 0 votes “abstained”,

and that the number of shares on which valid votes were cast was **17.978.754**, which represents **78,60** % of the value of share capital.

No objection was raised to the resolution.

**Resolution No. 2/2016  
of an Extraordinary General Meeting of Bank Ochrony Środowiska S.A.  
of 27 April 2016  
on electing a Secretary of the General Meeting**

This Extraordinary General Meeting BOŚ S.A. hereby appoints Monika Sokołowska-Koncewicz as the Secretary of the General Meeting.

This resolution comes into force as of the day of adoption.

The Chairman of the Extraordinary General Meeting declared that the resolution was passed in secret ballot, on a total of **17.978.754** valid votes cast of which:

- **17.978.754** votes were cast "for",
- 0 votes were cast "against",
- 0 votes "abstained",

and that the number of shares on which valid votes were cast was **17.978.754**, which represents **78,60** % of the value of share capital.

No objection was raised to the resolution.

**Resolution No. 3/2016  
of an Extraordinary General Meeting of Bank Ochrony Środowiska S.A.  
of 27 April 2016  
on adopting the agenda**

This Extraordinary General Meeting of BOŚ S.A. hereby adopts the following agenda:

1. Opening the meeting.
2. Electing a Chairman of the General Meeting.
3. Pronouncing the convention of the Extraordinary General Meeting valid and declaring it capable of adopting resolutions.
4. Electing a Secretary of the General Meeting.
5. Adoption of the agenda.
6. Presentation of a draft, and adoption, of a resolution on: increasing capital through the issue of series U shares in private placement, disapplication of pre-emption rights of current shareholders to take up any series U shares, dematerialising, and seeking admission, and introducing, series U shares and rights to series U shares, to trading on the regulated market operated by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.), and amendments to the Articles of Association of the Bank.
7. Closing the meeting.

This resolution comes into force as adopted.

The Chairman of the Extraordinary General Meeting declared that the resolution was passed in open vote, on a total of **17.978.754** valid votes cast of which:

- **17.978.754** votes were cast "for",
- 0 votes were cast "against",
- 0 votes "abstained",

and that the number of shares on which valid votes were cast was **17.978.754**, which represents **78,6016763253** % of the value of share capital.

No objection was raised to the resolution.

**Resolution No. 4/2016  
of an Extraordinary General Meeting of Bank Ochrony Środowiska S.A.  
of 27 April 2016**

**on: increasing capital through the issue of series U shares in private placement, disapplication of pre-emption rights of current shareholders to take up any series U shares, dematerialising, and seeking admission, and introducing, series U shares and rights to series U shares, to trading on the regulated market operated by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.), and amendments to the Articles of Association of the Bank**

The Extraordinary General Meeting of Bank Ochrony Środowiska Spółka Akcyjna with registered seat in Warsaw (hereafter "**the Bank**"), acting pursuant to provisions of art. 431 § 1 and 2 point 1, art. 432 and art. 433 § 2 of the Commercial Companies Code Act of 15 September 2000 (Journal of Laws Dz.U. 2013, item 1030 as amended) ("**the Commercial Companies Code**"), art. 27 subpara. 2 points 3, 3a and 3b of the Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies Act of 29 July 2005 (Journal of Laws Dz.U. 2013, item 1382 as amended) ("**the Public Offering Act**"), art. 5 subpara. 1 points 1 and 2 of the Trading in Financial Instruments Act of 29 July 2005 (Journal of Laws Dz.U. 2014, item 94 as amended) ("**the Trading in Financial Instruments Act**"), and to provisions of § 10 point 9 and § 30 of the Articles of Association of Bank Ochrony Środowiska S.A. with registered seat in Warsaw, resolves as follows:

§ 1

1. This Extraordinary General Meeting of the Company resolves to increase the share capital of the Bank by an amount of not less than PLN 10 (ten *złotys*) but not more than PLN 400 000 000 (four hundred million *złotys*), i.e., to an amount of not less than PLN 228 732 460 (two hundred twenty-eight million seven hundred thirty-two thousand four hundred sixty *złotys*) and to an amount of not more than PLN 628 732 450 (six hundred twenty-eight million seven hundred thirty-two thousand four hundred fifty *złotys*), through the issue of not less than 1 and not more than 40 000 000 series U shares of nominal value PLN 10.00 (ten *złotys*) ("**Series U Shares**") each. The increase in capital shall be effected through private placement with disapplication of pre-emptive rights, under the following provisions.
2. All Series U Shares shall be ordinary bearer shares.
3. Series U Shares shall entail no specific extra rights.
4. Series U Shares shall be fully paid up for in cash prior to registration of the increase of capital.
5. Series U Shares shall participate in dividend, starting with disbursement of profit for financial year beginning 1 January 2016.
6. In a move designed to serve the interest of the Company, as explained in a written position paper the Bank Management Board has submitted to the

General Meeting, pre-emptive rights of current shareholders to take up any Series U Shares will be disapplied. The written opinion of the Bank Management Board explaining the reasons for disapplication of pre-emption rights of current shareholders to take up Series U Shares and the manner of determining the issue price of Series U Shares is attached as Appendix to this resolution.

7. The issue price of Series U Shares will be determined by the Supervisory Board of the Bank on terms and conditions set out in this resolution, upon consideration of results of the book-building process.
8. Series U Shares and, where applicable, rights to Series U Shares (“**the RTS**”) will be securities without documentary form and they will be subject to dematerialisation within the meaning defined in the Trading in Financial Instruments Act.
9. Series U Shares and, where applicable, the RTS, will be objects of application for admission, and introduction, to trading on the regulated market operated by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A., “**the WSE**”), on fulfilment of the applicable regulatory criteria and WSE requirements regarding admission of Series U Shares and the RTS to trading on that market.

## § 2

1. The Series U Shares issue will be effected through a private subscription within the meaning of art. 431 § 2 point 1 of the Commercial Companies Code Act addressed exclusively to indicated investors (“**Qualified Investors**”) who fulfil the following conditions (“**Conditions to Meet for Qualified Investors**”) specified herein:
  - (i) they are professional customers within the meaning of the Trading in Financial Instruments Act; or
  - (ii) each of such investors qualifies for acquisition of Series U Shares to the value of not less than EUR 100 000 at the issue price at the date of determination thereof, at the average NBP currency price published on the issue price determination date.
2. The Series U Shares issue may be effected, at the sole discretion of the Bank Management Board, through a public offering within the meaning of art. 3 subpara. 1 of the Public Offering Act addressed to Qualified Investors.

## § 3

1. In connection with provisions of § 1 of this resolution, § 28 of the Articles of Association the Bank (“**the Articles**”) reading:

*“The authorised share capital of the Bank amounts to PLN 228 732 450 (two hundred twenty-eight million seven hundred thirty-two thousand four hundred fifty złotys), divided into 22 873 245 (twenty-two million eight hundred seventy-three thousand two hundred forty five) shares of PLN 10 (ten złotys) nominal value each. Shares are equal and indivisible. Each shareholder may hold more than one share.”;*

shall be reworded to read:

*“The authorised share capital of the Bank amounts to not less than PLN 228 732 460 (two hundred twenty-eight million seven hundred thirty-two thousand four hundred sixty zlotys), and not more than PLN 628 732 450 (six hundred twenty-eight million seven hundred thirty-two thousand four hundred fifty zlotys), and is divided into not less than 22 873 246 (twenty-two million eight hundred seventy-three thousand two hundred forty-six) and not more than 62 873 245 (sixty-two million eight hundred seventy-three thousand two hundred forty-five) shares of PLN 10 (ten zlotys) nominal value each. Shares are equal and indivisible. Each shareholder may hold more than one share.”*

2. The final amount of capital taken up and the wording of § 28 of the Articles will be determined by the Bank Management Board pursuant to art. 431 § 7 in connection with art. 310 of the Commercial Companies Code Act, by a statement in the form of a notarial deed on the amount of capital taken up upon allotment of Series U Shares

#### § 4

Amendments to the Articles such as are specified herein are subject to prior approval by the Polish Financial Supervision Authority (“**the KNF**”) pursuant to art. 34 subpara. 2 in connection with art. 31 subpara. 3 of the Banking Act of August 29, 1997 (Journal of Laws Dz.U. 2015, item 128, as amended).

#### § 5

This Extraordinary General Meeting hereby authorises the Bank Supervisory Board to present a consolidated text of the Articles upon inclusion therein of amendments resulting from provisions of this resolution of the General Meeting.

#### § 6

This Extraordinary General Meeting hereby authorises the Bank Management Board to take, and to put in place, any measure necessary to fulfil provisions of this resolution and regulations of the law required in connection with the issue of Series U Shares, and in particular:

1. to present, with the approval of the Supervisory Board, offers to take up Series U Shares to Qualified Investors pursuant to art. 431 § 2 point 1 of the Commercial Companies Code Act as provided for in this resolution;
2. to conclude, with the approval of the Supervisory Board, contracts on taking up Series U Shares in the manner specified in art. 431 § 2 point 1 of the Commercial Companies Code Act, i.e., in a private placement, with Qualified Investors who have accepted the offers referred to in point 1 in this paragraph;
3. to set deadlines for presentations of offers to take up Series U Shares and for conclusion by the Bank of contracts on taking up Series U Shares, with the provision that conclusion by the Bank of contracts on taking up Series U Shares must not be effected later than within 6 (six) months from the date of this resolution;

4. to submit a statement or statements in the form of a notarial deed on the amount of capital taken up in the private placement process involving Series U Shares;
5. to seek admission, and introduction, of Series U Shares and the RTS to trading on the regulated market operated by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) when conditions of such admission and introduction have been met;
6. to conclude with the National Depository for Securities [Krajowy Depozyt Papierów Wartościowych S.A.] (“the KDPW”) an agreement on registration of Series U Shares and, where applicable, the RTS, in the depository for securities maintained by the KDPW, for the purpose of dematerialisation thereof;
7. to apply to the KNF for approval of the issue prospectus prepared at least in connection with seeking admission of Series U Shares and, where applicable, the RTS, to trading on the regulated market
8. to put in place any and all material and legal measures connected with fulfilment of provisions of this resolution.

Further, this Extraordinary General Meeting authorises the Bank Management Board to declare waiver of execution of this resolution, suspension of execution thereof, or waiver of execution of the private placement process within the meaning of art. 431 § 2 point 1 of the Commercial Companies Code Act, or suspension of execution thereof at any time. In taking a decision to suspend the private placement process within the meaning of art. 431 § 2 point 1 of the Commercial Companies Code Act, the Bank Management Board may set no next deadline for completion of the process, which deadline may be announced at a later date, subject to the deadlines referred to in § 6 subpara. 3 of this resolution.

## § 7

This resolution comes into force as of the day of adoption, and in respect of amendments to the Articles, as of the date of registration thereof by the relevant court of registration.

### **Appendix**

Appendix  
to Resolution No. /2016 of the Extraordinary General Meeting of Bank Ochrony Środowiska S.A. of 27 April 2016 on: increasing capital through the issue of series U shares in private placement, disapplication of pre-emption rights of current shareholders to take up any series U shares, dematerialising, and seeking admission, and introducing, series U shares and rights to series U shares, to trading on the regulated market operated by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.), and

amendments to the Articles of Association of the Bank

**The Bank Management Board position on the reasons for disapplication of pre-emption rights of current shareholders to take up any Series U Shares and the manner of determining the issue price of Series U Shares**

This position statement of the Bank Management Board (“**the Opinion**”) was adopted by the Management Board on 21 April 2016 pursuant to provisions of art. 433 § 2 of the Code of Commercial Companies Act, in connection with the submission by a Qualified Shareholder – the National Fund for Environmental Protection and Water Resource Management [NFOŚiGW] – of a draft resolution for inclusion in point 6 of the agenda of an Extraordinary General Meeting of the Company convened to be held on of 27 April 2016 *to present a motion, and to pass it by resolution, on increasing share capital through the issue of series U shares in private placement, disapplication of pre-emption rights of current shareholders to take up any series U shares, dematerialising, and seeking admission, and introducing, series U shares and rights to series U shares, to trading on the regulated market operated by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.), and amendments to the Articles of Association of the Bank*, and it refers to provisions in the draft resolution providing for: disapplication of pre-emption rights of current shareholders to take up any Series U Shares, dematerialising, and seeking admission, and introducing, series U shares and rights to Series U Shares, to trading on the regulated market operated by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.), and amendments to the Articles of Association of the Bank.

***The reasons for disapplication of pre-emptive rights to take up Series U Shares***

In its Framework Strategy of the Bank Development the Bank has set an increase of profitability of banking operations to a level above the average rate in the banking sector as its priority target for the years 2016–2020, which should give the Bank the necessary potential to assign, in keeping with the mission of the Bank, substantial funds to projects in support of environmental protection and sustainable development. The Bank is confident to keep its lead position on the pro-ecology projects market. With its expertise in the area of environmental protection the Bank will participate in, and organise, syndicated loans to finance undertakings which stand up to environmental challenges facing the Polish economy. In 1991–2015, the Bank extended a total of more than PLN 17.5 billion in pro-ecology loans. The Bank had a part in co-financing undertakings the total value whereof amounted to PLN 46.9 billion.

Given the assumed growth in scale and banking requirements in respect of prudential standards, specifically concentration limits and the required capital adequacy level under prudential standards recommended by the Polish Banking Supervision Authority [KNF], the Bank has to increase its share capital. Facing the KNF recommendation to put through the necessary process, that is, to ensure that the capital requirement targets will have been met by 30 June 2016, the Bank Management Board is determined to meet the target the regulatory body recommends, and to that end the Management Board proposes the increase of share capital of BOŚ S.A. through a private subscription for Series U Shares covered with cash payments with disapplication of pre-emption rights of existing shareholders. Any other mode of procedure, in particular one not providing for disapplication of pre-

emption rights of current shareholders, is bound to delay the process and thwart realisation of the above-mentioned KNF recommendation.

With the above in mind the Bank Management Board maintains that an issue of Series U Shares with disapplication of pre-emption rights of existing shareholders is in the interest of the Bank. Accordingly, the Bank Management Board recommends the issue of Series U Shares with disapplication of pre-emption rights of existing shareholders of the Bank.

### ***Determination of the issue price of Series U Shares***

As provided for in the above-indicated draft resolution of the Extraordinary General Meeting, the issue price of Series U Shares will be determined by the Supervisory Board based on the authority this body is endowed with in the resolution (art. 432 § 1 point 4 of the Code of Commercial Companies Act).

The issue price of Series U Shares will be determined by the Bank Supervisory Board upon consideration of results of the book-building process.

Given the volatility of capital markets and the lapse of time from the day the Extraordinary General Meeting may pass the resolution and the date of the day on which the issue price of Series U Shares will be determined, the decision to grant such authority to the Bank Supervisory Board is a reasonable move that serves the interest of the Bank.

### ***Disclaimer***

As on 30 March 2016 the Bank presented its Rehabilitation Program upon approval thereof by the Bank Supervisory Board on 29 March 2016 to the Polish Financial Supervision Authority (KNF), the Bank reserves the right to publish any further information in that respect, in the event that the Bank should conclude that such communication may affect the proposed increase of share capital of the Bank, within a reasonable time for shareholders to get acquainted with such information prior to the Extraordinary General Meeting convened to be held on 27 April 2016.

The Chairman of the Extraordinary General Meeting declared that the resolution was passed in open vote, on a total of **17.978.754** valid votes cast of which:

- **16.420.039** votes were cast "for" (which is 91,3302390143 %),
- **1.261.173** votes were cast "against",
- **297.542** votes "abstained",

and that the number of shares on which valid votes were cast was **17.978.754**, which represents **78,6016763253** % of the value of share capital.

No objection was raised to the resolution.