

**Attachment to the Current Report No. [●]/2017**

**DRAFT RESOLUTIONS OF THE ORDINARY GENERAL MEETING**

The Management Board of FEERUM S.A. (the “**Company**”), hereby presents the resolutions which will take by the Ordinary General Shareholders` Meeting of the Company convened on 26 June 2017, 9.00 AM, in the Company registered seat, in Chojnów at 6 Okrzei Street.

**Ad point 2 of the Agenda**

**“Resolution No. 1/2017  
of the Ordinary General Meeting of FEERUM S.A. with its registered seat in Chojnów  
dated 26 June 2017  
on election of the Chairperson of the Ordinary General Meeting of Company**

**§1**

Pursuant to Art. 409 § 1 of the Commercial Companies Code the Ordinary General Meeting appoints Mrs./Mr. [●] as the Chairperson of the Ordinary General Meeting of the Company.

**§2**

This resolution comes into force on the date of its adoption.”

**Ad point 4 of the Agenda**

**“Resolution No. 2/2017  
of the Ordinary General Meeting of FEERUM S.A. with its registered seat in Chojnów  
dated 26 June 2017  
on election of the Returning Committee**

**§1**

Pursuant to §22 of “Bylaws of the General Meeting of FEERUM S.A. with its registered seat in Chojów” the Ordinary General Meeting appoints Mrs./Ms. [●] and Mrs./Ms. [●] to the Returning Committee.

**§2**

This resolution comes into force on the date of its adoption.”

**Ad point 5 of the Agenda**

**“Resolution No. 3/2017  
of the Ordinary General Meeting of FEERUM S.A. with its registered seat in Chojnów  
dated 26 June 2017  
on adoption of the agenda of the Ordinary General Meeting**

**§1**

Pursuant to §25 of “Bylaws of the General Meeting of FEERUM S.A. with its registered seat in Chojów” the Ordinary General Meeting hereby accepts the following agenda:

1. Opening the Ordinary General Meeting;

2. Election of the Chairperson of the Ordinary General Meeting;
3. Drawing up attendance list, asserting that the Ordinary General Meeting has been convened correctly and is capable of adopting resolutions;
4. Election of the Returning Committee;
5. Adoption of the agenda of the Ordinary General Meeting;
6. Adoption of the resolution on consideration and approval of the report of the Management Board from the operations of the Company and Capital Group of the Company for financial year 2016 and financial statements of the Company and consolidated financial statement of the Capital Group of the Company for financial year 2016;
7. Adoption of the resolution on consideration and approval of the report of the Supervisory Board of the Company for financial year 2016;
8. Adoption of the resolution on coverage of loss of Company for financial year 2016;
9. Adoption of the resolution on acknowledgement of the fulfilment of duties by members of the Management Board of the Company for financial year 2016;
10. Adoption of the resolution on acknowledgement of the fulfilment of duties by members of the Supervisory Board of the Company for financial year 2016;
11. Closing of the Ordinary General Meeting.

## §2

This resolution comes into force on the date of its adoption.”

### **Ad point 6 of the Agenda**

**“Resolution No. 4/2017  
of the Ordinary General Meeting of FEERUM S.A. with its registered seat in Chojnów  
dated 26 June 2017  
on consideration and approval of the report of the Management Board on the activity of  
the Company and Capital Group of the Company for the financial year 2016 and the  
financial statements of the Company and the consolidated financial statements of  
Capital Group of the Company for the financial year 2016**

## §1

The Ordinary General Meeting of the Company, acting according to Art. 395 § 2 point 1 and under Art. 395 § 5 of the Commercial Companies Code and § 11 paragraph 1 letter (a) of the Articles of Association of the Company, after consideration, decides to approve the report of the Management Board on the activity of the Company and Capital Group of the Company for the financial year 2016.

## §2

The Ordinary General Meeting of the Company, acting according to Art. 395 § 2 point 1 of the Commercial Companies Code, Art. 53 section 1 of the Accounting Act and § 11 paragraph 1 letter (a) of Articles of Association of the Company, after consideration, decides to approve financial statements of the Company for financial year 2016, which includes:

- 1) balance sheet prepared as of 31 December 2016, showing total assets and liabilities of PLN 159,375 thousand (in words: one hundred fifty nine million three hundred seventy five thousand Polish zloty),
- 2) profit and loss account for the period from 1 January 2016 to 31 December 2016, showing a net loss of PLN 4,647 thousand (in words: four million six hundred forty seven thousand Polish zloty),
- 3) total income statement for the period from 1 January 2016 to 31 December 2016, showing total loss in the amount of PLN 4,647 thousand (in words: four million six hundred forty seven thousand Polish zloty),
- 4) statement of changes in equity for the period from 1 January 2016 to 31 December 2016, showing a decrease in equity by the amount of PLN 4,647 thousand (in words: four million six hundred forty seven thousand Polish zloty),
- 5) cash flow statement for the period from 1 January 2016 to 31 December 2016, showing a decrease in cash by the amount of PLN 7,244 thousand (in words: seven million two hundred forty four thousand Polish zloty)
- 6) additional notes, comprising a summary of significant accounting policies and other explanatory information.

### §3

The Ordinary General Meeting of the Company, acting according to Art. 395 § 5 of the Commercial Companies Code, Art. 63c section 4 of the Accounting Act, after consideration, decides to approve consolidated financial statements of the Capital Group of the Company for financial year 2016, which includes:

- 1) consolidated balance sheet prepared as of 31 December 2016, showing total assets and liabilities of PLN 159,379 thousand (in words: one hundred fifty five million three hundred seventy nine thousand Polish zloty),
- 2) consolidated profit and loss account for the period from 1 January 2016 to 31 December 2016, showing a net loss of PLN 4,631 thousand (in words: four million six hundred thirty one thousand Polish zloty),
- 3) consolidated total income statement for the period from 1 January 2016 to 31 December 2016, showing total loss in the amount of PLN 4,631 thousand (in words: four million six hundred thirty one thousand Polish zloty),
- 4) consolidated statement of changes in equity for the period from 1 January 2016 to 31 December 2016, showing a decrease in equity by the amount of PLN 4,631 thousand (in words: four million six hundred thirty one thousand Polish zloty),

- 5) consolidated cash flow statement for the period from 1 January 2016 to 31 December 2016, showing a decrease in cash by the amount of PLN 7,248 thousand (in words: seven million two hundred forty eight thousand Polish zloty),
- 6) additional notes, comprising a summary of significant accounting policies and other explanatory information.

#### **§4**

This resolution comes into force on the date of its adoption.”

#### **Ad point 7 to the Agenda**

**“Resolution No. 5/2017  
of the Ordinary General Meeting of FEERUM S.A. with its registered seat in Chojnów  
dated 26 June 2017  
on consideration and approval of the report of the Supervisory Board on the activity for  
the financial year 2016**

#### **§1**

The Ordinary General Meeting of the Company, acting pursuant to Art. 382 § 3 and Art. 395 § 5 the Polish Commercial Companies Code and in accordance with rule III.1.1 of “Code of Best Practice for Warsaw Stock Exchange Listed Companies”, after consideration, approved the report of the Supervisory Board on the activity for the financial year 2016, which includes report on the results of the evaluation of the report of the Management Board of the Company on the activity of the Company and Capital Group of the Company for the financial year 2016, the financial statements of the Company and Capital Group of the Company for the financial year 2016 and motion of the Management Board of the Company on coverage of loss and the evaluation of situation of the Company in the financial year 2016.

#### **§2**

The report of the Supervisory Board on the activity for the financial year 2016 is attached to this resolution.

#### **§3**

This resolution comes into force on the date of its adoption.”

#### **Ad point 8 to the Agenda**

**“Resolution No. 6/2017  
of the Ordinary General Meeting of FEERUM S.A. with its registered seat in Chojnów  
dated 26 June 2017  
on coverage of loss of Company for financial year 2016**

#### **§1**

Pursuant to Art. 395 § 2 point 2 of the Commercial Companies Code the Ordinary General Meeting of the Company, decides to cover the net loss of the Company for the year 2016 in the amount of PLN 4,647 thousand (in words: four million six hundred forty seven thousand Polish zloty) from the funds collected in the supplementary capital of the Company.

## §2

Motion of the Management Board of the Company on coverage of net loss for the year 2016 is attached to this resolution.

## §3

This resolution comes into force on the date of its adoption.”

### **Ad point 9 to the Agenda**

**“Resolution No. 7/2017  
of the Ordinary General Meeting of FEERUM S.A. with its registered seat in Chojnów  
dated 26 June 2017  
on approval of the performance of duties carried out by  
Mr. Daniel Janusz  
as the President of the Management Board of the Company in the financial year 2016**

## §1

The Ordinary General Meeting of the Company, acting pursuant to Art. 395 § 2 point 3 of the Commercial Companies Code, hereby approves the performance of duties carried out by Mr. Daniel Janusz as the President of the Management Board of the Company in the financial year 2016.

## §2

This resolution comes into force on the date of its adoption.”

**“Resolution No. 8/2017  
of the Ordinary General Meeting of FEERUM S.A. with its registered seat in Chojnów  
dated 26 June 2017  
on approval of the performance of duties carried out by  
Mr. Piotr Wieleśik  
as Member of the Management Board of the Company in the financial year 2016**

## §1

The Ordinary General Meeting of the Company, acting pursuant to Art. 395 § 2 point 3 of the Commercial Companies Code, hereby approves the performance of duties carried out by Mr. Piotr Wieleśik as Member of the Management Board of the Company in the financial year 2016.

## §2

This resolution comes into force on the date of its adoption.”

### **Ad point 10 of the Agenda**

**“Resolution No. 9/2017  
of the Ordinary General Meeting of FEERUM S.A. with its registered seat in Chojnów  
dated 26 June 2017  
on approval of the performance of duties carried out by  
Mrs. Magdalena Łabudzka-Janusz  
as Member of the Supervisory Board of the Company in the financial year 2016**

**§1**

The Ordinary General Meeting of the Company, acting pursuant to Art. 395 § 2 point 3 of the Commercial Companies Code, hereby approves the performance of duties carried out by Mrs. Magdalena Łabudzka-Janusz as Member of the Supervisory Board of the Company in the financial year 2016.

**§2**

This resolution comes into force on the date of its adoption.”

**“Resolution No. 10/2017  
of the Ordinary General Meeting of FEERUM S.A. with its registered seat in Chojnów  
dated 26 June 2017  
on approval of the performance of duties carried out by  
Mr. Jakub Marcinkowski  
as Member of the Supervisory Board of the Company in the financial year 2016**

**§1**

The Ordinary General Meeting of the Company, acting pursuant to Art. 395 § 2 point 3 of the Commercial Companies Code, hereby approves the performance of duties carried out by Mr. Jakub Marcinkowski as Member of the Supervisory Board of the Company in the financial year 2016.

**§2**

This resolution comes into force on the date of its adoption.”

**“Resolution No. 11/2017  
of the Ordinary General Meeting of FEERUM S.A. with its registered seat in Chojnów  
dated 26 June 2017  
on approval of the performance of duties carried out by  
Mr. Maciej Kowalski  
as Member of the Supervisory Board of the Company in the financial year 2016**

**§1**

The Ordinary General Meeting of the Company, acting pursuant to Art. 395 § 2 point 3 of the Commercial Companies Code, hereby approves the performance of duties carried out by Mr. Maciej Kowalski as Member of the Supervisory Board of the Company in the financial year 2016.

**§2**

This resolution comes into force on the date of its adoption.”

**“Resolution No. 12/2017  
of the Ordinary General Meeting of FEERUM S.A. with its registered seat in Chojnów  
dated 26 June 2017  
on approval of the performance of duties carried out by  
Mr. Maciej Janusz  
as Member of the Supervisory Board of the Company in the financial year 2016**

**§1**

The Ordinary General Meeting of the Company, acting pursuant to Art. 395 § 2 point 3 of the Commercial Companies Code, hereby approves the performance of duties carried out by Mr. Maciej Janusz as Member of the Supervisory Board of the Company in the financial year 2016.

**§2**

This resolution comes into force on the date of its adoption.”

**“Resolution No. 13/2017  
of the Ordinary General Meeting of FEERUM S.A. with its registered seat in Chojnów  
dated 26 June 2017  
on approval of the performance of duties carried out by  
Mr. Jerzy Suchnicki  
as Member of the Supervisory Board of the Company in the financial year 2016**

**§1**

The Ordinary General Meeting of the Company, acting pursuant to Art. 395 § 2 point 3 of the Commercial Companies Code, hereby approves the performance of duties carried out by Mr. Jerzy Suchnicki as Member of the Supervisory Board of the Company in the financial year 2016.

**§2**

This resolution comes into force on the date of its adoption.”

**REPORT ON THE OPERATION OF THE SUPERVISORY BOARD OF  
FEERUM S.A. FOR THE YEAR 2016**

The Supervisory Board present a report on its activities in the financial year 2016 contains in particular an evaluation report on the operations of the Company FEERUM S.A. and Capital Group of the Company in the fiscal year 2016, financial statement of the Company for the financial year 2016 and the motion of the Management Board on settlement of Company's loss incurred for the year 2016 and the evaluation of the system of internal control and risk management system for the Company.

**1. Composition of the Supervisory Board**

In the period from 1 January 2016 to 31 December 2016 the Supervisory Board was as follows:

- Magdalena Łabudzka-Janusz - Chairman of the Supervisory Board,
- Maciej Kowalski - Deputy Chairman of the Supervisory Board
- Maciej Janusz - Member of the Supervisory Board,
- Jakub Marcinowski - Member of the Supervisory Board,
- Jerzy Suchnicki - Member of the Supervisory Board,

In the period from 1 January 2016 to 31 December 2016, the Chairman of the Supervisory Board was Mrs. Magdalena Łabudzka-Janusz.

**2. The scope of the Supervisory Board**

The Supervisory Board operates under the provisions of the Polish Commercial Companies Code, as well as on the basis of Articles of Association and Bylaws of the Supervisory Board of the Company dated 7 November 2013.

In 2016 the Supervisory Board supervised the Company's activities in all areas of its activity.

The Supervisory Board elected Grant Thornton Frąckowiak sp. z o.o. sp. k. to audit the financial statements of the Company for the financial year 2016.

In 2016 the Supervisory Board did not conduct any inspections or explanatory proceedings as well as did not suspend members of the Board.

**3. Evaluation of the internal control system and risk management system for the Company**

The Company has an internal control system and for its effectiveness is responsible the Company's Management Board. The internal control system includes the main processes of the Company's operations, where is a necessity of establishing control mechanisms to monitor and reduce risks significant for the Company. The main task of this control system is to ensure the implementation of the Company's business objectives. The Company has and continuously updates the organizational structure, in which clearly the path reporting, responsibility and the privilege level are defined, what finally allowing to mitigate significant



risks which is connected with conducting business. In the Supervisory Board's opinion the internal control system and risk management of the Company is at a satisfactory level.

**4. Evaluation of the report of Management Board on the activities of the Company and Capital Group of the Company for the financial year 2016, the financial statements of the Company for the financial year 2016 and the Management Board's motion on coverage of Company incurred net loss for the financial year 2016.**

The Supervisory Board of FEERUM S.A. with its registered seat in Chojnów presents a report on the results of the assessment of the following statements of the Company for the financial year 2016:

1. Financial statements of the Company and Capital Group;
2. Management Board's report on the activities of the Company and the Capital Group of the Company, and
3. Assessment of the Management Board's motion on coverage of loss.

Ad. 1

The Supervisory Board, after reading the auditor's opinion and the report on progress and results of the audit the financial statements of the Company for the year 2016 and the financial statement of the Capital Group of the Company for 2016 and after evaluation the above mentioned statements, the Supervisory Board states that the financial statements of Company for the year 2016 and the financial statement of the Capital Group of the Company for 2016 has been prepared on the basis of properly maintained accounting records, is consistent with the form and content with the binding regulations and presents reliably all information necessary to evaluate the profitability and financial result in the specified period, as well as economic and financial position of the Company and Capital Group as of December 31, 2016. In addition, the Supervisory Board states that the financial statements of the Company and Capital Group for the financial year 2016 is consistent with the books and documents of the Capital Group Companies and the facts. Therefore, the Supervisory Board proposes to the Ordinary General Meeting to approve the financial statement of the Company for the financial year 2016 and the financial statement of the Capital Group of the Company for 2016.

Ad. 2

The Supervisory Board, after the analysis and evaluation of the report of the Management Board on Company's and Capital Group of Company business activities in the year 2016, states that the Management Board's report on the Company's and Capital Group of the Company operations in the financial year 2016 is in accordance with the books and documents of the Capital Group Companies and the facts. With reference to the above, the Supervisory Board approves the report and requests the Ordinary General Meeting for its approval. In addition, the Supervisory Board proposes to the Ordinary General Meeting to approve performance of duties carried out by the President of the Management Board - Mr. Daniel Janusz and Member of the Management Board Mr. Piotr Wielesik in the financial year 2016.

Ad. 3

The Supervisory Board, after consideration of the motion of Management Board regarding incurred loss for the year 2016 in the amount of PLN 4,647 thousand, the Supervisory Board issues a positive opinion and requests to the Ordinary General Meeting to adopt a resolution on the coverage of loss in the manner proposed by the Management Board.

**THE MOTION OF FEERUM S.A. MANAGEMENT BOARD TO THE ORDINARY  
GENERAL MEETING ON COVERAGE OF COMPANY'S NET LOSS FOR THE  
FINANCIAL YEAR 2016**

Last year was very challenging for FEERUM. Due to the difficult situation in the market environment, the revenues fluctuated around PLN 40 million. The decline in revenues was mainly caused by the postpone of payment of the EU grants by the Agency for Restructuring and Modernization of Agriculture to the key customers of the Company from 2016 to 2017. The last year at net level was closed with a loss.

The Management Board of FEERUM S.A. proposes to cover the loss of the Company for the financial year 2016 in the amount of PLN 4,647 thousand (in words: four million six hundred forty seven thousand zlotys) from the supplementary capital of the Company.

**JUSTIFICATION**

The Company has the appropriate amount of supplementary capital which, in accordance with provisions of law, may be used to cover losses. The supplementary capital of the Company consists of the item "Capital from the sale of shares above their nominal value" – in the amount of PLN 9,366 thousand and the item "Other capitals" - in the amount of PLN 60,762 thousand.

The Management Board of the Company requests that the loss for the financial year 2016 cover from the "Other capitals" of the supplementary capital, which in accordance with Art. 396 of the Commercial Companies Code may be used to cover losses.