

**ARTICLES OF ASSOCIATION  
WIKANA SPÓŁKA AKCYJNA  
CONSOLIDATED TEXT**

**General provisions**

§ 1

1. The Company's name is: **WIKANA Spółka Akcyjna**.
2. The Company may use an abbreviated name, WIKANA S.A., and a distinctive logo.

§ 2

The Company's registered office is in **Lublin**.

§ 3

The Company operates in Poland and abroad. The Company may establish and manage branches, representative offices, locations, companies and other organisational units in Poland and abroad, as well as participate in other companies in Poland and abroad and in joint ventures, as described in the relevant agreements.

§ 4

The Company operates on the basis of the Articles of Association, the Polish Commercial Companies Code and other legal regulations binding on public limited companies.

§ 5

*Repealed*

§ 6

The Company's economic activities, in accordance with the Polish Classification of Economic Activities (PKD), are as follows:

1. Crop and animal production, hunting and related service activities (PKD 01),
2. Forestry and logging (PKD 02),
3. Other mining and quarrying (PKD 08),
4. Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials (PKD 16),
5. Electricity, gas, steam and air conditioning supply (PKD 35),
6. Construction of buildings (PKD 41),
7. Civil engineering (PKD 42),
8. Specialised construction activities (PKD 43),
9. Wholesale and retail trade and repair of motor vehicles (PKD 45),
10. Wholesale trade, except of motor vehicles (PKD 46),
11. Retail trade, except of motor vehicles (PKD 47),
12. Land transport and transport via pipelines (PKD 49),
13. Warehousing and support activities for transportation (PKD 52),
14. Accommodation (PKD 55),
15. Food and beverage service activities (PKD 56),
16. Financial service activities, except insurance and pension funding (PKD 64),
17. Activities auxiliary to financial services and insurance activities and pension funding (PKD 66),
18. Real estate activities (PKD 68),
19. Legal activities, accounting, bookkeeping and auditing activities; tax consultancy (PKD 69),
20. Activities of head offices; management consultancy activities (PKD 70),
21. Architectural and engineering activities; technical testing and analysis (PKD 71),
22. Advertising, market research and public opinion polling (PKD 73),
23. Rental and leasing activities (PKD 77),
24. General cleaning of buildings and landscape service activities (PKD 81),
25. Office administrative, office support and other business support activities (PKD 82).

§ 7

The Company has been established for an unlimited period of time.

§ 8

Legally-required announcements from the Company shall be published in the official gazette *Monitor Sądowy i Gospodarczy*, unless the relevant regulations state otherwise.

## Shares and shareholders

### § 9

The Company's founders were the employees of Legnica-based Zakłady Przemysłu Odzieżowego ELPO, in liquidation, who were listed in the founding act of a public limited company.

### § 10

1. The Company's share capital amounts to PLN 40 029 595.40 and is divided into:
  - 167 665 596 series G bearer shares, with a nominal value of PLN 0.20 each,
  - 32 482 381 series H bearer shares, with a nominal value of PLN 0.20 each.
2. The Company may issue debt securities, including convertible bonds and bonds with pre-emptive rights to shares in the Company.

### § 11

1. The Company's shares are ordinary bearer shares.
2. From the moment that shares of a given series are registered in a securities deposit maintained by the Central Securities Depository of Poland (KDPW), the right of shareholders to exchange bearer shares for registered shares is excluded.
3. All costs related to a share exchange are borne by the shareholder.

### § 12

1. Shares may be redeemed at the shareholder's approval through their purchase by the Company (voluntary redemption).
2. The redemption of shares requires a General Meeting resolution. The resolution should specify in particular the legal basis for the redemption, amount of remuneration due to the shareholder for the redeemed shares or justification for redemption of shares without remuneration and the means for decreasing the share capital.
3. The resolution on redemption of shares must be made in the form of an announcement.
4. Redemption of shares must be accompanied by a decrease in the share capital. The resolution on a decrease in share capital should be adopted by the General Meeting that adopted the share redemption resolution.
5. A resolution on amendment of the Articles of Association connected with share redemption should be accompanied by a justification.
6. The Company may create special-purpose funds intended to purchase shares for redemption.

### § 13

*Repealed*

## Capital and funds

### § 14

The Company's share capital may be increased through the issue of new shares, pursuant to a General Meeting resolution.

### § 15

1. The Company's share capital may be decreased pursuant to a General Meeting resolution.
2. A decrease in the Company's share capital may be carried out through a reduction of the nominal value of shares or through partial share redemption.
3. A share capital decrease through share redemption is carried out at nominal value.

### § 16

1. The Company creates a supplementary capital and may create a reserve capital.
2. The General Meeting may create an investment fund or other funds specified by the binding provisions of law.
3. The supplementary capital and other capitals referred to in point 2 are created from the Company's net profit.

### § 17

1. The Company creates the supplementary capital from annual deductions from distributable profit, amounting to 8% of the net profit, until such time as the supplementary capital reaches 1/3 of the share capital.
2. The supplementary capital is increased by any share premium on the Company's issued shares.
3. Use of the supplementary capital and reserve capital must be approved by the General Meeting, however the part of the supplementary capital that amounts to 1/3 of the share capital may only be used to cover losses recorded in the financial statements.

§ 18

*Repealed*

§ 19

1. The Company's net profit is used for dividend payment and for the Company's capitals, funds and other purposes, on the principles specified by the General Meeting.
2. The amounts earmarked by the General Meeting for dividend payment are allocated to shareholders appropriately to the number of shares held on the ex-dividend date. Authorised to receive a dividend for a given financial year are those shareholders that owned shares in the Company on the ex-dividend date.
3. The ex-dividend date is specified by the General Meeting through a resolution.
4. The payment of a dividend may be non-monetary. The General Meeting determines the object of a non-monetary dividend.

**Company's authorities**

§ 20

The Company's authorities comprise:

1. General Meeting,
2. Supervisory Board,
3. Management Board.

§ 21

1. The General Meeting may be ordinary or extraordinary.
2. An ordinary General Meeting should take place no later than six months from the end of the financial year.

§ 22

1. An Extraordinary General Meeting is convened by the Management Board to examine matters requiring immediate decisions:
  - a/ at the Management Board's own initiative,
  - b/ at the Supervisory Board's request,
  - c/ at a written request of shareholders representing at least one-twentieth of share capital.
2. In the situation referred to in point 1 b/ and point 1 c/, the Management Board convenes an Extraordinary General Meeting within 14 days from announcement of such a request.
4. A request to convene an Extraordinary General Meeting should specify the issues that are to be examined.

§ 23

1. The General Meeting is convened in a manner provided for by the provisions of law.
2. The General Meeting is opened by the Supervisory Board Chairperson or Deputy, after which a General Meeting chairperson is appointed from amongst the persons authorised to participate in the meeting. If those persons are absent, the General Meeting is opened by the President of the Management Board or a person designated by the Management Board.
3. The General Meeting may adopt the General Meeting regulations.

§ 24

Resolutions adopted by the General Meeting are valid regardless of the number of shares represented at the meeting, unless the Polish Commercial Companies Code states otherwise.

§ 25

1. The following activities require a General Meeting resolution:
  1. examining and approving the Management Board report on Company operations, Supervisory Board reports, annual financial statements, votes of approval for the members of the Company's authorities,
  2. issuing rulings concerning claims for rectification of damage caused in the formation of the Company or in the course of management or supervision;
  3. consenting to the disposal or lease of the Company's enterprise or an organised part thereof and establishment of limited property rights thereon;
  4. removed;
  5. issuing convertible bonds or bonds with pre-emptive rights;
  6. purchasing own shares in the events specified in art. 362 § 1 point 2 of the Polish Commercial Companies Code,
  7. distribution of profit or coverage of loss;

8. amending the Company's Articles of Association,
  9. establishing Supervisory Board remuneration rules;
  10. increasing or decreasing the share capital,
  11. establishing the "ex-dividend date" and "dividend payment date,"
  12. other matters provided for in the Articles of Association and the Polish Commercial Companies Code.
2. The purchase and sale of properties or shares in properties, along with perpetual usufruct rights or shares in perpetual usufruct rights, encumbering properties or shares in properties and perpetual usufruct rights or shares in perpetual usufruct rights with restricted property rights, do not require a General Meeting resolution.

#### § 26

1. The shareholders participating in the General Meeting have the same number of votes as the number of shares they hold, with stipulation that if a shareholder exceeds 66% of the total number of votes, then this shareholder's share of votes decreases to 66%.
2. Shareholders may participate in the General Meeting in person or through attorneys.

### **Supervisory Board**

#### § 27

1. Supervisory Board consists of between five and seven members, who are appointed by the General Meeting for five-year terms, subject to the regulations in sec. 2.
2. Whenever the number of Supervisory Board members does not exceed five, the Supervisory Board may appoint one other member of the Supervisory Board.
3. Supervisory Board members are appointed for a joint term.

#### § 28

1. For Supervisory Board resolutions to be valid, a majority of its members must be present, and all of its members had to have been invited.
2. Supervisory Board resolutions are adopted with an absolute majority of votes cast by the Supervisory Board members present at the meeting.
3. In the case of a tie, the Supervisory Board Chairperson has the decisive vote.
4. Supervisory Board members may participate in adoption of Supervisory Board resolutions by casting votes in writing through another member of the Supervisory Board. Voting in writing is not applicable in the case of items introduced to the agenda in the course of a Supervisory Board meeting.
5. The Supervisory Board may adopt resolutions in writing. Such resolution is valid if all Supervisory Board members were notified of the content of the draft resolution.
6. Adopting resolutions as described in points 4 and 5 does not apply to the appointment of the Supervisory Board Chairperson and Deputy Chairperson, as well as the removal or suspension of those persons.

#### § 29

1. Supervisory Board members exercise their rights and fulfil their obligations in person only.
2. The Supervisory Board is capable of adopting resolutions if at least half of its members participate in the meeting and all of its members have been invited in writing. A notification containing the meeting agenda and indicating the time and location of the Supervisory Board meeting should be sent by registered mail at least seven days before the proposed date of the Supervisory Board meeting, to the addresses indicated by the members of the Supervisory Board and sent, within the same deadline, to the previously provided email addresses of the members of the Supervisory Board.
3. Supervisory Board meetings and the adoption of resolutions by the Supervisory Board may also take place in a manner in which Supervisory Board members participate in the meeting and resolution adopting using electronic communications, provided that all members of the Supervisory Board have been informed about the content of the draft resolutions. Supervisory Board members are required to confirm receipt of the draft resolutions by fax or email, no later than on the day following their receipt. In this mode, the Supervisory Board may not adopt resolutions on appointment of the Supervisory Board Chairperson, Deputy Chairperson and Secretary, on appointment, removal or suspension of Management Board members and on matters specified in art. 382 § 3 of the Polish Commercial Companies Code.
4. The Supervisory Board members delegated to perform individual supervision functions are bound by non-competition, same as the Management Board members, as well as by limitations on their participation in competing businesses.

§ 30

The competences of the Supervisory Board are as follows:

1. Audit of annual separate financial statements,
2. Audit of the management report on the Company's operations in 2013,
3. Suspending of some or all members of the Management Board, for significant reasons,
4. Delegating Supervisory Board members for temporary roles at the Company's Management Board,
5. Establishing remuneration principles for Management Board members,
6. Approving the Company's annual and long-term business plans,
7. At the Management Board's request, consenting to the purchase and acquisition of shares in companies and participating in companies,
8. Consenting to the purchase and sale of properties or shares in properties, along with perpetual usufruct rights or shares in perpetual usufruct rights, encumbering properties or shares in properties and perpetual usufruct rights or shares in perpetual usufruct rights with restricted property rights, provided that the Company's resulting liability or right exceeds 1/3 of the share capital in a single transaction, in net values.
9. Approving the Company's organisational structure.
10. Other matters provided for in the Articles of Association and the Polish Commercial Companies Code.

**Management Board**

§ 31

1. The Company's Management Board comprises between one and five persons and is appointed by the Supervisory Board.
2. The Supervisory Board specifies the number of members of the Management Board.

§ 32

Removed - resolution no. 1 of the Extraordinary General Meeting of 23 August 1999.

§ 33

1. The Management Board term is three years, and it is a joint term.
2. The Management Board's operations are led by the President of the Management Board. Detailed authorisations of the President of the Management Board are specified in the Management Board Regulations.
3. Management Board resolutions are adopted with an absolute majority. In the case of a tie, the President of the Company's Management Board has the decisive vote.

§ 34

1. The Management Board is required to manage the Company's matters with the highest due care required in commercial trade, in accordance with the binding provisions of law, commonly accepted customs and with observance of the Articles of Association and the resolutions of the General Meeting and Supervisory Board.
2. In agreements between the Company and the members of its Management Board including with regard to terms of employment, the Company is represented by the Supervisory Board. Declarations on behalf of the Supervisory Board are filed by one or more members of the Supervisory Board that are authorised through a relevant resolution of the Supervisory Board.

§ 35

The Management Board's competences include all matters not reserved for the General Meeting or Supervisory Board.

§ 36

1. In a multi-person management board, the Company may be represented by:
  - two cooperating members of the Management Board,
  - a Management Board member and commercial representative.
2. In a single-person management board, the Company may be represented by the sole member of the Management Board.
3. Commercial representatives are appointed by the Company's Management Board.
4. The Management Board may appoint attorneys.

§ 37

1. The General Meeting Regulations are adopted by the General Meeting.
2. The Supervisory Board Regulations, at the Supervisory Board's request, are adopted by the General Meeting.

3. The Management Board Regulations, at the Management Board's request, are established by the Supervisory Board.

§ 38

The Company's accounting and commercial accounts are maintained in compliance with the binding legal regulations in Poland.

§ 39

The financial year for the Company is the calendar year.

§ 40

1. Annual financial statements, Management Board report on Company operations in financial statements should be examined by the Company's Management Board within three months after the end of the financial year and reviewed by the General Meeting within a deadline specified by law.

2. Copies of the Management Report on Company operations and separate financial statements, along with the Supervisory Board report and opinion of the statutory auditor, are made available to shareholders at their request, but no later than 15 days prior to the General Meeting.

3. The Supervisory Board appoints an experienced auditor to audit the Company's annual financial statements.

§ 41

1. The Company's liquidation is carried out under the Company's name, with the addition of "w likwidacji."

2. The Company's liquidators are the members of its Management Board and a person appointed by the Supervisory Board.

3. The General Meeting may retain other persons to liquidate the Company.

§ 42

In matters not addressed in the Company's Articles of Association, the Polish Commercial Companies Code and other legal regulations apply.