



## **INFORMATION MEMORANDUM**

**Prepared for the admission of the shares issued by Carpathia Capital S.A. to the AeRO  
– the market for shares of the Bucharest Stock Exchange**

**(Company's Presentation Document)**

Prospective investors in companies listed on AeRO should be aware that the alternative trading system is a market to which a higher investment risk tends to be attached than to companies admitted to trading on the regulated market.




**Authorized Advisor**

February 12<sup>th</sup> , 2015

## Introduction

### The Issuer:

	
(Business) name:	Carpathia Capital S.A.
Legal form:	Joint Stock Company
State where the registered office is located:	Poznań, Poland
Registered office and address of the company:	Kraśńskiego Street no. 16, 60-830 Poznań
Telephone:	+48 61 851 86 77
Facsimile(fax):	+48 61 851 86 77
e-mail:	office@carpathiacapital.eu
Main website address:	www.carpathiacapital.eu
CAEN Code:	K64, K64.2,
Fiscal Code/Unique Registration Code:	7811897074
Trade Registry Code:	302762319
Field of activity:	Capital investments
Name of liaison person with BVB:	Paweł Śliwiński, Ph. D. (hab.)

### Authorized Advisor:

	
(Business) name:	INC S.A.
Legal form:	Joint Stock Company
State where the registered office is located:	Poznań, Poland
Registered office and address of the company:	Kraśńskiego Street no. 16, 60-830 Poznań
Telephone:	+48 61 851 86 77
Facsimile(fax):	+48 61 851 86 77
e-mail:	biuro@incsa.pl
Main website address:	www.incsa.pl
CAEN Code:	K64, K64.2,
Fiscal Code/Unique Registration Code:	7781024498
Trade Registry Code:	630316445

Number, type, unit nominal value, trading symbol and ISIN code of financial instruments being a subject of introduction to the AeRO – the market for shares of the Bucharest Stock Exchange

The instruments being introduced to the AeRO – the market for shares of the Bucharest Stock Exchange, on the basis of this Information Memorandum are:

- a. 1 003 666 (one million three thousand six hundred sixty six) series B common shares, par value 0,50 PLN (fifty groszy) each,

## TABLE OF CONTENTS

1. Declarations of persons responsible for the information contained in the Information Memorandum.....	6
2. Short history of the Issuer.....	8
3. Description of activity.....	8
4. Information regarding equity and shareholders' structure.....	10
4.1. Types and values of the issuer's equity (funds) .....	10
4.2. Shareholders' structure .....	11
5. Company's management .....	11
5.1. Information about the management board.....	11
5.2. Information about supervisory board .....	13
6. Details regarding the personnel .....	17
6.1. Organizational chart.....	17
6.2. Level of training of the company's employees.....	17
6.3. Trade unions .....	18
7. Market share / Main competitors .....	18
8. Breakdown of turnover structure by activity segments or business lines .....	22
9. Main Clients / Significant Contracts.....	22
10. Main operational indicators.....	22
11. Short description of latest financial results available .....	23
12. Statement on the policy and practice regarding forecasts, in accordance with the Corporate Governance Principle for AeRO listed companies.....	23
13. Statement on the policy and practice regarding dividends, in accordance with the Corporate Governance Principles for AeRO listed companies .....	23
14. Description of business development plan, approved by the Board .....	23
15. Risk factors.....	26
16. Information on securities offerings conducted during the previous 12 months prior to listing.....	28
16.1. Information of the destination of funds raised.....	28
16.2. Number of shares and price, the mode of identification of potential addresses of the placements and how the actual buyers were selected, date, number of addresses, number of entities which accepted the placement, number of entities which were allocated shares ..	28
16.3. Any substantial information in the Memorandum that was not included in the document that was released to investors for the securities offer.....	30
17. Plans regarding future operations on capital market if available.....	30
18. Auditor's names if the case .....	30
19. Affiliated companies and percent of shares held .....	30
20. Appendixes.....	32
20.1. Articles of Association of the company .....	32
20.2. Synthesis of financial results / profit and loss account, including partial results, explaining significant variations for the last 3 years – annual and the latest semi-annual, if drawn .....	39
20.3. Synthesis of financial position / balance sheet, including partial results, explaining significant variations for the last 3 years – annual and the latest semi-annual, if drawn .....	39

20.4.	Budgets, at least for this year, and if available, for 3 to 5 years period .....	40
20.5.	Statutory body decision for trading on AeRO .....	41

## 1. DECLARATIONS OF PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THE INFORMATION MEMORANDUM

### The Issuer

	
(Business) name:	Carpathia Capital S.A.
Legal form:	Joint Stock Company
State where the registered office is located:	Poznań, Poland
Registered office and address of the company:	Kraśńskiego Street no. 16, 60-830 Poznań
Telephone:	+48 61 851 86 77
Facsimile(fax):	+48 61 851 86 77
e-mail:	office@carpathiacapital.eu
Main website address:	www.carpathiacapital.eu
CAEN Code:	K64, K64.2,
Fiscal Code/Unique Registration Code:	7811897074
Trade Registry Code:	302762319
Field of activity:	Capital investments
Name of liaison person with BVB:	Paweł Śliwiński, Ph. D. (hab.)

The Issuer is responsible for all of the information contained in the Information Memorandum.

The Issuers is represented by:

- Paweł Śliwiński – CEO/President of the Management Board

According to my best knowledge and due care exercised to ensure, information contained in the Information Memorandum is true, fair and reflects the facts and the Information Memorandum does not omit anything that could affect its significance and valuation of financial instruments introduced to trading, and the memorandum provides a reliable description of risk factors related to the participation in trading in given instruments.

Paweł Śliwiński, Ph. D. (hab.)  
CEO/ President of the Management Board

**The Authorized Adviser**

	
(Business) name:	INC S.A.
Legal form:	Joint Stock Company
State where the registered office is located:	Poznań, Poland
Registered office and address of the company:	Kraśńskiego Street no. 16, 60-830 Poznań
Telephone:	+48 61 851 86 77
Facsimile(fax):	+48 61 851 86 77
e-mail:	biuro@incsa.pl
Main website address:	www.incsa.pl
CAEN Code:	K64, K64.2,
Fiscal Code/Unique Registration Code:	7781024498
Trade Registry Code:	630316445

The Authorized Advisor is represented by:

- Sebastian Huczek – Vice-President of the Management Board

The Information Memorandum has been prepared in accordance with requirements set out in Technical Specifications regarding Information Memorandum prepared for the admission of shares to the AeRO – the market for shares of the Bucharest Stock Exchange (Presentation Document) approved by BVB CEO Decision no. 981/Dec. 18, 2014.

According to our best knowledge and pursuant to documents and information provided to us by the Issuer, information contained in the Information Memorandum is true, fair and reflects the facts and the Information Memorandum does not omit anything that could affect its significance and valuation of financial instruments introduced to trading, and the document provides a reliable description of risk factors related to participation in trading in given instruments.

Sebastian Huczek  
 Vice-President of the Management Board

## 2. SHORT HISTORY OF THE ISSUER

Date	Description
April 2014	Foundation of Carpathia Capital S.A. with headquarters in Poznań by INC S.A.
June 2014	Registration by the Polish National Court Register.
July 2014	General shareholders meeting adopted the resolution regarding the private placement issuance of up to 1 150 000 series B common shares.
December 2014	End of the series B common shares private placement offer. Investors subscribed for 1 003 666 shares. Company raised PLN 2,6m.  General shareholders meeting adopted the resolution regarding the private placement issuance of up to 400 000 series B2 common shares, up to 1 000 000 series C common shares and up to 1 000 000 series D common shares.
January 2015	Registration of series B common stock issuance by the Court.
February 2015	End of the series B2 and C private placement offers. Investor subscribed for 275 000 series B2 shares and 795 991 series C shares. Total capital raised amounted to PLN 3,2m.

Source: Issuer

## 3. DESCRIPTION OF ACTIVITY

Carpathia Capital activities are focused on the acquisition of shares and other securities issued by small and medium-sized enterprises located in Romania. The issuer plans to function as a venture capital / private equity fund intending to carry out capital investments in Romanian and other CEE public and private companies with high growth potential. The expected investment horizon is one to five years.

The strategy is aimed at building a portfolio of a several entities within the first two years of operation, which in term of one to three years after the investment would eventually meet the eligibility criteria and be listed on the AeRO market (an Alternative Trading System organized by Bucharest Stock Exchange) or on the NewConnect market (an Alternative Trading System organized by Warsaw Stock Exchange).

Prior to listing on the AeRO market Carpathia Capital carried out three private placement offers for a total sum of PLN 5,8m (approx. RON 6,1m), which gives a total investment capital available in the amount of PLN 6,3m (approx. RON 6,6m).

The activities described are subject to a substantial degree of risk. The Issuer assumes that taking the specified risk is justified by the vast experience of the Management Board in the investment field and will result in above-average returns in the long term.

The Issuer intends to perform capital investments in entities that meet the following criteria:

- hiring high quality executives,
- operating on a growing market,
- growth rate of the business exceeding the industry,
- technological advantage or a superior product or service compared to competitors.

Carpathia Capital does not presuppose industry preferences. The aim is to invest in entities at various stages of development, ie.:

- seed and start-up investments in newly established enterprises,



- investments required for further development in businesses in the growth phase,
- investments in mature companies.

The issuer assumes acquiring minority stakes in share capital of portfolio companies. Due to the initial value of the available capital, single investment will amount up to one million RON. This will also ensure additional diversification of investment risk. The Company plans partial involvement in the development of portfolio companies – representatives of Carpathia Capital will monitor the financial performance of the portfolio companies and their compliance with the approved business plan.

After the completion of the expected increase in value of the investment the Company assumes sale of owned shares. The Issuer will prefer exits through capital market by listing shares on the AeRO market (an Alternative Trading System organized by Bucharest Stock Exchange) or on the NewConnect market (an Alternative Trading System organized by Warsaw Stock Exchange). It is expected to be the most common way to exit an investment, but the Issuer does not exclude the possibility of selling shares to an strategic investor or financial investors as well as exits by MBO or repurchase of shares by previous owners and others.

Apart from giving a possibility of divestment, the aim of listing portfolio companies is to:

- enable them to raise additional capital through pre-IPO offers,
- increase their transparency and credibility,
- gain prestigious status of a public company.

The Issuer will apply the following ways to exit an investment using the process of listing shares on the AeRO market (an Alternative Trading System organized by Bucharest Stock Exchange) or on the NewConnect market (an Alternative Trading System organized by Warsaw Stock Exchange):

- offering of shares held by the Issuer in a public offering,
- offering of shares held by the Issuer in a private placement,
- gradual sale of shares held by the Issuer through transactions on AeRO or NewConnect market,
- sale of shares in block transactions to selected strategic or financial investors.

Characteristics of investment activity	
Funds available for investments	Approx. RON 6 600 000
Investment limit for one company	From 200 000 RON to 1 000 000 RON
Company stage of development	Various (start-up, growth, mature)
Industry preferences	No assumed industry preferences
Investment horizon	One to five years
Preferred investement exit route	Listing of shares on the AeRO or the NewConnect market

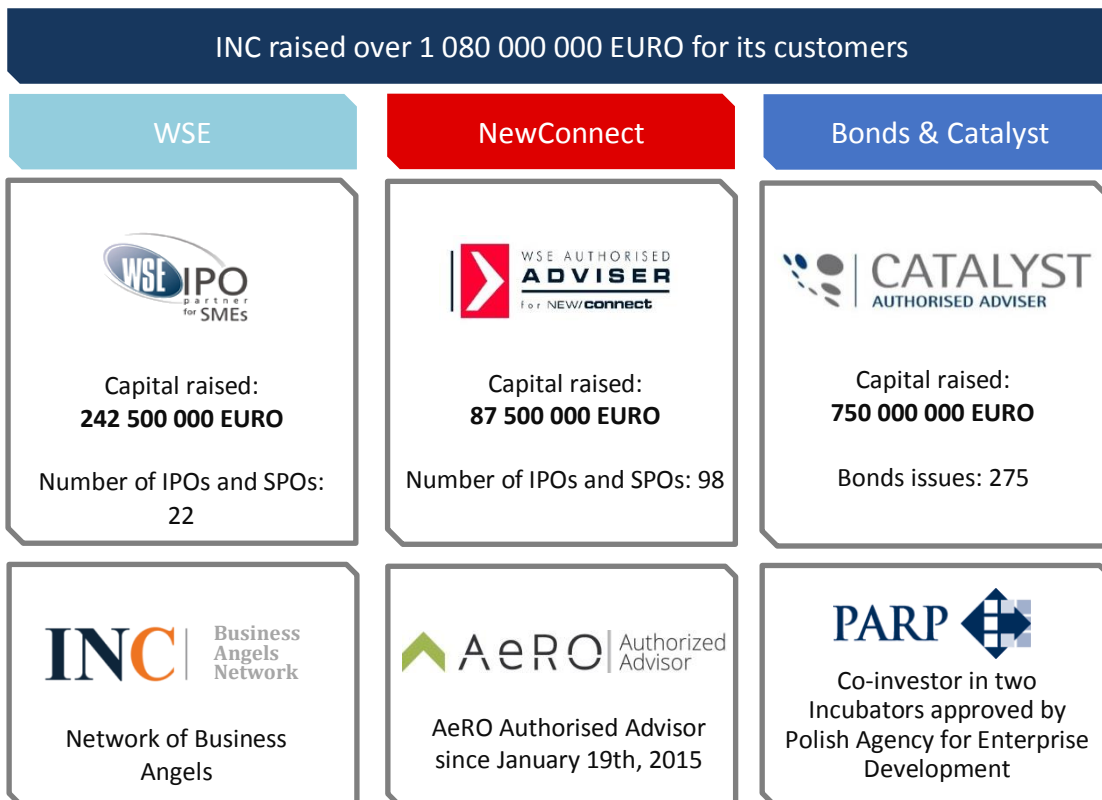
Source: Issuer



Carpathia Capital was founded as a member of INC S.A. capital group. Carpathia Capital S.A. is a part of INC S.A. capital group. INC S.A. holds 1 000 000 series A preferred shares (giving 2 votes per share), which accounts for 49,91% share in the capital and 66,59% share in the total number of votes (after the registration of series B2 and series C shares by the Polish National Court Register the share in capital will account for 33,52% and share in votes for 49,08%).

INC S.A. is a Polish investment group established in 1996, operating on capital markets in the area of investment and advisory services. For 20 years the Company has been supporting the development of small and medium-sized enterprises, as well as local government units. Since

2006 INC has been a public company, listed on the Main Market of the Warsaw Stock Exchange. INC is an Authorized Advisor for NewConnect, Catalyst and AeRO markets.



Source: INC SA

#### 4. INFORMATION REGARDING EQUITY AND SHAREHOLDERS' STRUCTURE

##### 4.1. TYPES AND VALUES OF THE ISSUER'S EQUITY (FUNDS)

###### Share capital

Company's share capital amounts to 1 001 833,00 PLN (one million one thousand eight hundred thirty three zlotys) and is composed of:

- 1 000 000 (one million) series A preferred shares (giving 2 votes per share), par value 0,50 PLN (fifty groszy) each,
- 1 003 666 (one million three thousand six hundred sixty six) series B common shares, par value 0,50 PLN (fifty groszy) each.

The share capital was fully paid in cash.

The issue of 275 000 (two hundred seventy five thousand) series B2 common shares and the issue of 795 991 (seven hundred ninety five thousand nine hundred ninety one) series C common shares have not been registered by the Court yet. The offers of series B2 and shares were closed on February 10<sup>th</sup>, 2015. The amount of capital raised totaled PLN 3,2m (approx. RON 3,4m) and shares were fully paid in cash.

The company is also currently carrying out a private placement offer of up to 1 000 000 (one million) series D common shares.

###### Supplementary capital

At the end of 2014 the Company's supplementary capital amounted to 0,00 PLN (0,00 RON).

## Other funds and capitals permitted or required by the local law

The issuer does not have any other funds and capitals permitted or required by the local law.

## 4.2. SHAREHOLDERS' STRUCTURE

Current shareholder structure:

Shareholder	Shares		Shares total	Share in capital	Number of votes	Share in votes
	Series A	Series B				
INC S.A.	1 000 000	-	1 000 000	49,91%	2 000 000	66,59%
Others	-	1 003 666	1 003 666	50,09%	1 003 666	33,41%
Total	1 000 000	1 003 666	2 003 666	100,00%	3 003 666	100,00%

Source: Issuer

Shareholder structure after the registration of series B2 and series C shares by the Court. The series B2 and C offers were closed on February 10<sup>th</sup>, 2015.

Shareholder	Shares				Shares total	Share in capital	Number of votes	Share in votes
	Series A	Series B	Series B2	Series C				
INC S.A.	1 000.000	-	-	-	1 000 000	32,52%	2 000 000	49,08%
Others	-	1 003 666	275 000	795 991	2 074 657	67,48%	2 074 657	50,92%
Total	1 000 000	1 003 666	275 000	795 991	3 074 657	100,00%	4 074 657	100,00%

Source: Issuer

Shareholder structure after carrying out the series D offer and its registration by the Court. The series D offer began on February 10<sup>th</sup>, 2015.

Shareholder	Shares					Shares total	Share in capital	Number of votes	Share in votes
	Series A	Series B	Series B2	Series C	Series D*				
INC S.A.	1 000 000	-	-	-	-	1 000 000	24,54%	2 000 000	39,41%
Others	-	1 003 666	275 000	795 991	1 000 000	3 074 657	75,46%	3 074 657	60,59%
Total	1 000 000	1 003 666	275 000	795 991	1 000 000	4 074 657	100,00%	5 074 657	100,00%

Source: Issuer

\*assuming allocation of all series D shares offered

## 5. COMPANY'S MANAGEMENT

### 5.1. INFORMATION ABOUT THE MANAGEMENT BOARD

The current management board of Carpathia Capital S.A. was appointed on the day of foundation on 4<sup>th</sup> of July 2014 (Authenticated deed from 04.04.2014 r., Repertory A no. 2533/2014). The members of the management board were appointed on common term of office, which lasts for five years. The mandates of the members of the management board expire on the date of the general shareholders meeting which approves the financial report for year 2018.

#### Paweł Piotr Śliwiński – CEO/President of the Management Board

- a) position or functions at the issuer, and term of office expiry date

CEO/President of the Management Board, term of office expiry date: April 4<sup>th</sup>, 2019

- b) description of qualifications and professional experience

Paweł Śliwiński, Ph.D. in Economics, graduate of Poznań University of Economics, Faculty of International Business; Professor of International Finance at Department of International Finance at Poznań University of Economics. Further studies at Tilburg University, University of Antwerp.

Certified investment advisor (license no. 111) and broker in securities (license no. 1094). President of the Management Board of INC S.A. listed on the Main Market of Warsaw Stock. Experience in the capital market field since 1993.

- c) information about activities performed by the person outside the issuer where such activities are significant for the issuer

Member of the management of supervisory bodies of the following legal entities:

INC S.A. with headquarters in Poznań, Poland – CEO/President of the Management Board

Efix Brokerage House S.A. with headquarters in Poznań, Poland – Member of the Supervisory Board

INVESTcon Fund Sp. z o.o. with headquarters in Poznań, Poland – CEO/President of the Management Board

INC Sp. z o.o. Brokerage House with headquarters in Poznań, Poland – CEO/President of the Management Board

- d) information about all commercial law companies and partnerships in which, within at least the last three years, the person was a member of managing or supervisory board or a partner, indicating whether the person still performs functions on such bodies or is still a partner

2014 – present	INC Brokerage House Sp. z o.o., CEO/President of the Management Board
2014 – present	ING Life S.A., Member of the Supervisory Board
2013 – present	Revolution Media S.A., Member of the Supervisory Board
2013 – present	Efix Brokerage House S.A., Member of the Supervisory Board
2011 – present	Podkarpacki Fundusz Kapitałowy S.A., Member of the Supervisory Board
2010 – present	INVESTcon Fund Sp. z o.o., CEO/President of the Management Board
2010 – 2013	Inwest Consulting S.A., Member of the Supervisory Board
2010 – 2013	Lambdafin Sp. z o.o., CEO/President of the Management Board
2008 – 2012	Sovereign TFI S.A., Member of the Supervisory Board
2008 – present	INC S.A., CEO/President of the Management Board
2007 – 2012	Aleksandria Spa & Wellness Sp. z o.o., Partner

- e) Information about legally valid court decisions condemning the person for the crime of fraud within at least the last five years and indicating whether the person has been prohibited by the court to act as a member of managing or supervisory bodies in commercial law companies and partnerships within at least the last five years,

Within the last five years indicated person has not been prohibited by the court to act as a member of managing or supervisory bodies in commercial law companies and partnerships.

- f) details of all cases of bankruptcy, compulsory administration or liquidation, within at least the last five years, for entities in which the person was a member of managing or supervisory bodies

Within the last five years there have been no cases of bankruptcy, compulsory administration or liquidation for entities in which the person was a member of managing or supervisory bodies.

- g) information whether the person performs activities competitive to the activities of the issuer or is a partner in a competitive civil partnership or commercial law company or partnership or a member of a body of a joint-stock company or a member of a body of any competitive legal person

Indicated person does not perform activities competitive to the activities of the issuers.

Member of the management of supervisory bodies of the following legal entities:

INC S.A. with headquarters in Poznań, Poland – CEO/President of the Management Board

Efix Brokerage House S.A. with headquarters in Poznań, Poland – Member of the Supervisory Board

INVESTcon Fund Sp. z o.o. with headquarters in Poznań, Poland – CEO/President of the Management Board

INC Sp. z o.o. Brokerage House with headquarters in Poznań, Poland – CEO/President of the Management Board

h) Percent of shares held in the Company

Indicated person does not own shares in the Company.

However, Paweł Śliwiński is a CEO/President of the Management of the Board of INC S.A. with headquarters in Poznań, Poland. INC S.A. holds 1 000 000 series A preferred shares (giving 2 votes per share) of Carpathia Capital S.A., which accounts for 49,91% share in the capital and 66,59% share in the total number of votes. Simultaneously Paweł Śliwiński holds 1 752 720 shares of INC S.A., which accounts for 21,01% share in the share capital and 33,05% share in the total number of votes.

## 5.2. INFORMATION ABOUT SUPERVISORY BOARD

The current supervisory board of Carpathia Capital S.A. was appointed on the day of foundation on 4<sup>th</sup> of July 2014 (Authenticated deed from 04.04.2014 r., Repertory A no. 2533/2014). The members of the supervisory board were appointed on common term of office, which lasts for five years. The mandates of the members of the supervisory board expire on the date of the general shareholders meeting which approves the financial report for year 2018.

The composition of the Supervisory Board:

- Piotr Białowas – President of the Supervisory Board
- Rafał Piotr Śliwiński – Member of the Supervisory Board
- Justyna Światowiec-Szczepańska – Member of the Supervisory Board

### Piotr Białowas – President of the Supervisory Board

a) position or functions at the issuer, and term of office expiry date

Member of the Supervisory Board, term of office expiry date: April 4<sup>th</sup>, 2019

b) description of qualifications and professional experience

Graduated from the faculty of Marketing and Management at Zielona Gora University of Technology and Post-Graduate Association of Managerial Initiatives, Consultant of European Funds. Member of Polish Association for Energy Certification. Member of the Association of Individual Investors. Academic teacher on courses for candidates for members of Supervisory Boards of Companies of the State Treasury. Worked in Brokerage House of Bank Staropolski and Polish Equity Fund.

c) information about activities performed by the person outside the issuer where such activities are significant for the issuer

Member of the management of supervisory bodies of the following legal entities:

INC S.A. with headquarters in Poznań, Poland – Vice-President of the Management Board

IPO Doradztwo Strategiczne S.A. with headquarters in Warsaw, Poland – Vice-President of the Management Board

d) information about all commercial law companies and partnerships in which, within at least the last three years, the person was a member of managing or supervisory board or a partner, indicating whether the person still performs functions on such bodies or is still a partner

2014 – present

INC Brokerage House Sp. z o.o., Member of the Supervisory Board

2010 – present	INC S.A., Vice-President of the Management Board
2013 – present	IPO Doradztwo Strategiczne S.A., Vice President of The Management Board
2012 – 2013	IPO Doradztwo Strategiczne S.A., Member of the Supervisory Board
2013 – present	Masala Squad TV Sp. z o.o., Member of the Supervisory Board
2013 – present	Tradebox S.A., Member of the Supervisory Board
2010 – 2013	Inwest Consulting S.A., Vice President of the Management Board
2010 – 2011	Alkal S.A., Member of the Supervisory Board
2003 – present	Centrum Leasingu i Finansów Clif S.A., Member of the Supervisory Board

- e) Information about legally valid court decisions condemning the person for the crime of fraud within at least the last five years and indicating whether the person has been prohibited by the court to act as a member of managing or supervisory bodies in commercial law companies and partnerships within at least the last five year

Within the last five years indicated person has not been prohibited by the court to act as a member of managing or supervisory bodies in commercial law companies and partnerships.

- f) details of all cases of bankruptcy, compulsory administration or liquidation, within at least the last five years, for entities in which the person was a member of managing or supervisory bodies

Within the last five years there have been no cases of bankruptcy, compulsory administration or liquidation for entities in which the person was a member of managing or supervisory bodies.

- g) information whether the person performs activities competitive to the activities of the issuer or is a partner in a competitive civil partnership or commercial law company or partnership or a member of a body of a joint-stock company or a member of a body of any competitive legal person

Indicated person does not perform activities competitive to the activities of the issuers.

Member of the management of supervisory bodies of the following legal entities:

INC S.A. with headquarters in Poznań, Poland – Vice-President of the Management Board  
IPO Doradztwo Strategiczne S.A. with headquarters in Warsaw, Poland – Vice-President of the Management Board

- h) Percent of shares held in the Company

Indicated person does not own shares in the Company.

However, Piotr Białowas is a Vice-President of the Management of the Board of INC S.A. with headquarters in Poznań, Poland. INC S.A. holds 1 000 000 series A preferred shares (giving 2 votes per share) of Carpathia Capital S.A., which accounts for 49,91% share in the capital and 66,59% share in the total number of votes. Simultaneously Piotr Białowas holds 25 000 shares of INC S.A., which accounts for 0,003% share in the share capital and 0,003% share in the total number of votes.

#### **Rafał Piotr Śliwiński – Member of the Supervisory Board**

- a) position or functions at the issuer, and term of office expiry date

Member of the Supervisory Board, term of office expiry date: April 4<sup>th</sup>, 2019

- b) description of qualifications and professional experience

Associate Professor at the University of Economics in Poznan. He specializes in topics related to internationalization and the international competitiveness of enterprises, enterprise strategies in

international business, the expansion of Polish companies on international markets and competitiveness policy.

- c) information about activities performed by the person outside the issuer where such activities are significant for the issuer

Indicated person does not perform activities outside the issuers which are significant for the issuer.

- d) information about all commercial law companies and partnerships in which, within at least the last three years, the person was a member of managing or supervisory board or a partner, indicating whether the person still performs functions on such bodies or is still a partner

2012 – present	Fundation Wygraj Przyszłość, Vice President of the Management Board
2012 – present	Wintec Sp. z o.o., CEO/President of the Management Board, Partner
2008 – present	Flashgate Sp. z o.o., CEO/President of the Management Board, Partner

- e) Information about legally valid court decisions condemning the person for the crime of fraud within at least the last five years and indicating whether the person has been prohibited by the court to act as a member of managing or supervisory bodies in commercial law companies and partnerships within at least the last five years

Within the last five years indicated person has not been prohibited by the court to act as a member of managing or supervisory bodies in commercial law companies and partnerships.

- f) details of all cases of bankruptcy, compulsory administration or liquidation, within at least the last five years, for entities in which the person was a member of managing or supervisory bodies

Within the last five years there have been no cases of bankruptcy, compulsory administration or liquidation for entities in which the person was a member of managing or supervisory bodies.

- g) information whether the person performs activities competitive to the activities of the issuer or is a partner in a competitive civil partnership or commercial law company or partnership or a member of a body of a joint-stock company or a member of a body of any competitive legal person

Indicated person does not perform activities competitive to the activities of the issuers.

- h) Percent of shares held in the Company

Indicated person does not own shares in the Company.

#### **Justyna Światowiec-Szczepańska – Member of the Supervisory Board**

- a) position or functions at the issuer, and term of office expiry date

Member of the Supervisory Board, term of office expiry date: April 4<sup>th</sup>, 2019

- b) description of qualifications and professional experience

Associate Professor at the University of Economics in Poznań, Doctor in economic sciences, a graduate of the Faculty of Economics at the University of Economics in Kraków, majoring in International Economic Relations. She made an international practice under the auspices of the Association for International Practical Training in MELEX USA Inc. in the United States of America. She acted as a consultant for Polish companies, she conducted training for employees of marketing and commercial departments, among others in marketing or sales or art.

- c) information about activities performed by the person outside the issuer where such activities are significant for the issuer

Indicated person does not perform activities outside the issuers which are significant for the issuer.

- d) information about all commercial law companies and partnerships in which, within at least the last three years, the person was a member of managing or supervisory board or a partner, indicating whether the person still performs functions on such bodies or is still a partner

Within the last three years indicated person was not a member of managing or supervisory board or a partner in a commercial law companies and partnerships.

- e) Information about legally valid court decisions condemning the person for the crime of fraud within at least the last five years and indicating whether the person has been prohibited by the court to act as a member of managing or supervisory bodies in commercial law companies and partnerships within at least the last five years

Within the last five years indicated person has not been prohibited by the court to act as a member of managing or supervisory bodies in commercial law companies and partnerships.

- f) details of all cases of bankruptcy, compulsory administration or liquidation, within at least the last five years, for entities in which the person was a member of managing or supervisory bodies

Within the last five years there have been no cases of bankruptcy, compulsory administration or liquidation for entities in which the person was a member of managing or supervisory bodies.

- g) information whether the person performs activities competitive to the activities of the issuer or is a partner in a competitive civil partnership or commercial law company or partnership or a member of a body of a joint-stock company or a member of a body of any competitive legal person

Indicated person does not perform activities competitive to the activities of the issuers.

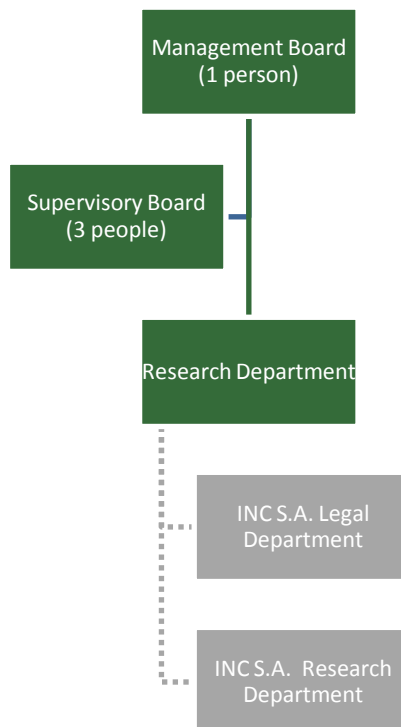
- h) Percent of shares held in the Company

Indicated person does not own shares in the Company.



## 6. DETAILS REGARDING THE PERSONNEL

### 6.1. ORGANIZATIONAL CHART



Source: Issuer

### 6.2. LEVEL OF TRAINING OF THE COMPANY'S EMPLOYEES

#### Marcin Markiewicz, CFA - Head of Research Department

Graduate of Poznan University of Economics, Faculty of Finance and Banking. CFA charterholder, Licensed Stock Broker and Certified Alternative Trading System Advisor. Head of Research Department of INC S.A. – company listed on the Main Market of the Warsaw Stock Exchange. Member of public listed companies supervisory boards. Experience in the field of capital markets since 2008.

The Company also cooperates with INC S.A Legal and Research Departments.

#### INC S.A. Legal Department

- Sebastian Huczek - Head of Legal Department

Master in law, graduate of Adam Mickiewicz University in Poznan. Certified Alternative Trading System Advisor. Experience in the field of capital market since 2000. Lecturer at courses for candidates to Alternative Trading System Adviser Certificate, courses about disclosure requirements and investor relations for WSE/NewConnect listed companies. Lecturer at courses for candidates for supervisory board members. Former member of regional committee adjudication on public finance discipline violation. Member of public listed companies supervisory boards.

- Dorota Turkowska - Legal Counselor

Master in law, graduate of Adam Mickiewicz University in Poznan. Legal Counsel and member of Poznan Regional Chamber of Legal Counsels.

- Katarzyna Grewling - Senior Legal Specialist

Master in law, graduate of Adam Mickiewicz University in Poznan and Master of science, graduate of Poznan University of Economics, faculty of capital investments and corporate financial strategies. Certified Alternative Trading System Advisor. Member of public listed companies supervisory boards.

### INC S.A. Research Department

- Piotr Zygmanowski - Senior Analyst

Master of science, graduate of Poznan University of Economics, faculty of capital investments and corporate financial strategies. PhD student at Poznan University of Economics, department of monetary theory and policy. CFA Institute program participant with 2 from 3 levels passed. Licensed Stock Broker and Certified Alternative Trading System Advisor. Member of public listed companies supervisory boards.

- Adam Bochyński - Senior Analyst

Master of science, graduate of Poznan University of Economics, faculty of Quality Management and bachelor of science, graduate of Poznan University of Economics, faculty of capital investments and corporate financial strategies. Certified Alternative Trading System Advisor.

- Mateusz Ostrowski - Analyst

Bachelor of science, graduate of Poznan University of Economics, faculty capital investments and corporate financial strategies. Certified Alternative Trading System Advisor.

### 6.3. TRADE UNIONS

There are no existing trade unions within the Company.

## 7. MARKET SHARE / MAIN COMPETITORS

### Potential of Romania

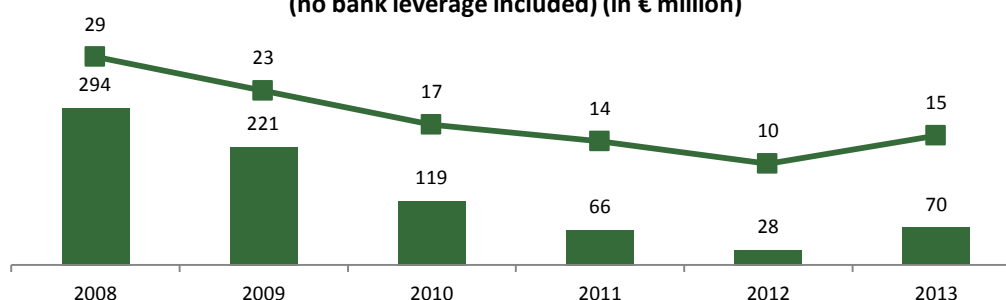
The Issuer's main reason to invest in Romania is a belief in Romanian rapid growth in the future. Romania, which joined the EU on 1 January 2007, began the transition from Communism in 1989 with a largely obsolete industrial base and a pattern of output unsuited to the country's needs. The country emerged in 2000 from a punishing three-year recession due to strong demand in EU export markets. Domestic consumption and investment fueled strong GDP growth. Romania's macroeconomic gains have only recently started to spur creation of a middle class. As a result of the global financial crisis, Romania signed on to a USD 26bn emergency assistance package from the IMF, the EU, and other international lenders. GDP contracted from 2009 to 2011. In March 2011, Romania and the IMF/EU/World Bank signed a 24-month precautionary stand-by agreement, worth USD 6.6bn, to promote fiscal discipline, encourage progress on structural reforms, and strengthen financial sector stability. In September 2013, the Romanian authorities and the IMF/EU agreed to a follow-on stand-by agreement, worth USD 5.4bn, to continue with reforms. Economic growth accelerated in 2013, driven by strong industrial exports and an excellent agricultural harvest – with estimated real GDP growth rate of 3,4% (Eurostat) Romania was the fastest growing economy in the CEE region. The estimated real GDP growth rate for 2014 is 2,4% (IMF) and inflation measured as CPI dropped in June 2014 to a historical low annual rate of 0,8%.

Analysis based on macroeconomic data conducted by Erste Group (Report: "Romania. Poland - Reading Romanian's Newspapers of Tomorrow?", June 2014) suggests that it seems logical to use Poland as a proxy in order to anticipate future development in Romania, based on the assumption that Romania might face similar opportunities and challenges as Poland in the past. The analysis suggests that, in terms of most economic and banking indicators, Romania shows a time lag in of six-seven years as compared to Poland. This is mainly the result of the different appetite for reform shown by the two countries and by the fact that, despite the success model offered by Poland, Romania preferred to take a different, more conservative, approach to economic development. Romania's convergence story is likely to remain valid, following a similar development path with Poland. If assumptions made in cited analysis become true, Romanian economy should experience long-term rapid growth in the future. Rapid growth will require a greater emphasis on the development of high-tech industries, which combined with lack of financing should reflect in Romania becoming the country of great opportunities for private equity and venture capital funds. The Issuer is strongly convinced that Carpathia Capital can stimulate Romanian capital market and participate in the benefits resulting from its evolution.

### Venture Capital/Private Equity activity in Romania

Issuer strategy assumes an activity as a venture capital/private equity fund in the area of Romania. According to the EVCA Central and Eastern Europe Statistics report Romania was the third-largest market in Central and Eastern Europe (CEE) with 9% of all private equity investment by value in 2013. Poland was the largest market with 49% of investment and Czech Republic followed with 17%. Investment activity remained highly concentrated in the most populous EU markets in the region. Poland, Czech Republic, Romania and Hungary accounted for 82% of all CEE investments in 2013, compared with 71% of all investments in 2012. The value of the private equity investment in the CEE region totaled €783m in 2013, a 22% fall compared to the 2012 level. However, Romania maintained its position as the third market for private equity investments in the region. Total capital invested in the country climbed 150% to €70m in 2013, while the number of investments also increased by five to 15. The figures mark Romania out as one of the countries in the region with the highest level of capital investment per company.

**Value and number annual investments in Romania, 2008-2013**  
(no bank leverage included) (in € million)



Source: EVCA Central and Eastern Europe Statistics 2013

Private equity investment in Romania as a percentage of GDP increased in 2013. Investment activity moved from 0,021% of the Romania's GDP in 2012 to 0,049% in 2013. A weighted average in CEE amounted to 0,063% GDP in 2013 (in 2012 - 0,082%).

Romania's buyout activity showed a sharp increase in 2013. Looking at particular countries and segments, as in previous years, Polish, Czech and Romanian buyout markets accounted for the largest share of buyout investments in the region in 2013. These three countries together represented nearly 90% of buyouts across the CEE region in 2013. Nearly 70% of the capital invested in Romania went into buyouts, amounting to €48m, or 11% of the regional total.

### Type of investment in Romania, 2013 (no bank leverage included) (in € x 1,000)

Stage focus	Amounts in € thousands
Seed	0
Start-up	0
Later-stage venture	2 984
Growth	9 825
Rescue/Turnaround	0
Replacement capital	9 455
Buyout	47 835
Total	70 099

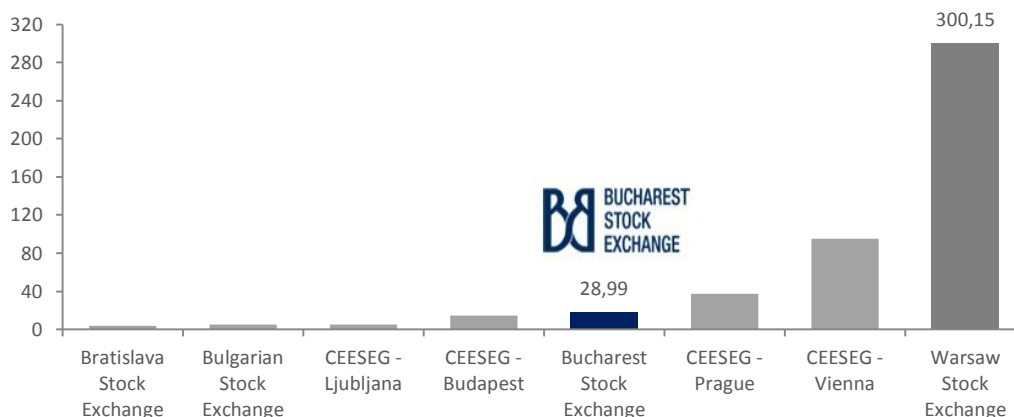
Source: EVCA Central and Eastern Europe Statistics 2013

### Bucharest Stock Exchange (BVB)

The history of BVB (Rom. Bursa de Valori București) starts at the end of 19th century, in the current form it operates since 1995. To 2005 it was a non-profit institution, then it was transformed into joint-stock company. On 8 June 2010 BVB debuted on regulated market maintained by itself. BVB doesn't have the dominant shareholder. Almost 70% of BVB shares are

held by domestic institutions, the other part belongs to individual and foreign investors. The main area of activity is to manage the financial market. BVB is the biggest stock exchange in Romania and the average-sized stock exchange in the CEE region.

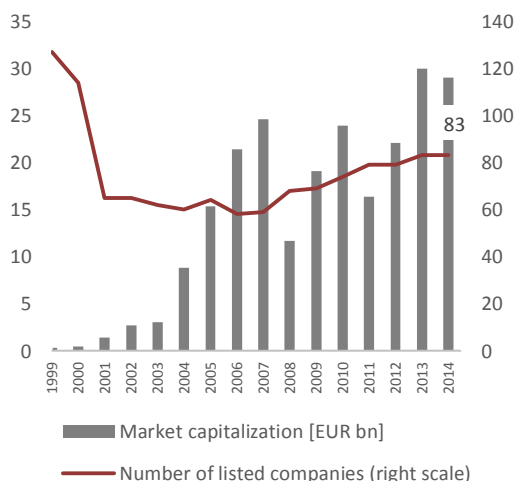
#### Market capitalization of selected stock exchanges in Europe at the end of 2014 [EUR bn]



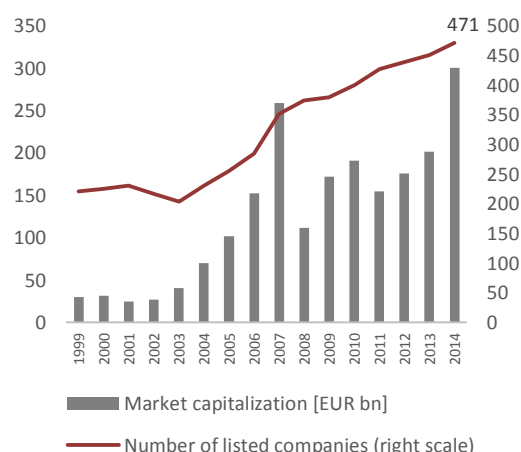
Source: [www.fese.eu](http://www.fese.eu)

At the beginning of 2015 there were 83 companies listed on the Main Market, their total market capitalization equaled nearly EUR 30bn. Average daily turnover of the market amounts to around EUR 19m for the BVB compared to EUR 217m for the WSE. Average market capitalization of a domestic company listed on the BVB Main Market is EUR 227m, for WSE Main Market it amounts to EUR 326m, which might falsely suggest presence of a greater number of small and medium-sized enterprises on the Romanian stock market. The reality is that twenty largest domestic companies listed on BVB Main Market represent 95% of market capitalization and for WSE Main Market their share is 70%. The Issuer believes that the future development of the Romanian exchange will be based on SMEs, resulting in increase of their share in both – market capitalization and total turnover.

#### BVB Main Market capitalization and number of companies 1999-2014



#### WSE Main Market capitalization and number of companies in 1999-2014



Source: BVB, WSE

BVB operates:

- Regulated market – market for shares and rights (issued by local and international entities), bonds, structured products,
- Regulated derivatives market – market for futures contracts with shares, indices, commodities and exchange rates as underlying assets,

- ATS (alternative market) – for foreign companies listed on other markets, Romanian companies which don't meet the main market requirements,
- RASDAQ – for shares and rights issued by Romanian entities are traded, most of them coming from the mass privatization program.

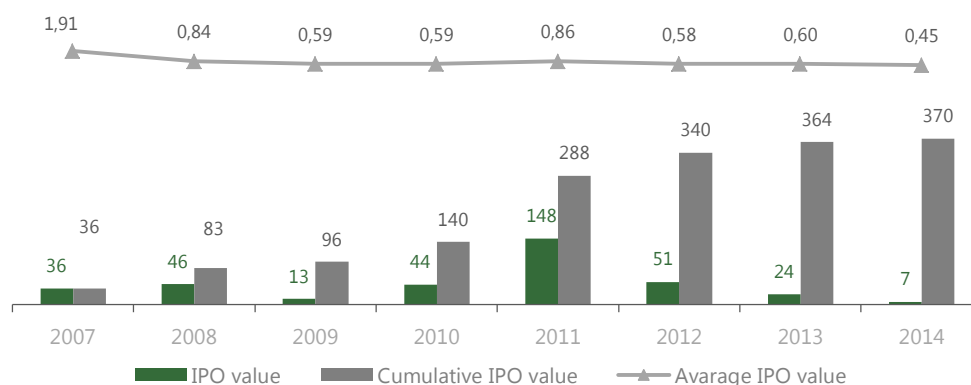
#### Alternative Trading System (ATS) and AeRO market

In 2010 BVB created a new market in the form of an Alternative Trading System, dedicated to foreign companies listed on other markets and Romanian companies which do not meet the main market requirements. The market was not very successful, only 36 companies have been listed, with average turnover not exceeding EUR 19k for years 2010-2014.

In 2013 Ludwik Sobolewski, former CEO of the Warsaw Stock Exchange, was appointed CEO of the Bucharest Stock Exchange. During his presidency in Warsaw he managed to create a rapidly growing and dynamic alternative market for young and promising companies named NewConnect. In 2014 BVB announced that it is going to redesign the ATS by launching AeRO market, which is going to be an equity segment of the BVB's alternative trading system. The idea behind AeRO is to create a market segment designed for listing of early stage companies, start-ups and SMEs, to finance their projects, growth stories, increase their visibility and contribute to the development of the business environment. AeRO, similarly to the NewConnect market, is going to be dedicated to dynamic companies which need a capital injection to leverage their innovative potential and so to grow and join the ranks of large, high-value businesses.

The AeRO market, under its redesigned and reconstructed concept, is to be launched on February 25, 2015. The Issuer believes that the BVB will endeavor to make the alternative market follow in the footsteps of its Polish counterpart, making it a rapidly growing platform for SMEs.

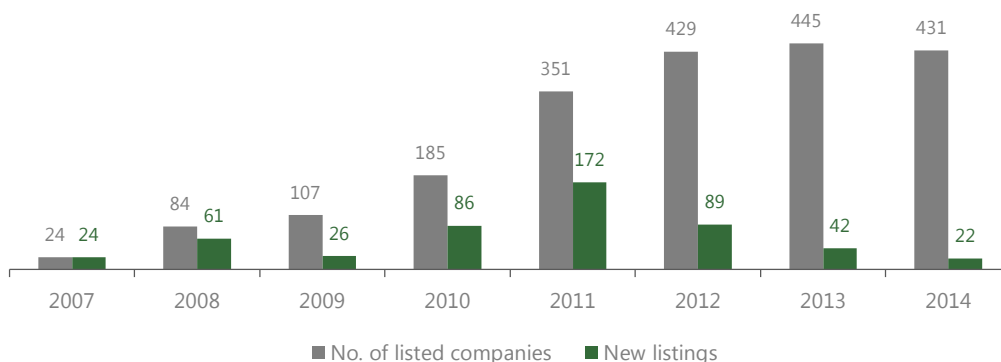
#### NewConnect - Capital raised [EUR m]



Source: NewConnect

In 2010-2012 EU provided funds for purchase of consultancy services in the preparation of documentation and analyzes necessary to attract equity investors (WSE, NewConnect). Among the Issuers listed on NewConnect the most numerous are companies operating in retail (15%), support services (14%), financial services (13%) and technology (9%).

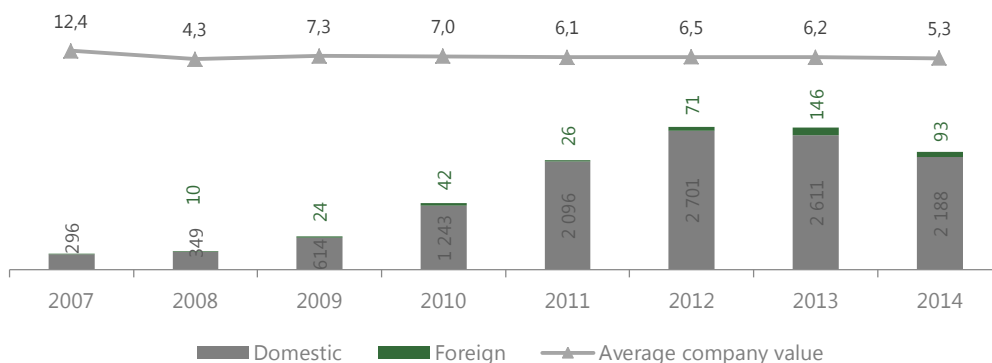
### NewConnect - Listings



Source: NewConnect

At the end of 2014 the average company value amounted to EUR 5,3m and only 47 out of 431 companies met the condition of minimum market value for admission to the trading on WSE main market (EUR 12m).

### NewConnect - Market capitalization [EUR m]



Source: NewConnect

## 8. BREAKDOWN OF TURNOVER STRUCTURE BY ACTIVITY SEGMENTS OR BUSINESS LINES

By the end of January 2015 the Company did not carry out any business activities relating to capital investments. In the period from the foundation in April 2014 to the end of January 2015 the Company's operations were focused on raising the capital necessary for conducting investment activities. These actions were successful, as evidenced by obtaining the sum of PLN 5,8m (approx. RON 6,1m).

Due to the fact that the Company did not perform any operational activities the breakdown of turnover structure by activity segments or business lines is unavailable.

## 9. MAIN CLIENTS / SIGNIFICANT CONTRACTS

Since the Company's foundation no significant contracts have been signed.

## 10. MAIN OPERATIONAL INDICATORS

Carpathia Capital S.A. main activity focuses on capital investments. The company operates as a venture capital/private equity fund looking for investment opportunities in Romania and other CEE countries.

At the end of January 2015 the Company had a PLN 6,3m (approx. RON 6,6m) capital available for investments in small and medium Romanian and CEE companies.

### **11. SHORT DESCRIPTION OF LATEST FINANCIAL RESULTS AVAILABLE**

The financial results for 2014 year presented in Information Memorandum include the first year of the Company's operational activities. In the aforementioned period the Issuer's activities were focused on raising capital necessary for equity investments in Romanian and other CEE small and medium-sized enterprises. The process of raising capital was successful, as evidenced by the PLN 4m (RON 4,2m) cash amount presented in the balance sheet. It's worth to mention that the Company has already carried out another round of financing, acquiring additional PLN 2,3m (RON 2,4m) in January 2015.

At the moment the Issuer has PLN 6,3m (approx. RON 6,6m) dedicated for capital investments. The Company is also currently carrying out a private placement offer of up to 1 000 000 series D common shares with PLN 3,6 price per share so the total amount of capital available for investment could rise to almost PLN 9,9m (approx. RON 10,4m).

Lack of investments in 2014 together with incurred operational expenses contributed to the loss in net profit of PLN 19k (RON 20k).

It should be noted that during the first operational year the Company didn't take any interest-bearing liabilities.

The Company has reported PLN 3,8m (RON 4,0m) in short term liabilities due to the shareholders because of ongoing process of series B common shares registration in the Court. The series B common shares were registered by the Court on January 28th, 2015 so the aforementioned short term liabilities became a part of equity capital.

### **12. STATEMENT ON THE POLICY AND PRACTICE REGARDING FORECASTS, IN ACCORDANCE WITH THE CORPORATE GOVERNANCE PRINCIPLE FOR AERO LISTED COMPANIES**

The Company will publish only a financial forecast for 2015.

Financial forecast for 2015 is presented in point 20.4 of Information Memorandum.

The Issuer will provide information according to the possibility of realization of financial forecast in each quarterly report.

The Issuer will publish a current report with adjustments to the financial forecast for 2015 if at least one of the forecasted items is different by at least 20% from the items included in the forecast.

### **13. STATEMENT ON THE POLICY AND PRACTICE REGARDING DIVIDENDS, IN ACCORDANCE WITH THE CORPORATE GOVERNANCE PRINCIPLES FOR AERO LISTED COMPANIES**

General Shareholders Meeting annually adopts the resolution regarding the allocation of profits. However, the Issuer intention is not to pay out the dividends in the next two financial years (from the profits for the 2015 and 2016).

### **14. DESCRIPTION OF BUSINESS DEVELOPMENT PLAN, APPROVED BY THE BOARD**

The business development plan of Carpathia Capital S.A. assumes that Issuer will operate as a venture capital/private equity fund in the area of Romania and other CEE countries. Investments activities will be focused on innovative small and medium-sized enterprises which fall under the category of growth companies.

Due to the value of capital available the single value of investment made by the Company will be at the level of up to one million Romanian lei. Furthermore the portfolio companies will raise additional capital by conducting pre-IPO offers prior to the debut on an organized market.

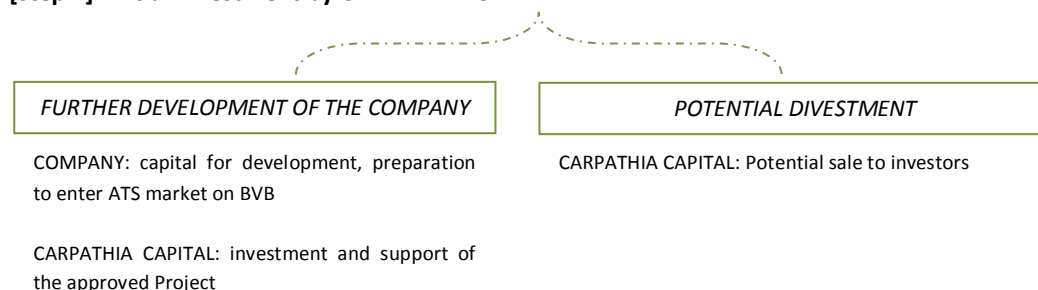
The aim of Carpathia Capital is to build up an investment portfolio of several Romanian and CEE entities in the horizon of two upcoming years. After making an investment Carpathia Capital will provide operational and financial support to portfolio companies. Company's investment horizon is from one to five years long with preferable divestment route through listing the portfolio company on the AeRO – the market for shares operated by Bucharest Stock Exchange or to the NewConnect market, an alternative trading system operated by Warsaw Stock Exchange.

The Issuer will also take a minor position in INC CEE Romania share capital, a subsidiary of INC SA. The INC CEE Romania is actually in organization phase and will provide capital markets advisory services for Romanian small and medium-sized enterprises in the future.

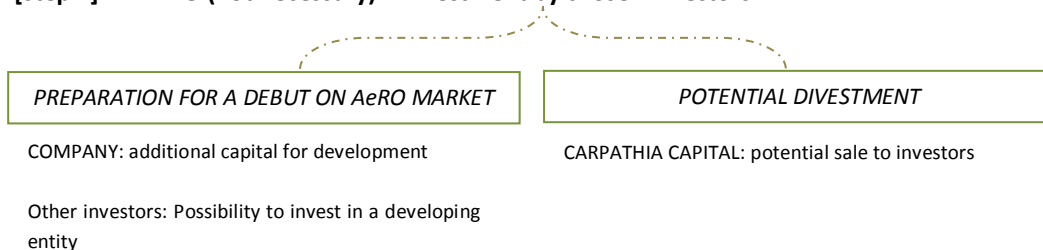
#### COMPANY'S INVESTMENT MODEL SCHEME



#### [step 1] Initial investment by CARPATHIA CAPITAL

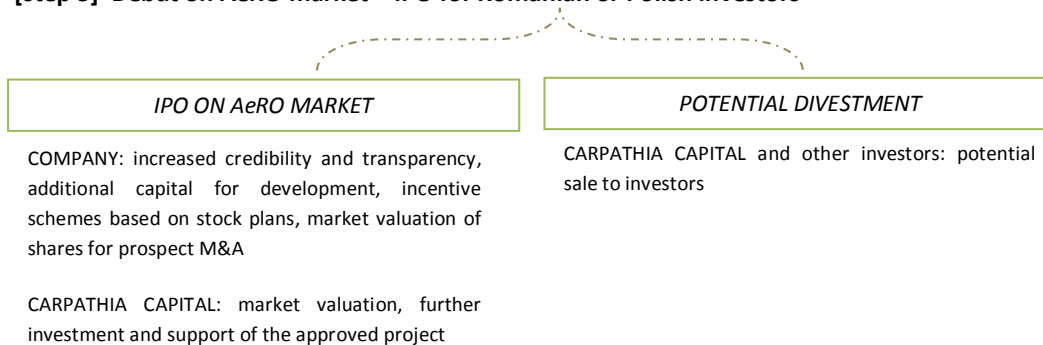


#### [step 2] PRE-IPO (not necessary) – investment by chosen investors

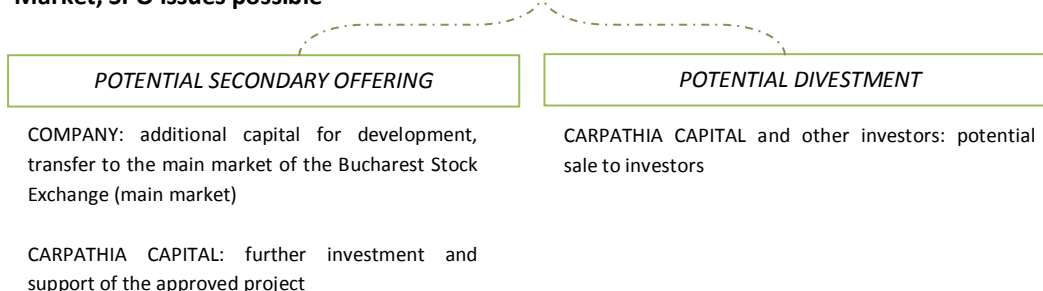




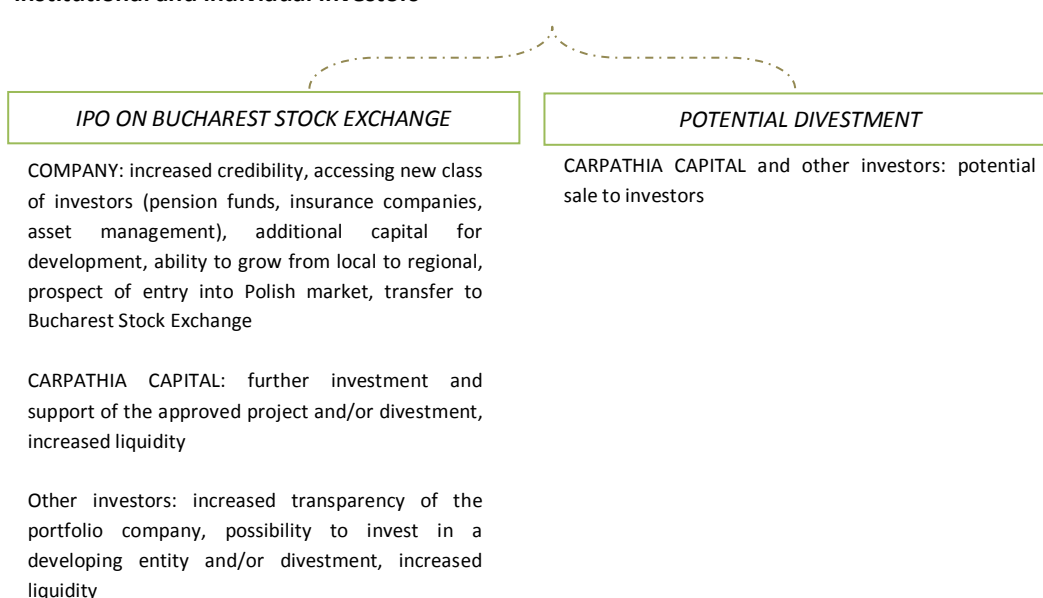
### [step 3] Debut on AeRO market – IPO for Romanian or Polish investors



### [step 4] Development on the Romanian and CEE market – the Company is listed on the AeRO Market, SPO issues possible



### [step 5] Debut on Bucharest Stock Exchange – obtaining access to investment funds, other institutional and individual investors



## 15. RISK FACTORS

### Lack of operating history

The Company is a recently formed entity and has no operating history upon which investors can evaluate future performance. There can be no assurance that the Company will achieve its investment objectives or that the strategy applied by the Company will be successful.

### Market and Economic Risks

The Company and its portfolio companies may be materially affected by market, economic and political conditions globally and in the jurisdictions and sectors in which they invest or operate, including factors affecting interest rates, the availability of credit, currency exchange rates and trade barriers. These factors are outside the Company's control and could adversely affect the liquidity and value of its investments and may reduce the ability of the Company to make attractive new investments.

### Key individuals

The Issuer's success will depend, in part, on its ability to continue to attract, retain and motivate qualified personnel. Competition in the investment industry for personnel with relevant expertise is intense due to the limited number of qualified individuals. The Issuer attempts to structure its compensation packages appropriately in order to attract and retain experienced personnel. The Issuer's failure to manage its personnel needs successfully could have a material adverse effect on the Issuer's business, financial condition, results of operations or prospects.

### Availability of investment opportunities

The availability of potential investments that meet the Company's investment criteria will depend on the state of the economy and financial markets in Romania. The Company will be competing for investments with other investment vehicles, as well as individuals, financial institutions and other institutional investors. The Company can offer no assurance that it will be able to identify and make investments that are consistent with its investment criteria or rate of return targets, or that it will be able to fully invest its available capital.

### Currency exchange rates risk

The base currency of the Company is Polish zloty (PLN) and as such, the returns to investors will be impacted by currency movements between the Polish zloty (PLN) and other currencies in which the Company holds investments. These currency movements may be advantageous or disadvantageous to Polish zloty (PLN) returns. In addition, an investor must consider its personal effective 'base' currency as any currency movements between the Polish zloty (PLN) and the individual's base currency could result in a loss of capital invested.

### Operating Deficits

The expenses of operating the Company may exceed the Company's income, thereby requiring the difference to be paid out of the Company's capital, reducing the value of the Company's investments and potential for profitability.

### Risk of portfolio companies' failure

The Company will generally seek to analyze a target company's historical performance and prospects with a view toward understanding the sustainable margins, strengths and weaknesses in a company's cost structure and analyzing the quality of cash flows of the underlying investment, including capital intensity needed to sustain its asset base, requirements for growth, degrees of flexibility to reduce its cost base if volumes or prices decline, and requirements for debt amortization or other external payments. The Company will also seek to define the market in which a company competes and, in particular, to assess what the company does, including what products and services it provides and to whom; to understand threats it may face for pricing or cost structure; and to identify drivers of market growth or decline, including changes in industry structure, technology or demographics. However any investment may not perform as well as forecast, either because of changes in the economic climate, management errors or otherwise, resulting in the partial or total loss of the Company's investment.

**Liquidity Risk**

Company is exposed to liquidity risk. Liquidity risk may result from the lack of an active market, the reduced number of market participants, or the reduced capacity of market participants to make a transaction. Issuer with principal investment strategies that involve investments in securities of companies with smaller market capitalizations have the greatest exposure to liquidity risk. Exposure to liquidity risk may be heightened for these companies that are not widely traded, and that may be subject to purchase and sale restrictions. Such risks will include an increased risk of substantially smaller size and lower trading volume of securities for such smaller companies (as compared to equities in larger companies), which may result in a potential lack of liquidity and increased price volatility.

**Frontier Market Risks**

Investment in securities issued by an entity domiciled in Romania will be exposed to a higher level of risk than in cases of developed markets. In particular each of the risks discussed above under the following headings will be specifically relevant to any such investments and may have a greater likelihood of impacting the Company: political and/or regulatory risk, currency risk, accounting, auditing and financial reporting standards and exchange rates risk.

**Development of the AeRO market**

Because AeRO market is a newly created alternative market there are several risks factors related to its further development. There is no certainty that the AeRO market will attract companies interested in going public and new investors. Lack of new issuers and investor may lead to the lack of possibilities for investment and divestment for the Issuer.

Dynamic development of the AeRO market may lead to exacerbation of regulations and indirectly to decline in investor's and potential issuer's interests.

**Changing law and tax in Poland**

The Issuer is registered in Poland, but operates in Romania and other CEE countries. The Company is subject to Polish legal and tax regulations. Polish legal and tax system is characterized by high variability of applicable rules which are often also formulated in imprecise manner. The interpretation of legal and tax laws may have negative effect on the Issuer's operations, its financial position, results and development outlook.

**Changing law and tax in Romania**

Changes in the Romanian legal or tax systems may affect the economic activity of the Issuer. Changes related to the adjustment of the Romanian legislation to EU regulations may affect the legal environment of business activity of the Issuer and its financial results. Lack of consistent rules and protracted procedure for obtaining administrative decisions may also restrict further development of the Issuer. In order to minimize the risk of the Company regularly analyzes the changes in the rules and their interpretations.

**Risk Factors Not Exhaustive**

The investment risks set out in this Document do not purport to be exhaustive and potential investors should be aware that an investment in the Company may be exposed to risks of an exceptional nature from time to time.

## 16. INFORMATION ON SECURITIES OFFERINGS CONDUCTED DURING THE PREVIOUS 12 MONTHS PRIOR TO LISTING

### 16.1. INFORMATION OF THE DESTINATION OF FUNDS RAISED

Issue targets	Amount of capital raised*	Expected date of accomplishment
Capital investments in Romanian and other CEE public and private small and medium-sized enterprises	5 800 000 PLN (approx. 6 100 000 RON)	Till the end of 2017
Total	5 800 000 PLN (approx. 6 100 000 RON)	

Source: Issuer

\*Total proceedings from series B, B2 and C shares offers

### 16.2. NUMBER OF SHARES AND PRICE, THE MODE OF IDENTIFICATION OF POTENTIAL ADDRESSES OF THE PLACEMENTS AND HOW THE ACTUAL BUYERS WERE SELECTED, DATE, NUMBER OF ADDRESSES, NUMBER OF ENTITIES WHICH ACCEPTED THE PLACEMENT, NUMBER OF ENTITIES WHICH WERE ALLOCATED SHARES

#### Series B subscription

Series B common shares are being introduced to the AeRO, the market for shares of the Bucharest Stock Exchange, on the basis of this Information Memorandum.

#### a) Number of shares offered and price per share:

Number of shares offered: 1 150 000

Number of shares allocated: 1 003 666

Price per share: 3,00 PLN

#### b) The mode of identification of potential addresses of the placements and how the actual buyers were selected

The series B issue was carried out in accordance with private placement procedure that is by submitting offers by the Issuer directly to the investors.

#### c) Date, number of addresses, number of entities which accepted the placement, number of entities which were allocated shares

Start date of subscription: July 29<sup>th</sup>, 2014

End date of subscription: December 4<sup>th</sup>, 2014

Number of persons that subscribed for financial instruments subject to subscription: 32 individual investors and 2 legal entities

Number of persons that were allotted financial instrument in the course of subscription: 32 individual investors and 2 legal entities

#### Series B2 subscription

Series B2 common shares are not being introduced to the AeRO, the market for shares of the Bucharest Stock Exchange, on the basis of this Information Memorandum.

The issuance of series B2 common shares have not been registered by the Court yet.

The Company's intention is to list the series B2 shares on AeRO – market for shares of Bucharest Stock Exchange after their registration by the Court.

#### a) Number of shares offered and price per share:

Number of shares offered: 400 000

Number of shares allocated: 275 000

Price per share: 3,00 PLN

- b) The mode of identification of potential addresses of the placements and how the actual buyers were selected

The series B2 issue was carried out in accordance with private placement procedure that is by submitting offers by the Issuer directly to the investors.

- c) Date, number of addresses, number of entities which accepted the placement, number of entities which were allocated shares

Start date of subscription: December 4<sup>th</sup>, 2014

End date of subscription: February 10<sup>th</sup>, 2015

Number of persons that subscribed for financial instruments subject to subscription: 10 individual investors

Number of persons that were allotted financial instrument in the course of subscription: 10 individual investors

#### Series C subscription

Series C common shares are not being introduced to the AeRO, the market for shares of the Bucharest Stock Exchange, on the basis of this Information Memorandum.

The issuance of series C common shares have not been registered by the Court yet.

The Company's intention is to list the series C shares on AeRO – market for shares of Bucharest Stock Exchange after their registration by the Court.

- a) Number of shares offered and price per share:

Number of shares offered: 1 000 000

Number of shares allocated: 795 991

Price per share: 3,50 PLN

- b) The mode of identification of potential addresses of the placements and how the actual buyers were selected

The series C issue was carried out in accordance with private placement procedure that is by submitting offers by the Issuer directly to the investors.

- c) Date, number of addresses, number of entities which accepted the placement, number of entities which were allocated shares

Start date of subscription: December 4<sup>th</sup>, 2014

End date of subscription: February 10<sup>th</sup>, 2015

Number of persons that subscribed for financial instruments subject to subscription: 21 individual investors and 1 legal entity.

Number of persons that were allotted financial instrument in the course of subscription: 21 individual investors and 1 legal entity.

#### Series D subscription

The Company is currently carrying out a private placement offer of up to 1 000 000 (one million) series D common shares with 3,60 PLN price per share.

The Company's intention is to list the series D shares on AeRO – market for shares of Bucharest Stock Exchange after their registration by the Court.

**16.3. ANY SUBSTANTIAL INFORMATION IN THE MEMORANDUM THAT WAS NOT INCLUDED IN THE DOCUMENT THAT WAS RELEASED TO INVESTORS FOR THE SECURITIES OFFER**

There is no substantial information in the Memorandum that was not included in the document that was released to investors for the securities offer.

**17. PLANS REGARDING FUTURE OPERATIONS ON CAPITAL MARKET IF AVAILABLE**

The Company does not exclude the possibility of raising capital through the capital market in the future. The capital could be raised by issuance of shares or bonds.

The Company is currently carrying out a private placement offer of up to 1 000 000 (one million) series D common shares with 3,60 PLN price per share.

The Company's intention is to list the series B2 common shares, series C common shares and series D common shares on AeRO – market for shares of Bucharest Stock Exchange after their registration by the Court.

On 2<sup>nd</sup> of July, 2014 the General Shareholders Meeting adopted a resolution regarding stock compensation program for key executives. The stock compensation program provides the key employees with maximum 200 000 series B1 common shares in total with 24 month length lock-up period. The issue price was set to 0,50 PLN (fifty groszy) per share.

**18. AUDITOR'S NAMES IF THE CASE**

The Issuer was founded on 4<sup>th</sup> of April 2014 .

The Company will publish an annual report containing a fully audited financial statement for the year ended in December 2014 according to the regulations of AeRO market.

**19. AFFILIATED COMPANIES AND PERCENT OF SHARES HELD**

Company does not hold any shares in other companies.

Carpathia Capital S.A. is a part of INC S.A. capital group. INC S.A. holds 1 000 000 series A preferred shares (giving 2 votes per share), which accounts for 49,91% share in the capital and 66,59% share in the total number of votes (after the registration of series B2 and series C shares by the Polish National Court Register the share in capital will account for 33,52% and share in votes for 49,08%). Moreover:

- Mr. Paweł Śliwiński, a CEO/President of the Management Board of Carpathia Capital S.A. is simultaneously a CEO/President of the Management Board of INC S.A.
- Mr. Paweł Śliwiński, a CEO/President of the Management Board of Carpathia Capital S.A., holds 1 752 720 shares of INC S.A., which accounts for 21,01% share in the share capital and 33,05% share in the total number of votes.
- Mr. Piotr Białowas, a President of the Supervisory Board of Carpathia Capital S.A., is simultaneously a Vice President of the Management Board of INC S.A.,
- Mr. Piotr Białowas, a President of the Supervisory Board of Carpathia Capital S.A., holds 25 000 shares of INC S.A., which accounts for 0,003% share in the share capital and 0,003% share in the total number of votes.

INC S.A. is a Polish investment group established in 1996, operating on capital markets in the area of investment and advisory services. For 20 years the Company has been supporting the development of small and medium-sized enterprises, as well as local government units. Since 2006 INC has been a public company, listed on the Main Market of the Warsaw Stock Exchange. INC S.A. is a leading authorized adviser for NewConnect and Catalyst markets in Poland.

Since 1996 the Company contributed to:

- More than 100 IPO and SPO issues on WSE and NewConnect markets,
- WSE main market IPO value over PLN 31m,
- NewConnect market primary issues value over PLN 85m,
- NewConnect market secondary issues value over PLN 262m,
- Total IPO and SPO value over PLN 378m,
- More than 250 bond issues of municipalities, districts, and provinces for the combined amount of PLN 2.6bn,
- More than 100 Long-Term Investment Plans and Local Development Plans,
- More than 600 various analyses, financial and economic studies, including Feasibility Studies and Long-term Investment Plans.

On January 19<sup>th</sup>, 2015 INC became an Authorized Adviser for AeRO – market for shares of Bucharest Stock Exchange in Romania.

## 20. APPENDIXES

### 20.1. ARTICLES OF ASSOCIATION OF THE COMPANY

#### ARTICLES OF ASSOCIATION OF CARPATHIA CAPITAL SPÓŁKA AKCYJNA WITH REGISTERED OFFICE IN POZNAŃ

##### POSTANOWIENIA OGÓLNE

###### § 1.

1. Firma Spółki brzmi: „CARPATHIA CAPITAL” Spółka Akcyjna.
2. Spółka może używać skrótu firmy "CARPATHIA CAPITAL" S.A.
3. Siedzibą Spółki jest miasto Poznań.
4. Spółka działa na obszarze Rzeczypospolitej Polskiej i za granicą.
5. Spółka może tworzyć filie, oddziały i biura na terytorium Rzeczypospolitej i poza jej granicami.
6. Czas trwania Spółki jest nieograniczony.
7. Założycielem Spółki jest Spółka pod firmą: INC S.A. z siedzibą w Poznaniu.

##### PRZEDSIĘBIORSTWO SPÓŁKI

###### § 2.

Przedmiotem działalności Spółki jest:

- 1) Pozostałe doradztwo w zakresie prowadzenia działalności gospodarczej i zarządzania – PKD 70.22.Z,
- 2) Działalność firm centralnych (head offices) i holdingów, z wyłączeniem holdingów finansowych – PKD 70.10.Z,
- 3) Działalność holdingów finansowych – PKD 64.20.Z,
- 4) Działalność trustów, funduszy i podobnych instytucji finansowych – PKD 64.30.Z,
- 5) Pozostałe formy udzielania kredytów – PKD 64.92.Z,
- 6) Pozostała finansowa działalność usługowa, gdzie indziej niesklasyfikowana, z wyłączeniem ubezpieczeń i funduszy emerytalnych – PKD 64.99.Z,
- 7) Kupno i sprzedaż nieruchomości na własny rachunek – PKD 68.10.Z,
- 8) Wynajem i zarządzanie nieruchomościami własnymi lub dzierżawionymi – PKD 68.20.Z.

##### KAPITAŁ ZAKŁADOWY I AKCJE

###### § 3.

1. Kapitał zakładowy Spółki wynosi 1.101.833,00 zł (jeden milion jeden tysięcy osiemset trzydzieści trzy złote) i dzieli się na:
  - a) (jeden milion) akcji imiennych serii A, o wartości nominalnej 0,50 zł (pięćdziesiąt groszy) każda, opłaconych gotówką.
  - b) 1.003.666 (jeden milion trzy tysiące sześćset sześćdziesiąt sześć) akcji zwykłych na okaziciela serii B o wartości nominalnej po 0,50 zł (pięćdziesiąt groszy) każda, opłaconych gotówką
2. Akcje imienne serii A są uprzywilejowane co do głosu; każda posiada dwa głosy.
3. Akcje imienne serii A mogą być zamienione na akcje na okaziciela, jednakże może to nastąpić dopiero po 01.01.2016 r. (pierwszym styczniu dwa tysiące szesnastego roku). W przypadku zamiany akcji na akcje na okaziciela, tracą one swoje uprzywilejowanie. Zgodę na zamianę akcji imiennych na akcje na okaziciela wyraża Rada Nadzorcza, przy czym akcjonariusz żądający zamiany akcji imiennych na akcje na okaziciela zobowiązany będzie do zapłaty

##### GENERAL PROVISIONS

###### § 1.

1. The business name of the Company shall be: CARPATHIA CAPITAL Spółka Akcyjna.
2. The Company may use the abbreviated name: CARPATHIA CAPITAL S.A.
3. The Company's registered office is in Poznań.
4. The Company shall run its business in the Republic of Poland and abroad.
5. The Company may create divisions, branches, and offices in the Republic of Poland and abroad.
6. The Company is formed for an indefinite period of time.
7. The Company is founded by the Company under the business name of: INC S.A. with its registered office in Poznań.

##### OBJECTS OF THE COMPANY

###### § 2.

The Company's objects are as follows:

- 1) Business and management consultancy activities – PKD 70.22.Z,
- 2) Activities of head office and holding companies, excluding financial holding companies – PKD 70.10.Z,
- 3) Activities of holding companies – PKD 64.20.Z,
- 4) Trusts, funds and similar financial entities – PKD 64.30.Z,
- 5) Other credit granting – PKD 64.92.Z,
- 6) Other financial service activities, except insurance and pension funding not elsewhere classified – PKD 64.99.Z,
- 7) Buying and selling of own real estate – PKD 68.10.Z,
- 8) Renting and operating of own or leased real estate – PKD 68.20.Z.

##### SHARE CAPITAL AND SHARES

###### § 3.

1. The share capital of the Company shall amount to PLN 1,101,833.00 (one million one hundred and one thousand eight hundred and thirty three zlotys) and shall be divided into:
  - a) 1,000,000 (one million) of series A registered preference shares with one share carrying two votes, with a nominal per-share value of PLN 0.50 (50/100 zlotys), paid up in cash.
  - b) 1,003,666 (one million three thousand six hundred and sixty six) of series B ordinary bearer shares with a nominal per-share value of PLN 0.50 (50/100 zlotys), paid up in cash.
2. A series registered shares are preference shares in terms of voting rights; each share carries two votes.
3. A series registered shares may be converted into bearer shares, however not earlier than after 01-01-2016 (the first of January twenty sixteen). If they are converted to bearer shares, they lose their preference. Conversion of registered shares to bearer shares must be approved by the Supervisory Board, and the shareholder demanding conversion of registered shares to bearer shares shall pay the Company the amount being the difference between the issue price at which he had taken up A series shares and the issue price of another series if such has been issued by the Company.



na rzecz Spółki kwoty stanowiącej różnicę pomiędzy ceną emisyjną, za jaką obejmował akcje serii A, a ceną emisyjną akcji kolejnej serii, jeżeli taka została wyemitowana przez Spółkę.

4. Spółka może podwyższyć kapitał zakładowy w drodze emisji nowych akcji (imiennych i na okaziciela) wydawanych za wkłady pieniężne albo za wkłady niepieniężne, albo w drodze podwyższenia wartości nominalnej wszystkich wyemitowanych już akcji. Na zasadach wynikających z kodeksu spółek handlowych kapitał zakładowy może być podwyższony ze środków Spółki. Akcje wydawane za wkład pieniężny powinny być opłacone w całości przed zarejestrowaniem podwyższenia kapitału zakładowego.
5. Akcje mogą być umarzane za zgodą akcjonariusza w drodze ich nabycia przez Spółkę (umorzenie dobrowolne).
6. Spółka może emitować obligacje zamienne na akcje i obligacje z prawem pierwszeństwa.

#### § 4.

1. W terminie do dnia 31.03.2017 r. (trzydziestego pierwszego marca dwa tysiące siedemnastego roku) Zarząd upoważniony jest do podwyższenia kapitału zakładowego Spółki o kwotę nie wyższą niż 375.000,00 zł (trzysta siedemdziesiąt pięć tysięcy złotych) (kapitał docelowy).
2. W granicach kapitału docelowego Zarząd upoważniony jest do dokonania kolejnych podwyższeń kapitału zakładowego Spółki w drodze kolejnych emisji akcji, dokonywanych w ramach ofert prywatnych lub publicznych.
3. Zarząd może wydać akcje wyłącznie w zamian za wkłady pieniężne.
4. Cena emisyjna akcji w ramach kapitału docelowego nie może być niższa niż średnia arytmetyczna ważona wolumenem kursu akcji notowanych w obrocie zorganizowanym z okresu 6 (sześciu) miesięcy poprzedzających podjęcie uchwały o emisji akcji w ramach kapitału docelowego, przy czym każdorazowo nie niższa niż najwyższa cena emisyjna akcji z jakiegokolwiek oferty prywatnej lub publicznej poprzedzającej podjęcie uchwały o emisji akcji w ramach kapitału docelowego. W przypadku, jeżeli akcje spółki nie będą przedmiotem obrotu w obrocie zorganizowanym, cena emisyjna akcji nie może być niższa niż najwyższa cena emisyjna akcji z jakiegokolwiek oferty prywatnej lub publicznej poprzedzającej podjęcie uchwały o emisji akcji w ramach kapitału docelowego; a jeżeli inne emisje akcji nie były przeprowadzane – niż wartość nominalna.
5. Podjęcie przez Zarząd uchwały w sprawie emisji akcji w ramach kapitału docelowego wymaga uprzedniej uchwały Rady Nadzorczej akceptującej daną emisję oraz zatwierdzającej cenę emisyjną akcji.
6. Zarząd, za zgodą Rady Nadzorczej, może wyłączyć w całości lub w części prawo poboru dotyczące każdego podwyższenia kapitału zakładowego w granicach kapitału docelowego.

#### § 5.

1. Akcjonariusz – Spółka pod firmą: INC S.A. z siedzibą w Poznaniu („Uprawniony Akcjonariusz”), tak długo jak będzie posiadał co najmniej jedną akcję Spółki, będzie uprawniony osobiście do powoływania i odwoływania więcej niż połowy członków Rady Nadzorczej, to jest w szczególności:
  - a) 2 (dwóch) członków Rady Nadzorczej, w przypadku Rady Nadzorczej w składzie trzyosobowym,
  - b) 3 (trzech) członków Rady Nadzorczej, w przypadku Rady Nadzorczej w składzie cztero lub pięcioosobowym,
 oraz do wyznaczenia spośród powołanych członków Rady Nadzorczej Przewodniczącego Rady Nadzorczej.
2. Powołanie lub odwołanie członka Rady Nadzorczej, oraz wyznaczenie Przewodniczącego, następować będzie w formie pisemnej, z podpisem notarialnie poświadczonym. Prawo do odwołania członka Rady Nadzorczej dotyczy tylko członka Rady Nadzorczej wcześniej powołanego w trybie wskazanym powyżej.
3. Powołanie lub odwołanie może nastąpić dowolną liczbą razy w

4. The Company may increase share capital through issue of new shares (registered or bearer shares) issued for cash or non-cash contributions or through increase of nominal value of all the previously issued shares. On terms stipulated in the Code of Commercial Companies, the share capital may be increased from the Company's funds. Shares issued for cash contribution should be paid up in full before the share capital increase is registered.
5. Shares may be redeemed with the shareholder's consent, through acquisition thereof by the Company (voluntary redemption).
6. The Company may issue convertible bonds or bonds with a priority right.

#### § 4.

1. By 31-03-2017 (the thirty first of March twenty seventeen), the Management Board shall be authorised to increase the Company's share capital by up to PLN 375,000.00 (three hundred seventy five thousand zlotys) (authorised capital).
2. Within the authorised capital, the Management Board shall be authorised to further increase the Company's share capital through further issues of shares, in private or public offering.
3. The Management Board may issue shares only in return for contributions in cash.
4. The issue price for shares in authorised capital must not be lower than arithmetic mean weighted with the volume of the price of shares in public trading for the period of 6 (six) months preceding the resolution to issue shares within the authorised capital, however never lower than the highest issue prices of shares in any private or public offering preceding the resolution to issue shares within the authorised capital. If the Company's shares are not publicly traded, the issue price must not be lower than the highest issue prices of shares in any private or public offering preceding the resolution to issue shares within the authorised capital, and in the lack of other issues of shares – than the nominal value.
5. Resolution of the Management Board to issue shares within the authorised capital shall require a prior resolution of the Supervisory Board to approve this issue and the issue price of shares.
6. Upon consent of the Supervisory Board, the Management Board may exclude entirely or partly the subscription right for each increase of the share capital within the authorised capital.

#### § 5.

1. The Shareholder – a Company under the business name of: INC S.A. with registered office in Poznań ("Authorised Shareholder"), as long as it holds at least one share in the Company, shall be authorised to personally appoint and dismiss more than half of the members of the Supervisory Board, that is in particular:
  - a) 2 (two) members of the Supervisory Board in a Supervisory Board consisting of three members,
  - b) 3 (three) members of the Supervisory Board in a Supervisory Board consisting of four or five members,
 and to appoint the Chairperson of the Supervisory Board from among the appointed members of the Supervisory Board.
2. Appointment or dismissal of a member of the Supervisory Board as well as appointment of its Chairperson shall be made in writing with a signature confirmed by a notary. The right to dismiss a member of the Supervisory Board shall only apply to a member of the Supervisory Board previously appointed in the manner indicated above.
3. Members can be appointed or dismissed any number of times during one term of office.

trakcie jednej kadencji.

4. W przypadku, jeżeli w danej kadencji w składzie Rady Nadzorczej nie ma osób powołanych przez Uprawnionego Akcjonariusza w liczbie określonej w ustępie 1. niniejszego paragrafu, bieżąca kadencja Rady Nadzorczej kończy się z dniem skorzystania przez Uprawnionego Akcjonariusza ze swojego uprawnienia.
5. Akcjonariusz – Spółka pod firmą: INC S.A. z siedzibą w Poznaniu („Uprawniony Akcjonariusz”), tak długo jak będzie posiadał co najmniej jedną akcję Spółki, będzie także uprawniony osobiście do powoływania i odwoływania Prezesa Zarządu Spółki. Do trybu powoływania i odwoływania stosuje się odpowiednio ustępy powyższe.

## ORGANY SPÓŁKI

### § 6.

Organami Spółki są:

- Zarząd Spółki,
- Rada Nadzorcza,
- Walne Zgromadzenie.

### A. Zarząd

#### § 7.

1. Zarząd Spółki liczy od jednego do trzech członków.
2. Członków Zarządu powołuje i odwołuje Rada Nadzorcza, z zastrzeżeniem § 5. ustęp 5 Statutu. Powołując Zarząd, Rada Nadzorcza ustala liczbę członków i ich funkcje.
3. W stosunkach z członkami Zarządu, w tym przy zawieraniu umów, Spółkę reprezentuje Przewodniczący Rady Nadzorczej albo inny członek Rady Nadzorczej wskazany przez Radę Nadzorczą.
4. Kadencja Zarządu trwa 5 (pięć) lat. W przypadku Zarządu wieloosobowego kadencja jest wspólna.
5. Mandaty członków Zarządu wygasają z dniem odbycia Walnego Zgromadzenia zatwierdzającego sprawozdanie Zarządu z działalności Spółki i sprawozdanie finansowe za ostatni rok ich urzędowania.
6. Członkowie Zarządu mogą być powoływani ponownie na dalsze kadencje.

#### § 8.

1. Zarząd prowadzi sprawy Spółki i reprezentuje Spółkę.
2. Działalnością Zarządu kieruje Prezes Zarządu.
3. Zasady funkcjonowania Zarządu Spółki oraz zasady wynagradzania członków Zarządu określa Regulamin uchwalony przez Radę Nadzorczą.

#### § 9.

Każdy członek Zarządu ma prawo do samodzielnej reprezentacji Spółki.

#### § 10.

Członek Zarządu nie może zajmować się bez zgody Rady Nadzorczej interesami konkurencyjnymi ani też uczestniczyć w spółce konkurencyjnej jako wspólnik spółki cywilnej, spółki osobowej lub jako członek organu spółki kapitałowej bądź uczestniczyć w innej konkurencyjnej osobie prawnej jako członek organu. Zakaz ten obejmuje także udział w konkurencyjnej spółce kapitałowej, w przypadku posiadania w niej przez członka zarządu co najmniej 10% udziałów albo akcji bądź prawa do powołania co najmniej jednego członka zarządu

4. If in a given term of office there are no persons appointed by the Authorised Shareholder in the number defined in item 1 of this section, this term of office of the Supervisory Board shall end on the date when the Authorised Shareholder exercises their right.
5. The Shareholder – a Company under the business name of: INC S.A. with registered office in Poznań ("Authorised Shareholder"), as long as it holds at least one share in the Company, shall also be authorised to personally appoint and dismiss the President of the Management Board. The manner of appointment and dismissal shall be subject to the above provisions.

## THE COMPANY'S CORPORATE BODIES

### § 6.

The Company's corporate bodies shall include:

- the Management Board,
- the Supervisory Board,
- the General Meeting of Shareholders.

### A. The Management Board

#### § 7.

1. The Company's Management Board shall be composed of one to three members.
2. Members of the Management Board shall be appointed and dismissed by the Supervisory Board, subject to section 5.5 hereof. Appointing the Management Board, the Supervisory Board shall determine the number and functions of the members.
3. In relations with members of the Management Board, including conclusion of agreements, the Company shall be represented by the Chairperson of the Supervisory Board or another member of the Supervisory Board indicated by the Supervisory Board.
4. The Management Board's term of office shall be 5 (five) years. In the case of a Management Board comprising more than one member, the members shall share the term of office.
5. The mandates of the Management Board members shall expire on the day of the General Meeting of Shareholders approving the Management Board's report on the Company's operations and financial statement for the last year in their term of office.
6. Members of the Management Board may be re-elected for further terms.

#### § 8.

1. The Management Board manages the Company's affairs and represents the Company.
2. Works of the Management Board shall be managed by the President of the Management Board
3. Working arrangements of the Company's Management Board and remuneration policy applicable to members of the Management Board are defined in the By-laws adopted by the Supervisory Board.

#### § 9.

Each member of the Management Board shall be authorised for sole representation of the Company.

#### § 10.

Members of the Management Board may not, without the consent of the Supervisory Board deal in competitive businesses or participate in a competitive company as a partner in a civil partnership, partnership or as a member of authorities of a capital company, or participate in any another competitive legal entity as a member of its authorities. This non-competition clause shall apply also to holding shares in a competitive capital company if the member of the Management Board holds at least 10% of shares in such a company or the right to appoint at least one member of the Management Board.

### B. Supervisory Board

## B. Rada Nadzorcza

### § 11.

1. Rada Nadzorcza jest stałym organem nadzoru nad działalnością Spółki akcyjnej.
2. Rada Nadzorcza działa na podstawie przepisów Kodeksu spółek handlowych i Statutu Spółki, które określają w szczególności jej skład i kompetencje, oraz na podstawie Regulaminu uchwalanego przez Walne Zgromadzenie, określającego organizację i sposób wykonywania czynności przez Radę Nadzorczą.
3. Rada Nadzorcza składa się z 3 (trzech) do 5 (pięciu) członków, których wybiera Walne Zgromadzenie, z zastrzeżeniem § 5 ustęp 1. Statutu.
4. Kadencja Rady Nadzorczej trwa 5 (pięć) lat.
5. Członków Rady Nadzorczej powołuje się na okres wspólnej kadencji.
6. Mandaty członków Rady Nadzorczej wygasają z dniem odbycia walnego zgromadzenia zatwierdzającego sprawozdanie finansowe za ostatni rok obrotowy pełnienia funkcji oraz w innych przypadkach określonych w Kodeksie spółek handlowych.
7. Członkowie Rady Nadzorczej mogą być powoływani ponownie na dalsze kadencje.

### § 12.

1. Członkowie Rady Nadzorczej wykonują swoje prawa i obowiązki osobiście i w sposób łączny.
2. Członkowie Rady Nadzorczej otrzymują wynagrodzenie ustalone na dany rok przez Walne Zgromadzenie.

### § 13.

1. Rada Nadzorcza sprawuje stały nadzór nad działalnością Spółki we wszystkich dziedzinach jej działalności. Każdy członek Rady Nadzorczej powinien przede wszystkim mieć na względzie interes Spółki.
2. Do kompetencji Rady Nadzorczej należy również:
  - wyrażanie zgody na nabycie lub zbycie przez Spółkę nieruchomości, użytkowania wieczystego lub udziału w nieruchomości;
  - wybór biegłego rewidenta przeprowadzającego badanie sprawozdania finansowego Spółki; przy wyborze biegłego rewidenta Rada Nadzorcza powinna uwzględniać, czy istnieją okoliczności ograniczające jego niezależność przy wykonywaniu zadań; zmiana biegłego rewidenta powinna nastąpić co najmniej raz na 5 (pięć) lat, przy czym przez zmianę biegłego rewidenta rozumie się również zmianę osoby dokonującej badania; ponadto w dłuższym okresie Spółka nie powinna korzystać z usług tego samego podmiotu dokonującego badania;
  - powoływanie i odwoływanie Zarządu Spółki;
  - zawieranie umów z członkami Zarządu;
  - reprezentowanie Spółki w sporach z członkami Zarządu;
  - ustalanie wynagrodzenia dla członków Zarządu;
  - zawieszanie, z ważnych powodów, w czynnościach poszczególnych lub wszystkich członków Zarządu Spółki;
  - delegowanie członków Rady Nadzorczej do czasowego wykonywania czynności członków zarządu niemogących sprawować swoich funkcji;

### § 11.

1. The task of the Supervisory Board is to supervise the business of the joint-stock company on an on-going basis.
2. The Supervisory Board operates pursuant to the Code of Commercial Companies and the Articles of Association which stipulate in particular its composition and competences, and pursuant to the By-Laws adopted by the General Meeting of Shareholders, stipulating the organisation and manner of operation of the Supervisory Board.
3. The Supervisory Board shall be composed of 3 (three) to 5 (five) members appointed by the General Meeting of Shareholders, subject to section 5.1 of the Articles of Association.
4. The Supervisory Board's term of office shall be 5 (five) years
5. Members of the Supervisory Board shall be appointed for the common term of office.
6. The mandates of the Supervisory Board members expire on the day of the General Meeting approving financial statements of the last financial year covered by the Supervisory Board's term of office and in other circumstances defined in the Code of Commercial Companies.
7. Members of the Supervisory Board may be re-elected for further terms.

### § 12.

1. Members of the Supervisory Board shall execute their rights and carry out their duties in person and jointly.
2. Remuneration of the Supervisory Board members for a given year shall be determined by the General Meeting of Shareholders.

### § 13.

1. The Supervisory Board shall exercise permanent supervision over the company operations in all aspects of its activity. First and foremost, each member of the Supervisory Board should bear in mind the interests of the Company.
2. Competences of the Supervisory Board include:
  - consenting to acquisition or sale of real property, perpetual usufruct rights or interest in real property by the Company;
  - appointing an auditor to review the Company's financial statements; when choosing the auditor, the Supervisory Board should take into account any circumstances limiting his/her impartiality in performance of the tasks; the auditor should be replaced at least every 5 (five) years, and replacement of the auditor shall be understood also as replacement of the person performing the audit; moreover, over a longer period, the Company should not use the services of the same auditing entity;
  - appointment and dismissal of the Company's Management Board;
  - concluding agreements with members of the Management Board;
  - representing the Company in disputes with members of the Management Board;
  - determination of remuneration for the Management Board members;
  - suspension, for valid reasons, individual or all members of the Company's Management Board;
  - delegating members of the Supervisory Board to perform duties of the Management Board members on a temporary basis, where a member of the Management Board is unable to perform his/her duties;
  - approving by-laws of the Company's Management Board;
  - requesting the Company's Management Board to convene the General Meeting of Shareholders;
  - convening the Annual General Meeting of Shareholders where it is not convened by the Management Board within the prescribed period;
  - convening the Extraordinary General Meeting of Shareholders if they deem it advisable.

- uchwalanie regulaminu Zarządu Spółki;
- składanie do zarządu Spółki wniosków o zwołanie Walnego Zgromadzenia;
- zwoływanie zwyczajnego walnego zgromadzenia w przypadku, gdy Zarząd Spółki nie zwoła go w terminie;
- zwoływanie Nadzwyczajnego Walnego Zgromadzenia, jeżeli zwołanie go uzna za wskazane.

#### § 14.

1. Posiedzenia Rady Nadzorczej odbywają się w miarę potrzeb, nie rzadziej jednak niż 3 (trzy) razy w roku.
2. Posiedzenia Rady Nadzorczej odbywają się w siedzibie Spółki, chyba że w piśmie zwołującym posiedzenie Rady Nadzorczej zostanie wskazane inne miejsce.
3. Posiedzenie Rady Nadzorczej może także odbyć się bez formalnego zwołania, o którym mowa powyżej, jeżeli wszyscy członkowie Rady Nadzorczej wyrażą na to zgodę oraz żaden z nich nie zgłosi sprzeciwu co do porządku obrad posiedzenia.
4. Posiedzeniom Rady Nadzorczej przewodniczy Przewodniczący Rady Nadzorczej, a w przypadku jego nieobecności Wiceprzewodniczący. W przypadku nieobecności na posiedzeniu Przewodniczącego i Wiceprzewodniczącego, Przewodniczącego posiedzenia wybiera Rada Nadzorcza.
5. Rada Nadzorcza jest zdolna do podejmowania uchwał, jeżeli na posiedzeniu jest obecna co najmniej połowa jej członków, a wszyscy członkowie zostali zaproszeni. Uchwały zapadają bezwzględną większością głosów, chyba że Statut albo Regulamin Rady Nadzorczej stanowią inaczej.
6. Rada Nadzorcza może podejmować uchwały w trybie pisemnym lub przy wykorzystaniu środków bezpośredniego porozumiewania się na odległość. Uchwała jest ważna, gdy wszyscy członkowie Rady Nadzorczej zostali powiadomieni o treści projektu uchwały i mogli nad nią głosować.
7. Członkowie Rady Nadzorczej mogą brać udział w podejmowaniu uchwał rady, oddając swój głos na piśmie za pośrednictwem innego członka Rady Nadzorczej.

### C. Walne Zgromadzenie

#### § 15.

1. Walne Zgromadzenie obraduje jako zwyczajne lub nadzwyczajne.
2. Nadzwyczajne Walne Zgromadzenie zwołuje Zarząd Spółki z własnej inicjatywy lub na wniosek akcjonariuszy reprezentujących co najmniej 1/20 (jedną dwudziestą) kapitału zakładowego. Nadzwyczajne Walne Zgromadzenie może zostać zwołane także przez Radę Nadzorczą albo akcjonariuszy reprezentujących co najmniej 1/2 (jedną drugą) kapitału zakładowego lub co najmniej 1/2 (jedną drugą) ogółu głosów w Spółce.
3. Zwołanie Nadzwyczajnego Walnego Zgromadzenia powinno nastąpić w ciągu 2 (dwóch) tygodni od daty zgłoszenia wniosku

#### § 16.

Walne Zgromadzenia odbywają się w siedzibie Spółki lub w miejscu wskazanym przez Zarząd, na terytorium Rzeczypospolitej Polskiej.

#### § 17.

Każda akcja na okaziciela daje na Walnym Zgromadzeniu Akcjonariuszy prawo do jednego głosu. Akcje imienne serii A dają na Walnym Zgromadzeniu Akcjonariuszy prawo do dwóch głosów.

#### § 18.

1. Uchwały Walnego Zgromadzenia zapadają zwykłą większością głosów oddanych, o ile przepisy ustawy lub niniejszy Statut nie stanowią inaczej.
2. W przypadku przewidzianym w art. 397 Kodeksu spółek handlowych do uchwały o rozwiązaniu Spółki wymagana jest większość 3/4 (trzech czwartych) głosów oddanych.

#### § 14.

1. Meeting of the Supervisory Board shall be convened as appropriate but at least 3 (three) times a year.
2. Meetings of the Supervisory Board shall be held at the Company's registered office, unless other venue is specified in the notice convening the meeting.
3. A Supervisory Board meeting may be held without a formal notice referred to above if all Supervisory Board members give their consent thereto and none of them objects to the meeting agenda.
4. Meetings are presided over by the Chairperson of the Supervisory Board or, in his/her absence, by the Deputy Chairperson. Where both the Chairperson and Deputy Chairperson are absent, the Chairperson shall be elected by the Supervisory Board.
5. The Supervisory Board shall be capable of making resolutions if at least half of the members are present and all the members have been invited. Resolutions shall be passed by an absolute majority of votes, unless the Company's Articles or the By-Laws of the Supervisory Board stipulate otherwise.
6. The Supervisory Board may adopt resolutions in writing or using means of direct telecommunication. The resolution shall be valid if all Supervisory Board members have been notified about the contents of the draft resolution and were able to vote on it.
7. Members of the Supervisory Board may participate in the process of adopting resolutions by casting their votes in writing through the agency of another member of the Supervisory Board.

### C. General Meeting of Shareholders

#### § 15.

1. A General Meeting of Shareholders may be either Annual or Extraordinary.
2. Extraordinary General Meeting shall be convened by the Company's Management Board of its own initiative or upon a request of shareholders representing at least 1/20 (one twentieth) of the share capital. Extraordinary General Meeting may also be convened by the Supervisory Board or shareholders representing at least 1/2 (one-second) of the share capital or at least 1/2 (half) of all the votes in the Company.
3. Extraordinary General Meeting of Shareholders shall be convened within 2 (two) weeks after the said request is submitted.

#### § 16.

Meetings shall be held at the Company's registered office or in another location within the territory of the Republic of Poland indicated by the Management Board.

#### § 17.

Each bearer share carries one vote at the General Meeting of Shareholders. A series registered shares carry two votes at the General Meeting of Shareholders.

#### § 18.

1. Resolutions of the General Meeting of Shareholders shall be passed by a ordinary majority of votes cast, unless provisions of the Code of Commercial Companies or the Articles of Association stipulate otherwise.
2. In the case referred to in Art. 397 of the Code of Commercial Companies, a resolution to dissolve the Company requires the majority of 3/4 (three-quarters) of votes cast.
3. Voting shall be an open ballot. A secret ballot shall be ordered upon request of at least one attendants entitled to vote.

3. Głosowanie jest jawne. Tajne głosowanie zarządza się na wniosek choćby jednego z obecnych uprawnionych do głosowania.

#### § 19.

1. Walne Zgromadzenie otwiera Przewodniczący Rady Nadzorczej lub w wypadku jego nieobecności inny członek Rady Nadzorczej, po czym spośród osób uprawnionych do głosowania wybiera się Przewodniczącą. W razie nieobecności tych osób Walne Zgromadzenie otwiera Prezes Zarządu albo osoba wyznaczona przez Zarząd.
2. Walne Zgromadzenie uchwała swój regulamin określający szczegółowo tryb prowadzenia obrad.

#### § 20.

1. Do kompetencji Walnego Zgromadzenia należy:
- rozpatrzenie i zatwierdzenie sprawozdania Zarządu z działalności Spółki oraz sprawozdania finansowego za ubiegły rok obrotowy,
  - powzięcie uchwały o podziale zysku albo o pokryciu straty,
  - udzielenie członkom organów Spółki absolutorium z wykonania przez nich obowiązków,
  - wszelkie postanowienia dotyczące roszczeń o naprawienie szkody wyrządzone przy zawiązaniu Spółki lub sprawowaniu Zarządu albo nadzoru,
  - zbycie przedsiębiorstwa, a także wydierżawienie przedsiębiorstwa oraz ustanowienie na nim prawa użytkowania,
  - emisja obligacji zamiennych lub z prawem pierwszeństwa i emisja warrantów subskrypcyjnych, o których mowa w art. 453 § 2 Kodeksu spółek handlowych, a także zmniejszenie lub umorzenie kapitału zakładowego,
  - rozwiązanie Spółki,
  - uchwalenie regulaminu obrad Walnego Zgromadzenia,
  - powoływanie i odwoływanie członków Rady Nadzorczej oraz ustalanie ich wynagrodzenia,
  - uchwalanie regulaminu Rady Nadzorczej,
  - rozpatrywanie i rozstrzyganie wniosków przedstawionych przez Radę Nadzorczą lub Zarząd,
  - inne sprawy, przewidziane przez Kodeks spółek handlowych lub niniejszy Statut.
2. Do nabycia, zbycia nieruchomości, użytkowania wieczystego lub udziału w nieruchomości nie jest wymagana uchwała Walnego Zgromadzenia.

### RACHUNKOWOŚĆ SPÓŁKI

#### § 21.

Rokiem obrachunkowym jest rok kalendarzowy.

#### § 22.

Spółka tworzy:

- kapitał zakładowy,
- kapitał zapasowy,
- inne fundusze i kapitały dopuszczalne lub wymagane prawem.

#### § 23.

1. Na kapitał zapasowy przelewa się co najmniej osiem procent zysku za dany rok obrotowy.
2. Odpisu na kapitał zapasowy można zaniechać, gdy stan tego kapitału będzie równy 1/3 (jednej trzeciej) kapitału zakładowego.
3. O użyciu kapitału zapasowego rozstrzyga Walne Zgromadzenie, jednak część kapitału zapasowego – w wysokości 1/3 (jednej

#### § 19.

1. The General Meeting of Shareholders shall be opened by the Chairperson of the Supervisory Board, in the event of his/her absence, by another member of the Supervisory Board, after which the Chairperson shall be elected from among the persons entitled to vote. If these persons are absent, the General Meeting of Shareholders shall be opened by the President of the Management Board or a person appointed by the Management Board.
2. The General Meeting shall adopt its own rules specifying in detail its procedure.

#### § 20.

1. The General Meeting of Shareholders shall take decisions on the following matters:
- examination and approval of the Management Board's report on the Company's operations and the financial statements for the previous financial year;
  - adoption of a resolution on the distribution of profit or offset of losses
  - granting a vote of acceptance to members of corporate bodies confirming the discharge of their duties,
  - all decisions in respect of claims for repairing damage suffered through the formation of the Company or exercise of management or supervision,
  - disposal or lease of the enterprise and establishment of a right of use thereon,
  - issue of convertible bonds or bonds with priority right, and issue of subscription warrants referred to in Article 453 § 2 of the Code of Commercial Companies, as well as decrease or redemption of the share capital,
  - dissolution of the Company,
  - adoption of the by-laws of the General Meeting of Shareholders,
  - appointment and dismissal of members of the Supervisory Board and determination of their remuneration,
  - adoption of the by-laws of the Supervisory Board,
  - examination and resolution of requests submitted by the Supervisory Board or the Management Board,
  - other matters stipulated in the Code of Commercial Companies or in these Articles.
2. Purchase or sale of real property, perpetual usufruct rights or interest in real property shall not require a resolution of the General Meeting of Shareholders.

### THE COMPANY'S ACCOUNTS

#### § 21.

The Company's financial year shall be a calendar year.

#### § 22.

The Company shall create:

- share capital;
- supplementary capital;
- other funds or capital permitted or required by the law.

#### § 23.

1. At least eight per cent of profit for the financial year shall be transferred to supplementary capital.
2. Write-off for supplementary capital can be omitted when the capital reaches the value of 1/3 (one-third) of share capital.
3. The General Meeting of Shareholders shall decide on allocation of the supplementary capital; however, that part of the supplementary capital which equals 1/3 (one-third) of the share capital may be used only to cover balance sheet losses.

#### § 24.

The profit left after obligatory write-offs shall be allocated to:

- offset of losses from previous years,
- dividend for shareholders, in the amount determined every

trzeciej) kapitału zakładowego może być wykorzystana na pokrycie strat bilansowych.

**§ 24.**

Zysk powstały po dokonaniu obowiązkowych odpisów przeznaczony jest na:

- pokrycie strat za lata ubiegłe,
- dywidendę dla akcjonariuszy, w wysokości określonej corocznie przez Walne Zgromadzenie,
- inne cele stosownie do uchwał Walnego Zgromadzenia.

**§ 25.**

1. Wypłata dywidendy dokonywana jest w terminach ustalonych przez Walne Zgromadzenie.
2. Walne Zgromadzenie określa dzień, według którego ustala się listę akcjonariuszy uprawnionych do dywidendy za dany rok obrotowy.
3. Zarząd może wypłacać zaliczki na poczet dywidendy w zakresie określonym w Kodeksie spółek handlowych.

**POSTANOWIENIA KOŃCOWE**

**§ 26.**

Spółka publikuje ogłoszenia w Monitorze Sądowym i Gospodarczym wydawanym przez Ministerstwo Sprawiedliwości.

- year by the General Meeting of Shareholders,
- other purposes determined by resolutions of the General Meeting of Shareholders .

**§ 25.**

1. Payment of dividend shall be made in times determined by the General Meeting of Shareholders .
2. The General Meeting of Shareholders shall define the date as of which the list of shareholders entitled to receive a dividend for a given financial year is determined.
3. The Management Board may make advance payments towards the dividend to the extent defined in the Code of Commercial Companies.

**FINAL PROVISIONS**

**§ 26.**

The Company shall place its announcements in the Court and Commercial Gazette published by the Ministry of Justice.



## 20.2. SYNTHESIS OF FINANCIAL RESULTS / PROFIT AND LOSS ACCOUNT, INCLUDING PARTIAL RESULTS, EXPLAINING SIGNIFICANT VARIATIONS FOR THE LAST 3 YEARS – ANNUAL AND THE LATEST SEMI-ANNUAL, IF DRAWN

Profit and loss account *	04.04.2014 – 31.12.2014 [PLN]	04.04.2014 – 31.12.2014 [RON]**
Turnover	0,00	0,00
Operating expenses	25 839,18	27 319,92
Operating result	-25 838,87	-27 319,59
Financial result	-19 805,60	-20 940,58
Gross result	-19 805,60	-20 940,58
Net result	-19 805,60	-20 940,58
Net result per share***	-0,01	-0,01

\*from unaudited financial statement for 2014 year

\*\*average end of the month RON/PLN value announced by National Bank of Poland for period from April 2014 to December 2014: 0,9458 RON/PLN

\*\*\* Net result / number of shares registered in the Polish National Court Register (2 003 666)

## 20.3. SYNTHESIS OF FINANCIAL POSITION / BALANCE SHEET, INCLUDING PARTIAL RESULTS, EXPLAINING SIGNIFICANT VARIATIONS FOR THE LAST 3 YEARS – ANNUAL AND THE LATEST SEMI-ANNUAL, IF DRAWN

Balance sheet*	31.12.2014 [PLN]	31.12.2014 [RON]**
<b>Assets</b>		
Fixed assets	0,00	0,00
Current assets, including:	4 257 333,80	4 495 125,96
- Cash in hand and at bank	4 070 860,80	4 298 237,57
Expenses in advance	0,00	0,00
Assets -Total	4 257 333,80	4 495 125,96
<b>Liabilities</b>		
Shareholder's equity	480 194,40	507 015,52
Debtors – Total, of which:	3 777 139,40	3 988 110,44
- Due within 1 year (resulting from the process of registration of series B shares)***	3 774 139,40	3 984 842,88
- Due after more than 1 year	0,00	0,00
Provisions	0,00	0,00
Revenues in advance	3 000,00	3 167,56
Liabilities - Total	4 257 333,80	4 495 125,96

\*from unaudited financial statement for 2014 year

\*\*December 2014 end of the month RON/PLN value announced by National Bank of Poland: 0,9471 RON/PLN

\*\*\* The Company has reported PLN 3,8m (RON 4,0m) in short term liabilities due to the shareholders because of ongoing process of series B common shares registration in the Court. The series B common shares were registered by the Court on January 28<sup>th</sup>, 2015 so the aforementioned short term liabilities became a part of equity capital.

#### 20.4. BUDGETS, AT LEAST FOR THIS YEAR, AND IF AVAILABLE, FOR 3 TO 5 YEARS PERIOD

The table provided below was prepared in accordance with the Company's investment activity profile.

The result from investment activity is strongly influenced by many factors that are beyond the control of the Company. The data which will be reported in annual financial statement for 2015 may differ from the estimation of foreseeable results provided below.

The company does not impose on itself any obligatory minimum investment to be made in 2015 as its number will depend on availability of attractive investment targets as well as on current economic conditions.

Profit and loss account	2015 [RON]	
Profits/losses from investment activities	700 000	
- Profit from sale of financial instruments	200 000	Assuming divestment value of 500 000 RON and 40% rate of return
- Profit from revaluation of investment portfolio	500 000	Resulting from 16% increase in investment portfolio of RON 3 million
Administrative costs	100 000	
Operational result	600 000	Related to day-to-day operational activities
Financial result	600 000	
Gross result	600 000	
Net result	486 000	After polish corporate income tax of 19%.
Net result per share (lei)*	0,24	

Source: Issuer

\*Net result / number of shares registered in the Polish National Court Register (2 003 666)

The Issuer has prepared the financial forecast for 2015 basing on following assumptions:

Factors dependent on Company's activities:

- 5 capital investments of total value: 3 000 000 RON
- Operational expenses incurred in relation to the ongoing activities: 100 000 RON
- Divestments: 500 000 RON

Factors beyond the control of the Company:

- Stable economic situation worldwide
- Stable geopolitical situation in Europe
- Positive investment sentiment



## 20.5. STATUTORY BODY DECISION FOR TRADING ON AeRO

### RESOLUTION NO. 3 of the General Meeting of Shareholders

to:

increase share capital by issuing Series B shares by private subscription excluding the subscription right of the existing shareholders and to introduces the shares and rights to Series B shares to trading on an alternative trading market at the Bucharest Stock Exchange or to trading on NewConnect, the alternative trading market of the Warsaw Stock Exchange, and to amend the Company's articles of association

"The Extraordinary General Meeting of Shareholders of Carpathia Capital S.A. (hereinafter referred to as the Company) hereby resolves as follows: -----

#### § 1

1. The Company's share capital shall be increased by not more than PLN 575,000.00 (five hundred seventy five thousand zlotys)-----
2. The Company's share capital increase referred to in item 1 above shall be made by issuing not more than 1,150,000 (one million one hundred and fifty thousand) Series B ordinary bearer shares with a nominal per-share value of PLN 0.50 (50/100 zlotys) (hereinafter referred to as "Series B shares"). -----



*Alexandru Nicolae - Logo*

Certified translation from the Polish language



3. The Management Board shall be authorised to determine the issue price for series B shares.-----

4. Series B shares shall participate in the dividend on the same terms as series A shares, that is they shall participate in the dividend starting with payment of profit to be divided for the financial year ending on 31-12-2014.-----

5. Series B shares shall be paid up in cash prior to registration of the share capital increase by issuing series B shares.-----

6. Issue of series B shares shall take place by way of private subscription pursuant to Article 431 §2.1 of the Code of Commercial Companies by entering into agreements with individuals or corporate entities.-----

7. The Management Board shall be authorised to offer Series B Shares to up to 149 parties, provided that conditions of a non-public issue are met, and to enter into relevant agreements with the persons accepting the acquisition offer.-----

8. It has been determined that series B shares subscription agreements with the parties chosen by the Management Board shall be entered into until 30 December 2014.-----

§ 2

Bearing in mind the Company's interest, the existing shareholders shall not have any right of subscription for series B shares. Opinion of the Management Board to deny the right of subscription to series B shares, presented in writing to the General Meeting of Shareholders and attached as a schedule to this Resolution, has been acknowledged.

§ 3

1. The Extraordinary General Meeting of Shareholders decided to introduce series B shares to trading on an alternative trading market



*Helena Kuczyńska*



**Certified translation from the Polish language**

- at the Bucharest Stock Exchange or to trading on NewConnect, the alternative trading market of the Warsaw Stock Exchange.-----
2. Series B shares and rights to series B shares shall be dematerialised.
  3. Pursuant to Article 5 of the Financial Instruments Trading Act of 29 July 2005, the Company's Management Board shall be authorised to conclude agreements for registration of securities – series B shares – and rights to series B shares in order to dematerialise them with the National Depository for Securities or another depository in any other EU Member State, including Depositarul Central S.A. in Romania.-----

**§4**

The Extraordinary General Meeting of Shareholders authorised the Management Board to determine detailed terms of issue and to take any other actions required to complete the issue and to introduce series B shares to trading on an alternative trading market at the Bucharest Stock Exchange or to trading on NewConnect, the alternative trading market of the Warsaw Stock Exchange, in particular to: -----

- determine detailed principles of distribution of and payment for shares, including the dates,-----
- divide the shares into tranches and determine the principles of moving the shares between tranches, -----
- enter into agreements for subscription of shares,-----



*Alexandru Nicolae - 20px*



**Certified translation from the Polish language**

make the representation referred to in Article 441 § 2.7 in conjunction with Article 310 § 2 of the Code of Commercial Companies.-----

**§ 5**

The General Meeting decided to amend section 3.1 of the Company's Articles of Association as follows: -----

**„§ 3**

The share capital of the Company shall amount to at least PLN 500,000.00 (five hundred thousand zlotys) and not more than PLN 1,075,000 (one million seventy five thousand zlotys) and shall be divided into:-----

- a) 1,000,000 (one million) of series A registered preference shares with one share carrying two votes, with a nominal per-share value of PLN 0.50 (50/100 zlotys), paid up in cash.-----
- b) 1,150,000 (one million one hundred fifty thousand) of series B ordinary bearer shares with a nominal per-share value of PLN 0.50 (50/100 zlotys), paid up in cash.” -----

**OPINION OF THE MANAGEMENT BOARD ON EXCLUSION OF THE  
RIGHT OF SUBSCRIPTION FOR SERIES B SHARES  
AND TERMS OF DETERMINING THE ISSUE PRICE**

The issue of series B shares is aimed at acquisition of capital needed for the Company's operations. Private subscription will be the fastest way of winning the required capital Eventually, the Company's shares are to be quoted at the ATS market in Romania or at NewConnect. Therefore, exclusion of the right of subscription of series B shares is in the Company's interest. -----



*Alexandru Kocalski - 29/06*

**Certified translation from the Polish language**



- The issue price of series B shares will be based on the company's appraisal taking into account the current market situation and a discount for the investors." -----
- The Chairperson of the General Meeting of Shareholders found that: -----
- The General Meeting adopted the above resolution in an **open** ballot, with the following distribution of votes: -----
  - valid votes: **2,000,000** (two million), of which: -----
    - "for": **2,000,000** (two million), -----
    - "against": **0** (zero), -----
    - "abstaining": **0** (zero), -----
  - with no objections raised, -----
  - number of shares for which valid votes were cast: **100.00%** (one hundred per cent), -----
  - percentage share of these shares in the share capital is: **100.00%** (one hundred per cent).-----