

**DRAFT RESOLUTIONS
OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS
OF PRZEDSIĘBIORSTWO PRZEMYSŁU SPOŻYWCZEGO
PEPEES S.A. with its registered office in ŁOMŻA**

on 15 January 2019

RESOLUTION No. 1

of the Extraordinary General Meeting of Shareholders of Przedsiębiorstwo Przemysłu Spożywczego PEPEES S.A. with its registered office in Łomża of 15 January 2019 concerning the election of the Chairman of the General Meeting of Shareholders

The following resolution shall be adopted:

§ 1

Ms/Mr shall be elected the Chairman of the Meeting.

§ 2

This resolution shall come into force on the date of its adopting.

RESOLUTION No. 2

of the Extraordinary General Meeting of Shareholders of Przedsiębiorstwo Przemysłu Spożywczego PEPEES S.A. with its registered office in Łomża of 15 January 2019 concerning the election of the three-member Vote Counting Committee

The following resolution shall be adopted:

§ 1

The following three-member Vote Counting Committee shall be elected:

1.....

2.....

3.....

§ 2

This resolution shall come into force on the date of its adopting.

RESOLUTION No. 3

of the Extraordinary General Meeting of Shareholders of Przedsiębiorstwo Przemysłu Spożywczego PEPEES S.A. with its registered office in Łomża of 15 January 2019 concerning the adoption of the agenda of the Extraordinary General Meeting of Shareholders

The following resolution shall be adopted:

§ 1

The following agenda shall be adopted:

1. Opening the Extraordinary General Meeting of Shareholders. Appointing the Chairman of the Extraordinary General Meeting of Shareholders.
2. Arriving at an agreement as to whether the Extraordinary General Meeting of Shareholders has been convened in a proper manner and whether it is able to adopt resolutions.
3. Adopting the agenda.
4. Electing the three-member Vote Counting Committee.
5. Adopting the resolution on the amendment to Article 4 of the Company's Articles of Association.
6. Adopting the resolution on the reverse stock split and an amendment to the Company's Articles of Association.
7. Adopting the resolution on the amendment to Article 8 and the deletion of Article 8a of the Company's Articles of Association.
8. Adopting the resolution on the amendment to Article 11.2. of the Company's Articles of Association.
9. Adopting the resolution on the amendment to Article 15.2. of the Company's Articles of Association.
10. Adopting the resolution on the deletion of Article 26.2. of the Company's Articles of Association.
11. Adopting the resolution on the deletion of Article 33 of the Company's Articles of Association.
12. Adopting the resolution on authorising the Supervisory Board to adopt the uniform text of the Company's Articles of Association.
13. Discussion on the exclusion of pre-emptive rights related to series B share warrants and series C shares due to the planned conditional increase in share capital and the issue of share warrants to be used to obtain financing by the Company.
14. Adopting the resolution on the conditional increase in the share capital through the issue of series C shares, the issue of series B share warrants and the exclusion of the pre-emptive right related to series C shares and series B share warrants.
15. Closing the General Meeting of Shareholders.

§ 2

This resolution shall come into force upon its adopting.

RESOLUTION No. 4

of the Extraordinary General Meeting of Shareholders of Przedsiębiorstwo Przemysłu Spożywczego PEPEES S.A. with its registered office in Łomża of 15 January 2019 on the amendment to Article 4 of the Company's Articles of Association

The Extraordinary General Meeting of Shareholders of the Company, pursuant to Article 430 of the Polish Commercial Code, hereby decides as follows:

§ 1

The Company's Articles of Association shall be amended in such a way that the wording of Article 4 of the Company's Articles of Association shall be replaced by the following wording:

“Article 4

The Company shall operate pursuant to the Polish Commercial Code and other relevant legal provisions.”

§ 2

This resolution shall come into force on the date of its adopting.

RESOLUTION No. 5

of the Extraordinary General Meeting of Shareholders of Przedsiębiorstwo Przemysłu Spożywczego PEPEES S.A. with its registered office in Łomża of 15 January 2019 on the reverse stock split and an amendment to the Company's Articles of Association

The Extraordinary General Meeting of Shareholders of the Company, pursuant to Article 430 of the Polish Commercial Code, hereby decides as follows:

§ 1

1. The nominal value of all the Company's shares of all series shall be increased from PLN 0.06 (six groszes) to PLN 0.30 (thirty groszes).
2. The reverse stock split shall be carried out with the proportional reduction in the total number of the Company's shares from 95,000,000 (ninety five million) to 19,000,000 (nineteen million), i.e. by combining each set of five shares of the Company with the present nominal value of PLN 0.60 into a single share of the Company with the new nominal value of PLN 0.30 (the reverse split ratio).
3. The reverse stock split shall be carried out with unchanged amount of the share capital of PLN 5,700,000 (five million seven hundred thousand zlotys).

§ 3

1. In the event when, in the course of the reverse stock split, there occur the so-called 'leftover shares', i.e. such a number of shares with the existing nominal value of PLN 0.06 (six groszes) held by a shareholder, which, after the reverse split at the adopted reverse split ratio (5:1), do not form a single share with the new nominal value of PLN 0.30 (thirty groszes), the reverse stock split shall be carried out in such a way that, in exchange for such leftover shares, the shareholder who holds such shares shall receive one share with the new nominal value in exchange for leftover shares.
2. The old shares missing to form a new whole share after the reverse stock split ('missing shares') shall be supplemented at the cost of the rights to shares of the shareholder, who, under an agreement with the Company, shall waive their rights to shares in the Company free of charge for the benefit of the shareholders who have such missing shares, to the extent necessary to enable the shareholders who have such missing shares to receive one new share of the Company with the new nominal value of PLN 0.30 (thirty groszes), provided that the General Meeting of Shareholders of the Company adopts the resolution on the reverse stock split at the five-to-one (5:1) ratio and on the relevant amendment to the Company's Articles of Association, and provided that the amendment is entered by the registry court in the Register of Entrepreneurs of the National Court Register, and provided that the Company's Board of Directors, to comply with the resolution, determines the Reference Date and with effect as at the date of performing the reverse stock split for the Company's shares in the securities depository kept by Krajowy Depozyt Papierów Wartościowych S.A. (the National Depository for Securities) (hereinafter 'KDPW'). On the basis of the foregoing, as a result of the reverse stock split, any missing shares after the reverse stock split existing as at the Reference Date, i.e. shares with the nominal value of PLN 0.06 each in the quantity from 1 (one) to 4 (four), shall entitle the shareholder with such missing shares to receive in exchange for them one share with the nominal value of PLN 0.30 (thirty groszes), while the rights of the shareholder mentioned in the first sentence shall be reduced by such a number of such shares that will be necessary to supplement any such missing shares to form one share with the nominal value of PLN 0.30 (thirty groszes).

If it turns out that the elimination of all reverse stock split shortages in the manner described above is not possible, then it is possible that the reverse stock split for the Company's shares will not be carried out.

§ 4

The Company's Board of Directors shall be authorised to perform all actual and legal acts, including acts not listed in this resolution, which are necessary to carry out the reverse stock split for the Company's shares, in particular to:

1. cause amendments to the Company's Articles of Association subject to this resolution to be entered in the Register of Entrepreneurs of the National Court Register;
2. determine the day ('the Reference Date') on which there will be determined the number of the Company's shares with the previous nominal value registered in individual securities accounts, in order to calculate the number of the Company's shares with the new nominal value, which, as a result of the reverse stock split, should be issued to individual holders of such securities accounts in exchange for such old shares. The Reference Date should be determined taking into account the principle of carrying out the reverse stock split in an optimal manner for the Company and its shareholders;
3. perform all acts related to the registration of the amended nominal value of the Company's shares and of their number in KDPW, where such amendments shall be registered and entered in individual securities accounts of each of the Company's shareholders, which will be effected through KDPW;
4. file a request to Giełda Papierów Wartościowych w Warszawie S.A. (Warsaw Stock Exchange) to suspend the quotations of the Company's shares in order to effect the reverse stock split; however, the period of the suspension of such quotations should be agreed earlier also with KDPW;
5. request the Company's shareholders by way of a notice published in accordance with applicable law to adjust the number of their shares of the Company in their securities accounts so that the number of the Company's shares held by them on the Reference Date is equal to 5 (five) or the multiple of 5 (five);
6. enter into an agreement with a shareholder concerning the supplementing of the reverse stock split shortages referred to in § 3(2) above.

§ 5

1. Due to the reverse stock split, the Company's Articles of Association shall be amended in such a way that the wording of Article 8 of the Company's Articles of Association shall be replaced by the following wording:

“Article 8

8.1 The Company's share capital shall amount to PLN 5,700,000 (five million seven hundred thousand) and shall be divided into not more than 19,000,000 (nineteen million) shares, including 16,600,000 series A ordinary bearer shares and 2,400,000 series B ordinary bearer shares with the nominal value of PLN 0.30 (thirty groszes) each.

8.2. The Company may issue bonds, including convertible bonds.”

2. The Company’s Articles of Association shall be amended in such a way that the following Article 8a of the Company’s Articles of Association shall be deleted:

“Article 8a

The Company’s share capital was conditionally increased by an amount not exceeding PLN 1,500,000.00 (one million five hundred thousand złotych and zero groszes), by issuing not more than 25,000,000 (twenty five million) series B ordinary bearer shares with the nominal value of PLN 0.06 (six groszes) each and the total value of PLN 1,500,000.00 (one million five hundred thousand złotych and zero groszes), in order to grant the right to subscribe for series B shares by holders of series A share warrants issued pursuant to Resolution No. 24 of the Annual General Meeting of Shareholders of 24 May 2011.”

§ 6

This resolution shall come into force upon its adopting and the amendment to the Articles of Association described in §5 upon the date of registering the amendment to the Articles of Association by the court.

RESOLUTION No. 6

of the Extraordinary General Meeting of Shareholders of Przedsiębiorstwo Przemysłu Spożywczego PEPEES S.A. with its registered office in Łomża of 15 January 2019 on the amendment to Article 8 and the deletion of Article 8a of the Company’s Articles of Association

The Extraordinary General Meeting of Shareholders of the Company, pursuant to Article 430 of the Polish Commercial Code, hereby decides as follows:

§ 1

The Company’s Articles of Association shall be amended in such a way that the wording of Article 8 of the Company’s Articles of Association shall be replaced by the following wording:

“Article 8

8.1 The Company’s share capital shall amount to PLN 5,700,000 (five million seven hundred thousand) and shall be divided into not more than 95,000,000 (ninety five million) shares, including 83,000,000 series A ordinary bearer shares and 12,000,000 series B ordinary bearer shares, with the nominal value of PLN 0.06 (six groszes) each.

8.2. The Company may issue bonds, including convertible bonds.”

§ 2

The Company’s Articles of Association shall be amended in such a way that the following Article 8a of the Company’s Articles of Association shall be deleted:

“Article 8a

The Company's share capital was conditionally increased by an amount not exceeding PLN 1,500,000.00 (one million five hundred thousand zlotys and zero groszes), by issuing not more than 25,000,000 (twenty five million) series B ordinary bearer shares with the nominal value of PLN 0.06 (six groszes) each and the total value of PLN 1,500,000.00 (one million five hundred thousand zlotys and zero groszes), in order to grant the right to subscribe for series B shares by holders of series A share warrants issued pursuant to Resolution No. 24 of the Annual General Meeting of Shareholders of 24 May 2011."

§ 3

This resolution shall come into force on the date of its adopting.

RESOLUTION No. 7

of the Extraordinary General Meeting of Shareholders of Przedsiębiorstwo Przemysłu Spożywczego PEPEES S.A. with its registered office in Łomża of 15 January 2019 on the amendment to Article 11.2 of the Company's Articles of Association

The Extraordinary General Meeting of Shareholders of the Company, pursuant to Article 430 of the Polish Commercial Code, hereby decides as follows:

§ 1

The Company's Articles of Association shall be amended in such a way that the wording of Article 11.2 of the Company's Articles of Association shall be replaced by the following wording:

"Article 11.2

The Supervisory Board shall appoint the President of the Board of Directors and, upon the motion of the President of the Board of Directors, other members of the Board of Directors, including the Vice-President of the Board of Directors."

§ 2

This resolution shall come into force on the date of its adopting.

RESOLUTION No. 8

of the Extraordinary General Meeting of Shareholders of Przedsiębiorstwo Przemysłu Spożywczego PEPEES S.A. with its registered office in Łomża of 15 January 2019 on the amendment to Article 15.2 of the Company's Articles of Association

The Extraordinary General Meeting of Shareholders of the Company, pursuant to Article 430 of the Polish Commercial Code, hereby decides as follows:

§ 1

The Company's Articles of Association shall be amended in such a way that the wording of Article 15.2 of the Company's Articles of Association shall be replaced by the following wording:

“Article 15.2

The term of office of the Supervisory Board shall be five years.”

§ 2

This resolution shall come into force on the date of its adopting.

RESOLUTION No. 9

of the Extraordinary General Meeting of Shareholders of Przedsiębiorstwo Przemysłu Spożywczego PEPEES S.A. with its registered office in Łomża of 15 January 2019 on the deletion of Article 26.2 of the Company’s Articles of Association.

The Extraordinary General Meeting of Shareholders of the Company, pursuant to Article 430 of the Polish Commercial Code, hereby decides as follows:

§ 1

The Company’s Articles of Association shall be amended in such a way that the following Article 26.2 of the Company’s Articles of Association shall be deleted:

“Article 26.2

Resolutions of the General Meeting of Shareholders shall be adopted with the majority of 3/4 (three-fourths) of the votes cast in the case of the following matters:

1. amendments to the Articles of Association, including issues of new shares;
2. issues of bonds;
3. the disposal of the Company's enterprise;
4. the business combination of the Company with another company;
5. the Company’s winding-up and dissolution.”

§ 2

This resolution shall come into force on the date of its adopting.

RESOLUTION No. 10

of the Extraordinary General Meeting of Shareholders of Przedsiębiorstwo Przemysłu Spożywczego PEPEES S.A. with its registered office in Łomża of 15 January 2019 on the deletion of Article 33 of the Company’s Articles of Association

The Extraordinary General Meeting of Shareholders of the Company, pursuant to Article 430 of the Polish Commercial Code, hereby decides as follows:

§ 1

The Company’s Articles of Association shall be amended in such a way that the following Article 33 of the Company’s Articles of Association shall be deleted:

“Article 33

33.1. The Company shall publish its notices in *Rzeczpospolita* daily or a different nationwide daily newspaper, with the exception of notices which, as required by law, must be published in *Monitor Sądowy i Gospodarczy* journal or *Monitor Polski 'B'* journal.

33.2. The Company's notices should also be displayed at the Company's registered office in locations accessible to all shareholders and employees."

§ 2

This resolution shall come into force on the date of its adopting.

RESOLUTION No. 11

of the Extraordinary General Meeting of Shareholders of Przedsiębiorstwo Przemysłu Spożywczego PEPEES Spółka Akcyjna with its registered office in Łomża of 15 January 2019 on authorising the Supervisory Board to adopt the consolidated text of the Articles of Association

§ 1

The General Meeting of Shareholders hereby authorises the Supervisory Board to establish the consolidated text of the Company's Articles of Association amended by virtue of Resolutions from No. 3 to No. 9 of the Extraordinary General Meeting of Shareholders of 15 January 2019.

§ 2

This resolution shall come into force upon its adopting.

RESOLUTION No. 12

of the Extraordinary General Meeting of Shareholders of Przedsiębiorstwo Przemysłu Spożywczego PEPEES S.A. with its registered office in Łomża of 15 January 2019 on the conditional increase in the share capital through the issue of series C shares, the issue of series B share warrants and the exclusion of the pre-emptive right related to series C shares and series B share warrants.

Whereas:

1. raising working capital by the Company is necessary in order to ensure its further normal operation;
2. a conditional increase in the share capital has been decided upon, as it facilitates the increase procedure and reduces the costs of raising the capital;
3. the right to subscribe for series C shares as part of the conditional increase in the share capital will be granted to holders of series B share warrants issued by the Company, which fulfils the condition provided for in Article 448 §3 of the Polish Commercial Code;
4. in turn, the issue of share warrants with the exclusion of pre-emptive rights will be offered to the investor by way of a private subscription, which in turn will result in a relatively rapid inflow of funds from the investor to the Company's account;
5. the Company will obtain working capital, which will be used to meet the Company's most urgent needs, including ongoing financing of commenced investment projects;

6. the increase in the Company's share capital by way of a private subscription of series C shares by holders of series B share warrants will make it possible to raise funds intended primarily to meet the current needs of the Company and, in the longer term, to ensure the development of the Company;

7. due to limited possibilities of financing by the main shareholders of the Company, the decision to exclude the pre-emptive rights in the case of series B warrants and series C shares is desirable and is in the Company's interest. The exclusion of the pre-emptive right makes it possible to acquire a new investor and the recapitalisation of the Company is necessary to ensure its further development and strengthen the market position of the Company.

The Extraordinary General Meeting of Shareholders of the Company, pursuant to Articles 448-453 of the Polish Commercial Code, hereby decides as follows:

I. Conditional increase in the share capital

§ 1

The General Meeting of Shareholders, acting pursuant to Article 448 of the Polish Commercial Code, hereby decides to agree to the conditional increase in the Company's share capital. The persons who have been granted the right to subscribe for shares as part of the conditional increase in the share capital shall exercise the right under the conditions set out in this resolution according to the procedure specified in Articles 448-452 of the Polish Commercial Code.

§ 2

The nominal value of the conditional increase in the Company's share capital shall be not higher than PLN 6,000,000 (six million zlotys).

§ 3

Pursuant to Article 448 §3 of the Polish Commercial Code, the purpose of the conditional increase in the share capital is to grant the rights to subscribe for shares by holders of series B share warrants issued by the Company. Pursuant to Article 445 §1 in connection with Article 449 of the Polish Commercial Code, the resolution shall be adopted in the interest of the Company and shall serve the implementation of the strategy of acquiring an investor for the Company and of improving the financial situation of the Company. Series C shares may be subscribed for by holders of series B share warrants.

§ 4

Shares issued as part of the conditional share capital shall be subscribed for not later than until 31 March 2028.

§ 5

Shares issued as part of the conditional share capital shall be subscribed for by persons entitled under series B share warrants issued by the Company.

§ 6

The conditional increase in the share capital shall be carried out through the issue of new series C bearer shares with the nominal value of PLN 0.06 (six groszes) each, in the quantity not exceeding 100,000,000 (one hundred million) shares with numbers from 000000001 to 100000000.

§ 7

The issue price of a single series C share shall be determined by the Company's Board of Directors; however, it will not be lower than the weighted average price of the Company's share according to the quotations on the regulated market from the period of three months preceding the issue of series B share warrants.

§ 8

Series C shares may be subscribed for only for cash contributions.

§ 9

Following the review of the written opinion of the Company's Board of Directors justifying the exclusion of the pre-emptive right and the amount of the proposed issue price of series C shares, the General Meeting of Shareholders of the Company, acting in the Company's interest, shall deprive all shareholders of the Company of all their pre-emptive rights to subscribe for series C shares.

§ 10

Series C shares shall give the right to dividend for a particular financial year under the following terms:

- a) in the case when series C shares are issued to a shareholder in the period from the beginning of a given financial year until the dividend record date referred to in Article 348 §2 of the Polish Commercial Code, such shares shall give the right to the participation in profit sharing from the first day of the financial year directly preceding the year in which they were issued;
- b) in the case when series C shares are issued to a shareholder in the period from the dividend record date referred to in Article 348 §2 of the Polish Commercial Code until the end of the financial year, such shares shall give the right to the participation in profit sharing from the first day of the financial year in which they were issued.

§ 11

To the extent not specified by this resolution or not subject to the powers of the Supervisory Board, the Company's Board of Directors may determine the detailed terms and conditions of the issue of series B shares.

II. Share warrants

§ 12

The Extraordinary General Meeting of Shareholders hereby decides to issue the total of 100,000,000 (one hundred million) transferable series B bearer share warrants entitling their holder(s) to subscribe for the total number of 100,000,000 (one hundred million) series C bearer shares with the nominal value of 0.06 PLN (six groszes) each, issued under this resolution No. 12 of the Extraordinary General Meeting of Shareholders of the Company of 15 January 2019. The warrants shall be in paper form. The warrants may be issued in the form of multiple-securities certificates.

§ 13

The person(s) eligible to subscribe for series C share warrants ('**the Eligible Person(s)**') shall be as follows: _____.

§ 14

Share warrants shall be subscribed for by Eligible Persons free of charge.

§ 15

A single series B share warrant shall entitle its holder to subscribe for a single series C share.

§ 16

The rights under series B share warrants may not be exercised later than on 31 March 2028.

§ 17

Following the review of the written opinion of the Company's Board of Directors justifying the exclusion of the pre-emptive right related to series B share warrants, the General Meeting of Shareholders of the Company, acting in the Company's interest, shall deprive all shareholders of the Company of all their pre-emptive rights to subscribe for series C share warrants.

§ 18

Series B share warrants shall be in the paper form and shall be transferable bearer securities.

§ 19

Share warrants shall be issued following the entry by the court of the information about the resolution regarding the conditional increase in the Company's share capital and shall be offered to Eligible Persons as of the date determined by the Board of Directors after the Company becomes aware of entering the said information. The declaration on the subscription of share warrants should be submitted within 14 days from the date of making the purchase offer by the Company.

§ 20

To the extent not specified by this resolution, the Company's Board of Directors may determine the detailed terms and conditions of the issue of series B share warrants.

§ 21

This resolution shall come into force on the date of its adopting with the effect from the date of entering the information about the resolution by the registry court.