



ENERGOINSTAL

ARTICLES OF ASSOCIATION

I. GENERAL PROVISIONS

Article 1

- 1.1. The company operates under the name Energoinstal Joint Stock Company.
- 1.2. The Company may use the acronym "Energoinstal S.A." and the equivalent of shortcut in foreign languages.

Article 2

- 2.1. Company headquarters are in Katowice.

Article 3

- 3.1. *(deleted)*
- 3.2. *(deleted)*

Article 4

- 4.1. The company operates on the basis of these Articles of Association, Code of Commercial Companies and other relevant legislation.

Article 5

- 5.1. The Company operates in the Republic of Poland and abroad.
- 5.2. The Company may establish its branches in the Republic of Poland and abroad.

Article 6

- 6.1. Duration of the Company is unlimited.

II. BUSINESS PROFILE

Article 7

- 7.1. Company's business profile includes:
 1. *(PKD 25.11.Z)* Manufacture of metal structures and parts thereof
 2. *(PKD 25.21.Z)* Production of radiators and central heating boilers
 3. *(PKD 25.29.Z)* Manufacture of other tanks, reservoirs and containers of metal
 4. *(PKD 25.30.Z)* Manufacture of steam generators, except for boilers for hot water central heating
 5. *(PKD 25.61.Z)* Treatment and coating of metals
 6. *(PKD 25.62.Z)* Machining of metal elements
 7. *(PKD 25.73.Z)* Manufacture of tools
 8. *(PKD 25.91.Z)* Manufacture of metal containers
 9. *(PKD 28.1)* Manufacture of general purpose machinery
 10. *(PKD 28.2)* Manufacture of other general purpose machinery
 11. *(PKD 28.99.Z)* Manufacture of other special purpose machinery not classified elsewhere
 12. *(PKD 33.11.Z)* Repair and maintenance of fabricated metal products
 13. *(PKD 33.12.Z)* Repair and maintenance of machines
 14. *(PKD 33.20.Z)* Installing of industrial machinery, equipment and fittings
 15. *(PKD 35.30.Z)* Manufacture and supply of steam, hot water and air to air conditioning systems
 16. *(PKD 42.21.Z)* Works connected with construction of transmission pipelines and distribution networks
 17. *(PKD 42.22.Z)* Construction of electricity and telecommunications lines
 18. *(PKD 42.99.Z)* Construction of other civil engineering project, not elsewhere classified
 19. *(PKD 43.11.Z)* Wrecking and demolition of buildings
 20. *(PKD 43.12.Z)* Site preparation

21. (PKD 43.22.Z) Assembly of the water and sewage, heating, gas and air conditioning installations
 22. (PKD 43.31.Z) Plastering
 23. (PKD 43.33.Z) Floor finishing; paper-hanging and wall facing
 24. (PKD 43.34.Z) Painting and glazing
 25. (PKD 43.39.Z) Other building completion works
 26. (PKD 43.99.Z) Other specialised construction activities, not elsewhere classified
 27. (PKD 46.71.Z) Wholesale of fuels and related products
 28. (PKD 46.72.Z) Wholesale of metals and metal ores
 29. (PKD 46.74.Z) Wholesale of hardware, plumbing and heating equipment and supplies
 30. (PKD 49.41.Z) Road transport of goods
 31. (PKD 55.10.Z) Hotels and similar accommodation objects
 32. (PKD 55.20.Z) Holiday and short-stay accommodation objects
 33. (PKD 55.90.Z) Other accommodation
 34. (PKD 64.92.Z) Other forms of granting credits
 35. (PKD 64.99.Z) Other financial service activity, not classified elsewhere, except insurance and pension funds
 36. (PKD 68.10.Z) Purchasing and selling of real-estates for own account
 37. (PKD 69.20.Z) Accounting, book-keeping; tax consultancy
 38. (PKD 70.21.Z) Interpersonal relations (public relations) and communication
 39. (PKD 70.22.Z) Other consultancy services in the fields of business activity and management
 40. (PKD 71.11.Z) Architectural activities
 41. (PKD 71.12.Z) Engineering activities and related technical consultancy
 42. (PKD 71.20.B) Other technical testing and analysis
 43. (PKD 74.90.Z) Other professional, scientific and technical activities not elsewhere classified
 44. (PKD 77.32.Z) Renting and leasing of machinery and equipment
 45. (PKD 85.59.B) Other forms of non-formal education, not elsewhere classified
 46. (PKD 35.14.Z) Electricity trading
- 7.2. (deleted)
- 7.3. Significant change of course of the Company's business profile occurs without acquisition of shareholders` shares, who do not agree to any modification if the resolution of the General Meeting on change in the business profile is taken with two-thirds majority in the presence of individuals representing at least half of the share capital.

Article 8

- 8.1. (deleted)
- 8.2. (deleted)
- 8.3. (deleted)
- 8.4. (deleted)

III. SHARE CAPITAL

Article 9

- 9.1 The Company share capital is PLN 1,800,000 (*say: one million eight hundred thousand*) and is divided into 18,000,000 (*say: eighteen million*) ordinary bearer shares with a value of nominal PLN 0.10 (*say: ten grosz*) each, including:
- a. 9,016,360 (*say: nine million sixteen thousand three hundred sixty*) A series shares,
 - b. 2,677,090 (*say: two million six hundred seventy seven thousand ninety*) B series shares,
 - c. 2,706,550 (*say: two million seven hundred six thousand five hundred fifty*) C series shares,
 - d. 3,600,000 (*say: three million six hundred thousand*) D series shares.

- 9.2. The Company may issue bonds, including convertible bonds or bonds with priority right.

Article 10

1. All of the Company's shares are ordinary bearer shares and shall not be exchanged for registered shares.

Article 10 a.

1. The Company's shares may be redeemed.
2. Shares may be redeemed by the shareholder's approval by Company acquisition (*voluntary redemption*) or without the consent of shareholder (*compulsory redemption*).
3. Shares compulsory redemption is executed by the resolutions of the General Meeting on prior request of the Management Board of the Company expressed as a resolution.
4. Resolution of the Management Board referred to in Paragraph 3 shall contain in particular the amount of capital to be reduced and the justification of its redemption.
5. In the remainder, the mode of forced shares redemption is based on Art. 359 and Art. 360 Code of Commercial Companies.
6.
 - a) (*deleted*)
 - b) (*deleted*)
 - c) (*deleted*)
 - d) (*deleted*)
 - e) (*deleted*)
 - f) (*deleted*)

Article 10 b.

(*deleted*)

Article 11

- 11.1 The Management Board is authorized to pay shareholders an advance on anticipated dividends if the Company has sufficient funds to pay. Payment of advances requires the consent of the Supervisory Board. The principle of an advance payment is based on Art. 349, Art. 347, Art. 348 Code of Commercial Companies.

IV. BODIES OF THE COMPANY

Article 12

- 12.1. The bodies of the Company are:
- A. The Management Board
 - B. The Supervisory Board
 - C. General Meeting

A. MANAGEMENT BOARD

Article 13

- 13.1. The Management Board consists of one or more members. Common term of the Management Board is five years.
- 13.2. The Supervisory Board appoints the President of the Management Board, and - at the request of the President of the Management Board - other members of the Management Board, or appoints them on own initiative.

- 13.3. The Supervisory Board may revoke the President of the Management Board, a member of the Management Board or the entire Management Board before the expiry of the term of office.

Article 14

- 14.1. The Management Board shall exercise all powers in the management of the Company except for powers reserved by law or these Articles of Association for other authorities of the Company. Within the internal relations the Management Board may exercise the management of the Company by the General Director.
- 14.2. Regulations of the Management Board shall specify in detail the action mode of the Management Board. The Regulations of the Management Board is resolved by the Management Board and approved by the Supervisory Board.

Article 15

- 15.1. Two members of the Management Board or one member of the Management Board jointly with the proxy are entitled to make representation on behalf of the Company.
- 15.1.a The Management Board is entitled to establish a limited property right for the Company's undertaking or its organised part.

Article 16

- 16.1. The Supervisory Board concludes, on behalf of the Company contracts with members of the Management Board and represent the Company in disputes with members of the Management Board. The Supervisory Board may authorize, by resolution, one or more members to make such legal actions.
- 16.2. Employees of the Company are subject to the Management Board. The Management Board concludes and dissolves employment contracts with them and determines their remuneration under the terms of the Management Board and current legislation.

B. SUPERVISORY BOARD

Article 17

- 17.1. The Supervisory Board shall consist of not less than 5 (*say: five*) and not more than 7 (*say: seven*) members appointed by the General Meeting. The Common term of the Supervisory Board is three years.
- 17.2. (*deleted*)

Article 18

- 18.1. The Supervisory Board shall elect from among its members a Chairman, his Deputy and the Registrar.
- 18.2. Chairman of the Supervisory Board shall convene and chair the Council. The outgoing Chairman of the Supervisory Board shall convene the first meeting and open the newly elected Supervisory Board and shall chair them until the election of the new Chairman.

Article 19

Chairman of the Supervisory Board or one of his deputies are required to convene a meeting at the written request of the Management Board or Supervisory Board member. Meeting should

be convened within a week from the date of filling the motion, the date falling no later than two weeks from the date of convocation.

Article 20

- 20.1. For the validity of the resolutions of the Supervisory Board, written invitation is required to be delivered for all members at least seven days before the fixed date for the meeting. Resolutions may be adopted without holding a meeting, if all members of the Supervisory Board give their written consent to the provision, which is to be taken, or at the written vote.
- 20.2. The Supervisory Board shall take decisions by an absolute majority. In the event that an equal number of votes is cast for and against a resolution, the Chairman of the Supervisory Board shall have the casting vote.
- 20.3. The Supervisory Board shall adopt its rules of procedure, setting out the specific mode of action of the Supervisory Board.
- 20.4. The Supervisory Board members may participate in adoption of resolutions by casting their vote in writing through another member of the Supervisory Board. Giving voice in writing can not relate to matters added to the agenda at the meeting of the Supervisory Board.
- 20.5. Supervisory Board members may participate in resolutions adopting by casting their voice in writing or by means of direct remote communication, provided notification to all members of the Supervisory Board of the contents of the draft resolution.
- 20.6. Adoption of resolutions in the manner specified in Paragraphs 20.4 and 20.5 does not apply to the election of Chairman and Vice Chairman of the Supervisory Board, appointment of members of The Management Board and the suspension and removal of such persons.

Article 21

- 21.1. The Supervisory Board may delegate its members for an individual execution of various supervisory activities.
- 21.2. *(deleted)*

Article 22

- 22.1. The Supervisory Board supervises the activities of the Company.
- 22.2. In addition to the matters referred to in the Act, in other provisions of these Articles of Association or in the resolutions of the General Meeting, the Supervisory Board shall have the responsibility:
 - 1) to assess financial statement and ensure its verification by auditors of Supervisory Board`s choice,
 - 2) to evaluate Board's report on company activities,
 - 3) *(deleted)*,
 - 4) to submit to the General Meeting a written report on the results of the operations referred to in Subparagraph 1 - 2,
 - 5) to rate and submit to the General Meeting proposals of the Management Board as to the division of profits or covering losses,
 - 6) *(deleted)*,
 - 7) to appoint, suspend and dismiss the members of the Management Board and set the amount of their remuneration,
 - 8) to delegate members of the Supervisory Board to temporarily perform the duties of the Management Board members who are unable to exercise their activities, in case of suspension or dismissal

of members of the Management Board or when these members are unable to exercise their activities for any other reasons.

9) (*deleted*).

Article 23

23.1. The General Meeting determines the remuneration of the Supervisory Board members.

C. GENERAL MEETING

Article 24

24.1. Ordinary Shareholders Meeting shall be convened by the Management Board.

Ordinary Shareholders Meeting should be held within six months after the end of every fiscal year.

24.2. The Extraordinary General Meeting shall be convened by the Management Board on its own initiative or at the request of shareholders representing at least 5% of share capital.

24.3. The Management Board shall convene the Extraordinary General Meeting within two weeks from the date of application referred to in Article. 24.2.

24.4. (*deleted*)

24.5. The Supervisory Board:

- shall convene the Annual General Meeting in case when the Management Board did not convene the Annual General Meeting in period provided by the law,

- shall convene the Extraordinary General Meeting if convocation of the Meeting is deemed desirable by the Supervisory Board.

24.6. (*deleted*)

Article 25

25.1. The Management Board in consultation with the Supervisory Board establishes the agenda of the General Meeting.

25.2. The Supervisory Board and shareholders representing at least 5 % of share capital may require placement of individual issues in the agenda of the General Meeting.

25.3. The request referred to in Article. 25.2 should be reported to the Management Board no later than 21 days before scheduled date of the General Meeting.

25.4. The appeal of the General Meeting, in which agenda given cases were set at the request of authorized parties or which have been convened on the basis of the Article 400 of the Commercial Code, requires the consent of the shareholder who has submitted such a request.

25.5. Removal from the agenda or omission of the consideration of the case included in the agenda at the request of shareholders requires a resolution of the General Meeting, after prior consent by all present shareholders who submitted such a request, supported by at least 75% of the General Meeting votes.

Article 26

26.1. The General Meeting shall take place at Company headquarters.

Article 27

27.1. The General Meeting may adopt resolutions, regardless of the number of present shareholders or represented shares.

Article 28

- 28.1. Resolutions of the General Meeting are taken by a simple majority of votes cast unless these Articles of Association or law provide otherwise. The simple majority of votes is required in particular in the following cases:
- 1) review and approval of financial statements, the Management Board's report on the activities of the Company for previous financial year,
 - 2) adoption of the resolution on the distribution of profits and losses,
 - 3) for members of the Company to discharge of their duties.
- 28.2. Resolutions of the General Meeting are taken by a majority of 3 / 4 votes of the following matters:
- 1) changes in Articles of Association, including the issue of new shares,
 - 2) issuance of bonds, including convertible bonds, or with priority right,
 - 3) disposal of company's business,
 - 4) merger of the Company with another Company,
 - 5) dissolution of the Company.
- 28.3. Resolutions concerning amendments to the Articles of Association of the Company to increase the services of shareholders or to reduce the rights granted personally to each shareholder require the consent of all the affected shareholders.
- 28.4. The General Meeting may grant a reimbursement of expenses or compensation cover to a person who has exercised or exercises the function of the member of the Supervisory Board or the Management Board, which that person may be required to pay to a third party as a result of the obligations arising in connection with the exercise of functions by the person, if this person has acted in good faith and in a way which in justified circumstances of the conviction of that person was in the best interest of the Company.

Article 29

- 29.1. Vote at the General Meeting shall be public. A secret ballot shall be enacted by elections and on motions for dismissal of members of the Management Board or liquidators of the Company or to hold them liable including personnel - related matters.
- 29.2. *(deleted)*

Article 30

- 30.1. Chairman of the Supervisory Board opens the General Meeting or a person indicated by him, Next, Chairman of the Meeting shall be elected from among the persons entitled to vote.
- 30.2. The General Meeting shall adopt its regulations.

V. EXERCISING OF RIGHTS ATTACHED TO SHARES

Article 31

- 31.1. Shareholders of the Company are entitled to the powers set out in Article. 434 Code of Commercial Companies *(pre-emptive right)*.
- 31.2. *(deleted)*
- 31.3. *(deleted)*
- 31.4. *(deleted)*

Article 31.a

(deleted)

Article 31.b

(deleted)

VI. COMPANY ADMINISTRATION

Article 32

- 32.1. Company organization is determined by the organizational regulations adopted by the Management Board and approved by the Supervisory Board.

Article 33

- 33.1. The Company financial year is the calendar year.

Article 34

34. Within three months after the end of the financial year, the Management Board is obliged to draw and submit to the Supervisory Board the financial report and the Management Board's report on the activities of company for the previous financial year.

- 34.2. *(deleted)*

Article 35

- 35.1. Net profit of the Company may be dedicated in particular for:
- 1) capital reserve,
 - 2) the investment fund,
 - 3) additional capital reserve,
 - 4) dividends,
 - 5) other purposes determined by a resolution of the General Meeting.
- 35.2. Dividend day and dividend payment date are determined by the General Meeting.

Article 35 a.

Acquisition and disposal of property or share in property is held on the following principles:

- a) The Management Board is empowered to carry out transactions without the consent of the other bodies of the Company when the value of the transaction does not exceed 20% of the Company net assets according to the last balance sheet.
- b) The Supervisory Board expresses its consent to a transaction where its value ranging from 20% to 40% inclusive of the net assets of the Company according to the last balance sheet.

VII. FINAL PROVISIONS

Article 36

- 36.1. The Company shall bear its publication in the Court and Economic Gazette Monitor (*MsiG*).
- 36.2. *(deleted)*