

**RESOLUTION No. 27/20**  
**OF THE ANNUAL GENERAL MEETING**  
**OF GRUPA KĘTY S.A. of 20 August 2020**

Recognizing the incentive nature of the opportunity to acquire the Company shares by the managerial staff and key employees, the General Meeting of Grupa KĘTY S.A. (“**Company**”) resolves as follows:

I. A consent is granted to the implementation by the Company in the years 2020–2028 of the Management Options Plan (“**Plan**”), under which the eligible persons will be entitled to take up the new-issue shares of the Company on the following terms and conditions:

1. The objective of the Plan is an above-standard increase in the Company value through a growth in the economic results of the Company and increase in the Company shares value. 2. The Plan is addressed to the Company Management Board Members and key managerial staff of the Company as well as its subsidiaries and associates (“**Eligible Persons**”). The Eligible Persons will be designated by the Company Management Board (“**Management Board**”), following consultations with the Company Supervisory Board (“**Supervisory Board**”), with the exclusion of the Eligible Persons being Members of the Management Board, who will be designated by the Supervisory Board. The designation of the Eligible Persons for each of the tranches referred to in section 7 may cover not more than 40 people, whereas the total number of the Eligible Persons under the Plan may not exceed 120 people.

3. The Entitled Persons designated in accordance with section 2 above are granted options by the Supervisory Board, by way of a resolution. An option entitles the Eligible Person, after meeting the conditions referred in section 9 below, to acquire bonds with the pre-emptive right to take up the new-issue shares of the Company as part of the conditional increase of the share capital (“**Bonds**”).

4. The Bonds will be taken up by a trustee, who subsequently, at the appropriate dates and at a request of the Company, shall transfer the Bonds to the Eligible Persons (“**Trustee**”).

5. The maximum number of shares offered within the Plan may not exceed 270,000 shares of the Company.

6. The Plan will be divided into three equal tranches, each of them amounting to 1/3 of the total number of shares offered under the Plan and the corresponding number of Bonds.

7. The options will be allocated in three equal tranches, at a specific date within the years 2020–2022, however not later than on 30 September of a given year, such that the allocation in each subsequent year will cover options for the number of Bonds corresponding to 1/3 of the number of shares offered under the Plan.

The options will be allocated to the Eligible Persons separately under each tranche, whereas the options allocated to Members of the Management Board may not exceed the total of 50% of the shares offered under the Plan. The options granted to one Eligible Person under the respective tranche may not exceed 10% of the shares offered under that tranche.

8. The opportunity to exercise the options under each of the tranches shall start at the specific dates assigned to each of the tranches within the years 2023–2025 and end at the specific dates assigned to each of the tranches within the years 2026–2028. In each year of the 3-year period for exercising the options within the specific tranche, the Eligible Persons may acquire Bonds of that tranche from the Trustee.

9. The exercise of the options is contingent on the satisfaction of the following conditions:

a) the Eligible Person continues the employment relationship or other legal relationship of similar nature with the Company, its subsidiary or associate for the period of at least 3 years from the date of allocating the options; and

b) in reference to 15% of the respective tranche – the return on shares reaches the minimum level equal or higher than the growth rate of the WIG index calculated for the same period as the return on shares ratio;

c) in reference to 25% of the respective tranche – the return on shares reaches the level of at least 15 percentage points higher than the growth rate of the WIG index calculated for the same period as the return on shares ratio;

d) in reference to 30% of the respective tranche – the EBITDA growth rate reaches 28%, if the opinion of the statutory auditor on the consolidated financial statements of the Company Group does not contain any reservations regarding EBITDA in the given year, whereas the tranche will be allocated to the Eligible Persons in part, if the EBITDA growth rate is realised in 89.3% of the required level and the value of the tranche grows proportionally to the level of EBITDA growth rate – the method of calculating the value of the Bonds tranche is specified in section 13 below;

e) in reference to 30% of the respective tranche – the net profit growth rate reaches 28%, if the opinion of the statutory auditor on the consolidated financial statements of the Company Group does not contain any reservations regarding the net profit ratio in the given year, whereas the tranche will be allocated to the Eligible Persons in part, if the net profit growth rate is realised in 89.3% of the required level and the value of the tranche grows proportionally to the level of EBITDA growth rate – the method of calculating the value of the Bonds tranche is specified in section 14 below;

10. The return on shares referred to in section 9 items b) and c) above shall mean:

a) in reference to the options tranche for which the exercise shall start in 2023 – the quotient of the average price of the Company shares in the quotations on the Warsaw Stock Exchange market in 2022, increased for the value of dividend paid by the Company from 1 January 2020 to 31 December 2022, plus the average price of the Company shares in 2019, and the average price of the Company shares in 2019;

b) in reference to the options tranche for which the exercise shall start in 2024 – the quotient of the average price of the Company shares in the quotations on the Warsaw Stock Exchange market in 2023, increased for the value of dividend paid by the Company from 1 January 2021 to 31 December 2023, plus the average price of the Company shares in 2020, and the average price of the Company shares in 2020;

c) in reference to the options tranche for which the exercise shall start in 2025 – the quotient of the average price of the Company shares in the quotations on the Warsaw Stock Exchange market in 2024, increased for the value of dividend paid by the Company from 1 January 2022 to 31 December 2024, plus the average price of the Company shares in 2021, and the average price of the Company shares in 2021.

11. The EBITDA growth rate referred to in section 9 item d) above shall mean:

a) in reference to the options tranche for which the exercise shall start in 2023 – the quotient of the amount constituting the difference between the consolidated EBITDA generated by the Company in 2022 and the consolidated EBITDA generated by the Company in 2019, and the consolidated EBITDA generated by the Company in 2019;

b) in reference to the options tranche for which the exercise shall start in 2024 – the quotient of the amount constituting the difference between the consolidated EBITDA generated by the Company in 2023 and the consolidated EBITDA generated by the Company in 2020, and the consolidated EBITDA generated by the Company in 2020;

c) in reference to the options tranche for which the exercise shall start in 2025 – the quotient of the amount constituting the difference between the consolidated EBITDA generated by the Company in 2024 and the consolidated EBITDA generated by the Company in 2021, and the consolidated EBITDA generated by the Company in 2021.

When calculating the value of the consolidated EBITDA for the purpose of this item, it was assumed that the value of the Plan would not reduce the EBITDA ratio.

The General Meeting authorises the Supervisory Board to consider the impact of one-off and extraordinary events when calculating the EBITDA growth rate, on the principles specified in the Plan rules passed by the Supervisory Board.

12. The net profit growth referred to in section 9 item e) above shall mean:

a) in reference to the options tranche for which the exercise shall start in 2023 – the quotient of the amount constituting the difference between the consolidated net profit generated by the Company in 2022 and the consolidated net profit generated by the Company in 2019, and the consolidated net profit generated by the Company in 2019;

b) in reference to the options tranche for which the exercise shall start in 2024 – the quotient of the amount constituting the difference between the consolidated net profit generated by the Company in 2023 and the consolidated net profit generated by the Company in 2020, and the consolidated net profit generated by the Company in 2020;

c) in reference to the options tranche for which the exercise shall start in 2025 – the quotient of the amount constituting the difference between the consolidated net profit generated by the Company in 2024 and the consolidated net profit generated by the Company in 2021, and the consolidated net profit generated by the Company in 2021.

When calculating the consolidated net profit for the purpose of this item, it was assumed that the value of the Plan would not reduce the consolidated net profit ratio. The General Meeting authorises the Supervisory Board to consider the impact of one-off and extraordinary events when calculating the net profit growth rate, on the principles specified in the Plan rules passed by the Supervisory Board.

13. In reference to the Bonds tranche to be acquired as an exercise of the options for the given tranche, providing that the EBITDA growth rate reaches 28%, as specified in section 9 item d) above, if the EBITDA growth rate is realised in at least 89.3% of the required level, the number of Bonds to be acquired by the Eligible Persons as an exercise of the options within the given tranche will grow proportionally (within the interval of 89.3% and 100%) and will be calculated in accordance with the following formula:

$$P = 33.333 \times (R - 25\%) \times 30\%$$

where

P – means the volume of the Bonds tranche, but not more than 30% of the Bonds intended for acquisition by the Eligible Persons as an exercise of the options within the tranche;

R – means the percentage (%) of the EBITDA growth rate realisation.

14. In reference to the Bonds tranche to be acquired as an exercise of the options for the given tranche, providing that the net profit growth rate reaches 28%, as specified in section 9 item e) above, if the net profit growth rate is realised in at least 89.3% of the required level, the number of Bonds to be acquired by the Eligible Persons as an exercise of the options within the given tranche will grow proportionally (within the interval of 89.3% and 100%) and will be calculated in accordance with the following formula:

$$P = 33.333 \times (R - 25\%) \times 30\%$$

Where

P – means the volume of the Bonds tranche, but not more than 30% of the Bonds intended for acquisition by the Eligible Persons as an exercise of the options within the tranche;

R – means the percentage (%) of the net profit growth rate realisation.

15. If the conditions for the options of the given tranche or any part thereof are not fulfilled, the tranche or its part is cancelled. The tranches shall not accumulate in the subsequent years of the Plan implementation.

16. The issue price of the shares offered under the Plan shall be the amount equal to the average turnover-weighted price of the Company shares calculated based on the average turnover-weighted daily quotes on the regulated market of the Warsaw Stock Exchange in the period of 12 (twelve) months preceding the date of the General Meeting session in which the Plan has been adopted, less 5%, providing that the difference between the average quote of the Issuer's shares in organised trading in the last 3 (three) months preceding the date of determining the issue price and the issue price shall not exceed 50% of the quote. If the said difference exceeds the specified value, the issue price will be adequately increased or decreased.

17. The options exercise shall take place not earlier than after 36 (thirty six) months of the date of the options allocation, but not later than after 72 (seventy two) months of the allocation.

18. The right to participate in the Plan and exercise the options is lost:

a) after 1 (one) calendar month of the date of employment relationship termination on the initiative of the Eligible Person

– as regards the Eligible Persons who are employees;

b) after 1 (one) calendar month of quitting the function on the initiative of the Eligible Person

– as regards the Eligible Persons who perform functions but are not employees;

c) after 1 (one) calendar month of the date of employment relationship termination on the initiative of the Eligible Person  
– as regards the Eligible Persons who perform functions and, at the same time, are employees;

d) at the date of the employment relationship termination – as regards termination of the employment relationship with the Eligible Person pursuant to Article 52 of the Labour Code;

e) upon the death of an Eligible Person.

II. The General Meeting of Shareholders hereby authorises the Supervisory Board to determine the rules comprising the specific principles, procedures, dates as well as terms and conditions of the Plan, in accordance with the principles set out in part I above, including the designation of the Eligible Persons, as well as the allocation and exercise of the options.

III. The Resolution comes into force on the date of its passing.

Number of shares on which valid votes were cast (percentage of the Company share capital): 6,596,877 (68.57%).

Total number of valid votes: 6,596,877

Votes 'for': 5,303,101

Votes 'against': 953,537

Votes 'abstained': 340,239