

**Justification of the draft resolutions for the Ordinary General Meeting of Shareholders of ACTION Spółka Akcyjna in restructuring due to convene on 30 June 2020:**

**1. Resolution No. 1 on appointing the Chairperson of the Meeting.**

Pursuant to Article 409 (1), general meetings are chaired by the Chairperson appointed by the Shareholders from among those entitled to participate in the Meeting. Therefore, the adoption of a resolution on this matter is required to duly hold a General Meeting

**2. Resolution No. 2 on the adoption of the agenda.**

Pursuant to Article 9 (1b) and (2) of the Rules of Procedure of General Meetings of Shareholders of ACTION S.A., the agenda of the general meeting is put to the vote.

Therefore, similarly to the vote on appointing the Chairperson, it is essential to fulfil the requirements concerning the correct course of the General Meeting.

**3 – 5. Resolutions 3, 4 and 5 on approving the Management Report, the Company's financial statements and the Supervisory Board's report on the results of the assessment of the Management Report, the financial statements as well as the Management Board's motion and information on cover the loss and assessment of the Company's standing for the financial year 2017.**

Pursuant to Article 395 (2) (1) of the Commercial Companies Code, required elements of a general meeting include considering and approving the Management Report on the Company's operations as well as the financial statements for the previous financial year. In the opinion of the Management Board, the Supervisory Board's report on the review of the reports referred to above and on the Company's standing should also be included in the agenda of the General Meeting. This conclusion arises from Article 382 (3) of the Commercial Companies Code and the Good Practice for WSE-Listed Companies (principle III 1.1) adopted by the Company.

The data included in the Management Report on the Company's operations and in the financial statements were analysed by a certified auditor and the Company's Supervisory Board.

**6.- 8. Resolutions 6, 7, 8 regarding the approval of the consolidated financial statements of the ACTION S.A.Capital Group, the Management Board's report on the activities of the ACTION S.A.Capital Group. and the report of the Supervisory Board on the results of the assessment of the Management Board's report, consolidated financial statements, conclusion and information of the Management Board regarding distribution of profit and assessment of the situation of the ACTION S.A. for the financial year 2019.**

In accordance with art. 63 c paragraph 4 of the Accounting Act, the annual consolidated financial statement of the capital group is subject to approval by the approval body of the parent company, i.e. the General Meeting of ACTION S.A. Pursuant to the content of art. 395§5 1 of the Code of Commercial Companies, consideration and approval of the financial statements of a capital group may be the subject of an ordinary general meeting. In the opinion of the Management Board - for the reasons indicated in the explanatory memorandum to resolutions 3 - 5 - the Management Board's report on the activities of the ACTION S.A.Capital Group should also be discussed at the General Meeting of the Company. and the Supervisory Board's report on the evaluation of both these reports and the situation of the Group.

Data included in the consolidated report and the report on the activities of the ACTION S.A.Capital Group were subject to analysis by the statutory auditor, the Audit Committee and the Supervisory Board of the Company

**10. Resolution No. 10 on acknowledging the fulfilment of duties by Supervisory Board Members for the discharge of duties in financial year 2019.**

With regard to the issues of draft Resolution No. 10 (which refers directly to personnel relations and the liability of the Management Board), the Management Board restricts its rationale to a statement that this matter falls into the exclusive competence of the OGM (Article 395 (2) (3) of the Commercial Companies Code) and the position of the Company should be taken into account during the vote.

**11. Resolution No. 11 on acknowledging the fulfilment of duties by Supervisory Board Members in the financial year 2014.**

As in the case of the Management Board, the Members of the Supervisory Board are also subject to the evaluation of the General Meeting in terms of performance of their duties during the previous financial year. In the assessment of the Management Board, each Member of the Supervisory Board performed their duties with due care in the financial year 2014. As a result, the Management Board recommends acknowledging the fulfilment of duties by Supervisory Board Members.

**12. Resolution No. 12 on the adoption of the Remuneration Policy for members of the Management Board and Supervisory Board of ACTION S.A. in restructuring.**

In accordance with art. 90 d of the Act of July 29, 2005 on public offerings and conditions governing the introduction of financial instruments to organized trading, and on public companies, the General Meeting adopts, by resolution, a remuneration policy for members of the Management Board and the Supervisory Board. The remuneration policy submitted to the General Meeting was prepared in accordance with the requirements of the above-mentioned of the Act and subjected to the assessment of the Company's Supervisory Board. Therefore, submitting the discussed matter to the General Meeting should be considered justified.

**13. Resolution No. 13 on the dematerialisation of shares covered by the conversion based on the arrangement in the Company's sanction proceedings, applying by the Company for admission to trading on a regulated market and authorization of the Company's Management Board**

In the Company's restructuring proceedings, it's creditors adopted the agreement, which is confirmed by the decision of the Judge - Commissioner of 6 th February 6 2020, issued on the basis of art. 120 paragraph 1 and 2 of the Restructuring Law ("current law"). The provisions of the arrangement provide for partial satisfaction of creditors by converting their claims into new issue shares of the Company. The conditions of this activity are specified in Art. "CONVERSION OF LIABILITY TO SHARES" of the arrangement in the Company's restructuring proceedings. It also provides for conditions regarding the dematerialisation of new shares as a result of their registration in the National Depository for Securities, applying for admission and introduction of shares to trading on a regulated market, and authorization for the Management Board to perform these activities. Inclining to the view that in the light of the content of art. 156 section 1 point 4 au and art. 169 section 3 a.r. a legally approved arrangement in remedial proceedings replaces the activities necessary to implement its conversion-related provisions in order to enable the General Meeting to take a position and take into account the regulation arising from art. 5 of the Act on Trading in Financial Instruments and Art. 4 b of the Act on public offerings and conditions governing the introduction of financial instruments to organized trading, and on public companies, the Management Board submitted a draft resolution regarding the issue discussed above. Therefore, submitting the discussed matter to the General Meeting should be considered justified.

Piotr Bieliński .....

Sławomir Harazin .....