

## **Attachment No. 2 to Management Board of ACTION S.A. Meeting Minutes of 23 June 2008**

### **Rationale for draft resolutions included in the agenda of the Extraordinary General Meeting of ACTION S.A. scheduled for 31 July 2008**

#### **1. Resolution No. 1 on electing the Chairperson of the Meeting.**

Pursuant to Article 409 paragraph 1, the session of a general meeting is presided over by a chairperson elected by the shareholders from among all the individuals with a right of vote. Consequently, passing a resolution on that matter is a prerequisite of a correctly conducted general meeting.

#### **2. Resolution No. 2 on adopting the agenda.**

Pursuant to the provisions of Article §11 (1) of the Rules of General Meetings of Action S.A., the agenda of a general meeting is subject to voting.

Just as in the case of electing the chairperson, in this case the formal requirements for procedural correctness of the general meeting must also be observed.

#### **3. Resolution No. 3 on amending Resolution No. 3 of the Extraordinary General Meeting of 15 November 2006 on the conditional increase of the share capital and on amending Resolution No. 4 of the Extraordinary General Meeting of 15 November 2006 on the issue of Series A subscription warrants and the exemption of subscription warrants from a rights issue.**

On 15 November 2006 the Extraordinary General Meeting of ACTION S.A. passed, among others, a Resolution No. 3 on a conditional increase of the share capital of the Company by an amount not higher than PLN 82,050 by means of an issue of not more than 820,500 ordinary series C bearer shares of a nominal value of PLN 0.10 each, and Resolution No. 4 on issuing not more than 820,500 Series C subscription warrants in order to allow their authorised holders to take up those shares.

The person entitled to take up the warrants and benefit from the rights arising from them was the former President of the Board, Mr Dariusz Krawiec. That right was a consequence of the executive stock options programme of the Company.

On 5 December 2007 the Extraordinary General Meeting modified those resolutions, specifically by limiting the number of warrants available to their beneficiary to 547,000. Apart from that, the original time limit for the execution of rights granted by the warrants was changed from 31 December 2010 to 31 December 2008. Meanwhile the authorised person acquired all the warrants and subsequently sold them, mostly to the current President of the Board, Mr Piotr Bielinski. Given those circumstances and the fact that as of now, the warrants have already fulfilled the purpose of their issue for their original holder, the Management Board proposed changing the expiry date of the warrants back to the original one, i.e. 31 December 2010. Extending their period of validity will allow introducing Series C shares to the Warsaw Stock Exchange. Considering the present market conditions (whose trends are unlikely to change by the end of the year in the opinion of the Board), increasing the number of shares of the Company may cause their price to drop and consequently reduce the equity capital of the Company. In addition, the Management Board has suggested certain changes aimed to order and clarify the actions taken with respect to Series C shares after their issue as well as the scope of authorisation of the Board with respect to introducing those securities to trading on the regulated market.

#### **4. Resolution No. 4 on amending Article §19 (1) of the Company Statutes**

The proposed amendment to the Statutes proposed consists in changing the financial year of the

Company. At present, the financial year starts on 1 August and ends on 31 July of the following calendar year. The Board suggests that the financial year be identical with the calendar one. That change will allow comparability of annual and periodical data of the Company, as at present neither the financial year, nor its quarters run concurrently with the respective calendar periods. The provision to that end (i.e. one stating that the first financial year after the change is to be 17 months' long, starting on 1 August 2008 and ending on 31 December 2009) is compliant with the Corporate Income Tax regulations and the Accountancy Act.

In order to fulfil the duty to register a change in the Statutes with the National Court Register and meet the statutory requirements in that respect, such a resolution also provides for passing a consolidated text of the Company Statutes by the General Meeting. A draft of the consolidated text of the Statutes has been enclosed as Attachment No. 3 to Management Board of ACTION S.A. Meeting Minutes of 23 June 2008.

Considering the above, the Management Board hereby gives a favourable opinion on the drafts of the resolutions and recommends that the shareholders approve them.

Piotr Bielinski .....

Kazimierz Lasecki .....

Edward Wojtysiak .....