

## **ANNOUNCEMENT ABOUT CONVENING THE ORDINARY GENERAL MEETING OF PROCHEM SA**

Management Board of PROCHEM SA with the registered office in Warsaw at 44c Powązkowska Str., entered into the Register of Entrepreneurs of National Court Register by the District Court for the capital city of Warsaw, XII Commercial Division of the National Court Register under KRS number 19753, convene **XXVIII Ordinary General Meeting of PROCHEM SA, to be held on June 12<sup>th</sup> 2010 at 9 a.m. at the registered office of the Company.**

### **Proposed Agenda:**

1. Opening the Ordinary General Meeting
2. Election of the Chairman of the Meeting
3. Appointment of a ballot committee
4. Drawing up the attendance list
5. Statement that the Ordinary General Meeting of PROCHEM SA has been convened in compliance with all applicable requirements and that valid resolutions can be adopted at the Meeting
6. Accepting the agenda
7. Adoption of resolution regarding approving the new Bylaw of the General Meeting of Shareholders of PROCHEM SA (Resolution No 1)
8. Examination of the Management Board's report on the Company's business activity, and the Company's financial statement for 2009
9. Examination of the Supervisory Board's report for 2009
10. Adoption of resolutions regarding the following:
  - a) approving the report of the Management Board on the Company's business activity in 2009 (Resolution No 2),
  - b) approving the financial statement of PROCHEM SA for 2009 (Resolution No 3),
  - c) granting exoneration to the members of the Management Board for fulfilment of their duties in 2009 (Resolution No 4),
  - d) granting exoneration to the members of the Supervisory Board for fulfilment of their duties in 2009 (Resolution No 5),
  - e) covering a loss for 2009 (Resolution No 6).
11. Adoption of the resolution concerning redemption of own shares (Resolution No 7)
12. Adoption of the resolution concerning the reduction of the share capital (Resolution No 8),
13. Presentation of amendments to the statute of PROCHEM SA
14. Adoption of resolutions regarding the following:
  - a) amendments to the Statute (Resolution No 9),
  - b) approving the consolidated text of Statutes of PROCHEM SA (Resolution No 10).
15. Adoption of resolution regarding amendment of the Bylaw of the Supervisory Board of PROCHEM SA (Resolution No 11),
16. Presentation of a consolidated financial statement of PROCHEM SA for the year 2009.
17. Adoption of the resolution regarding consolidated financial statement of PROCHEM SA for the year 2009 (Resolution No 12).

18. Adoption of the resolution about correcting the arithmetical mistake in the Resolution No 5 of the General Meeting of Shareholders of June 6<sup>th</sup> 2009 (Resolution No 13).
19. Closing the Meeting

## Proposed amendments to the statutes:

### Contents of § 7 in the wording:

- “1. The company’s share capital amounts to PLN 3,900.000 (PLN three million nine hundred thousand) and is divided into 3,900,000 shares of the face value PLN 1 (PLN one) each, including:
- a) 1,817,500 (one million eight hundred seventeen thousand five hundred) founding shares issued in the form of inscribed shares,
  - b) 682,500 (six hundred eighty two thousand five hundred) B class shares issued in the form of inscribed shares,
  - c) 530,000 (five hundred thirty thousand) C class bearer’s shares,
  - d) 870,000 (eight hundred seventy thousand) D class issued in the form of inscribed shares. “

### they are replacing with contents in wording:

- “1. The company’s share capital amounts to PLN 3,895.000 (PLN three million eight hundred ninety five thousand) and is divided into 3,895,000 shares of the face value PLN 1 (PLN one) each, including:
- a) 1,817,500 (one million eight hundred seventeen thousand five hundred) founding shares issued in the form of inscribed shares,
  - b) 682,500 (six hundred eighty two thousand five hundred) B class shares issued in the form of inscribed shares,
  - c) 530,000 (five hundred thirty thousand) C class bearer’s shares,
  - d) 865,000 (eight hundred sixty five thousand) D class issued in the form of inscribed shares. “

### Contents of § 11 in the wording :

“The company’s shares may be redeemed only on a voluntary basis, within the meaning of Article 359 of the Commercial Companies Code, as on the basis of on the terms and conditions and in the manner described below:

1. In order to carry out the procedure of shares redemption:  
the General Meeting shall authorise the Company’s Management Board to purchase treasury shares with the aim of redeeming the same, the Supervisory Board, at the request of the Management Board, shall set out the terms and conditions of purchase of the company’s treasury shares.
2. In the event of fulfilling the intended purchase of treasury shares by the company under specified terms and conditions, the Management Board shall inform the General Meeting of:
  - a) the types of shares purchased,
  - b) the quantities of shares purchased,
  - c) the face value of the shares purchased,
  - d) the percentage of those shares in the equity.
3. In the event of accepting the information of purchasing the treasury shares, the General Meeting shall pass resolutions on:
  - a) the redemption of shares,
  - b) the lowering of share capital. “

they are replacing with contents in wording:

“The company’s own shares may be purchased and redeemed under the voluntary procedure, on the terms and conditions stipulated in regulations of the Commercial Companies Code.”

Contents of § 13 paragraph 1 in the wording:

1. “The General Meeting shall be convened as ordinary or extraordinary meetings”

they are replacing with contents in wording:

1. “The General Meeting shall be convened as ordinary or extraordinary meetings by the announcement on the company’s website [www.prochem.com.pl](http://www.prochem.com.pl) and in the way determined for the transmission of current information according to provisions of the mandatory law applying to public companies”.

Contents of § 14 in the wording:

1. “All the shareholders shall have the right to participate in the General Meeting in person or via proxies.
2. If the Commercial Companies Code does not provide otherwise, the General Meeting may pass resolutions irrespective of the number of attendees and the amount of share capital represented.
3. Each share shall give the right to one vote at the General Meeting, excluding preferred shares where each of those shares shall give the right to three votes. “

they are replacing with contents in wording:

1. “The General Meeting shall be organised in the traditional way or at the utilization of electronic communication. The information about the way of the organization and the possibility of participating of shareholders in the General Meeting shall be conveyed in announcement about the General Meeting.
2. Only the persons being shareholders of the company for sixteen days before the date of the General Meeting (registration date of the participation in the General Meeting) shall have the right to participate in the General Meeting.
3. The company shall establish the list of persons entitled to participate in the General Meeting on the basis of:
  - list drawn up by the National Depository for Securities,
  - share book of PROCHEM S.A.
4. If the Commercial Companies Code does not provide otherwise, the General Meeting may pass resolutions irrespective of the number of attendees and the amount of share capital represented.
5. Each share shall give the right to one vote at the General Meeting, excluding preferred shares where each of those shares shall give the right to three votes.”

Contents of § 15 paragraph 3 in the wording:

- “3. A shareholder or shareholders representing at least one tenth of the initial capital may demand that an Extraordinary General Meeting be convened and specific items be included in the agenda of the session of the following General Meeting. Such a demand should be submitted in writing to the Management Board at the latest one

month prior to the proposed date of the General Meeting. “

they are replacing with contents in wording:

- “3. A shareholder or shareholders representing at least one twentieth of the share capital may demand that :
- an Extraordinary General Meeting be convened ,
  - specific items be included in the agenda of the session of the following General Meeting,
  - to file drafts of resolutions concerning the established agenda.”

Contents of § 17 paragraph 1 in the wording:

- “ 1. The General Meeting shall take decisions as to the following matters:
- 1) reviewing and approving the reports of the company’s Management Board activity and the company’s financial statements for the last year,
  - 2) deciding on the distribution of profits or coverage of losses for the past year,
  - 3) acknowledging the fulfilment of duties by the members of the company’s authorities,
  - 4) specifying the number of Supervisory Board members, electing and recalling the Supervisory Board,
  - 5) changing the subject matter of the company’s enterprise operations,
  - 6) amending the company’s charter,
  - 7) redeeming shares,
  - 8) issuing bonds ,
  - 9) approving the Bylaw of the Supervisory Board of PROCHEM S.A.
  - 10) other matters which, in accordance with the charter and the Commercial Companies Code, belong to the General Meeting.”

they are replacing with contents in wording:

1. “The General Meeting shall pass resolutions in matters:
  - 1) approving the reports of the company’s Management Board activity and the company’s and company’s Capital Group financial statements for the last year,
  - 2) the distribution of profits or coverage of losses for the past year,
  - 3) granting exoneration to the members of the company’s authorities,
  - 4) electing and recalling the Supervisory Board,
  - 5) changing the subject matter of the company’s enterprise operations,
  - 6) amending the company’s statutes,
  - 7) redeeming shares,
  - 8) issuing bonds,
  - 9) approving the Bylaw of the General Meeting of PROCHEM S.A.
  - 10) other matters which were reserved according to effective laws and regulations to competence of the General Meeting. “

Contents of § 19 paragraph 1 in the wording:

1. “Supervisory Board shall comprise at least three but not more than six persons.

The members of the Supervisory Board shall be elected by the General Meeting in the quantity of three, four, five or six persons. If the quantity of the Supervisory Board members decreases during the Board's term to three persons, it shall not be required to organise a by-election. "

they are replacing with contents in wording:

" 1. Supervisory Board shall comprise five persons. The members of the Supervisory Board shall be elected by the General Meeting."

Contents of § 21 paragraph 1 in the wording:

1. "For validity of the Supervisory Board's resolutions it shall be required to invite to the meeting all members of the Supervisory Board and at least three members present if the Supervisory Board is composed of three to five persons, and in the event of six-person Supervisory Board the presence of at least four members thereof shall be required."

they are replacing with contents in wording:

1. "For validity of the Supervisory Board's resolutions it shall be required to invite to the meeting all members of the Supervisory Board and at least three members present. "

Contents of § 22 in the wording:

- " 1. The Supervisory Board shall exercise constant governance of the company's operation.
2. Special prerogatives of the Supervisory Board shall include:
- 1) auditing the report on the Management Board's activity and the company's financial statements,
  - 2) presenting the General Meeting with reports on activities mentioned under item 1,
  - 3) approving programmes and action plans for the company,
  - 4) suspending in their duties or recalling, due to important reasons, the Company's Management Board or individual members thereof and delegating the Supervisory Board members to perform on a temporary basis the duties of the Management Board members if the Management Board members are unable to perform the said duties,
  - 5) approving the organisational structure of the company's enterprise,
  - 6) approving the principles of salary payment to the employees of the company's enterprise and establishing principles and amounts of the remuneration of members of the Management Board,
  - 7) granting consent to making donations by the company,
  - 8) granting consent to setting up new enterprises by the company, establishing companies and joining the existing ones, and selling stocks and shares in other companies, and liquidating companies,
  - 9) choosing the chartered accountant to audit the company's financial statements,

- 10) granting consent to purchasing and selling the company's real property,
- 11) deciding upon the terms and conditions of shares' purchase with the aim of redemption. "

they are replacing with contents in wording:

- " 1. The Supervisory Board shall exercise constant governance of the company's operation.
2. Special prerogatives of the Supervisory Board shall include:
- 1) auditing the report on the Management Board's activity and the company's financial statements and the Capital Group of PROCHEM S.A. financial statements,
  - 2) presenting the General Meeting with reports on activities mentioned under item 1,
  - 3) approving programmes and action plans for the company,
  - 4) suspending in their duties or recalling, due to important reasons, the Company's Management Board or individual members thereof and delegating the Supervisory Board members to perform on a temporary basis the duties of the Management Board members if the Management Board members are unable to perform the said duties,
  - 5) approving the organisational structure of the company's enterprise,
  - 6) approving the principles of salary payment to the employees of the company's enterprise, and establishing principles and amounts of the remuneration of members of the Management Board,
  - 7) granting consent to making donations by the company,
  - 8) granting consent to setting up new enterprises by the company, establishing companies and joining the existing ones, and selling stocks and shares in other companies, and liquidating companies,
  - 9) choosing the chartered accountant to audit the company's financial statements,
  - 10) granting consent to purchasing and selling the company's real property,
  - 11) approving the bylaws of the Supervisory Board,
  - 12) reviewing motions of the Management Board in relation to conditions of the share repurchase for the purpose of redemption. "

Contents of § 26 paragraph 2 in the wording:

- "2. The Chairman of the company's Management Board shall be authorised to make statements on the company's behalf on a one-person basis. In the event of the other Management Board members and holders of commercial power of attorney, the joint action of two Management Board members or one Management Board member and the holder of commercial power of attorney or two holders of commercial powers of attorney jointly shall be required to make statements on behalf of the company. "

they are replacing with contents in wording:

- "2. The Chairman of the company's Management Board shall be authorised to make statements on the company's behalf on a one-person basis. In the event of the other Management Board members and holders of commercial power of attorney,

the joint action of:

- two Management Board members,
  - one Management Board member and the holder of commercial power of attorney,
  - two holders of commercial powers of attorney
- jointly shall be required to make statements on behalf of the company.”

Contents of § 34 in the wording:

“The Company shall publish its announcement in Monitor Sądowy i Gospodarczy.”

they are replacing with contents in wording:

“The Company shall publish its announcement on the company’s website: [www.prochem.com.pl](http://www.prochem.com.pl) and in other way according to provisions of the mandatory law applying to public companies. “

**INFORMATION FOR SHAREHOLDERS OF PROCHEM SA  
ACCORDING TO ART. 402 2 COMMERCIAL COMPANIES CODE**

**I. Information about the right of shareholders for demanding that specific cases be included in the Agenda of the General Meeting**

1. A shareholder or shareholders representing at least 1/20 (one twentieth) of the share capital of PROCHEM SA is/are entitled to demand that specific items be included in the Agenda of the session of the Ordinary General Meeting of the Company. Such a demand should be submitted to the Management Board at the latest 21 days prior to the proposed date of the General Meeting i.e. until May 22<sup>nd</sup> 2010. Such a demand should contain grounds or the draft of a resolution concerning the proposed item of the Agenda. A demand should be submitted in writing at the registered office of the Company or by e-mail sent to the following e-mail address of the Company: [wza@prochem.com.pl](mailto:wza@prochem.com.pl)
2. A shareholder or shareholders should prove having the appropriate number of shares for the day of submitting a demand enclosing deposit certificate(s) to the demand, and in case of shareholders being legal persons and private company to confirm also authorization to act on behalf of this subject enclosing the up-to-date extract from National Court Register. In case of shareholders submitting such a demand using electronic means of communication documents should be sent in the PDF format. With objective of the verification of the account of the internet sender the company is reserving itself the right to check and to get confirming of sending the application by the sender. Only return confirming from the sender is starting the procedure Commercial Companies Code in relation to the motion of the shareholder.

**II. Information about the shareholder's right for submitting to the General Meeting of drafts of resolutions concerning matters included in the Agenda before the date of General Meeting**

1. A shareholder or shareholders of the Company representing at least 1/20(one twentieth) of the share capital may file drafts of resolutions concerning the established Agenda of the Ordinary General Meeting before the date of the Ordinary General Meeting in writing at the registered office of the Company or while using electronic means of communication to the company'a address: [wza@prochem.com.pl](mailto:wza@prochem.com.pl)
2. A shaholder or shareholders should prove having the appropriate number of shares for the day of submitting a demand enclosing deposit certificate(s) to the demand, and in case of shareholders being legal persons and private company to confirm also authorization to act on behalf of this subject enclosing the up-to-date extract from National Court Register. In case of shareholders submitting such a demand using electronic means of communication documents should be sent in the PDF format. With objective of the verification of the account of the internet sender the company is reserving itself the right to check and to get confirming of sending the application by the sender. Only return confirming from the sender is

starting the procedure Commercial Companies Code in relation to the motion of the shareholder.

### **III. Information about shareholder's right of submitting drafts of the resolutions concerning matters included in the Agenda during session of the General Meeting**

Each of the shareholders entitled to the participation in the General Meeting may file drafts of resolutions concerning matters included in the Agenda during the Ordinary General Meeting.

### **IV. Information about the way of voting by the shareholder or the attorney**

1. A shareholder or shareholders may participate in the Ordinary General Meeting and vote in person or via proxies.
2. Power of attorney for the vote by proxy should be granted in writing or in the electronic form. The authorization in the electronic form doesn't require providing with an safe electronic signature verified with the help of the valid classified certificate.

Power of attorney should contain essential information about the shareholder granting power of attorney, as well as about the person to which power of attorney was given such as:

- name and surname,
- address,
- number of the identity card,
- phone no,
- e-mail,
- scope of power of attorney - number of shares from which the right to vote will be exercised and the way of exercising this law,
- the date and the name of the General Meeting of PROCHEM SA.

The company can turn to the shareholder for certifying granted power of attorney.

3. The power of attorney granted in electronic way should be formulated in the separate document signed by the shareholder or the person entitled to the representation of the shareholder, sent as the attachment in the PDF format to the address of the Company [wza@prochem.com.pl](mailto:wza@prochem.com.pl) at latest on June 11<sup>th</sup> 2010 till 9 a.m.

Compulsorily with electronic power of attorney the documents should be sent confirming authorizing the given shareholder to the participation in the General Meeting of Shareholders.

4. Shareholders will be allowe for the participation in the Ordinary General Meeting on production of ID card and attorneys on production of the ID card

and of valid power of attorney granted in writing or in the electronic form (in this last case the attorney should show the printing of power of attorney in the PDF format). Representatives of legal persons or private company should additionally show current write-offs from relevant registers, listing persons entitled to represent these entities.

**V. The possibility and the way of participating as well as giving one's opinion at the General Meeting at the utilization of funds of the electronic transport**

PROCHEM SA doesn't allow for the possibility of participating as well as giving its opinion during XXVIII General Meeting using means of the electronic communication

**VI. Way of the exercising the right to vote by mail or at the utilization of funds of the electronic communication**

PROCHEM SA doesn't allow for the possibility of voting by mail as well as using means of the electronic communication.

**VII. Registration date of the participation in the General Meeting**

Registration date of the participation in the XXVIII General Meeting is May 27<sup>th</sup> 2010.

**VIII. Information about the right to participate in the General Meeting**

1. Following persons will have the right to participate in the Ordinary General Meeting of the Company;

- a) were company's shareholders on May 27<sup>th</sup> 2010,
- b) in the period since announcement about General Meeting of Shareholders and not later than May 28<sup>th</sup> 2010 will submit a request for issuing the personal certificate of the right to participate in the Ordinary General Meeting in the entity keeping the securities account on which company shares are registered.

It is being recommended to shareholders collecting issued personal certificate of the right to participate and taking it with themselves on the day of the Ordinary General Meeting.

2. Company establishes the list of shareholders entitled to participate in the Ordinary Meeting of the Company: on the basis of list drawn up by the National Depository for Securities (KDPW), and prepared on the grounds of personal certificates of the right to participate in the General Meeting issued by the entity keeping the securities account as well as share book of PROCHEM SA. Since June 9<sup>th</sup> 2010 above list will be laid out for the insight in the company's registered office.

## **IX. Access to documentation**

1. The persons entitled to the participation in the Ordinary General Meeting can get drafts of resolutions as well as the full text of documentation which is supposed to be introduced on the Ordinary General Meeting in the company's registered office.
2. The company will be making available all concerning information of the Ordinary General Meeting on the website Companies at the address: [www.prochem.com.pl](http://www.prochem.com.pl) .