

INFORMATION FOR SHAREHOLDERS OF PROCHEM S.A. PURSUANT TO ART.402² OF THE COMMERCIAL COMPANIES CODE

I . Information about the right of a shareholder to request to insert certain issues on the agenda of the General Meeting

1. Shareholder or shareholders representing at least one twentieth (1/20) of the share capital of PROCHEM S.A. have the right to request to insert certain issues on the agenda of the Ordinary General Meeting of the Company. The request should be submitted to the Management Board not later than 21 days before the date of the Ordinary General Meeting, i.e. until 31 May 2018. The request should include a justification or a draft resolution on the proposed item of agenda. The request may be submitted in writing at the registered office of the company or in electronic form and sent to the following e-mail address of the company: wza@prochem.com.pl
2. A shareholder/shareholders should prove holding of a sufficient number of shares on the date of submission of the request by attaching to the request a deposit certificate/in the case of shareholders, which are legal entities and partnerships they should also confirm the right to act on behalf of such the entity, while attaching of a current excerpt from KRS (the National Court Register). In the case of shareholders submitting a request using electronic means of communication, the documents should be sent in PDF format. In order to verify the sender's Internet account, the Company reserves the right to check and obtain confirmation that the request was sent by the sender. Only feedback concerning the confirmation by the sender starts the procedure of the CCC regarding request of a shareholder.

II. Information on the shareholder's right to submit draft resolutions before the date of the General Meeting regarding matters included in the agenda of the General Meeting

1. A shareholder or shareholders of the company representing at least one twentieth (1/20) of the share capital may submit in writing draft resolutions on issues included on the agenda of the Ordinary General Meeting before the date of the Extraordinary General Meeting in the company's office or by means of electronic communication to the address of the company: wza@prochem.com.pl
2. A shareholder/shareholders should prove holding of a sufficient number of shares on the date of submission of the request by attaching to the request a deposit certificate/in the case of shareholders, which are legal entities and partnerships they should also confirm the right to act on behalf of such the entity, while attaching of a current excerpt from KRS (the National Court Register). In the case of shareholders submitting a request using electronic means of communication, the documents should be sent in PDF format. In order to verify the sender's Internet account, the Company reserves the right to check and obtain confirmation that the request was sent by the sender. Only feedback concerning the confirmation by the sender starts the procedure of the CCC regarding request of a shareholder.

III. Information on the shareholder's right to submit draft resolutions concerning matters introduced to the agenda during the General Meeting of Shareholders

Each shareholder authorized to participate in the General Meeting may submit draft resolutions regarding matters included in the agenda during the Ordinary General Meeting.

IV. Information about the way of exercising the right to vote by a shareholder or proxy

1. A shareholder may participate in the Ordinary General Meeting and exercise the right to vote in person or by proxy.
2. Power of attorney to vote by proxy should be granted in writing or in electronic form. Granting power of attorney in an electronic form does not require a secure electronic signature verified by a valid qualified certificate. The power of attorney should contain basic information about the shareholder granting the proxy, as well as about the person to whom was granted power of attorney:
 - name, surname,
 - address,
 - identity card,
 - phone number,
 - e-mail,
 - the scope of the power of attorney – number of shares from which right to vote will be executed and the way of exercising of that right,
 - date and the name WZ PROCHEM S.A. (GM of PROCHEM S.A.)

The Company may request the shareholder to confirm the power of attorney.

3. Electronic power of attorney should be formulated in a separate document signed by the shareholder or a person authorized to represent the shareholder, sent as an attachment in PDF format to the address of the Company wza@prochem.com.pl, at latest on 20 June 2018 till 9.00 a.m. Obligatory with electronic power of attorney must be sent the documents confirming the right of a shareholder to participate in the General Meeting.
4. Shareholders will be allowed to participate in the Ordinary General Meeting upon presentation of Identity card, and the proxies upon presentation of Identity card and a valid power of attorney granted in writing or in electronic form (in the latter case, the proxy should demonstrate a printout of the power of attorney in PDF format). Representatives of legal persons or partnerships should also present current excerpts from relevant registers, listing persons authorized to represent these entities.

V. The possibility and way of participating as well as speaking at the General Meeting by means of electronic communication

PROCHEM S.A. does not provide for the possibility of participating as well as speaking on the XXXIX General Meeting by means of electronic communication.

VI. The way of exercising the right to vote by correspondence or by electronic means of communication

PROCHEM S.A. does not provide for the possibility of exercising the right to vote by correspondence or using electronic means of communication.

VII. The day of registration for participation in the General Meeting

The date of registration for participation in the XXXIX General Meeting is June 5, 2018.

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

1. The persons will be entitled to participate in the Extraordinary General Meeting of the Company, if:
 - a) on June 5, 2018, they were the Company's Shareholders,
 - b) in the period from the publication of the announcement of GM and not later than on June 6, 2018, they submitted a request to issue an inscribed certificate of the right to participate in the Ordinary General Meeting at the entity maintaining the securities account on which the shares of the Company are registered.Shareholders are recommended to collect the above-mentioned issued a certificate on the right to participate and take it with you on the day of the Ordinary General Meeting.
2. The Company determines the list of shareholders entitled to participate in the Ordinary General Meeting on the basis of the list provided by the National Depository for Securities (KDPW), prepared on the basis of inscribed certificates issued by entities maintaining securities accounts about the right to participate in the general meeting, as well as on the basis of the Book of Shares of PROCHEM S.A. From June 18, 2018. the above list will be available for inspection at the registered office of the Company.

IX. Access to documentation

1. Persons entitled to attend the Ordinary General Meeting may obtain at the Company's headquarters draft resolutions and the full text of the documentation, that are to be presented at the Ordinary General Meeting.
2. The Company will make available all information relating to the Ordinary General Meeting of Shareholders on the Company's website at: www.prochem.com.pl

X. Reduction of share capital

Pursuant to the provisions of art. 455 § 2 of the Commercial Companies Code, the Management Board of the Company informs that the purpose of the proposed reduction of share capital is adjustment of the value of the Company's share capital to the number of shares of the Company after made redemption of shares. The share capital is to be reduced by PLN 960,000.00 (i.e. the equivalent of the nominal value of the shares being amortized). Based on Article. 360 § 2 item 2 of the Commercial Companies Code, the share capital is reduced in a simplified mode, i.e. without leading the convocation procedure referred to in art. 456 §1 of the Code of Commercial Companies.

XI. Proposed amendment to the Statute

Amendment of § 7 of the Company Statute in the part related to the Company's share capital amount (in connection with the adoption of a resolution regarding the redemption of the Company's shares and a resolution regarding the reduction of the share capital of the Company)

Current wording of § 7 of the Statute:

„The company's share capital amounts to 3,895,000 (three million eight hundred ninety five thousand) of Zlotys and is divided into 3,895,000 shares of the nominal value PLN 1 (one Zloty) 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.

The proposed wording of § 7 of the Statute:

„The company's share capital amounts to 2,935,000 (two million nine hundred thirty five thousand) of Zlotys and is divided into 2,935,000 shares of the nominal value PLN 1.00 (one Zloty) 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) 435,000 (five hundred thirty thousand) C class bearer's shares”

Justification of the proposed amendment to § 7 of the Company's Statute

The adoption of the proposed resolution is necessary for the implementation of Resolution No. 4 of the Extraordinary General Meeting of the Company of January 26, 2018 regarding the consent to the acquisition by PROCHEM S.A. of own shares for redemption and granting authorization to purchase own shares PROCHEM S.A.,

In connection with the redemption of 960,000 bearer shares with a nominal value of PLN 1.00 each and a related with it reduction of the Company's share capital by PLN 960,000.00, it is necessary to amend the Statutes regarding the amount of the share capital.

Due to the fact that own shares purchased by the Company are dematerialized shares (which until now were shares in the Company marked in the Statutes as founding shares, class B, C and D shares), the Company's Management Board proposes due to ordinal purposes to reduce the number of shares in the Company's Statutes by:

- a total deletion of D class in the amount of 865,000 shares;
- reduction of the number of class C shares from 530,000 to 435,000 shares.