

ARTICLES OF ASSOCIATION OF THE JOINT STOCK COMPANY

“CAPTOR THERAPEUTICS”

(consolidated text as of 30 June 2022)

I. GENERAL PROVISIONS

§1

1. The Company was created as a result of transformation of “Captor Therapeutics” spółka z ograniczoną odpowiedzialnością (limited liability company) with its registered office in Wrocław, ul. Duńska 11, 54-427 Wrocław, registered in the Business Register of the National Court Register, under number KRS: 0000594615, whose registration files are kept by the District Court for Wrocław-Fabryczna in Wrocław, VI Commercial Division of the National Court Register, NIP: 8943071259, REGON: 363381765, carried out in the manner specified in Title IV Section III of the Commercial Companies Code.

2. In connection with the fact that the Company was created as a result of transformation, the Company’s founders are the shareholders of the transformed company, i.e.:

- 1) Alternative Capital sp. z o.o. with its registered office in Warsaw;
- 2) Filip Jeleń;
- 3) Michał Walczak;
- 4) Sylvain Cottens;
- 5) Alessandro Potenza;
- 6) Michał Suflida;
- 7) Dariusz Rozbicki;
- 8) Artur Zaręba;
- 9) Maciej Dyja;
- 10) Wojciech Napiórkowski;
- 11) Piotr Szelewski;
- 12) Anna Maszkiewicz;
- 13) Dariusz Adamiuk;
- 14) Wojciech Fijałkowski;
- 15) Sebastian Bogusławski;
- 16) Oballions Trading Ltd.;
- 17) Sławomir Kościak.

§2

1. The Company shall operate under the business name: “Captor Therapeutics” company akcyjna.

2. The Company may use the following abbreviation of its business name: “Captor Therapeutics” S.A., its equivalents in foreign languages and a distinctive graphic sign consisting of a trademark.

§3

1. The Company’s registered office shall be in Wrocław.

2. The Company shall conduct activities in the Republic of Poland and abroad.

3. The Company may open and operate branches, affiliates, offices, representative offices and other units, and participate in other companies and enterprises in the Republic of Poland and abroad.

§4

The Company was created for an indefinite period of time.

II. COMPANY'S OBJECTS

§5

1. The Company's objects are as follows:

- 1) Research and experimental development on biotechnology (PKD 72.11.Z);
- 2) Other research and experimental development on natural sciences and engineering (PKD 72.19.Z);
- 3) Manufacture of basic pharmaceutical substances (PKD 21.10.Z);
- 4) Manufacture of medicines and other pharmaceutical products (PKD 21.20.Z);
- 5) Technical testing and analysis (PKD 71.20.Z);
- 6) Manufacture of other organic basic chemicals (PKD 20.14.Z);
- 7) Manufacture of other chemical products not elsewhere classified (PKD 20.59.Z);
- 8) Other retail sale of new goods in specialized stores (PKD 47.78.Z);
- 9) Other professional, scientific and technical activities not elsewhere classified (PKD 74.90.Z).

2. The Company shall conduct activities referred to in sec. 1 for profit-making purposes and in pursuance of economic objectives other than profit-making, in any form permitted by law.

3. The Company's activities in areas for which a license, authorization or any other permit required by law must be obtained shall only be conducted upon obtainment thereof by the Company.

4. The Company's objects may also be pursued in cooperation with domestic and foreign partners.

III. CAPITALS

§6

1. The Company's share capital shall amount to PLN 416,813.00 (four hundred and sixteen thousand eight hundred and thirteen zlotys 00/100) and is divided into 5,315,523 (five million three hundred and fifteen five hundred and twenty-three) shares with a nominal value of PLN 0.10 (ten groszy) each, including:

- 1) 799,750 (seven hundred ninety nine thousand seven hundred fifty) series A preferred registered shares;
- 2) 1,757,075 (one million seven hundred fifty seven thousand seventy five) series B ordinary bearer shares;
- 3) 82,449 (eighty two thousand four hundred forty nine) series C ordinary bearer shares;
- 4) 97,051 (ninety seven thousand fifty one) series D ordinary bearer shares;
- 5) 347,643 (three hundred forty seven thousand six hundred forty three) series E preferred registered shares;
- 6) 26,925 (twenty six thousand nine hundred twenty five) series F ordinary bearer shares;
- 7) 871,500 (eight hundred seventy one thousand five hundred) series G ordinary bearer shares;
- 8) 52,354 (fifty two thousand three hundred fifty four) series H ordinary bearer shares;
- 9) 9,082 (nine thousand eighty two) series I ordinary bearer shares;
- 10) 84,143 (eighty four thousand one hundred forty three) series J ordinary bearer shares;
- 11) 30,738 (thirty thousand seven hundred and thirty-eight) ordinary bearer shares of series K; and
- 12) 9,420 (nine thousand four hundred twenty) ordinary bearer shares of series L.

2. The share capital was paid in full prior to the registration of the Company.
3. Series A registered shares and series E registered shares constitute shares with privileged voting rights such that each series A share and each series E share carries two votes at the General Meeting.
4. The share capital may be increased through making cash or non-cash contributions, both by issuing new shares and increasing the nominal value of the existing shares.
5. The Company may issue registered shares and bearer shares.
6. Conversion of bearer shares into registered shares is inadmissible; however, conversion of registered shares into bearer shares may be carried out at the request of a shareholder. After the receipt of such request the Management Board shall immediately convert shares as requested.
7. If the Company's shares are admitted to trading on a regulated market, each shareholder holding bearer shares whose shares are not admitted to trading on such market, has the right to demand that such shares be admitted to trading on such market. Admission of such shares to trading on a regulated market shall occur immediately, however not later than within 6 (six) months of the date of receipt of an eligible shareholder's demand.

§6a

1. The Management Board is authorized to increase the Company's share capital through one or more increases by an amount not exceeding PLN 37,374.10 (thirty seven thousand three hundred seventy four zlotys and 10/100) through the issue of not more than 373,741 (three hundred seventy three thousand seven hundred forty one) new shares of the Company of subsequent series (authorized capital). The issued shares will constitute ordinary registered or bearer shares, as decided by the Management Board.
2. The authorization of the Management Board to increase the Company's share capital within the limits of the authorized capital or to issue new shares is granted until no later than:
 - 1) 31 December 2021 with respect to not more than 136,497 (one hundred thirty six thousand four hundred ninety seven) shares; and
 - 2) 30 June 2025 with respect to not more than 237,244 (two hundred thirty seven thousand two hundred forty four) shares issued as part of the Incentive Scheme (as defined below).
3. Each increase of the share capital by the Management Board within the limits of the authorized capital requires the Supervisory Board's consent.
4. The Management Board shall determine a list of persons to whom particular issues of 237.244 shares will be addressed in accordance with the assumptions and conditions of the incentive scheme based on the Company's shares which was adopted by Resolution no. 14 of the Ordinary General Meeting of the Company of 16 May 2019 to introduce an incentive scheme for the Company's employees based on the Company's shares ("Resolution") (subject to any amendments to the Resolution) ("Incentive Scheme").
5. Shares issued within the limits of the authorized capital may only be subscribed in exchange for cash contributions.
6. The issue price of each share issued in connection with the Incentive Scheme shall be equal to the nominal value of one share, i.e. PLN 0.10 (ten groszy) per one share of the Company. The issue price of other shares issued within the limits of the authorized capital not related to the implementation of the Incentive Scheme shall be determined by the Management Board of the Company upon consent

of the Supervisory Board of the Company. The issue price of one share should not be lower than 106.96 per share.

7. The Management Board is authorized to take all decisions related to the increase of the share capital within the limits of the authorized capital, provided that all decisions concerning shares issued in connection with the Incentive Scheme must comply with the assumptions and conditions of the Incentive Scheme, including the Resolution (subject to any amendments to the Resolution), and in particular the Management Board is empowered to:

- a) determine the number of shares which will be issued in particular tranches or series,
- b) amend the Articles of Association of the Company to the extent related to the increase of the share capital of the Company within the limits of the share capital; and
- c) determine all other conditions related to the subscription of shares.

8. The Management Board of the Company, upon consent of the Supervisory Board, may exclude (in full or in part) the pre-emption right related to each increase of the share capital within the limits of the share capital.

9. The authorization of the Management Board to increase the share capital within the limits of the share capital shall be without prejudice to the General Meeting's power to carry out an ordinary share capital increase in the period of use of such authorization by the Management Board.

§7

1. The Company may create the following capitals and funds:

- 1) share capital,
- 2) supplementary capital,
- 3) revaluation reserve,
- 4) other reserve capitals.

2. The Company may create and cancel, by a resolution of the General Meeting, other funds to cover special losses or expenses, at the beginning or during a fiscal year.

3. The manner of allocation of the Company's profit shall be specified by a resolution of the General Meeting.

4. The General Meeting may allocate any part of profit for:

- 1) dividend for the Company's shareholders,
- 2) other capitals and funds,
- 3) other purposes.

5. The Management Board of the Company is authorized to pay to the shareholders an advance towards the anticipated dividend for a fiscal year after the receipt of the Supervisory Board's consent, if the Company has funds sufficient to make such payment, subject to Article 349 § 1 and 2 of the Commercial Companies Code.

IV. TRANSFER OF SHARES

§8

1. The Company's shares may be redeemed upon consent of a shareholder through their acquisition by the Company (voluntary redemption).

2. Voluntary redemption of shares requires a resolution of the General Meeting which shall in particular specify the amount of the remuneration payable to a shareholder for the redeemed shares

or provide justification of the redemption of shares without remuneration, as well as the legal basis for redemption and the manner of redemption.

3. Redemption of the Company's shares requires a decrease of the share capital of the Company.

§9

Any transfer of registered shares by the shareholders may only be carried out in accordance with the provisions of this Articles of Association of the Company. Any transfer of registered shares contrary to the provisions of this Articles of Association of the Company shall be deemed ineffective with respect to the Company.

§10

1. Subject to § 10 sec. 5 below, if any shareholder of the Company, other than the Eligible Shareholder 1 or the Eligible Shareholder 2 ("Obligated Shareholder") intends to transfer all or any part of its registered shares ("Offered Shares") to a third party ("Transferee"), the Obligated Shareholder shall notify the Eligible Shareholder 1 and the Eligible Shareholder 2 thereof in writing ("Notice of Pre-emption Right"). A Notice of Pre-emption Right shall specify at least: (i) the price of the Offered Shares (total and per share); (ii) the number of the Offered Shares; and (iii) the identity of a potential Transferee.

2. After the receipt of the Notice of Pre-emption Right the Eligible Shareholder 1 and the Eligible Shareholder 2 shall have the right to acquire any or all of the Offered Shares for a price of the Offered Shares calculated on the basis of the price indicated in the Notice of Pre-emption Right ("Pre-emption Right"). The Pre-emption Right shall be exercised by the Eligible Shareholder 1 or the Eligible Shareholder 2 by way of a written declaration submitted to the Obligated Shareholder concerning the exercise of the Pre-emption Right within 30 (thirty) business days of the receipt of the Notice of Pre-emption Right ("Declaration of Exercise"). The Declaration of Exercise shall contain information concerning: (i) indication that the Eligible Shareholder 1 or the Eligible Shareholder 2, as the case may be, intends to acquire any or all of the Offered Shares ("Acquired Shares"); and (ii) the date on which the transfer of the Acquired Shares to the Eligible Shareholder 1 or the Eligible Shareholder 2, as the case may be, shall occur ("Transfer Date"), provided that such date will fall no earlier than 15 (fifteen) business days and not later than 30 (thirty) business days of the date of submission of the Declaration of Exercise.

3. If the Eligible Shareholder 1 or the Eligible Shareholder 2 submits a Declaration of Exercise to the Obligated Shareholder, a preliminary purchase agreement for the Acquired Shares shall be executed between the Obligated Shareholder and the Eligible Shareholder 1 or the Eligible Shareholder 2, as the case may be (the Notice of Pre-emption Right shall be considered as an offer within the meaning of Article 66 et seq. of the Civil Code, and the Declaration of Exercise shall be considered as an acceptance of such offer regarding the Acquired Shares by the respective Eligible Shareholder, whereas the number of the Acquired Shares being the subject to the preliminary purchase agreement concluded with the Eligible Shareholder 1 or the Eligible Shareholder 2 shall be calculated having regard to § 10 sec. 4 of the Articles of Association if both Eligible Shareholders submit a Declaration of Exercise) ("PSPA"), and the Transfer of the Acquired Shares to the Eligible Shareholder 1 or the Eligible Shareholder 2, as the case may be, shall be carried out in accordance with the following provisions:

- 1) The transfer of the Acquired Shares to the Eligible Shareholder 1 or the Eligible Shareholder 2, as the case may be, shall occur on the Transfer Date, provided that in the event the transfer depends on the fulfilment of any conditions of transfer, the Transfer Date shall be postponed

to the 5th (fifth) business day of the date of fulfilment of the last of the conditions of transfer. The Parties shall take all necessary steps in order to fulfil the conditions of transfer as soon as possible. If the conditions of transfer are not fulfilled within 4 (four) months of the date of submission of the Declaration of Exercise, the Eligible Shareholder 1 or the Eligible Shareholder 2, as the case may be, shall be entitled to withdraw from the PSPA, and the transfer shall not take place;

- 2) On the Transfer Date, the Obligated Shareholder and the Eligible Shareholder 1 or the Eligible Shareholder 2, as the case may be, shall enter into a final agreement for the purchase of registered shares concerning the transfer of the Acquired Shares for a price per registered share indicated in the Notice of the Pre-emption Right;
 - 3) The Obligated Shareholder undertakes to take all steps and prepare all required documents in order to execute a final agreement for the purchase of registered shares concerning the transfer of the Acquired Shares and carry out the transfer of the Acquired Shares;
 - 4) On the Transfer Date the Acquired Shares will be free from any encumbrances;
 - 5) Each party shall cover its own costs and pay taxes and fees related to the exercise of the Pre-emption Right.
 - 6) If the number of the Offered Shares is lower than the total number of the Acquired Shares indicated by the Eligible Shareholder 1 and the Eligible Shareholder 2 in the Declaration of Exercise, the principle of proportional reduction shall apply, i.e. the Eligible Shareholder 1 and the Eligible Shareholder 2 shall acquire such number of the Offered Shares as arises from the proportion of the Acquired Shares indicated in the Declaration of Exercise of the Eligible Shareholder 1 or in the Declaration of Exercise of the Eligible Shareholder 2, as the case may be, to the total number of the Acquired Shares. If after the application of the proportional reduction any fractional parts of shares remain, the number of the Acquired Shares acquired by the Eligible Shareholder 1 and the Eligible Shareholder 2 shall be rounded down to one and the number of shares constituting the difference between the Offered Shares and the total number of the Acquired Shares calculated after the application of the proportional reduction (if such difference is positive) shall be allotted to the Eligible Shareholder who submitted the Declaration of Exercise earlier, and if such declarations were submitted at the same date, the difference shall be allotted to the Eligible Shareholder indicated by the Obligated Shareholder. If the Obligated Shareholder does not indicate any Eligible Shareholder in accordance with the previous sentence, the number of shares constituting the difference shall be allotted in the first instance of the application of this provision to the Eligible Shareholder 1, and in the second instance – to the Eligible Shareholder 2 and in subsequent instances – alternately to the Eligible Shareholders, starting from the Eligible Shareholder 1.
4. If the Eligible Shareholder 1 and the Eligible Shareholder 2 (i) fail to submit any Declaration of Exercise within the required period; (ii) notifies the Obligated Shareholder in writing that he waives its Pre-emption Right with respect to any Notice of Pre-emption Right; or (iii) withdraw (or the Eligible Shareholders who submitted the Declaration of Exercise withdraws) from the PSPA in accordance with § 10 sec. 3 point 1) of the Articles of Association, the Obligated Shareholder shall be able to transfer the Offered Shares to a Transferee indicated in the Notice of the Pre-emption Right and for the price indicated in the Notice of the Pre-emption Right. The transfer of the Offered Shares shall be carried out within 6 (six) months of the date of submission of the Notice of Pre-emption Right, and in the event of ineffective lapse of such period, the procedure described in § 10 of the Articles of Association shall be repeated.

5. The restrictions on transferability of shares specified in § 10 shall only apply to registered shares.

V. GOVERNING BODIES OF THE COMPANY

§11

1. The Company's governing bodies shall be as follows:

- 1) the Management Board;
- 2) the General Meeting;
- 3) the Supervisory Board.

VI. MANAGEMENT BOARD OF THE COMPANY

§12

1. The Management Board shall handle the Company's affairs and represent the Company in all court and off-court actions.

2. All matters related to the handling of the Company's affairs, which are not reserved to the General Meeting or the Supervisory Board by the provisions of law or the provisions of the Articles of Association, shall fall within the competence of the Management Board.

§13

1. If the Management Board consists of one person, the Company shall be represented by the sole member of the Management Board. If the Management Board consists of more than one person, the Company shall be represented by two members of the Management Board acting jointly.

2. Appointment and dismissal of a registered proxy requires a unanimous resolution of all members of the Management Board.

3. Resolutions of the Management Board shall be passed by an absolute majority of votes cast, and in the event of an equal number of votes "for" and "against" the vote of the President of the Management Board shall be decisive.

4. A member of the Management Board may participate in passing a resolution of the Management Board by casting a written ballot through another member of the Management Board. A written ballot cannot apply to any matters put on the agenda at a meeting of the Management Board.

5. The Management Board may pass resolutions in writing or using means of direct communication over distance (telefax, electronic mail), subject to the provisions of the Commercial Companies Code and other provisions of the Company's Articles of Association.

§14

1. All matters beyond the ordinary activities of the Company shall require a resolution of the Management Board.

2. A resolution of the Management Board is required in particular to:

- 1) adopt organizational regulations of the Company;
- 2) create and liquidate branches;
- 3) take up and grant credits and loans;
- 4) adopt annual budgets and multi-annual strategic plans;
- 5) incur contingent liabilities, including granting guarantees, surety bonds and issuing promissory notes by the Company;
- 6) sell and purchase fixed assets, including real properties or interests in real properties, and rights of perpetual usufruct and interests in rights of perpetual usufruct;

- 7) handle matters which the Management Board requests the General Meeting to consider.

§15

The preparation of plans referred to in § 14 sec. 2 point 4 and submission thereof to the Supervisory Board for approval is the responsibility of the Management Board.

§16

1. The Management Board shall consist of 1 (one) or more members, appointed for a common term of office which lasts 3 (three) years.
2. Members of the Management Board shall be appointed, suspended and recalled by the Supervisory Board. The resolution on the appointment of members of the Management Board shall specify the number of members of the Management Board. A member of the Management Board may also be suspended or recalled by the General Meeting.
3. Mandates of the members of the Management Board shall expire as of the date of holding the General Meeting that approves the financial statement for the last full fiscal year when the members of the Management Board held the office.

§17

The principles and amount of remuneration of the members of the Management Board shall be determined by the Supervisory Board.

§18

1. The Company is an employer within the meaning of the Labour Code.
2. Labour related activities shall be performed by a person authorized by the Management Board.
3. The Management Board shall operate on the basis of regulations adopted by the Management Board and approved by the Supervisory Board.

VII. GENERAL MEETING

§19

1. The General Meeting shall be held in the Company's registered office or in Warsaw.
2. The General Meeting may be ordinary or extraordinary.
3. The General Meeting shall be called by the Management Board of the Company in cases provided for in the Articles of Association or the Commercial Companies Code.
4. The General Meeting may be held without being formally called if the entire share capital is represented thereon and nobody has raised any objections to the convening of the such meeting or any matters to be reviewed.

§20

1. An Ordinary General Meeting should be held within 6 (six) months after the end of each fiscal year.
2. An Ordinary General Meeting shall be called by the Management Board on its own initiative. The Supervisory Board may call an Ordinary General Meeting if the Management Board fails to call it within the period specified in § 20 sec. 1 of the Company's Articles of Association.
3. The subject of an Ordinary General Meeting should be in particular:
 - 1) review and approval of the management board's report on the Company's operations and the financial statement for the previous fiscal year;
 - 2) adoption of a resolution on profit distribution or coverage of loss;

- 3) acknowledgement that the members of the Company's governing bodies fulfilled their duties (each of them individually).

§21

1. An Extraordinary General Meeting shall be called by the Management Board (i) on its own initiative, (ii) at the request of the Supervisory Board or (iii) at the request of a shareholder or shareholders representing at least one twentieth of the share capital of the Company, within two weeks of making such request. The request to call the General Meeting should specify the matters put on the agenda and contain a draft resolution concerning the proposed agenda.
2. An Extraordinary General Meeting may also be called by shareholders representing at least one half of the share capital or at least one half of the total number of votes in the Company.
3. A shareholder or shareholders representing at least one twentieth of the share capital may demand that certain matters be put on the agenda of the next General Meeting on the terms set out in the generally applicable laws.
4. The Supervisory Board may call an Extraordinary General Meeting if the Supervisory Board considers it advisable to call such meeting in its resolution. The Supervisory Board may call an Ordinary General Meeting if the Management Board fails to call such meeting within two weeks of an appropriate request being made by the Supervisory Board.
5. The General Meeting shall be called in the manner and on the terms set out in the generally applicable laws.

§22

1. Resolutions of the General Meeting may be passed irrespective of the number of shares represented thereon unless the provisions of law or the provisions of this Articles of Association provide for stricter requirements for passing any resolution.
2. One share carries one vote at the General Meeting, except for series A shares and series E shares which entitle their holders to two votes at the General Meeting.

§23

1. In addition to matters provided for in the Commercial Companies Code and this Articles of Association, a resolution of the General Meeting shall be in particular required for:
 - 1) amendment of the Articles of Association of the Company,
 - 2) increase or decrease of the Company's share capital,
 - 3) exclusion of the pre-emption right, in full or in part;
 - 4) transformation the Company,
 - 5) division of the Company,
 - 6) merger of the Company with another entity,
 - 7) transfer or any encumbrance of the Company's business enterprise,
 - 8) liquidation or dissolution of the Company,
 - 9) adoption of a resolution concerning the Company's IPO, i.e. application for admission and introduction of the Company's shares to trading on a regulated market and dematerialization of the Company's shares,
 - 10) acquisition of own shares by the Company,
 - 11) redemption of own shares by the Company,
 - 12) adoption of a resolution concerning the payment of dividend by the Company,
 - 13) adoption or amendment of the regulations of the General Meeting.

2. Resolutions of the General Meeting shall be passed by a simple majority vote, unless the provisions of law or the provisions of this Articles of Association provide for stricter requirements for payment any resolution.

§24

1. It is admissible to participate in the General Meeting using electronic communication means, subject to the following provisions. If a notice of convocation of the General Meeting contains information that it is possible for the shareholders to participate in the General Meeting using electronic communication means, the Company is obliged to provide the shareholders with an opportunity to participate in the General Meeting using electronic communication means.

2. Detailed rules for holding the General Meeting using electronic communication means shall be specified by the Management Board, having regard to the provisions of the regulations of the General Meeting. The Management Board shall announce such rules on the Company's website together with the notice of convocation of the General Meeting. Such rules should make the following possible:

- 1) broadcasting of the General Meeting in real time,
- 2) two-way communication in real time, as part of which shareholders will be able to speak in the course of the General Meeting while staying at a place other than the place of the meeting,
- 3) exercising of shareholders' voting rights personally or through a proxy in the course of the General Meeting, outside the place of holding the General Meeting.

VIII. SUPERVISORY BOARD

§25

1. The Supervisory Board shall consist of 5 (five) to 9 (nine) members appointed by the General Meeting.

2. The number of members of the Supervisory Board for a given term of office shall be specified by the General Meeting. Unless otherwise determined by the General Meeting, the number of members of the Supervisory Board shall be 5 (five). If the Supervisory Board is appointed by way of voting in separate groups pursuant to Article 385 of the Commercial Companies Code, the number of members of the Supervisory Board shall be 5 (five).

3. The Supervisory Board which, as a result of expiry of mandates of certain members of the Supervisory Board (for reasons other than dismissal), is composed of less members than provided for in § 25 sec. 1 of the Articles of Association, but at least 5 (five) members, is able to pass valid resolutions.

4. If as a result of expiry of mandates of certain members of the Supervisory Board (for reasons other than dismissal) the number of members of the Supervisory Board for a given term of offices drops below the statutory minimum, other members of the Supervisory Board may appoint a new member of the Supervisory Board through co-option, and such member shall fulfil his duties until his replacement is appointed by the next General Meeting, unless the General Meeting approves the member of the Supervisory Board appointed through co-option.

5. In the event of expiry of the mandate of an independent member of the audit committee referred to in § 29 of the Articles of Association, the co-opted member of the Supervisory Board should meet the independence criteria referred to in Article 129 sec. 3 on the Act on Auditors.

6. The Supervisory Board supplemented with a member appointed through co-option shall immediately call a General Meeting in order to approve the member appointed through co-option or select his replacement.
7. Members of the Supervisory Board may co-opt a member if the number of members of the Supervisory Board is at least three.
8. Members of the Supervisory Board co-opt a member by delivering to the Company a written statement of all members of the Supervisory Board on appointment of a member of the Supervisory Board.
9. Members of the Supervisory Board shall be appointed for a common terms of office which lasts 3 (three) years.
10. Mandates of the members of the Supervisory Board expire as of the date of holding the General Meeting that approves the financial statement for the last full fiscal year when the members of the Supervisory Board held the office.

§26

The Supervisory Board shall exercise ongoing supervision over the Company's operations in all areas of its activity.

§27

1. In addition to matters stipulated by the Commercial Companies Code, the following matters fall within the competence of the Supervisory Board:

- 1) assessment of the Management Board's report on the Company's operations and the financial statement of the Company in terms of their compliance with the books and documents and the factual status, and the Management Board's motions concerning profit distribution or coverage of loss, and submission to the General Meeting of an annual written report on the results of such assessment;
- 2) approval of annual budgets and multi-annual strategic plans of the Company submitted by the Management Board;
- 3) appointing and dismissing members of the Management Board, and suspending any or all members of the Management Board, and delegating members of the Supervisory Board, for a period not longer than three months, to fulfil, on a temporary basis, duties of the members of the Management Board who have been dismissed, handed in their resignations or otherwise cannot fulfil their duties;
- 4) determination of the number of members of the Management Board;
- 5) appointment of committees referred to in § 29 of the Articles of Association;
- 6) granting consent to the payment of an advance towards dividend and granting consent to the exclusion of the pre-emption right (in full or in part) with respect to each increase of the share capital within the limits of the authorized capital;
- 7) determination of the remuneration and employment conditions of the members of the Management Board;
- 8) selection or change of the entity authorized to audit the Company's financial statements and to perform financial audit activities in the Company;
- 9) granting consents to the execution by the Company or its subsidiaries of an agreement or agreements with a value exceeding PLN 5,000,000 (five million zlotys) or an equivalent thereof in foreign currencies with entities from one capital group (within the meaning of Article 3 sec.

1 point 44) of the Accounting Act) within 12 (twelve) months. For the purposes of this provision the agreement value shall be understood as the value of the Company's obligation if it constitutes a one-off obligation or if such agreement provides for periodic obligation or is of a continuous nature, the value of the Company's obligations throughout the duration thereof or 5 (five) years, whichever is shorter;

10) granting consent to the purchase, sale or encumbrance of real estate or right of perpetual usufruct or an interest in real estate or right of perpetual usufruct held by the Company;

11) approval of the regulations of the Management Board;

12) adoption of the regulations of the Supervisory Board;

13) convening the General Meeting in cases provided for in this Articles of Association,

14) execution of contracts concerning research and development projects, whereas the Supervisory Board's consent shall not be required for any transactions provided for in the Company's annual budget approved by the Supervisory Board, unless the conditions of any such transaction are significantly different than the ones indicated in such annual budget.

2. Subject to § 27 sec. 1 point 14), the restrictions set out in § 27 sec. 1 point 1) – 13) shall not apply to any actions arising from or related to contracts concerning research and development projects concluded by the Company.

§28

1. Members of the Supervisory Board shall appoint the Chairman from among themselves.

2. The Supervisory Board may recall a member of the Supervisory Board from the position of Chairman.

3. Meetings of the Supervisory Board shall be called by the Chairman on his own initiative or at the request of a member of the Supervisory Board or the Management Board of the Company. The Chairman of the Supervisory Board may authorize another member of the Supervisory Board to call a meeting.

4. Meetings of the Supervisory Board shall be held as needed, however not less frequently than once in a quarter.

5. A request to call a meeting of the Supervisory Board should be submitted to the Chairman of the Supervisory Board and should contain the proposed agenda. A meeting should be called within two weeks of the date of receipt of the request, otherwise the requesting person may call it by himself, by indicating the date, place and proposed agenda.

6. In exceptional cases meetings of the Supervisory Board may be held without being formally called if all members of the Supervisory Board are present and consent to the holding of the meetings and putting specific matters on the agenda.

7. Meetings of the Supervisory Board shall be held in Wrocław, in Warsaw or at any other place in the Republic of Poland upon prior consent of the members of the Supervisory Board.

8. The Supervisory Board shall operate on the basis of the regulations of the Supervisory Board adopted by the Supervisory Board.

§29

1. The Supervisory Board shall appoint the audit committee in accordance with the Act on Auditors.

2. The tasks of the audit committee shall include in particular:

1) oversight of the financial reporting process;

- 2) monitoring the performance of the internal control systems, risk management systems and internal audit, in particular with respect to financial reporting;
- 3) oversight of the performance of financial audit activities;
- 4) controlling and monitoring of the independence of the auditor and audit firm, in particular if the audit company provides the Company with services other than an audit;
- 5) recommending to the Supervisory Board an entity authorized to audit financial statements and to perform audit activities in the Company.

3. The Supervisory Board may also appoint other committees, in particular the nomination and remuneration committee. The detailed tasks and rules for appointing and operation of such committees are specified by the regulations of the Supervisory Board or the regulations of a particular committee of the Supervisory Board if the Supervisory Board authorized such committee of the Supervisory Board to adopt regulations when taking the decision to create the committee.

§30

1. Resolutions of the Supervisory Board shall be passed by an absolute majority of votes. In the event of an equal number of votes "for" and "against", the vote of the Chairman of the Supervisory Board shall be decisive.
2. The Supervisory Board shall pass resolutions if at least one half of its members are present at a meeting and all members have been invited to the meeting.
3. The Supervisory Board shall pass resolutions by open ballot. Secret vote shall be ordered at the request of a member of the Supervisory Board and in case of personal issues.
4. A member of the Supervisory Board may participate in passing a resolution of the Supervisory Board by casting a written ballot through another member of the Supervisory Board. A written ballot cannot apply to any matters put on the agenda at a meeting of the Supervisory Board.
5. The Supervisory Board may pass resolutions in writing or using means of direct communication over distance (telefax, electronic mail), subject to the provisions of the Commercial Companies Code and other provisions of the Company's Articles of Association.

IX. COMPANY'S ECONOMY AND INTERIM PROVISIONS

§31

1. The Company's fiscal year shall coincide with the calendar year.
2. The first fiscal year shall end on 31 December 2016.
3. The Company's books are maintained in accordance with the applicable accounting principles.

X. DEFINITIONS

For the purposes of this Articles of Association:

- | | |
|--------------------------|--|
| "Eligible Shareholder 1" | means Mr. Paweł Jerzy Holstinghausen Holsten (PESEL:71121000134). |
| "Eligible Shareholder 2" | means Mr. Marek Rafał Skibiński (PESEL: 84112800114). |
| "Eligible Shareholders" | means jointly the Eligible Shareholder 1 and the Eligible Shareholder 2. |
| "Accounting Act" | means the Accounting Act dated 29 September 1994 (Journal of Laws of 1994, No. 121, item 591, as amended). |

“Act on Auditors” means the Act on Auditors, Audit Firms and Public Supervision dated 11 May 2017 (Journal of Laws of 2017, item 1089, as amended).

XI. PUBLICATION PROVISIONS

§32

The Company shall publish its announcements in Monitor Sądowy i Gospodarczy.

XII. FINAL PROVISIONS

§33

- 1 The Company shall be dissolved for reasons provided for by the provisions of law.
2. Members of the Management Board of the Company shall be its liquidators, unless a resolution of the General Meeting stipulates otherwise.

§ 2

The resolution enters into force upon adoption hereof, provided that the Articles of Association of the Company shall be in force from the date of registration thereof in the Business Register of the National Court Register.