

ARTICLES OF ASSOCIATION

BIOTON Spółka Akcyjna

GENERAL PROVISIONS

§ 1

The Company operates under the name BIOTON Spółka Akcyjna and may use the abbreviated name BIOTON S.A.

§ 2

The Company's registered office is in Macierzysz.

§ 3

The Company operates within the territory of the Republic of Poland and abroad.

§ 4

Within its area of operation, the Company may establish branches, subsidiaries, representative offices, plants, enterprises and other establishments, as well as acquire interests in other companies.

METHOD OF FORMATION OF THE COMPANY

§ 5

1. The Company is formed through the conversion into a public limited company of the company operating under the name BIOTON Spółka z ograniczoną odpowiedzialnością, with its registered office in Warsaw.
2. The Company's shares have been taken up by the existing shareholders of the company being converted.

SCOPE OF THE COMPANY'S ACTIVITIES

§ 6

The scope of the Company's business, both domestically and abroad, as well as in export and import, is:

- 1) the production of homogenised foodstuffs and dietary foods (PKD 10.86.Z)
- 2) publishing of books (PKD 58.11.Z)
- 3) publishing of newspapers (PKD 58.12.Z)
- 4) publishing of magazines and other periodicals (PKD 58.13.Z)
- 5) activities relating to sound and music recordings (PKD 59.20.Z)
- 6) other publishing activities, excluding software (PKD 58.19.Z)
- 7) other printing (PKD 18.12.Z)
- 8) manufacture of other basic inorganic chemicals (PKD 20.13.Z)

- 9) manufacture of other basic organic chemicals (PKD 20.14.Z)
- 10) manufacture of pesticides (PKD 20.20.A)
- 11) manufacture of other agrochemicals (PKD 20.20.C)
- 12) manufacture of basic pharmaceutical substances (PKD 21.10.Z)
- 13) manufacture of medicines and other pharmaceutical products (PKD 21.20.Z)
- 14) manufacture of dental equipment, instruments and products (PKD 32.50.A)
- 15) other manufacture of medical equipment, instruments and products (PKD 32.50.B)
- 16) manufacture of soap and detergents, washing and cleaning preparations (PKD 20.41.Z)
- 17) manufacture of cosmetics and toiletries (PKD 20.42.Z)
- 18) manufacture of industrial refrigeration, ventilation and air-conditioning equipment (PKD 28.25.Z)
- 19) repair and maintenance of machinery (PKD 33.12.Z)
- 20) installation of industrial machinery, equipment and fittings (PKD 33.20.Z)
- 21) manufacture irradiation irradiation, electromedical
electromedical and electrotherapeutic equipment
(PKD 26.60.Z)
- 22) manufacture of furniture (PKD 31.00.Z)
- 23) wholesale of perfumes and cosmetics (PKD 46.45.Z)
- 24) wholesale of pharmaceutical and medical products (PKD 46.46.Z)
- 25) other wholesale trade in chemical products (PKD 46.85.B)
- 26) retail sale of pharmaceutical products (PKD 47.73.Z)
- 27) retail sale of medical and orthopaedic products (PKD 47.74.Z)
- 28) retail sale of cosmetics and toiletries (PKD 47.75.Z)
- 29) purchase and sale of property on own account (PKD 68.11.Z)
- 30) letting and management of own or leased property (PKD 68.20.Z)
- 31) research and development in the field of natural and technical sciences (PKD 72.10.Z)
- 32) market and public opinion research (PKD 73.20.Z)
- 33) business consultancy and other management consultancy (PKD 70.20.Z)
- 34) all other activities professional, scientific and technical activities, not
not elsewhere classified (PKD 74.99.Z)

- 35) architectural activities (PKD 71.11.Z)
- 36) other engineering activities and related technical consultancy (71.12.B)
- 37) advertising agency activities (PKD 73.11.Z)
- 38) packaging activities (PKD 82.92.Z)
- 39) water abstraction, treatment and supply (PKD 36.00.Z)
- 40) sewage disposal and treatment (PKD 37.00.Z)
- 41) collection of non-hazardous waste (PKD 38.11.Z)
- 42) collection of hazardous waste (PKD 38.12.Z)
- 43) waste incineration without energy recovery (PKD 38.31.Z)
- 44) waste storage (PKD 38.32.Z)
- 45) other waste disposal (PKD 38.33.Z)
- 46) manufacture of other food products, excluding dietary supplements, meat substitutes, plant-based substitutes for eggs, dairy products and other milk products, not elsewhere classified (PKD 10.89.D)
- 47) wholesale of other foodstuffs (PKD 46.38.Z)
- 48) accounting and bookkeeping services (PKD 69.20.A)
- 49) tax consultancy (PKD 69.20.B)
- 50) activities related with administrative support the office,
including support services (PKD 82.10.Z)
- 51) services provided by debt collection agencies and credit bureaux (PKD 82.91.Z)
- 52) support support the operation economic business where not
elsewhere classified (PKD 82.99.B)
- 53) other out-of-school forms of education, not elsewhere classified (PKD 85.59.D)
- 54) activities supporting education, not elsewhere classified (PKD 85.69.Z)
- 55) other health care activities (PKD 86.99.D)
- 56) rental and leasing of passenger cars and light motor vehicles, including motorcycles (PKD
77.11.Z)
- 57) rental and leasing of lorries (PKD 77.12.Z)
- 58) research and development in the field of natural and technical sciences (PKD 72.10.Z)

59) logistics activities (PKD 52.25.Z)

60) other transport support services (PKD 52.26.Z).

§ 7

The Company may issue bonds, including bonds convertible into shares, bonds with pre-emptive rights and subscription warrants.

SHARE CAPITAL

§ 8

The Company's share capital amounts to PLN 8,586,420.00 (eight million five hundred and eighty-six thousand four hundred and twenty zlotys) and is divided into 85,864,200 (eighty-five million eight hundred and sixty-four thousand two hundred) Series A ordinary bearer shares with a nominal value of PLN 0.10 (ten groszy) each.

§ 9

Bearer shares may not be converted into registered shares.

§ 10

1. The Company's shares may be redeemed. The redemption of shares requires a resolution of the General Meeting (subject to Article 363 § 5 of the Commercial Companies Code) and the consent of the shareholder whose shares are to be redeemed.
2. The acquisition of own shares by the Company for the purpose of redemption does not require the consent of the General Meeting, subject to Article 393(6) of the Commercial Companies Code, but only the consent of the Supervisory Board.

§ 11

(repealed)

THE COMPANY'S GOVERNING BODIES

The governing bodies of the Company are:

§ 12

- 1) The Management Board.
- 2) The Supervisory Board.
- 3) The General Meeting.

A. Management Board

§ 13

The Management Board shall consist of no more than 4 (four) persons, including the Chairman, the Deputy Chairman and the other members of the Management Board. The number of members of the Management Board shall be determined by the Supervisory Board.

§ 14

1. The Management Board manages the Company's affairs and represents it externally.
2. Members of the Management Board are appointed and dismissed by the Supervisory Board.
3. Members of the Management Board are appointed for a three-year term of office.
4. The Management Board operates in accordance with the rules of procedure adopted by the Supervisory Board.
5. The Management Board is required to submit reports to the Supervisory Board at least quarterly, concerning significant events in the Company's operations. This report shall also include a statement of the Company's revenue, costs and financial result.

§ 15

1. If the Management Board consists of a single member, the Company shall be represented by that single member of the Management Board. If the Management Board consists of more than one member, the Company shall be represented by two members of the Management Board acting jointly or by one member of the Management Board acting jointly with a proxy.
2. Proxies may be appointed to carry out specific acts or a specific type of act, acting either independently or jointly with other proxies, within the limits of their authority. The Management Board shall maintain a register of powers of attorney issued.

§ 16

In contracts and disputes between the Company and members of the Management Board, the Company shall be represented by the Supervisory Board.

B. Supervisory Board

§ 17

1. The Supervisory Board shall consist of between 5 and 13 members, including the Chair and two Deputy Chairs, and shall operate in accordance with rules of procedure adopted by it, setting out its organisation and the manner in which it carries out its activities.
2. The Supervisory Board is appointed as follows:

- 1) One member of the Supervisory Board is appointed and dismissed by the Institute of Biotechnology and Antibiotics,
- 2) The remaining members of the Supervisory Board are appointed and removed by the General Meeting.
3. The personal powers referred to in paragraph 2(1) above are exercised by delivering to the Company a written statement regarding the appointment or dismissal of a member of the Supervisory Board.
4. The number of members of the Supervisory Board is determined by the General Meeting. In the event of voting in separate groups, the number of members of the Supervisory Board shall be 13 (thirteen).
5. The Supervisory Board, which, as a result of the expiry of the terms of office of certain members of the Supervisory Board (for reasons other than dismissal), comprises fewer than the number specified in paragraph 1, but at least 5 (five) members, is capable of adopting valid resolutions until its composition is restored.
6. Members of the Supervisory Board are appointed for a joint three-year term of office.

§ 18

1. One of the members of the Supervisory Board appointed by the General Meeting shall meet the following conditions:
 - 1) they must have been elected in accordance with the procedure referred to in paragraph 3;
 - 2) must not be a Related Party of the Company or of a subsidiary of the Company;
 - 3) they must not be a Related Party of the parent company or of any other subsidiary of the parent company; or
 - 4) must not be a person who has any connection with the Company or with any of the entities listed in points 2) and 3) which could materially affect that person's ability, as a member of the Supervisory Board, to make impartial decisions,
2. For the avoidance of doubt, the connections referred to in paragraph 1, points 2) to 4), do not apply to membership of the Company's Supervisory Board.
3. The election of a member of the Supervisory Board who is to meet the conditions set out in paragraph 1 shall take place by a separate vote. Subject to paragraph 4, the right to nominate candidates for membership of the Supervisory Board who meet the conditions set out in paragraph 1 shall be vested in shareholders present at the General Meeting convened for the purpose of electing

a member of the Supervisory Board referred to in paragraph 1. Nominations shall be submitted to the Chair of the General Meeting in writing, together with a written statement from the candidate concerned confirming their consent to stand for election and that they meet the conditions set out in paragraph 1, points 2) to 4). If no candidates are nominated by shareholders in the manner provided for in the preceding sentence, the Supervisory Board shall nominate candidates for the Supervisory Board who meet the conditions set out in paragraph 1, points 2) to 4).

§ 19

The Chairman of the Supervisory Board and the two Vice-Chairmen of the Supervisory Board shall be appointed by the Supervisory Board from among its members.

§ 20

1. For resolutions of the Supervisory Board to be valid, all members must be invited and at least half of them must be present at the meeting, including the Chair of the Supervisory Board or a Vice-Chair. In the event of a tie, the Chair of the Supervisory Board shall have the casting vote.
2. Resolutions of the Supervisory Board concerning the suspension of members of the Management Board shall be adopted by a four-fifths majority of votes.
3. Where necessary, resolutions of the Supervisory Board may be adopted in writing or by means of remote communication. Draft resolutions adopted in writing shall be submitted for signature to all members of the Supervisory Board and shall become binding upon signature by at least half of the members of the Supervisory Board, including the Chair of the Supervisory Board.

§ 21

1. The Supervisory Board exercises ongoing supervision over the Company's activities in all areas of its operations. In addition to the matters specified in the provisions of the Commercial Companies Code and other provisions of the Articles of Association, the powers of the Supervisory Board include:
 - 1) appointing the entity to audit or review the Company's consolidated and separate financial statements, and giving consent to the conclusion of contracts with such an entity or its subsidiaries, subordinate entities, parent companies or subsidiaries or entities controlled by its parent companies, and for carrying out any other activities which may adversely affect

the independence of such an entity in carrying out an audit or review of the Company's financial statements;

- 2) granting consent for the Company's Related Parties to enter into contracts or carry out other activities on behalf of the Company's Related Parties, where the value of such contracts or activities exceeds, over a period of 12 (twelve months) the sum of 500,000 euros or the equivalent of that amount in other currencies, with the exception of typical and routine transactions carried out on market terms between affiliated entities, the nature and terms of which arise from the day-to-day operational activities carried out by the Company or one of its subsidiaries.
2. Resolutions on matters specified in paragraph 1(1) shall, to be valid, require a vote in favour of their adoption by a member of the Supervisory Board who meets the conditions set out in § 18(1) of the Articles of Association.
3. The remuneration of members of the Management Board is determined by the Supervisory Board.

§ 22

In order to perform its duties, the Supervisory Board may examine all documents, request reports and explanations from the Management Board and the Company's employees, and carry out an audit of the Company's assets.

C. General Meeting

§ 23

The Chairman of the General Meeting shall be appointed in writing by the Management Board. Should the Management Board fail to appoint the Chairman of the General Meeting before the scheduled start time of the meeting, the provisions of Article 409 § 1 of the Commercial Companies Code shall apply.

§ 24

General Meetings may be held in Warsaw, Gdynia and in Macierzysz near Ożarów Mazowiecki.

§ 25

1. Resolutions of the General Meeting shall be adopted by an absolute majority of validly cast votes, unless the Articles of Association or statutory provisions stipulate stricter conditions.

2. Resolutions of the General Meeting on the following matters require a qualified majority of three-quarters of the votes cast:
 - 1) the cancellation of shares in the case referred to in Article 415 § 4 of the Commercial Companies Code,
 - 2) the acquisition of own shares in the case specified in Article 362 § 1(2) of the Commercial Companies Code,
 - 3) the merger of the Company with another company in the case specified in Article 506 § 2 of the Commercial Companies Code.
3. Resolutions of the General Meeting concerning the dismissal or suspension by the General Meeting of individual or all members of the Management Board pursuant to Article 368 § 4 of the Commercial Companies Code require four-fifths of the votes cast.
4. The acquisition and disposal of immovable property, perpetual usufruct rights or shares in immovable property do not require a resolution of the General Meeting.

COMPANY MANAGEMENT

§ 26

The organisation of the Company is set out in the organisational regulations adopted by the Management Board and approved by the Supervisory Board.

§ 27

The financial year of the Company and its group ends on 31 December of each year.

§ 28

1. The Company may establish reserve funds pursuant to a resolution of the General Meeting.
2. Special-purpose funds may also be established by resolution of the Management Board, in particular a social benefits fund and a bonus fund. The rules governing the management of special-purpose funds are set out in regulations adopted by the Management Board and approved by the Supervisory Board.

FINAL PROVISIONS

§ 29

1. The personal entitlement accruing to the Institute of Biotechnology and Antibiotics, referred to in § 17(2)(1), shall lapse if the Institute of Biotechnology and

Antibiotics ceases to hold shares representing at least 5 per cent (five per cent) of the share capital.

2. The personal right referred to in § 17(2)(1), vested in the Institute of Biotechnology and Antibiotics, shall also expire if a shareholder acquires (acting in their own name and on their own account) and registers at the General Meeting shares representing at least 75% (seventy-five per cent) of the total number of shares in the Company's share capital, of which all shares in a number exceeding 10 per cent (ten per cent) of the total number of shares in the Company's share capital are acquired by such a shareholder:
 - a) by way of a tender offer for the sale of all the Company's shares, announced in accordance with the provisions of the Act on Public Offerings, from shareholders who are not connected to such shareholder in the manner specified in Article 87(1)(2)–(6) of the Act on Public Offerings, or
 - b) in the primary market (as defined in the Act on Public Offerings).
3. The Company shall publish the notices required by law in the 'Monitor Sądowy i Gospodarczy'.
4. For the purposes of these Articles of Association:
 - 1) 'Public **Offering** Act' means the Act of 29 July 2005 on public offerings and the conditions for the admission of financial instruments to organised trading and on public companies (Journal of Laws No. 184, item 1539) as amended on the date of registration of Resolution No. 1 of the General Meeting concerning the amendment of the Articles of Association of 9 May 2006).
 - 2) "Commercial **Companies** Code" means the Act of 15 September 2000 – Commercial Companies Code (Journal of Laws No. 94, item 1037, as subsequently amended) in the version in force on the date of registration of Resolution No. 1 of the General Meeting concerning the amendment to the Articles of Association of 9 May 2006.
 - 3) "Related Party" means, in relation to a given entity, a "related party" as defined in the Regulation of the Minister of Finance of 19 October 2005 on current and periodic information disclosed by issuers of securities (Journal of Laws No. 209, item 1744), as in force on

the date of registration of Resolution No. 1 of the General Meeting concerning the amendment to the Articles of Association of 9 May 2006.

- 4) The terms '**parent** company' and 'subsidiary' should be interpreted in accordance with the provisions of the Public Offering Act.
 - 5) The terms '**parent company**' and '**subsidiary**' should be interpreted in accordance with the provisions of the Commercial Companies Code.
 - 6) **The** term '**subordinate** entity' should be interpreted in accordance with the provisions of the Accounting Act of 29 September 1994 (i.e. Journal of Laws of 2002, No. 76, item 694, as amended) in the version in force on the date of registration of Resolution No. 1 of the General Meeting concerning the amendment to the Articles of Association of 9 May 2006.
5. In the event of the expiry or waiver of personal rights, the provisions of the Articles of Association relating to such expired personal rights shall be superseded by the relevant provisions of the Commercial Companies Code.
 6. All costs incurred or borne by the Company in connection with its incorporation amount to no more than 388,000 zlotys.