

RESOLUTION NO. 31/2019
of the Supervisory Board of
FABRYKI MEBLI „FORTE” S.A.
dated 6 August 2019

regarding: consideration and evaluation of issues included in the agenda of the Extraordinary General Meeting of FABRYKI MEBLI „FORTE” S.A. convened for 9 August 2019

§ 1

1. Upon consideration of the agenda and draft resolutions of the Extraordinary General Meeting of FABRYKI MEBLI "FORTE" S.A. convened for 9 August 2019, the Supervisory Board of FABRYKI MEBLI "FORTE" S.A. resolves as follows:
 - a) Item 6a) of the agenda „Establishment of an Audit Committee in the Company” has received a negative opinion – in reference to the proposed new sec. 5.2.11 in § 5 of the Articles of Association, the Supervisory Board has raised the following reservations:
 - the fragment *„The organisation, competencies and responsibilities of internal committees shall be set out in the Regulations of the Supervisory Board”* does not correspond to the actual situation, i.e. the Audit Committee has been operating in the Company since 9 October 2017, and the composition, manner of appointment, tasks, scope of operation and procedures of work of the Audit Committee are specified in the Audit Committee Regulations adopted by the Supervisory Board;
 - the clause *„At least one member of the Audit Committee shall be qualified in the field of accounting and auditing”* does not meet the requirements arising from the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Supervision. Pursuant to the above Act, at least one member of the Audit Committee should have knowledge and skills in accounting or financial statements, and at least one member of the Audit Committee should have knowledge and skills in the industry in which the Company operates or individual members of the Audit Committee in certain areas should have knowledge and skills in this industry;
 - b) Item 6b) of the agenda „Clarification of the definition of independence of members of the Supervisory Board” has received a positive opinion – the proposed changes comply with the applicable laws in this respect, in particular with the Act of 11 May 2017 on Statutory Auditors and their Self-government, Entities Authorised to Audit Financial Statements and Public Supervision;
 - c) Item 6c) of the agenda „A change in components of remuneration paid to members of the Supervisory Board” has received a positive opinion – the proposed change is consistent, among others, with Principle VI.Z.3 of Best Practice for WSE Listed Companies;
 - d) Item 7 of the agenda „Changes of the composition of the Supervisory Board” has received a negative opinion – the current term of office of the Supervisory Board started in 2018 and, in accordance with the Company's Articles of Association, runs until 2022; moreover, none of the Supervisory Board Members has resigned from their function, hence the Supervisory Board has no justification for including such an item in the agenda.
2. With respect to the remaining items on the agenda and draft resolutions of the Extraordinary General Meeting, due to their organisational nature, the Supervisory Board raises no objections, thus giving a positive opinion.

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The resolution shall come into force upon its adoption.

