

MERGER PLAN

This merger plan (the "**MERGER PLAN**") has been prepared and agreed as of 25 May 2015, in accordance with the provisions of Article 498 and Article 499 of 15 September 2000 – Commercial Companies Code (Journal of Laws of 2000 No. 94, item 1037, as amended) ("**CCC**") among:

1. **POLNORD SPÓŁKA AKCYJNA** with its registered office in Gdynia, ul. Śląska 35/37, 81-310 Gdynia, entered into the Register of Entrepreneurs kept by the District Court Gdańsk – Północ in Gdańsk, 8th Commercial Division of the National Court Register under KRS No. 0000041271, NIP: 5830006767; REGON: 000742457, possessing share capital in the amount of PLN 65,266,054.00 (paid in full), hereinafter referred to as the "**ACQUIRING COMPANY**"

and

2. **POLNORD MARKETING SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ** with its registered office in Gdynia, ul. Śląska 35/37, 81-310 Gdynia, entered into the Register of Entrepreneurs kept by the District Court Gdańsk – Północ in Gdańsk, 8th Commercial Division of the National Court Register under KRS No. 0000373691, NIP: 5272645618, REGON: 142740095, possessing share capital in the amount of PLN 53,605,000.00 (paid in full), hereinafter referred to as "**PM**",
3. **10 H SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ** with its registered office in Gdynia, ul. Śląska 35/37, 81-310 Gdynia, Poland, entered into the Register of Entrepreneurs kept by the District Court Gdańsk – Północ in Gdańsk, 8th Commercial Division of the National Court Register under KRS No. 0000464181, NIP: 5862284742, REGON: 221889809, possessing share capital in the amount of PLN 5,000.00 (paid in full), hereinafter referred to as "**10H**",

The companies PM and 10H, are hereinafter referred to as the "**TARGET COMPANIES**".

The **ACQUIRING COMPANY** and the **TARGET COMPANIES** are hereinafter referred to as the "**MERGING COMPANIES**".

(I) TYPE, BUSINESS NAME AND REGISTERED OFFICE OF EACH MERGING COMPANY

1. ACQUIRING COMPANY:

BUSINESS NAME:	POLNORD SPÓŁKA AKCYJNA
TYPE:	joint stock company, public company within the meaning of the Act on Public Offering, Terms of Introducing Financial Instruments into Organised Trading and on Public Companies of 29.07.2005 (Journal of Laws of 2005 No. 184, item 1539, as amended)
REGISTERED OFFICE:	Gdynia, address: ul. Śląska 35/37, 81-310 Gdynia,

2. TARGET COMPANIES:

2.1 BUSINESS NAME:	POLNORD MARKETING SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ
TYPE:	limited liability company

REGISTERED OFFICE: Gdynia, address: ul. Śląska 35/37, 81-310 Gdynia

2.2 BUSINESS NAME: **10 H SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ**
TYPE: limited liability company
REGISTERED OFFICE: Gdynia, address: ul. Śląska 35/37, 81-310 Gdynia

(II) MANNER OF MERGER

1. It is planned to merge the Merging Companies under Article 492 § 1 section 1 of the CCC in conjunction with Article 515 § 1 and Article 516 § 6 of the CCC through transfer of all assets and liabilities of the Target Companies to the Acquiring Company, without increasing the share capital of the Acquiring Company on the grounds that the Acquiring Company possesses 100% of shares in the share capital of the Target Companies, hereinafter referred as the "**MERGER**", consequently:
 - 1.1 The Acquiring Company will enter into all rights and obligations of the Target Companies under universal succession as of the Merger date,
 - 1.2 Permits, licenses and reliefs, in particular, granted to the Target Companies will be transferred to the Acquiring Company, unless the act or decision on granting the permit, license or relief provides otherwise.
 - 1.3 The Target Companies will be dissolved without being put into liquidation on the date of its removal from the register.
2. In view of the fact that the Acquiring Company possesses all shares in the share capital of the Target Companies:
 - 2.1 Pursuant to Article 515 § 1 of the CCC, the Merger will be effected without increasing the share capital of the Acquiring Company;
 - 2.2 Pursuant to Article 516 § 5 of the CCC in conjunction with Article 516 § 6 of the CCC, no Management Board's reports of the Merging Companies will be prepared, referred to in Article 501 § 1 of the CCC;
 - 2.3 Pursuant to Article 516 § 5 of the CCC in conjunction with Article 516 § 6 of the CCC, the Merger Plan will not be reviewed by a certified auditor appointed by the register court and no opinion will be issued by a certified auditor, referred to in Article 502 and Article 503 of the CCC.
3. Since the Acquiring Company is a public company, Article 516 § 1 sentence 1 of the CCC will not be applicable and, pursuant to Article 506 of the CCC, the basis of the Merger will be the resolution of the General Meeting of the Acquiring Company containing approval by the shareholders of the Acquiring Company of the Merger and the Merger Plan, and resolutions of the Shareholders' Meeting of the Target Companies containing approval by the sole shareholder of the Target Companies, i.e. the Acquiring Company, of the Merger and the Merger Plan.
4. The Merger date is deemed as the date of entering the Merger into the register for the registered office of the Acquiring Company.

(III) THE RATIO OF SHARES TO BE EXCHANGED IN THE TARGET COMPANIES FOR SHARES IN THE ACQUIRING COMPANY

Not applicable, as the Acquiring Company holds 100% of shares in the share capital of the Target Companies, and the Merger will be effected without increasing the share capital of the Acquiring Company, which results from Article 516 § 6 of the CCC and Article 515 § 1 of the CCC.

(IV) THE RULES GOVERNING THE ALLOTMENT OF SHARES IN THE ACQUIRING COMPANY

Not applicable, as the Acquiring Company holds 100% of shares in the share capital of the Target Companies, and the Merger will be effected without increasing the share capital of the Acquiring Company, which results from Article 516 § 6 of the CCC and Article 515 § 1 of the CCC.

(V) THE DATE AS OF WHICH THE SHARES GIVE THE RIGHT TO PARTICIPATE IN THE PROFITS OF THE ACQUIRING COMPANY

Not applicable, as the Acquiring Company holds 100% of shares in the share capital of the Target Companies, and the Merger will be effected without increasing the share capital of the Acquiring Company, which results from Article 516 § 6 of the CCC and Article 515 § 1 of the CCC.

(VI) RIGHTS GRANTED BY THE ACQUIRING COMPANY TO THE SHAREHOLDERS AND PERSONS HAVING SPECIAL RIGHTS IN THE TARGET COMPANIES

Not applicable, as the Acquiring Company holds 100% of shares in the share capital of the Target Companies, and the Merger will be effected without increasing the share capital of the Acquiring Company.

(VII) PARTICULAR BENEFITS GRANTED TO THE MEMBERS OF THE GOVERNING BODIES OF THE MERGING COMPANIES

No particular benefits are granted to members of the governing bodies of the merging companies.

(VIII) OTHER PROVISIONS

1. The Merger does not require the permit of the President of the Office of Competition and Consumer Protection for the concentration by way of the Merger pursuant to Article 14 section 5 of the Act on consumer rights of 16 February 2007 ((Journal of Laws of 2007 No. 50, item 331, as amended).
2. In the event that any provision of the Merger Plan is found invalid, incomplete or unenforceable, it will not affect the validity of the other provisions of the Merger Plan. The defective provision of the Merger Plan will be supplemented or replaced with a valid or enforceable provision.
3. In accordance with Article 499 § 2 of the CCC, the following documents are enclosed to the Merger Plan:
 - 1) Draft Resolution of the General Meeting of Polnord S.A. on the Merger – Annex No. 1,

- 2) Draft Resolutions of the Shareholders' Meetings of Polnord Marketing Sp. z o.o. and 10 H Sp. z o.o. companies on the Merger – Annex No. 2a and Annex No. 2b,
 - 3) Valuation of the assets and liabilities of each Target Company, as at 1 April 2015 – Annex No. 3,
 - 4) Statements containing information on the status of each Target Company as shown in accounts, drawn up for the purpose of the Merger, as at 1 April 2015 – Annex No. 4a and Annex No. 4b.
4. Pursuant to Article 499 § 4 of the CCC, the information on the financial position of the Acquiring Company was not prepared, since the Acquiring Company, being a public company, meets the conditions stipulated in the afore-mentioned provision.

ACQUIRING COMPANY:

1. Piotr WESOŁOWSKI – President of the Management Board
2. Tomasz SZNAJDER – Vice-President of the Management Board

TARGET COMPANIES:

PM

1. Piotr WESOŁOWSKI – Member of the Management Board
2. Tomasz SZNAJDER – Member of the Management Board

10 H

1. Piotr WESOŁOWSKI – Member of the Management Board
2. Tomasz SZNAJDER – Member of the Management Board

Annex No. 1 to the Merger Plan of 25.05.2015
Draft Resolution of the General Meeting of Polnord S.A. on the Merger

RESOLUTION NO. [...]
OF THE ORDINARY GENERAL MEETING
OF POLNORD SPÓŁKA AKCYJNA WITH ITS REGISTERED OFFICE IN GDYNIA
as of [...] 2015

on: the merger of Polnord S.A. with its registered office in Gdynia (the "**Acquiring Company**") with the companies: Polnord Marketing Sp. z o.o. with its registered office in Gdynia and 10 H Sp. z o.o. with its registered office in Gdynia (the "**Target Companies**")

§ 1

Acting on the basis of Article 506 of the Commercial Companies Code (the "**CCC**"), the Ordinary General Meeting of **POLNORD S.A.** with its registered office in Gdynia (the "**Acquiring Company**") resolves, under Article 492 § 1 section 1 of the CCC, to merge the Acquiring Company with the companies under the business names of Marketing Sp. z o.o. with its registered office in Gdynia and 10 H Sp. z o.o. with its registered office in Gdynia (the "**Target Companies**"), by means of transfer to the Acquiring Company of all assets and liabilities of the Target Companies in a manner as defined in Article 515 § 1 of the CCC, i.e. without increasing the share capital of the Acquiring Company on the grounds that the Acquiring Company holds 100% of shares in the share capital of the Target Companies and by dissolution of the Target Companies without putting them into liquidation (the "**Merger**").

§ 2

The Ordinary General Meeting of the Acquiring Company agrees to the Merger Plan, agreed and adopted by the Management Boards of the Acquiring Company and the Target Companies as of 25 May 2015, constituting Annexe No. 1 to this Resolution.

§ 3

Since the Acquiring Company is the sole shareholder of the Target Companies, the Merger will be effected in compliance with Article 516 § 6 of the CCC under a simplified procedure, with limitations resulting from the fact that the Acquiring Company is a public company.

§ 4

The Ordinary General Meeting of the Acquiring Company authorises and obliges the Management Board of the Acquiring Company, after making arrangements with the Management Boards of the Target Companies, to undertake all and any necessary actions related to conducting the procedure for merging the Acquiring Company with the Target Companies in compliance with the present Resolution and the Merger Plan.

Annex No. 1 to the Merger Plan of 25.05.2015
Draft Resolution of the General Meeting of Polnord S.A. on the Merger

§ 5

The Resolution takes effect from the date of its adoption and the Merger will be effected at the time of entering the information on the Merger into the register of the Acquiring Company.

Annexe:

1. Merger Plan as of 25.05.2015

RESOLUTION NO. [...]
OF THE ORDINARY SHAREHOLDERS' MEETING
OF POLNORD MARKETING SP. Z O.O. WITH ITS REGISTERED OFFICE IN GDYNIA
as of [...] 2015

on: the merger of Polnord S.A. with its registered office in Gdynia (the "**Acquiring Company**") with the companies: Polnord Marketing Sp. z o.o. with its registered office in Gdynia and 10 H Sp. z o.o. with its registered office in Gdynia (the "**Target Companies**")

§ 1

Acting on the basis of Article 506 of the Commercial Companies Code (the "**CCC**"), the Ordinary Shareholders' Meeting of **POLNORD MARKETING SP. Z O.O.** with its registered office in Gdynia resolves, under Article 492 § 1 section 1 of the CCC, to merge POLNORD S.A. with its registered office in Gdynia (the "**Acquiring Company**") with the companies under the business names of Marketing Sp. z o.o. with its registered office in Gdynia and 10 H Sp. z o.o. with its registered office in Gdynia (the "**Target Companies**"), by means of transfer to the Acquiring Company of all assets and liabilities of the Target Companies in a manner as defined in Article 515 § 1 of the CCC, i.e. without increasing the share capital of the Acquiring Company on the grounds that the Acquiring Company holds 100% of shares in the share capital of the Target Companies and by dissolution of the Target Companies without putting them into liquidation (the "**Merger**").

§ 2

The Ordinary Shareholders' Meeting of POLNORD MARKETING Sp. z o.o. agrees to the Merger Plan, agreed and adopted by the Management Boards of the Acquiring Company and the Target Companies as of 25 May 2015, constituting Annexe No. 1 to this Resolution.

§ 2

Since the Acquiring Company is the sole shareholder of the Target Companies, the Merger will be effected in compliance with Article 516 § 6 of the CCC under a simplified procedure, with limitations resulting from the fact that the Acquiring Company is a public company.

§ 4

The Ordinary Shareholders' Meeting of POLNORD MARKETING Sp. z o.o. authorises and obliges the Management Board of POLNORD MARKETING Sp. z o.o., after making arrangements with the Management Board of the Acquiring Company and the Management Board of the other Target Company, to undertake all and any necessary actions related to conducting the procedure for merging the Acquiring Company with the Target Companies in compliance with the present Resolution and the Merger Plan.

Annex No. 2a to the Merger Plan of 25.05.2015
Draft Resolution of the Shareholders' Meeting of Polnord Marketing Sp. z o.o. on the Merger

§ 5

The Resolution takes effect from the date of its adoption and the Merger will be effected at the time of entering the information on the Merger into the register of the Acquiring Company.

Annexe:

1. Merger Plan as of 25.05.2015

Annex No. 2b to the Merger Plan of 25.05.2015
Draft Resolution of the Shareholders' Meeting of 10 H Sp. z o.o. on the Merger

RESOLUTION NO. [...]
OF THE ORDINARY SHAREHOLDERS' MEETING
OF 10 H SPÓŁKA Z O. O. WITH ITS REGISTERED OFFICE IN GDYNIA
as of [...] 2015

on: the merger of Polnord S.A. with its registered office in Gdynia (the "**Acquiring Company**") with the companies: Polnord Marketing Sp. z o.o. with its registered office in Gdynia and 10 H Sp. z o.o. with its registered office in Gdynia (the "**Target Companies**")

§ 1

Acting on the basis of Article 506 of the Commercial Companies Code (the "**CCC**") the Ordinary Shareholders' Meeting of **10 H Sp. z o.o.** with its registered office in Gdynia resolves, under Article 492 § 1 section 1 of the CCC, to merge POLNORD S.A. with its registered office in Gdynia (the "**Acquiring Company**") with the companies under the business names of Marketing Sp. z o.o. with its registered office in Gdynia and 10 H Sp. z o.o. with its registered office in Gdynia (the "**Target Companies**"), by means of transfer to the Acquiring Company of all assets and liabilities of the Target Companies in a manner as defined in Article 515 § 1 of the CCC, i.e. without increasing the share capital of the Acquiring Company on the grounds that the Acquiring Company holds 100% of shares in the share capital of the Target Companies and by dissolution of the Target Companies without putting them into liquidation (the "**Merger**").

§ 2

The Ordinary Shareholders' Meeting of 10 H Sp. z o.o. agrees to the Merger Plan, agreed and adopted by the Management Boards of the Acquiring Company and the Target Companies as of 25 May 2015, constituting Annexe No. 1 to this Resolution.

§ 2

Since the Acquiring Company is the sole shareholder of the Target Companies, the Merger will be effected in compliance with Article 516 § 6 of the CCC under a simplified procedure, with limitations resulting from the fact that the Acquiring Company is a public company.

§ 4

The Ordinary Shareholders' Meeting of 10 H Sp. z o.o. authorises and obliges the Management Board of 10 H Sp. z o.o., after making arrangements with the Management Board of the Acquiring Company and the Management Board of the other Target Company, to undertake all and any necessary actions related to conducting the procedure for merging the Acquiring Company with the Target Companies in compliance with the present Resolution and the Merger Plan.

Annex No. 2b to the Merger Plan of 25.05.2015
Draft Resolution of the Shareholders' Meeting of 10 H Sp. z o.o. on the Merger

§ 5

The Resolution takes effect from the date of its adoption and the Merger will be effected at the time of entering the information on the Merger into the register of the Acquiring Company.

Annexe:

1. Merger Plan as of 25.05.2015

Annex No. 3 to the Merger Plan of 25.05.2015
Valuation of the assets and liabilities of the target companies

VALUATION OF THE ASSETS AND LIABILITIES OF THE TARGET COMPANIES
(POLNORD MARKETING SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ)

Pursuant to Article 499 § 2 sec. 3 of the Commercial Companies Code, the Management Board of **Polnord Marketing Sp. z o.o.** with its registered office in Gdynia (the "**Target Company**") hereby declares that the value of the Target Company as at 1 April 2015 as the net book value of assets amounts to PLN 62 669 thousand (sixty two million six hundred sixty nine thousand zlotys) in accordance with the statement of financial position constituting Annex No. 4a to the Merger Plan.

Piotr Wesołowski – Member of the
Management Board

Tomasz Sznajder – Member of the
Management Board

Annex No. 3 to the Merger Plan of 25.05.2015
Valuation of the assets and liabilities of the target companies

VALUATION OF THE ASSETS AND LIABILITIES OF THE TARGET COMPANIES
(10 H SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ)

Pursuant to Article 499 § 2 sec. 3 of the Commercial Companies Code, the Management Board of **10 H Sp. z o.o.** with its registered office in Gdynia (the "**Target Company**") hereby declares that the value of the Target Company as at 1 April 2015 as the net book value of assets amounts to PLN - 2 340 thousand (minus two million three hundred forty thousand zlotys) in accordance with the statement of financial position constituting Annex No. 4b to the Merger Plan.

Piotr Wesołowski – Member of the
Management Board

Tomasz Sznajder – Member of the
Management Board

Annex No. 4a to the Merger Plan of 25.05.2015
Statement on the status of Polnord Marketing Sp. z o.o. as shown in accounts

STATEMENT

**on the status of the company POLNORD MARKETING SPÓŁKA Z OGRANICZONĄ
ODPOWIEDZIALNOŚCIĄ with its registered office in Gdynia as shown in accounts**

Acting under Article 499 § 2 section 4 of the Commercial Companies Code, the Management Board of POLNORD MARKETING Sp. z o. o. with its registered office in Gdynia (the "**Target Company**") declares that the information on the status as shown in accounts of the Target Company was prepared for the purpose of the merger as at 1 April 2015 following the same methods and the same format as the last annual balance sheet, and was presented in the statement of financial position, constituting an Appendix to this statement.

Piotr WESOŁOWSKI – Member of the Management Board

Tomasz SZNAJDER – Member of the Management Board

Appendix:

Statement of financial position as at 01.04.2015

Annex No. 4a to the Merger Plan of 25.05.2015
Statement on the status of Polnord Marketing Sp. z o.o. as shown in accounts

Financial statements (in accordance with IFRS)

Polnord Marketing Sp. z o.o.

STATEMENT OF FINANCIAL POSITION (PLN)	As at 01.04.2015
ASSETS	
Fixed assets	51 882 561.32
Tangible fixed assets	26 695.00
Intangible assets	51 180 438.48
Deferred tax assets	675 427.84
Current assets	14 155 622.15
Inventory	1 977.97
Trade and other receivables	14 107 683.18
Prepayments	5 288.58
Cash and cash equivalents	40 672.42
TOTAL ASSETS	66 038 183.47
EQUITY AND LIABILITIES	
Equity	62 668 645.53
Share capital	53 605 000.00
Other reserve capitals	2 560 679.09
Retained profits/Uncovered losses	6 502 966.44
Total equity	62 668 645.53
Long-term liabilities	2 920 851.00
Provision for deferred income tax	2 920 851.00
Short-term liabilities	448 686.94
Trade and other liabilities	259 648.50
Liabilities due to VAT, other taxes, customs duties, insurance and other	189 038.44
Total liabilities	3 369 537.94
TOTAL EQUITY AND LIABILITIES	66 038 183.47

Annex No. 4b to the Merger Plan of 25.05.2015
Statement on the status of 10 H Sp. z o.o. as shown in accounts

STATEMENT

on the status of the company 10 H SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ
with its registered office in Gdynia as shown in accounts

Acting under Article 499 § 2 section 4 of the Commercial Companies Code, the Management Board of 10 H Sp. z o. o. with its registered office in Gdynia (the "**Target Company**") declares that the information on the status as shown in accounts of the Target Company was prepared for the purpose of the merger as at 1 April 2015 following the same methods and the same format as the last annual balance sheet, and was presented in the statement of financial position, constituting an Appendix to this statement.

Piotr WESOŁOWSKI – Member of the Management Board

Tomasz SZNAJDER – Member of the Management Board

Appendix:

Statement of financial position as at 01.04.2015

Annex No. 4b to the Merger Plan of 25.05.2015
Statement on the status of 10 H Sp. z o.o. as shown in accounts

Financial statements (in accordance with IFRS)

10 H Sp. z o.o.

STATEMENT OF FINANCIAL POSITION (PLN)	As at 01.04.2015
ASSETS	
Fixed assets	
Current assets	100 013 718.75
Trade and other receivables	100 000 000.00
Receivables due to VAT, other taxes, customs duties, insurance and other	12 696.00
Cash and cash equivalents	1 022.75
TOTAL ASSETS	100 013 718.75
EQUITY AND LIABILITIES	
Equity	- 2 340 349.19
Share capital	5 000.00
Other reserve capitals	20 416.89
Retained profits/Uncovered losses	- 2 365 766.08
Total equity	- 2 340 349.19
Long-term liabilities	32 313 069.68
Interest-bearing bank loans, borrowings and debt securities	32 313 069.68
Short-term liabilities	70 040 998.26
Trade and other liabilities	70 040 998.26
Total liabilities	102 354 067.94
TOTAL EQUITY AND LIABILITIES	100 013 718.75