

Warsaw, April 27, 2012

## **I. Convening the Annual General Meeting**

The Management Board of Celtic Property Developments S.A. with the corporate seat in Warsaw (hereinafter "the Company"), registered in the Register of Entrepreneurs kept by the District Court for the capital city of Warsaw, XII Economic Division of the National Court Register under number KRS 277147, pursuant to articles 395, 399 § 1, 402<sup>1</sup> and 402<sup>2</sup> of the Commercial Companies Code (hereinafter "CCC") and § 38.1 of the Ordinance of the Minister of Finance of 19 February 2009 on current and periodic information passed by issuers of securities and on conditions of considering it as equivalent to information required under the law of state that is not a Member State (Journal of Laws No. 33, item 259, as amended), hereby convenes the Annual General Meeting of the Company (hereinafter "the General Meeting" "the Annual General Meeting" or "AGM") to be held on 24<sup>th</sup> of May 2012 at 12:00 at the Company's office at Cybernetyki 7b, 02-677 Warsaw with the following agenda:

- 1) Opening the General Meeting.
- 2) Appointing the Chairman of the General Meeting.
- 3) Confirming that the Annual General Meeting has been convened correctly and is empowered to adopt resolutions.
- 4) Adopting the agenda of the General Meeting.
- 5) Presentation of the Activity Report of the Management Board of Celtic Property Developments S.A. and the financial statements of Celtic Property Developments S.A. for the financial year 2011;
- 6) Presentation of the Evaluation Report of the Supervisory Board from the activity report of the Management Board of Celtic Property Developments S.A., and the Management Board proposal regarding distribution of profit, with an evaluation of the Company including an evaluation of internal control and risk management system relevant to the Company.
- 7) Adopting the resolution for the approval of the activity report of Management Board of the Celtic Property Developments S.A. for the financial year 2011;
- 8) Adopting the resolution for the approval of the financial statements of the Celtic Property Developments S.A. for the financial year 2011;
- 9) Adopting the resolution of cover the loss by the Celtic Property Developments S.A. for the year 2011.
- 10) Adopting the resolution on the further existence of the Celtic Property Developments S.A.
- 11) Presentation of the Activity Report of the Management Board of the Celtic Property Developments S.A. Capital Group and the consolidated financial statements of the Celtic Property Developments S.A. Capital Group for the financial year 2011.
- 12) Adopting the resolution for the approval of the activity report of Management Board of the Celtic Property Developments S.A. Capital Group for the financial year 2011.
- 13) Adopting the resolution for the approval of the financial statements of Management Board of the Celtic Property Developments S.A. Capital Group for the financial year 2011.
- 14) Adopting of resolutions regarding appointment of members of Management Board of Celtic Property Developments S.A. for the performance of their duties in 2011.
- 15) Adopting of resolutions regarding appointment of members of Supervisory Board of Celtic Property Developments S.A. for the performance of their duties in 2011.
- 16) Adoption of a resolution on establishing the number of members of the Supervisory Board of the second cadence.
- 17) Adopting of resolution on election members of the Supervisory Board of the second cadence.
- 18) Adopting of resolution on remuneration of members of the Supervisory Board of the second cadence.

- 19) Adopting of resolution on the issue of subscription warrants series C with the right to take up the Company's shares Series C and deprivation of current shareholders of the pre-emption right with respect to subscription warrants series C.
- 20) Adopting of resolution on the conditional increase of the Company's share capital with the exclusion of the pre-emption right with respect to shares Series C, amendment to the Articles of Association of the Company, deprivation of current shareholders of the pre-emption right with respect to the shares Series C, dematerialization of the shares Series C and application to admit and introduce the shares Series C to the regulated market.
- 21) Closing the General Meeting.

## **II. Information on attendance at the General Meeting**

### **1. Stockholders' rights to demand putting certain issues on the agenda of the General Meeting and to submit draft resolutions**

#### *1.1. Right to demand putting certain issues on the agenda of the General Meeting*

Under article 401 § 1 CCC, Stockholder(s) representing at least one twentieth of the Company's equity may demand putting certain issues on the agenda of the General Meeting. The demand should be submitted to the Company's Management Board at least twenty-one days prior to the day of the General Meeting, i.e. until 3<sup>rd</sup> of May, 2012.

The demand should contain:

- (i) justification of or draft resolution on the proposed item of the agenda;
- (ii) copy of document confirming the Stockholder's identity:
  - natural persons: copy of ID card, passport or any other document confirming the Stockholder's identity;
  - Stockholder other than natural person (legal person, organisational unit without personality at law): copy of extract from relevant register or another document confirming the natural person(s) right to represent the Stockholder, as well as copy of ID card, passport or any other official document confirming identity of person(s) authorised to represent the Stockholder;
  - if the demand is submitted by proxy, additionally: copy of power of attorney granted by the Stockholder or by the Stockholder's representative (if the Stockholder is not a natural person) and copy of ID card, passport or any other official document confirming the proxy's identity; or, when the proxy is not a natural person: copy of extract from relevant register or another document confirming authorisation of natural person(s) to represent the proxy, as well as copies of ID cards, passports or other official documents confirming identity of natural person(s) authorised to represent the proxy;
- (iii) document(s) confirming the number of stocks in the Company authorising its holder to submit the demand, which may be a certificate of deposit issued by the operator of securities account with stocks in the Company held by the Stockholder(s) submitting the demand, which will evidence that the party submitting the demand is the Stockholder of the Company (or Stockholders of the Company acting jointly, or proxy of Stockholders under relevant power of attorney) and that that party represents at least 1/20 of the Company's equity.

The demand may be submitted at the Company's office (Cybernetyki 7b, 02-677 Warsaw) or by email: [shareholder@celtic.pl](mailto:shareholder@celtic.pl) (.pdf format)

#### *1.2. Right to submit draft resolutions on issues put on the agenda of the General Meeting*

Under article 401 § 4 CCC, Stockholder(s) representing at least one twentieth of the Company's equity may submit draft resolutions on issues put on the agenda of the General Meeting or issues that may be put on the agenda. Those drafts should be submitted before the date of the General Meeting to the Company's office (Cybernetyki 7b, 02-677 Warsaw) or by email: [shareholder@celtic.pl](mailto:shareholder@celtic.pl) (.pdf format). Those drafts should be appended with the documents mentioned in 1.1(ii) and (iii) above.

### *1.3. Right to submit draft resolutions during the General Meeting*

Under article 401 § 5 CCC, during the General Meeting each Stockholder authorised to attend it may submit draft resolutions on issues put on the agenda of the General Meeting.

## **2. Procedures for attending the General Meeting and exercising the right to vote**

### *2.1. Day of registration of attendance and right to attend AGM*

The Management Board of the Company informs that under article 406<sup>1</sup> CCC the General Meeting may be attended only by persons that are Stockholders of the Company as of sixteenth day preceding the date of the General Meeting, i.e. 8<sup>th</sup> of May 2012 ("the Attendance Registration Day").

The number of Stockholders authorised to attend the General Meeting will be fixed on the basis of information received by the Company from the National Securities Depository (hereinafter "KDPW"). However, the Management Board recommends Stockholders to carry their individual certificates of right to attend the General Meeting issued by the securities account operator. The request to issue individual certificate of right to attend the General Meeting should be submitted to the securities account operator after the date of this notice of convention of the General Meeting until the first working day after the Attendance Registration Day, i.e. until 9<sup>th</sup> of May 2012.

### *2.2. List Stockholders entitled to attend AGM*

The list of Stockholders entitled to attend the General Meeting will be compiled on the basis of the list provided by KDPW and will be available at the Management Board's office in Warsaw, Cybernetyki 7b, from 9:00 to 16:00 for three working days preceding the General Meeting, i.e. from 21<sup>st</sup> of May 2012 to 23<sup>rd</sup> of May 2012. Stockholders may review the list of Stockholders entitled to attend the General Meeting at that office and may demand a copy of that list, upon payment for making such a copy.

During the three working days preceding the General Meeting, each Stockholder may request mailing the list of Stockholders entitled to attend the General Meeting, free of charge, to a given address. The request must be written and signed by the Stockholder or by persons authorised to represent that Stockholder and must be emailed to [shareholder@celtic.pl](mailto:shareholder@celtic.pl) (.pdf format) with copies of documents confirming the fact that the requesting person is a Stockholder and confirming the identity of the Stockholder or the person representing the Stockholder as provided in sections 1.1(ii) and (iii) above.

### *2.3. Method of attending the General Meeting and exercising the right to vote*

Stockholders who are natural persons may attend the General Meeting and exercise their right to vote personally or through proxies. Stockholders that are not natural persons may attend the General Meeting and exercise their right to vote through persons authorised to declare those Stockholders' intentions or through proxies.

Stockholders will be admitted to the General Meeting upon presentation of identity document; proxies will be admitted upon presentation of identity document and power of attorney. Proxies and representatives of Stockholders other than natural persons should also present valid extracts from relevant registers indicating persons authorised to represent those entities and evidencing their right to represent the Stockholder.

Half an hour before starting the General Meeting registration of its attendants will begin by signing by Stockholders and/or their proxies of the list of attendants compiled on the basis of the list of admitted parties indicating numbers of their stocks and related votes at the General Meeting.

If any Stockholder is not put on the list of admitted parties but possesses individual certificate of right to attend the General Meeting issued by the securities account operator not earlier than on the day of notification of convention of the General Meeting and not later than on the first working day after the Attendance Registration Day, the Company must admit that Stockholder to the General Meeting.

When a Stockholder is put on the list of admitted parties, the Company must not demand any certificate of that Stockholder's right to attend the General Meeting.

#### *2.4. Stockholders' proxies*

- (i) Under article 412<sup>1</sup> § 2 CCC, powers of attorney should be granted in writing or emailed. Emailed powers of attorney do not require any safe electronic signature verified by valid qualified certificate.
- (ii) Electronic powers of attorney may be emailed on the form provided on the Company's web site [www.celtic.pl](http://www.celtic.pl), insert "General Meetings", which is compliant with article 402<sup>3</sup> § 1 sec 5 CCC. Stockholders are not required to use that form but their powers of attorney must contain at least the particulars provided on that form. Besides the power of attorney, the above site also contains instructions for exercising the right to vote at the General Meeting by proxies. Following those instructions is not obligatory.
- (iii) Information on granting or revoking any power of attorney should be emailed by the Stockholder together with the power of attorney before closing of the list of attendants of the General Meeting produced on the day of the General Meeting before its start, and must precede the proxy's request to be put on the list of attendants. The above information should be emailed to [shareholder@celtic.pl](mailto:shareholder@celtic.pl) by sending a scan of the power of attorney (.pdf format) signed by the Stockholder (without attachment – voting instruction) or, in the case of Stockholders other than natural persons, by persons authorised to represent the Stockholder. Besides the power of attorney, the Stockholder that granted it should also send data enabling its identification and verification of validity of the power of attorney: name and surname of the Stockholder, PESEL number, home address, e-mail, telephone.
- (iv) In order to verify the power of attorney granted by email, the Company may take certain steps necessary to identify the Stockholder and its proxy, especially to pose electronic question by return email and to telephone. Lack of answer to those questions during verification will be treated as inability to verify the power of attorney and will constitute grounds for refusal to admit the proxy to the General Meeting.
- (v) In order to confirm authenticity of the power of attorney, it is recommended that the Stockholder hands-over to the proxy a printed copy of the aforementioned information passed to the Company.
- (vi) Printout of emailed power of attorney will be attached to the list of attendants produced before start of the General Meeting and thereafter will be attached to the Notary Public's minutes from the General Meeting.
- (vii) If a proxy at the General Meeting is a member of the Company's Management Board, member of the Company's Supervisory Board, employee of the Company or member of body or employee of the Company's subsidiary, the power of attorney may entitle its holder to attend only one General Meeting. The proxy will be required to inform the Stockholder of any circumstances indicative of existence or possibility of existence of any conflict of interests. Such a proxy will vote in accordance with instructions granted by the Stockholder; and no further power of attorney may be granted.

*2.5. Possibility and method of attending the General Meeting through electronic telecommunication*

The Company Statute, the General Meeting By-laws and the Management Board do not provide for any possibility to attend the General Meeting by electronic telecommunication.

*2.6. Method of taking the floor during the General Meeting by electronic telecommunication*

The Company Statute, the General Meeting By-laws and the Management Board do not provide for any possibility to take the floor during the General Meeting by electronic telecommunication.

*2.7. Method of exercising the right to vote by correspondence or electronic telecommunication*

The Company Statute, the General Meeting By-laws and the Management Board do not provide for any possibility to exercise the right to vote at the General Meeting by correspondence or electronic telecommunication.

### **3. Documentation of the General Meeting and other information**

*3.1. Documentation of the General Meeting*

Each person entitled to attend the General Meeting may obtain full documentation to be presented at the General Meeting, draft resolutions with justifications, comments of the Management Board or the Supervisory Board of the Company regarding the issues put on the agenda of the General Meeting or issues that may be put on the agenda before the date of the Annual General Meeting on the Company's web site [www.celtic.pl](http://www.celtic.pl), insert "General Meetings", and at the Company's office in Warsaw, Cybernetyki 7b, 02-677 Warsaw.

From 17<sup>th</sup> May 2012 Stockholders may request the Company to release copies of requests regarding issues put on the agenda.

*3.2. Information on the General Meeting*

Information on the General Meeting will be available on the Company's web site [www.celtic.pl](http://www.celtic.pl).

*3.3. Other information*

The Management Board informs that any issues not included in this notice are subject to provisions of the Commercial Companies Code, the Company Statute, the General Meeting By-laws and regulations on trading in securities, especially of public companies, one of which is Celtic Property Developments S.A. with the corporate seat in Warsaw. The Management Board requests the Stockholders of the Company to read these regulations (the Statute and the General Meeting By-laws are available on the Company's web site) and to seek advice of specialist legal advisors on impact of those regulations on the present and planned activities of the Stockholders.

Draft resolutions of the Annual General Meeting with justification are attached to this report by the Company's Management Board.