

The Management Board's justification of draft resolutions of the Ordinary General Meeting of Celtic Property Developments S.A.

The Management Board of Celtic Property Developments SA with its seat in Warsaw address: Cybernetyki 7b, 02-677 Warsaw, entered into the National Court Register kept by the District Court for the Warsaw, XIII Commercial Division of the National Court Register under number KRS 0000277147 (hereinafter "the Company"), with reference to the Ordinary General Meeting of the Company summoned on May 29, 2014 by Management Board, with agenda with follows:

- 1) Opening the General Meeting.
- 2) Appointing the Chairman of the General Meeting.
- 3) Confirming that the Ordinary General Meeting has been convened correctly and is empowered to adopt resolutions.
- 4) Adopting the agenda of the General Meeting.
- 5) Presentation of the Financial Statement of the Management Board of Celtic Property Developments S.A. for the financial year 2013;
- 6) Presentation of the Activity Report of the Management Board of Celtic Property Developments S.A. and motion of the Management Board as how to cover the loss for the financial year 2013;
- 7) Presentation of the Activity Report of the Supervisory Board for the financial year 2013;
- 8) Adopting the resolution for the approval of the Activity Report of Management Board of the Celtic Property Developments S.A for the financial year 2013;
- 9) Adopting the resolution for the approval of the financial statements of the Celtic Property Developments S.A. for the financial year 2013;
- 10) Adopting the resolution of cover the loss by the Celtic Property Developments S.A. for the year 2013.
- 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 2013.
- 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 2013.
- 13) Adopting the resolution for the approval of the Consolidated Financial statement of Management Board of the Celtic Property Developments S.A. Capital Group for the financial year 2013.
- 14) Adopting of resolutions regarding appointment of members of Management Board of Celtic Property Developments S.A. for the performance of their duties in 2013.
- 15) Adopting of resolutions regarding appointment of members of Supervisory Board of Celtic Property Developments S.A. for the performance of their duties in 2013.
- 16) Adopting of resolution on redemption of Celtic Property Developments S.A. own shares.
- 17) Adoption of a resolution on reduction of share capital of Celtic Property Developments SA;
- 18) Adoption of a resolution on changes to the Articles of Association of the Company;
- 19) Closing the General Meeting.

give its opinion on the above mentioned resolutions:

Resolution No. 1 and 2

Resolutions No. 1 and 2 are required by formal procedure of the meeting that must be adopted for the procedure to be correct: (i) adoption of resolution no. 1 is required under article 409 § 1 of the Commercial Companies Code and (ii) adoption of resolution no. 2 is required under article 402² sec.1) of the Commercial Companies Code.

Resolution No. 3-4 and 6-7

Resolution No. 3, 4, 6 and 7 in accordance with Article. 395 § 2 sec 1 of the Code of Commercial Companies and § 6 sec. 2, point 2 of the Company Statute relate to the mandatory issues and be approved by the Ordinary General Meeting of Celtic Property Developments SA after the end of financial year i.e.: the Activity Report of the Management Board of the Company and its Group and the financial statements of the Company and its Group.

Resolution No. 5

Resolution No. 5 in accordance with Article. 395 § 2, sec 2 of the Code of Commercial Companies and § 6 sec. 2, point 2 of the Company Statute relate to the mandatory issues and be approved by the Ordinary General Meeting of Celtic Property Developments SA after the end of financial year ie: the allocation of profits. The Management Board recommend cover the loss for the year 2013 amounts to PLN 48 267 PLN thousand (in words: forty eight million two hundred and sixty seven thousand) from the Company's future profits.

In 2013 Celtic Property Developments S.A. decreased its net loss as compared with the previous year by 127.4 million PLN, closing the year with a negative result in the amount of 48.3 million PLN. The factor that had the greatest effect on the final amount of the net loss in the year 2013 was the impairment write down on the investments in subsidiaries in the amount of 67.6 million PLN. The increase of the impairment write down on investments in subsidiaries consisted of the increase of the impairment write down on the value of shares in subsidiary Lakia Enterprises Ltd in the amount of 9.8 million PLN, increase of the impairment write down on the value of loans in the amount of 44.7 million PLN and write-off of the interest on loans in the amount of 13 million PLN. Impairment of the value of the shares in Lakia Enterprises Ltd followed from the analysis of the net assets of its subsidiaries.

Resolution No. 8-20

Resolution No. 8-20 in accordance with Article. 395 § 2 sec 3 of the Code of Commercial Companies and § 6 sec 2, point 2 of the Company Statute relate to issues considered mandatory and approved by the Ordinary General Meeting of Celtic Property Developments S.A. after the end of financial year i.e.: acknowledgement of the fulfillment of duties by member of the Management Board and Supervisory Board of Celtic Property Developments S.A. in 2013.

Resolution No. 21-22

Resolution No. 21 is taken in connection with the acquired by the Company as a result announced by the Company on March 27, 2013, the call for tender sale of the shares of the Company held on the basis of the authorization granted in Resolution No. 3 of the Extraordinary General Meeting of 10 August 2012. According to Resolution of 10 August 2012, the Company was authorization to the acquisition of shares for the purpose of their redemption according to article 362 § 1 sec 5) of Code of Commercial Companies. Redemption of a shares shall require resolution of the General Meeting according to article 359 § 2 first sentence of the Code of Commercial Companies, of the General Meeting. For this reason, In the purpose of redemption of Shares, immediately after the finalization of their purchase procedure the Management Board was authorized in § 2. 2 in the resolution dated August 10, 2012, to the convene the General Meeting with an agenda including at

least the adoption of resolutions on the redemption of the Company's shares, on the decrease of the Company's share capital and amendments to the Company's statute.

Adoption of Resolution No. 22 is closely related to the adoption of resolution No. 21. According to article 360 § 1 of the Commercial Companies Code, the redemption of shares requires a reduction in the share capital, and this resolution shall be adopted by the General Meeting which adopted the resolution on the redemption of shares.

These resolutions shall be adopted once again due to the failure to register at the registry court of the resolutions adopted on these matters by the Annual General Meeting of 1 July 2013.

Resolution No. 23

Resolution no 23 on the amendment of the Company's Articles of Association is adopted in connection with the change of the business name of the Company. This will enable to change the image of the Company by simplifying its name. The new business name "CPD S.A" is an abbreviation of the current business name of the Company, which will allow the Company to preserve the continuity of Company's identification and enjoy the reputation of the brand which already well-established on the market. In accordance with art. 430 § 1 of the Commercial Companies Code, the amendment to the Company's Articles of Association requires a resolution of the general meeting.

The Supervisory Board of Celtic Property Developments S.A. justification of draft resolutions of the Ordinary General Meeting of Celtic Property Developments S.A.

The Supervisory Board of Celtic Property Developments S.A. gives positive opinion on draft resolutions of the Ordinary General Meeting of the Company, adopted resolutions approving the draft resolutions of the General Meeting.