Resolutions of the Annual General Meeting

PEGAS NONWOVENS S.A.
Société Anonyme
Registered office: 68-70, boulevard de la Pétrusse, L-2320 Luxembourg
R.C.S. Luxembourg B 112.044

Annual general meeting of the shareholders of PEGAS NONWOVENS S.A.
held at the Hôtel Le Royal, 12 Boulevard Royal, L-2449 Luxembourg,
Grand-Duchy of Luxembourg,
on 16 June 2014 at 11.00 a.m. Central European Time

In the year two thousand and fourteen, on the sixteenth day of June at 11.00 a.m. Central European Time, is held the annual general meeting of the shareholders (the "**AGM**" or the "**Meeting**") of PEGAS NONWOVENS S.A., a Luxembourg public limited liability company (*société anonyme),* having its registered office at 68-70, boulevard de la Pétrusse, L-2320 Luxembourg and registered with the Luxembourg Trade and Companies Register under number B 112.044 ("**PEGAS**").

The Meeting is opened by the Chairman of the Board of Directors, Mr. Marek Modecki who proposes to the Meeting that Mr. Aldo Schuurman, lawyer, professionally residing in the Grand Duchy of Luxembourg, be appointed as chairman of the Meeting (the "**Chairman**"). The Meeting elects Aldo Schuurman as Chairman.

Upon the powers granted by the Meeting to the Chairman, the Chairman appoints Ms. Ekaterina Lebedeva, lawyer, professionally residing in the Grand Duchy of Luxembourg, as secretary/scrutineer (the "**Secretary**") and Ms. Eleni Kokkinou, lawyer, professionally residing in the Grand Duchy of Luxembourg, as scrutineer (the "**Scrutineer**" and together with the Chairman, the Secretary constituting the "**Bureau**").

The shareholders present, represented or voting by correspondence and the number of shares they hold are indicated on an attendance list, which will remain attached to the present minutes after having been signed by shareholders attending the Meeting or their representatives and the members of the Bureau.

The proxies from the shareholders represented at the present Meeting and the correspondence voting forms from the shareholders will also remain attached to the present minutes.

The Bureau having thus been constituted, the Chairman declares and the Meeting records that:

I. The shareholders of PEGAS were duly convened to the Meeting by two separate convening notices containing the agenda of the Meeting, each published twice in the *Mémorial, Recueil des Sociétés et Associations* C - N° 1248 of 16 May 2014 and N° 1339 of 24 May 2014 and in the Tageblatt of 16 May 2014 and of 24 May 2014 respectively. Copies of these respective publications have been deposited with the Bureau of the Meeting.

II. In addition, the convening notice was sent to the registered shareholders, the members of the Board of Directors and the auditor of PEGAS and was published through (i) the ESPI system, which is the electronic reporting system in Poland, on 15 May 2014, (ii) the reporting system of the Prague Stock Exchange on 15 May 2014, (iii) the Officially Appointed Mechanism of the Luxembourg Stock Exchange on 15 May 2014, and (iv) in media as may be reasonably relied on for the effective dissemination of information to the public throughout the European Economic Area on 15 May 2014. The notification of the record date, as well as of the place and date of the Meeting has been published (i) in Czech newspapers Lidové noviny on 15 May 2014, and (ii) in Polish newspapers

Parkiet on 15 May 2014. The convening notice was posted on PEGAS' website as of 15 May 2014 together with the other documents related to the AGM as required by law.

III. In respect of items 1 to 10 and item 15 of the agenda, no specific quorum is required for the valid deliberation or acknowledgement of the AGM and the resolutions are taken by a simple majority of the votes cast by the shareholders present or represented at the AGM. In respect of items 11, 12, 13 and 14, the general meeting shall not validly deliberate unless at least one half of the share capital is present or represented and the resolutions must be carried by at least two-thirds of the votes cast (it being understood that votes cast shall not include votes attaching to shares in respect of which the shareholder has not taken part in the vote or has abstained or has returned a blank or invalid vote).

IV. The agenda of the Meeting is the following:

1. Election of the Scrutiny Committee (*Bureau*) of the Meeting.

2. Presentation and discussion of the report of the auditors regarding the annual accounts and the consolidated accounts for the financial year ended 31 December 2013 and of the report of the Board of Directors of PEGAS on the annual accounts and the consolidated accounts for the financial year ended 31 December 2013.

3. Approval of the annual accounts and the consolidated accounts for the financial year ended 31 December 2013.

4. Allocation of the net results of the financial year ended 31 December 2013 and distribution of a dividend in the amount of EUR 10,152,340, i.e. EUR 1.10 per share.

5. Discharge of the liability of the members of the Board of Directors and the auditors of PEGAS for, and in connection with, the financial year ended 31 December 2013.

6. Renewal appointment of Marek Modecki and Jan Sýkora as members of the Board of Directors of PEGAS.

7. Appointment of a Luxembourg independent auditor ("réviseur d'entreprises") to review the annual accounts and the consolidated accounts for the financial year ending 31 December 2014.

8. Approval of a remuneration policy for non-executive directors for the financial year 2014.

9. Approval of a remuneration policy for executive directors for the financial year 2014.

10. Approval of a new incentive scheme for the benefit of various members of senior management and the members of the Board of Directors of PEGAS consisting of new warrants to be issued by PEGAS.

11. Conversion into 230,735 warrants of the existing 230,735 options granted under a phantom options scheme that was established in 2010 by PEGAS for the benefit of various members of senior management and the members of the Board of Directors of PEGAS, without any consideration being owed to PEGAS by the holders of such existing options.

12. Issue of 230,735 warrants under the incentive scheme mentioned under item 10 and exclusion of shareholders' pre-emptive subscription rights in connection therewith.

13. Amendment (in the form of a replacement) of articles 5.2, 5.3, 5.4, 5.5, 6.5, 7 (in its entirety), 17.2 and 18.3 of the Articles of Association, including the introduction of a new authorised capital.

14. Authorisation to the Board of Directors to exclude or limit shareholders' pre-emptive subscription rights with respect to the issue of new securities within the new authorised capital to be introduced under item 13.

15. Miscellaneous.

V. It appears from the attendance list that out of the 9,229,400 ordinary shares of PEGAS having a nominal value of EUR 1.24 each, 4,202,624 ordinary shares, representing 45.54% (rounded up) of the subscribed share capital of PEGAS amounting to EUR 11,444,456 are present or duly represented or have duly voted by correspondence at the Meeting, which is thus regularly constituted and can validly deliberate on all the items on the agenda.

This having been explained to and recognised accurate by the Meeting, the Secretary reads on request of the Chairman the following reports:

i) reports of the Board of Directors and of the independent auditor ("*réviseur d'entreprises*") on the annual (stand-alone) accounts and consolidated accounts of PEGAS for the financial year ended 31 December 2013 and submits to the Meeting for examination and approval PEGAS' balance sheet, profit and loss account and notes to the accounts, consolidated statement of financial position, consolidated statement of comprehensive income, consolidated cash flow statement, consolidated statement of changes in equity and the notes to the consolidated accounts for the financial year ended 31 December 2013, and the proposal for the allocation of the net results as per 31 December 2013;

ii) the special report of the Board of Directors of PEGAS on the exclusion or limitation of shareholders' pre-emptive subscription rights within the framework of the new remuneration scheme mentioned under item 10 and within the new authorised capital to be introduced under item 13 of the agenda (containing detailed reasons therefor and dealing in particular with the proposed issue price); and

iii) the full, unabridged text of the new articles 5.2, 5.3, 5.4, 5.5, 6.5, 7, 17.2 and 18.3 that will replace the corresponding existing articles of the Articles of Association as well as a consolidated version of the Articles of Association as they will read after adoption of the proposed amendments.

After deliberation, the Meeting passes the following resolutions:

1. AGENDA ITEM (1): ELECTION OF THE SCRUTINY COMMITTEE (BUREAU) OF THE MEETING.

RESOLUTION
The Meeting has elected the Chairman as above mentioned. The Meeting has authorised the Chairman, in the name and on behalf of the Meeting, to appoint the Scrutineer and Secretary amongst the persons present at the Meeting. For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS. This resolution has been adopted by 4,202,624 shares, no shares having abstained, no shares having voted against.

JUSTIFICATION GIVEN BY THE BOARD
Pursuant to PEGAS' Articles of Association, the Bureau of the AGM must be composed of the Chairman, Secretary and Scrutineer. Aldo Schuurman, attorney at law (*avocat*), partner of Van Campen Liem

Luxembourg, is a Luxembourg lawyer, who assisted PEGAS' Board of Directors in convening this AGM and is familiar with PEGAS' constitutional documents. He has reviewed the documents sent by PEGAS' shareholders for the purpose of this AGM and is in the best position to perform the duties assigned to the Chairman and to designate the other members of the Bureau amongst the persons present at the AGM. Therefore, PEGAS' Board of Directors proposes that the Bureau is composed of Aldo Schuurman as Chairman, and that the Chairman appoints the Scrutineer and the Secretary. In case of impediments of the proposed chairman of the AGM, it is proposed that the AGM authorises the chairman of the Board of Directors, or in case of his absence, any other member of the Board of Directors present at the AGM, to appoint, in the name and on its behalf, the members of the Bureau amongst the persons present at the AGM.

2. AGENDA ITEM (2): PRESENTATION AND DISCUSSION OF THE REPORT OF THE AUDITORS REGARDING THE ANNUAL ACCOUNTS AND THE CONSOLIDATED ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013 AND OF THE REPORT OF THE BOARD OF DIRECTORS OF PEGAS ON THE ANNUAL ACCOUNTS AND THE CONSOLIDATED ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013.

RESOLUTION

The Meeting resolves to acknowledge the reports of the auditor and of the Board of Directors regarding the annual accounts and the consolidated accounts as of and for the financial year ended 31 December 2013.

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS.

This resolution has been adopted by 4,202,624 shares, no shares having abstained, no shares having voted against.

JUSTIFICATION GIVEN BY THE BOARD

PEGAS' Board of Directors proposes the AGM to acknowledge the reports of the auditor and PEGAS' Board of Directors regarding the annual accounts and the consolidated accounts as of and for the financial year ended 31 December 2013, as required under Luxembourg law. These reports are at the disposal of the shareholders at PEGAS' registered office and published on PEGAS' website as from the date of publication of the convening notice of the AGM until the date of the AGM. In addition, these reports will be sent to any shareholder who requests them during that period and made available to the shareholders at the AGM.

3. AGENDA ITEM (3): APPROVAL OF THE ANNUAL ACCOUNTS AND THE CONSOLIDATED ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013.

RESOLUTION

The Meeting resolves to approve (i) the annual accounts for the financial year ended 31 December 2013 and (ii) the consolidated accounts for the financial year ended 31 December 2013.

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS.

This resolution has been adopted by 4,202,624 shares, no shares having abstained, no shares having voted against.

JUSTIFICATION GIVEN BY THE BOARD
Under Luxembourg law, PEGAS' General Meeting of shareholders must approve its annual accounts within six months following the end of the relevant financial year. The annual accounts have been prepared by PEGAS' Board of Directors with the assistance of Signes S.à r.l. PEGAS' Board of Directors' report provides for an explanation of the annual accounts, the consolidated accounts and PEGAS' activities as of and for the financial year ended 31 December 2013. PEGAS' auditor reviewed these accounts and the auditor's reports have concluded that (i) the annual accounts give a true and fair view of the financial position of PEGAS as of 31 December 2013, and of the results of its operations for the year then ended in accordance with the Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts, and (ii) the consolidated accounts give a true and fair view of the financial position of PEGAS as of 31 December 2013, and of its financial performance and its cashflows for the year ended in accordance with International Financial Reporting Standards as adopted by the European Union. PEGAS' Board of Directors therefore proposes that the AGM votes in favour of the suggested resolution.

4. AGENDA ITEM (4): ALLOCATION OF THE NET RESULTS OF THE FINANCIAL YEAR ENDED 31 DECEMBER 2013 AND DISTRIBUTION OF A DIVIDEND IN THE AMOUNT OF EUR 10,152,340, I.E. EUR 1.10 PER SHARE.

RESOLUTION

The Chairman of the Meeting notes, according to the annual accounts, that PEGAS has made a profit in the amount of EUR 8,045,372.01 in respect of the financial year ended 31 December 2013.

The Meeting resolves to allocate profit, i.e. the amount of EUR 8,045,372.01, to the dividend account. The Meeting resolves to make a dividend payment in the amount of EUR 10,152,340, i.e. EUR 1.10 per share (the Dividend). The remaining part of the Dividend in the amount of EUR 2,106,967.99 will be paid out of the retained earnings of previous years.

The Meeting resolves that:

(i) the record date (i.e. the date by the end of which the shares entitled to dividend are registered on securities accounts held in the settlement systems of the Czech Central Securities Depository (*Centrální depozitář cenných papírů, a.s.*), the Polish National Depository for Securities (*Krajowy Depozyt Papierów Wartościowych Spółka Akcyjna*) or other relevant settlement systems, financial intermediaries or other entities operating the securities accounts) shall be 17 October 2014;

(ii) the payment date of the Dividend shall be 29 October 2014;

(iii) eligible shareholders shall receive the payment of Dividend in Euro (EUR).

The Meeting furthermore resolves to empower the Board of Directors to effect the payment of the Dividend within the limits of this resolution and to take any actions necessary in relation thereto.

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS.

This resolution has been adopted by 4,202,624 shares, no shares having abstained, no shares having voted against.

JUSTIFICATION GIVEN BY THE BOARD

PEGAS' Board of Directors proposes that PEGAS allocates the 2013 net profit, i.e. the amount of EUR 8,045,372.01, to the dividend account. The Board of Directors proposes to make the Dividend payment in the amount of EUR 10,152,340, i.e. EUR 1.10 per share. The remaining part of the Dividend in the amount of EUR 2,106,967.99 will be paid out of the retained earnings of previous years. PEGAS' Board of Directors proposes that the record date for the Dividend is 17 October 2014 and estimates that the Dividend is paid on 29 October 2014. PEGAS' Board of Directors believes that such allocation not only complies with the requirements imposed by Luxembourg laws, but is also sound and rational. PEGAS' Board of Directors therefore proposes that the AGM votes in favour of the suggested resolution.

5. AGENDA ITEM (5): DISCHARGE OF THE LIABILITY OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE AUDITORS OF PEGAS FOR, AND IN CONNECTION WITH, THE FINANCIAL YEAR ENDED 31 DECEMBER 2013.

RESOLUTIONS

5.1 The Meeting resolves to grant discharge to the members of the Board of Directors for the performance of their duties during, and in connection with, the financial year ended 31 December 2013 (i.e. from 1 January 2013 until 31 December 2013).

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS,

This resolution has been adopted by 4,202,624 shares, no shares having abstained, no shares having voted against.

5.2 The Meeting further resolves to give discharge to Deloitte Audit, *société à responsabilité limitée*, the independent auditor ("*réviseur d'entreprises")* of PEGAS for the performance of its duties during, and in connection with, the financial year ended 31 December 2013 (i.e. from 1 January 2013 until 31 December 2013).

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS.

This resolution has been adopted by 4,202,624 shares, no shares having abstained, no shares having voted against.

JUSTIFICATION GIVEN BY THE BOARD

PEGAS' Board of Directors was successful in meeting PEGAS' strategic focus set for 2013. Additionally, neither the annual accounts nor any of the reports thereon showed any issue concerning the management activities carried out by the members of the Board of Directors, nor with the review of PEGAS' accounts performed by the auditor. PEGAS' Board of Directors therefore proposes that the AGM votes in favour of the suggested resolutions.

6. AGENDA ITEM (6): RENEWAL APPOINTMENT OF MAREK MODECKI AND JAN SÝKORA AS MEMBERS OF THE BOARD OF DIRECTORS OF PEGAS.

RESOLUTION

6.1 The Meeting resolves to re-appoint as a non-executive director of PEGAS, Mr. Marek Modecki, born on 27 December 1958, for a term ending at the annual general meeting of PEGAS to be held in 2016.

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS.

This resolution has been adopted by 3,953,522 shares, no shares having abstained, 249,102 shares having voted against.

6.2 The Meeting resolves to re-appoint as a non-executive director of PEGAS, Mr. Jan Sýkora, born on 18 January 1972, for a term ending at the annual general meeting of PEGAS to be held in 2016.

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS.

This resolution has been adopted by 4,134,002 shares, no shares having abstained, 68,622 shares having voted against.

JUSTIFICATION GIVEN BY THE BOARD

The mandate as director of Messrs. Marek Modecki and Jan Sýkora is expiring at the AGM. It is proposed to the AGM to resolve on their appointments for a term ending at the AGM to be held in 2016.

7. AGENDA ITEM (7): APPOINTMENT OF A LUXEMBOURG INDEPENDENT AUDITOR ("*RÉVISEUR D'ENTREPRISES*") TO REVIEW THE ANNUAL ACCOUNTS AND THE CONSOLIDATED ACCOUNTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2014.

RESOLUTION

The Meeting resolves to appoint Deloitte Audit, *société à responsabilité limitée* as the independent auditor ("*réviseur d'entreprises")* of PEGAS for a term ending at the annual general meeting of the shareholders to be held in 2015, to review the annual accounts and the consolidated accounts as at 31 December 2014.

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS.

This resolution has been adopted by 4,202,624 shares, no shares having abstained, no shares having voted against.

JUSTIFICATION GIVEN BY THE BOARD

Under Luxembourg law, PEGAS is obliged to appoint an independent auditor to review its annual accounts and consolidated accounts as of and for the year ending 31 December 2014. Deloitte Audit, *société à responsabilité limitée* has experience with reviewing PEGAS' accounts during the prior financial years and is familiar with PEGAS' accounting policies and practices. PEGAS' Board of Directors therefore proposes that the AGM votes in favour of the suggested resolution.

8. AGENDA ITEM (8): APPROVAL OF A REMUNERATION POLICY FOR NON-EXECUTIVE DIRECTORS FOR THE FINANCIAL YEAR 2014.

RESOLUTION

In respect of the financial year ending on 31 December 2014, the Meeting resolves that the Non-Executive Directors should receive an aggregate amount of EUR 135,000 as directors' fee, payable in cash. The Meeting resolves to authorise and empower the Board of Directors to split this remuneration among the Non-Executive Directors.

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54%

(rounded up) of the subscribed share capital of PEGAS.

This resolution has been adopted by 4,202,624 shares, no shares having abstained, no shares having voted against.

JUSTIFICATION GIVEN BY THE BOARD
The proposed remuneration policy for non-executive directors for the financial year 2014 is in line with approved remuneration policies in the previous years.

9. AGENDA ITEM (9): APPROVAL OF A REMUNERATION POLICY FOR EXECUTIVE DIRECTORS FOR THE FINANCIAL YEAR 2014.

Based on the recommendations of the Board's Remuneration Committee, the Board proposes the following resolution:

RESOLUTION

In respect of the financial year ending on 31 December 2014, the Meeting resolves that the Executive Directors should receive an aggregate amount of CZK 5,213,604 as directors' fee, payable in cash.

The Meeting resolves to authorize and empower the Board of Directors to delegate to the Board's Remuneration Committee the splitting of this remuneration among the Executive Directors.

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS.

This resolution has been adopted by 4,202,624 shares, no shares having abstained, no shares having voted against.

JUSTIFICATION GIVEN BY THE BOARD
The proposed remuneration policy for executive directors for the financial year 2014 is in line with approved remuneration policies in the previous years.

10. AGENDA ITEM (10): APPROVAL OF A NEW INCENTIVE SCHEME FOR THE BENEFIT OF VARIOUS MEMBERS OF SENIOR MANAGEMENT AND THE MEMBERS OF THE BOARD OF DIRECTORS OF PEGAS CONSISTING OF NEW WARRANTS TO BE ISSUED BY PEGAS.

Based on the recommendations of the Board's Remuneration Committee, the Board proposes the following resolution:

RESOLUTION

The Meeting resolves to approve a new incentive scheme for the grant of warrants to the directors and senior management of PEGAS and/or its affiliates, for a subscription price of CZK 5.89 per warrant to be paid in cash by the participants in the scheme. A total number of 230,735 new warrants will be issued with the first 1/3 of the new warrants vesting on 15 December 2014, the second 1/3 of the new warrants vesting on 15 December 2015 and the last 1/3 of the new warrants vesting on 15 December 2016.The expiration date of the new incentive scheme is 15 December 2019.

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS.

This resolution has been adopted by 3,546,482 shares, no shares having abstained, 656,142 shares having voted against.

JUSTIFICATION GIVEN BY THE BOARD

PEGAS intends to implement a new incentive scheme for the period 2014-2016 which will consist of 230,735 new warrants to be issued by PEGAS for the benefit of directors and senior management of PEGAS and/or its affiliates, and for this reason PEGAS intends to exclude the shareholders' pre-emptive subscription rights in connection with such issue. This new scheme will keep basing the motivation of directors and senior management of PEGAS and/or its affiliates on the share price performance but will now take also into account the dividend distributions for the computation of the total share performance value. Each new warrant, when exercised, will grant the director the right to either receive (i) one share in PEGAS for a strike price corresponding to CZK 588.16 (representing the average of PEGAS's share price on the Prague Stock Exchange from October 1, 2013 to December 31, 2013) less all the dividends which have been validly declared by PEGAS, per PEGAS's share, for the relevant financial year(s) (i.e. the financial year 2014 for the new warrants to be vested in 2014, the financial years 2014 and 2015 for the new warrants to be vested in 2015 and the financial years 2014, 2015 and 2016 for the new warrants to be vested in 2016), or ii) a payment in cash amounting to the final price of one share of PEGAS on the Prague Stock Exchange on the business day preceding the exercise date, plus all the dividends which have been validly declared by PEGAS, per PEGAS's share, for the relevant financial year(s) (i.e. the financial year 2014 for the new warrants to be vested in 2014, the financial years 2014 and 2015 for the new warrants to be vested in 2015 and the financial years 2014, 2015 and 2016 for the new warrants to be vested in 2016), and less the strike price of CZK 588.16 (representing the average of PEGAS's share price on the Prague Stock Exchange from October 1, 2013 to December 31, 2013).

The objectives of the issue of the new scheme are to (i) provide for a new incentive scheme for the period 2014-2016 in order to keep motivating the directors on the share price performance, (ii) include the dividend distributions into account for the computation of the total share performance value and (iii) include the possibility for the directors to buy shares of PEGAS at a set price.

11. AGENDA ITEM (11): CONVERSION INTO 230,735 WARRANTS OF THE EXISTING 230,735 OPTIONS GRANTED UNDER A PHANTOM OPTIONS SCHEME THAT WAS ESTABLISHED IN 2010 BY PEGAS FOR THE BENEFIT OF VARIOUS MEMBERS OF SENIOR MANAGEMENT AND THE MEMBERS OF THE BOARD OF DIRECTORS OF PEGAS, WITHOUT ANY CONSIDERATION BEING OWED TO PEGAS BY THE HOLDERS OF SUCH EXISTING OPTIONS.

RESOLUTION

The Meeting resolves to convert 230,735 phantom options granted in 2010-2013 by PEGAS to the directors and senior management of PEGAS and/or its affiliates into 230,735 warrants. Each warrant, when exercised, will grant the holder the right to receive (i) one share in PEGAS for a strike price corresponding to CZK 473.-, representing the PEGAS's share price on the Prague Stock Exchange (the "PSE") as of 15 December 2009 increased by 10%, or (ii) a payment in cash amounting to the final price of one share of PEGAS on the Prague Stock Exchange on the business day preceding the exercise date, less CZK 473.- representing the PEGAS's share price on the PSE as of 15 December 2009 increased by 10%. All the warrants will vest immediately from their granting date and will have the same exercise period that initially planned for the phantom options.

The Meeting authorizes and empowers the Board of Directors to evidence and execute the conversion of the

230,735 phantom options into 230,735 warrants by the signature of agreements or any other documents which might be required or necessary for that purpose.

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS, which does not constitute the required quorum of at least one half of the share capital.

This resolution has not been deliberated or voted on due to the absence of required quorum.

JUSTIFICATION GIVEN BY THE BOARD

The proposed conversion of existing options into warrants is in line with the approved incentive policies and rules in the previous years. There is no need to exclude shareholders' pre-emptive subscription rights in connection with the conversion because the options were granted for no consideration and because the options are also being converted without any consideration being owed to PEGAS.

12. AGENDA ITEM (12): ISSUE OF 230,735 WARRANTS UNDER THE INCENTIVE SCHEME MENTIONED UNDER ITEM 10 AND EXCLUSION OF SHAREHOLDERS' PRE-EMPTIVE SUBSCRIPTION RIGHTS IN CONNECTION THEREWITH.

RESOLUTION

12.1 The Meeting resolves to issue 230,735 new warrants (representing 2.5% of the PEGAS's share capital) to the directors and senior management of PEGAS and/or its affiliates collectively, for a subscription price of CZK 5.89 per new warrant to be paid in cash by the directors, it being understood that the Board of Directors of PEGAS will decide how the new warrants will be divided among the directors and senior management of PEGAS and/or its affiliates. Each new warrant, when exercised, will entitle the holder to either receive (i) one share in PEGAS for a strike price corresponding to CZK 588.16 (representing the average of PEGAS's share price on the Prague Stock Exchange from 1 October 2013 to 31 December 2013) less all the dividends which have been validly declared by PEGAS, per PEGAS's share, for the relevant financial year(s) (i.e. the financial year 2014 for the new warrants to be vested in 2014, the financial years 2014 and 2015 for the new warrants to be vested in 2015 and the financial years 2014, 2015 and 2016 for the new warrants to be vested in 2016), or (ii) a payment in cash amounting to the final price of one share of PEGAS on the Prague Stock Exchange on the business day preceding the exercise date, plus all the dividends which have been validly declared by PEGAS, per PEGAS's share, for the relevant financial year(s) (i.e. the financial year 2014 for the new warrants to be vested in 2014, the financial years 2014 and 2015 for the new warrants to be vested in 2015 and the financial years 2014, 2015 and 2016 for the new warrants to be vested in 2016), less the strike price of CZK 588.16 (representing the average of PEGAS's share price on the Prague Stock Exchange from October 1, 2013 to December 31, 2013).

The Meeting authorizes and empowers the Board of Directors to evidence and execute the issuance of new warrants by the signature of agreements or any other documents which might be required or necessary for that purpose, and to allocate the 230,735 new warrants between the directors and senior management of PEGAS and/or its affiliates in accordance with criteria determined by, and at the discretion of, the Board of the Directors.

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS, which does not constitute the required quorum of at least one half of the share capital.

This resolution has not been deliberated or voted on due to the absence of required quorum.

12.2 The Meeting resolves to exclude shareholders' pre-emptive subscription rights in connection with the issue of 230,735 warrants mentioned above.

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS, which does not constitute the required quorum of at least one half of the share capital.

This resolution has not been deliberated or voted on due to the absence of required quorum.

JUSTIFICATION GIVEN BY THE BOARD

The proposed issue of new warrants (and the exclusion of shareholders' pre-emptive subscription rights) is in line with the new incentive scheme approved under item 10 above.

The strike price which applies to the new warrants, i.e. CZK 588.16, is calculated on the basis of the average of PEGAS's share price on the Prague Stock Exchange from 1 October 2013 to 31 December 2013. The new warrant purchase price of CZK 5.89 corresponds to their fair market value as determined by an expert valuation.

In accordance with article 32-3 (5) of the Luxembourg law of 10 August 1915 on commercial companies, as amended from time to time, the Board of Directors of PEGAS addressed a report to the PEGAS' shareholders whereby it proposed to the latter to exclude pre-emptive subscription rights (and also with respect to the exclusion or limitation of pre-emptive subscription rights under item 14).

13. AGENDA ITEM (13): AMENDMENT (IN THE FORM OF A REPLACEMENT) OF ARTICLES 5.2, 5.3, 5.4, 5.5, 6.5, 7 (IN ITS ENTIRETY), 17.2 AND 18.3 OF THE ARTICLES OF ASSOCIATION, INCLUDING THE INTRODUCTION OF A NEW AUTHORISED CAPITAL.

RESOLUTION

The Meeting resolves to amend and replace the existing articles 5.2, 5.3, 5.4, 5.5, 6.5, 7 (in its entirety), 17.2 and 18.3 of the Articles of Association in accordance with the document submitted to the Meeting.

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS, which does not constitute the required quorum of at least one half of the share capital.

This resolution has not been deliberated or voted on due to the absence of required quorum.

JUSTIFICATION GIVEN BY THE BOARD

PEGAS intends to amend the existing Articles of Association in order to implement the resolutions adopted at the present AGM as well as to renew/vary the existing authorised capital as mentioned in the Articles of Association and to replace certain outdated provisions of the Articles of Association (due to new legislation).

By the proposed increase of the authorized capital PEGAS intends to give the Board of Directors a flexibility to improve Company's positions by enabling the Board of Directors to be financially flexible in further development of the Company, as well as to allow the Board of Directors to make use of new investment opportunities.

14. AGENDA ITEM (14): AUTHORISATION TO THE BOARD OF DIRECTORS TO EXCLUDE OR LIMIT SHAREHOLDERS' PRE-EMPTIVE SUBSCRIPTION RIGHTS WITH RESPECT TO THE ISSUE OF NEW SECURITIES WITHIN THE NEW AUTHORISED CAPITAL TO BE INTRODUCED UNDER ITEM 13.

RESOLUTION

The Meeting resolves to authorise the Board of Directors of PEGAS to exclude or limit shareholders' pre-emptive subscription rights with respect to the issue of new securities within the new authorised capital as set out in the amended Articles of Association.

For this resolution, a total of 4,202,624 votes for a total of 4,202,624 shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing 45.54% (rounded up) of the subscribed share capital of PEGAS, which does not constitute the required quorum of at least one half of the share capital.

This resolution has not been deliberated or voted on due to the absence of required quorum.

JUSTIFICATION GIVEN BY THE BOARD

In accordance with article 32-3 (5) of the Luxembourg law of 10 August 1915 on commercial companies, as amended from time to time, the Board of Directors of PEGAS addressed a report to the PEGAS' shareholders whereby it proposed to the latter to exclude or limit the pre-emptive subscription rights of the existing shareholders of PEGAS with respect to the issue of new securities within the new authorized capital to be introduced under item 13 (and also with respect to exclusion of pre-emptive subscription rights under item 12). In its report, the Board of Directors of PEGAS explained that the possibility for such issuance is to give the Board of Directors a flexibility to improve Company's positions by enabling the Board of Directors to be financially flexible in further development of the Company, as well as to allow the Board of Directors to make use of new investment opportunities. Accordingly, the Board of Directors of PEGAS is of the opinion that the PEGAS' shareholders should resolve to authorise the Board of Directors to exclude or limit the pre-emptive subscription right of the existing shareholders of PEGAS with respect to the issue of securities within the new authorized capital to be introduced under item 13.

15. AGENDA ITEM (15): MISCELLANEOUS.

No resolution is proposed.

There being no further business on the agenda, the Meeting is closed at 11:45 a.m. Central European Time.

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These minutes having been read to the Meeting, the Bureau signs these minutes in original, no shareholder expressing the wish to sign.

Chair

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By: H.A. Schuurman

Secretary

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By: Ekaterina Lebedeva

Scrutineer

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By: Eleni Kokkinou