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## **DRAFT**

### **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**

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**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 15 June 2012 at 11.00 a.m. Central European Time**

In the year two thousand and twelve, on the fifteenth 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 [Jean-Michel Schmit], lawyer, professionally residing in the Grand Duchy of Luxembourg, 2, rue Jean Bertholet, L-1233 Luxembourg, be appointed as chairman of the Meeting (the “**Chairman**”). The Meeting elects [Jean-Michel Schmit] as Chairman.

Upon the powers granted by the Meeting to the Chairman, the Chairman appoints [●], lawyer, professionally residing in the Grand Duchy of Luxembourg, 2, rue Jean Bertholet, L-1233 Luxembourg, as secretary (the “**Secretary**”) and [●], lawyer, professionally residing in the Grand Duchy of Luxembourg, 2, rue Jean Bertholet, L-1233 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° [●] of [●] May 2012 and N° [●] of [●] May 2012 and in the Tageblatt of [●] May 2012 and of [●] May 2012 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 on [●] May 2012 and was published through (i) the ESPI system, which is the electronic reporting system in Poland, on [●] May 2012, (ii) the reporting system of the Prague Stock Exchange on [●] May 2012, (iii) the Officially Appointed Mechanism of the Luxembourg Stock Exchange on [●] May 2012, (iv) in Czech newspapers Lidové noviny on [●] May 2012, (v) in Polish newspapers Parkiet on [●] May 2012, and (vi) in media as may be reasonably relied on for the effective dissemination of information to the public throughout the European Economic Area on [●] May 2012. The convening notice was posted on PEGAS' website as of [●] May 2012 together with the other documents related to the AGM as required by law.
- III. In respect of the agenda below of the Meeting, no specific quorum is required for the valid deliberation or acknowledgement of the Meeting and the resolutions are taken by a simple majority of the shares represented and voting at the Meeting.
- IV. The agenda of the Meeting is the following:
  1. Election of the 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 2011 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 2011.
  3. Approval of the annual accounts and the consolidated accounts for the financial year ended 31 December 2011.
  4. Allocation of the net results of the financial year ended 31 December 2011 and distribution of a dividend in the amount of EUR 9,690,870, i.e. EUR 1.05 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 2011.
  6. Appointment of the 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 ended 31 December 2012.
  8. Approval of a remuneration policy for non-executive directors for the financial year 2012.
  9. Approval of a remuneration policy for executive directors for the financial year 2012.
  10. 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, [●] ordinary shares, representing [●]% (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 exposed and recognised accurate by the Meeting, the Secretary reads on request of the Chairman the 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 2011 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 2011, and the proposal for the allocation of the net results as per 31 December 2011.

After deliberation, the Meeting passes the following resolutions:

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

<b>RESOLUTION</b>
<p>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.</p> <p>ALTERNATIVELY:</p> <p>[Having acknowledged the absence of Jean-Michel Schmit proposed to act as Chairman, the Meeting authorized the chairman of the Board of Directors or in case of his absence, any other member of the Board of Directors present at the Meeting, acting individually, to appoint, in the name and on the behalf of the Meeting, the members of the Bureau amongst the persons present at the Meeting.</p> <p>Therefore, [the chairman of the Board of Directors OR [NAME], director of PEGAS], has elected [NAME] as Chairman, [NAME] as Scrutineer and [NAME] as Secretary.</p> <p>For this resolution, a total of ..... votes for a total of ..... shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing [●]% (rounded up) of the subscribed share capital of PEGAS.</p> <p>This resolution has been adopted by..... shares,</p> <p>..... shares having abstained,</p> <p>..... shares having voted against.</p>

<b>JUSTIFICATION OF PROPOSED RESOLUTION</b>
<p>Pursuant to PEGAS’ Articles of Association, the Bureau of the AGM must be composed of the Chairman, Secretary and Scrutineer. Jean-Michel Schmit, attorney at law (<i>avocat à la Cour</i>), partner of NautaDutilh Avocats 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 Jean-Michel Schmit as Chairman, and that the Chairman appoints the Scrutineer and the Secretary. In case of impediments of</p>

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 2011 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 2011.**

#### **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 2011.

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

This resolution has been adopted by ..... shares,

..... shares having abstained,

..... shares having voted against.

#### **JUSTIFICATION OF PROPOSED RESOLUTION**

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 2011, 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 2011.**

**RESOLUTION**

The Meeting resolves to approve (i) the annual accounts for the financial year ended 31 December 2011 and (ii) the consolidated accounts for the financial year ended 31 December 2011.

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

This resolution has been adopted by ..... shares,

..... shares having abstained,

..... shares having voted against.

**JUSTIFICATION OF PROPOSED RESOLUTION**

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 2011. 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 2011, 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 2011, 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 2011 AND DISTRIBUTION OF A DIVIDEND IN THE AMOUNT OF EUR 9,690,870, I.E. EUR 1.05 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 8,284,650.68 in respect of the financial year ended 31 December 2011.

The Meeting resolves to allocate (i) 5% of the profit, i.e. the amount of EUR 414,232.54, to the legal reserve and (ii) the remaining profit, i.e. the amount of EUR 7,870,418.14, to the dividend account. The Meeting resolves to make a dividend payment in the amount of EUR 9,690,870, i.e. EUR 1.05 per share (the **Dividend**). The remaining part of the Dividend in the amount of EUR 1,820,451.86 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 19 October 2012;
- (ii) the payment date of the Dividend shall be 30 October 2012;
- (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 ..... votes for a total of ..... shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing [●]% (rounded up) of the subscribed share capital of PEGAS.

This resolution has been adopted by ..... shares,

..... shares having abstained,

..... shares having voted against.

**JUSTIFICATION OF PROPOSED RESOLUTION**

PEGAS' Board of Directors proposes that PEGAS allocates 5% of the profit, i.e. the amount of EUR 414,232.54, to the legal reserve and the remaining profit, i.e. the amount of EUR 7,870,418.14, to the dividend account. The Board of Directors proposes to make the Dividend payment in the amount of EUR 9,690,870, i.e. EUR 1.05 per share. The remaining part of the Dividend in the amount of EUR 1,820,451.86 will be paid out of the retained earnings of previous years. PEGAS' Board of Directors proposes that the record date for the Dividend is 19 October 2012 and estimates that the Dividend is paid on 30 October 2012. 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 2011.**

**RESOLUTIONS**

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 2011 (i.e. from 1 January 2011 until 31 December 2011).

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

This resolution has been adopted by ..... shares,

..... shares having abstained,

..... shares having voted against.

The Meeting further resolves to give discharge to Deloitte S.A., 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 2011 (i.e. from 1 January 2011 until 31 December 2011).

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

This resolution has been adopted by ..... shares,

..... shares having abstained,

..... shares having voted against.

**JUSTIFICATION OF PROPOSED RESOLUTIONS**

PEGAS’ Board of Directors was successful in meeting PEGAS’ strategic focus set for 2011. 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): APPOINTMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS OF PEGAS.**

**RESOLUTION**

6.1 The Meeting resolves to re-appoint as director of PEGAS, Mr. Marek Modecki, for a term ending at the annual general meeting of PEGAS to be held in 2014.

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

This resolution has been adopted by..... shares,

..... shares having abstained,

..... shares having voted against.

6.2 The Meeting resolves to ratify the co-optation dated 7 May 2012 of Mr. Jan Sýkora, residing at V Kolkovně 919/4, 110 00 Praha 1, Czech Republic, born on 18 January 1972 as a non-executive director of PEGAS and to proceed with his final appointment. Mr. Jan Sýkora is appointed for a term ending at the annual general meeting of PEGAS to be held in 2014.

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

This resolution has been adopted by..... shares,

..... shares having abstained,

..... shares having voted against.

**JUSTIFICATION OF PROPOSED RESOLUTION**

The mandate as director of Mr. Marek Modecki is expiring at the AGM. It is proposed to the AGM to resolve on his appointment for a term ending at the AGM to be held in 2014. The mandate as director of Mr. Neil J. Everitt has expired on 29 March 2012. On 7 May 2012, the Board of Directors has co-opted Mr. Jan Sýkora as director. It is proposed to the AGM to ratify his co-optation and resolve on his appointment for a term ending at the AGM to be held in 2014.



**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 ENDED 31 DECEMBER 2012.**

**RESOLUTION**

The Meeting resolves to appoint Deloitte S.A. 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 2013, to review the annual accounts and the consolidated accounts as at 31 December 2012.

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

This resolution has been adopted by ..... shares,

..... shares having abstained,

..... shares having voted against.

**JUSTIFICATION OF PROPOSED RESOLUTION**

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 ended 31 December 2012. Deloitte S.A. 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 2012.**

**RESOLUTION**

In respect of the financial year ending on 31 December 2012, 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 ..... votes for a total of ..... shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing [●]% (rounded up) of the subscribed share capital of PEGAS.

This resolution has been adopted by ..... shares,

..... shares having abstained,

..... shares having voted against.

**JUSTIFICATION OF PROPOSED RESOLUTION**

The proposed remuneration policy for non-executive directors for the financial year 2012 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 2012.**

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 2012, 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 ..... votes for a total of ..... shares have been validly expressed either in person, or by way of proxy or by way of correspondence voting form, representing [●]% (rounded up) of the subscribed share capital of PEGAS.

This resolution has been adopted by ..... shares,  
 ..... shares having abstained,  
 ..... shares having voted against.

**JUSTIFICATION OF PROPOSED RESOLUTION**

The proposed remuneration policy for executive directors for the financial year 2012 is in line with approved remuneration policies in the previous years.

**10. AGENDA ITEM (10): MISCELLANEOUS.**

No resolution is proposed.

There being no further business on the agenda, the Meeting is closed at [noon].

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