



## **ARTICLES OF ASSOCIATION OF CI GAMES S.A.**

### **I. GENERAL PROVISIONS**

#### **§ 1**

- 1. The Company's business name is CI Games Spółka Akcyjna.*
- 2. The Company may use an abbreviated form of the name: CI Games S.A., as well as a distinguishing figurative mark.*

#### **§ 2**

*The Company operates on the territory of the Republic of Poland and abroad.*

#### **§ 3**

*Capital City of Warsaw is the Company's registered office.*

#### **§ 4**

*The duration of the Company is unlimited.*

#### **§ 5**

*The Company may establish branches and representative offices in Poland and abroad.*

#### **§ 6**

*The Company may participate in other companies and business organizations in Poland and abroad, after obtaining permissions required by law.*

#### **§ 7**

*The Company was founded by transformation of CITY INTERACTIVE Spółka z ograniczoną odpowiedzialnością into spółka akcyjna (joint stock company) acting pursuant to regulations of Title 4, Section 3, Chapter 1 and 4 of the Act of 15 September 2000 of Code of Commercial Companies (Journal of Laws no. 94, item 1037 as amended).*

#### **§ 8**

*The share capital of the transformed Company was covered by the assets of the company being transformed.*

### **II. PRINCIPAL ACTIVITIES**

#### **§ 9**

- 1. Principal activities of the Company are:*
  - 1) Printing of newspapers (PKD 18.11.Z),*



- 2) *Other printing services (PKD 18.12.Z),*
- 3) *Service activities related to pre-press preparation (PKD 18.13.Z),*
- 4) *Bookbinding and similar services (PKD 18.14.Z),*
- 5) *Reproduction of recorded storage devices (PKD 18.20.Z),*
- 6) *Manufacture of computers and peripherals (PKD 26.20.Z),*
- 7) *Manufacture of electronic equipment of common use (PKD 26.40.Z),*
- 8) *Manufacture of magnet and optical blank storage devices (PKD 26.80.Z),*
- 9) *Manufacture of other special-purpose machinery, n.e.c. (PKD 28.99.Z),*
- 10) *Manufacture of games and toys (PKD 32.40.Z),*
- 11) *Repair and maintenance of other appliances and equipment (PKD 33.19.Z),*
- 12) *Installation of industrial machines, appliances and equipment (PKD 33.20.Z),*
- 13) *Wholesale of computers, peripherals and software (PKD 46.51.Z),*
- 14) *Retail sale of computers, peripherals and software (PKD 47.41.Z),*
- 15) *Retail sale of books, carried out in specialized stores (PKD 47.61.Z),*
- 16) *Other retail sale in non-specialized stores (PKD 47.19.Z),*
- 17) *Retail sale of newspapers and stationery carried out in specialized stores (PKD 47.62.Z),*
- 18) *Retail sale of other, new products carried out in specialized stores (PKD 47.78.Z),*
- 19) *Other retail sale carried out outside chain stores, stalls or markets (PKD 47.99.Z),*
- 20) *Retail sale carried out by mail order companies or via Internet (PKD 47.91.Z),*
- 21) *Warehousing and storage of other goods (PKD 52.10.B),*
- 22) *Road transport of goods (PKD 49.41.Z),*
- 23) *Activities of advertising agencies (PKD 73.11.Z),*
- 24) *Book publishing (PKD 58.11.Z),*
- 25) *Newspapers publishing (PKD 58.13.Z),*
- 26) *Magazines and periodicals publishing (PKD 58.14.Z),*
- 27) *Activities in the field of sound and music recordings (PKD 59.20.Z),*
- 28) *Other publishing activities (PKD 58.19.Z),*
- 29) *Publishing activities in the field of computer games (PKD 58.21.Z),*
- 30) *Publishing activities in the field of other software (PKD 58.29.Z),*



- 31) *Activities related to the production of films, videos and television programs (PKD 59.11.Z),*
  - 32) *Activities related to the post-production of films, videos and television programs (PKD 59.12.Z),*
  - 33) *Activities related to the distribution of films, videos and television programs (PKD 59.13.Z),*
  - 34) *Activities in the field of film screening (PKD 59.14.Z),*
  - 35) *Software activities (PKD 62.01.Z),*
  - 36) *Activities related to IT consulting (PKD 62.02.Z),*
  - 37) *Activities related to the management of IT equipment (PKD 62.03.Z),*
  - 38) *Other service activities related to IT and computers (PKD 62.09.Z),*
  - 39) *Data processing, website management (hosting) and similar activities (PKD 63.11.Z),*
  - 40) *Activities of web portals (PKD 63.12.Z),*
  - 41) *Other service activities in the field of information, n.e.c. (PKD 63.99.Z),*
  - 42) *Research and development in other fields of natural and technical science (PKD 72.19.Z),*
  - 43) *Activities in the field of specialized design (PKD 74.10.Z),*
  - 44) *Other professional, academic and technical activities, n.e.c. (PKD 74.90.Z),*
  - 45) *Lease of intellectual property and similar products, excluding works protected by copyright (PKD 77.40.Z),*
  - 46) *Activities related to job search and recruitment of employees (PKD 78.10.Z),*
  - 47) *Other activities related to supplying employees (PKD 78.30.Z),*
  - 48) *Activities related to fairs, exhibitions and congresses organization (PKD 82.30.Z),*
  - 49) *Packing activities (PKD 82.92.Z),*
  - 50) *Other activities supporting business activities, n.e.c. (PKD 82.99.Z),*
  - 51) *Other extracurricular forms of education, n.e.c. (PKD 85.59.B),*
  - 52) *Other service activities, n.e.c. (PKD 96.09.Z).*
2. *If the Company aims to undertake a particular activity that requires separate licenses or permits or fulfillment of other requirements, the Company will obtain such licenses or permits prior to undertaking said activity or will fulfill other legal requirements necessary to carry out this particular activity.*



3. Significant change in the Company's subject of activity occurs without the buyback of shares from the shareholders who do not accept the change, if the resolution of the General Meeting of Shareholders is adopted by a majority of two thirds of votes in the presence of persons representing at least half of the share capital.

### III. SHARE CAPITAL

#### § 10

1. The share capital of the Company amounts to PLN 1,510,699.90 (one million five hundred ten thousand six hundred ninety-nine 90/100) including:

a. 100,000,000 (one hundred million) of ordinary bearer shares series A numbered from 0000000001 to 1000000000 of nominal value of PLN 0.01 (one grosz) each share;

b. 400,000 (four hundred thousand) of ordinary bearer shares series B of nominal value of PLN 0.01 (one grosz) each share;

c. 25,000,000 (twenty-five million) of ordinary bearer shares series C of nominal value of PLN 0.01 (one grosz) each share;

d. 1,100,000 (one million one hundred thousand) of ordinary bearer shares series D of nominal value of PLN 0.01 (one grosz) each share;

e. 12,649,990 (twelve million six hundred forty-nine thousand nine hundred ninety) of ordinary bearer shares series E of nominal value of PLN 0.01 (one grosz) each share;

f. 920,000 (nine hundred twenty thousand) of ordinary bearer shares series F of nominal value of PLN 0.01 (one grosz) each share;

g. 11,000,000 (eleven million) of ordinary bearer shares series G of nominal value of PLN 0.01 (one grosz) each share.

2. Series A shares were allocated to the shareholders of the company under the business name CITY INTERACTIVE Spółka z ograniczoną odpowiedzialnością transformed into a company under business name CITY INTERACTIVE Spółka Akcyjna who made a declaration of participation in the transformed Company. Series B, C and D shares were paid for in in-kind contribution prior to the registration of the Company's share capital increase by way of an issue of series B, C and D shares respectively.



*3. The Company may issue debt securities, including convertible bonds on shares and senior bonds.*

*§ 10a*

*1. The Company's Management Board is authorized to increase the share capital by the amount not exceeding PLN 948,750.00 (nine hundred forty-eight thousand seven hundred fifty). This authorization shall not include the authorization to increase the Company's share capital by means of Company's funds.*

*2. After the consideration of Company's needs, the Management Board may execute the authorization stipulated in item 1 above, by making one or several increases of the share capital of the Company prior to obtaining consent of the Company's Supervisory Board.*

*3. The Management's authorization to increase the Company's share capital within the target capital shall expire after 3 (three) years from the date of registration in the register of entrepreneurs the amendment to these Articles of Association made by the resolution of the Extraordinary General Meeting no. 4 of November 14, 2013.*

*4. The Company's Management Board may issue shares in exchange for cash contributions only. The Company's Management Board may not issue preferred shares or grant personal rights to a shareholder, described in art. 354 of the Act of September 15, 2000 of Code of Commercial Companies.*

*5. The Management Board is entitled to determine the issue price of new shares, determine the scope of issue and to determine the entities authorized to acquire new shares. The Management Board's resolutions adopted on the basis of the rights under this item 5 require prior consent of the Supervisory Board.*

*6. The resolution of the Company's Management Board adopted within the limits of authorization stipulated in item 1, replaces the resolution of General Meeting on the increase of share capital and requires notarial deed in order to be valid.*

*7. Within the limits of the applicable laws, the Company's Management Board decides about all other matters related to the increase of share capital of the Company within the limits of target capital within this authorization. In particular, but not exclusively, the Management Board of the Company is authorized to:*

*a. issue shares in certificated form;*



*b. conclude investment underwriting or service underwriting agreements or other agreements securing the success of the share issue;*

*c. adopt resolutions and take measures concerning shares dematerialization, as well as enter into agreements with Krajowy Depozyt Papierów Wartościowych S.A. concerning registration of shares, shares purchase rights and preemptive rights;*

*d. adopt resolutions and take measures concerning, respectively, shares issue through public offering or application of admission of shares to trading on regulated market, shares purchase rights and preemptive rights.*

*8. The consent of the Supervisory Board of the Company stipulated in item 2 and item 5 above should be expressed in the form of a resolution adopted on terms regulated therein.*

*9. With prior consent of the Company's Supervisory Board, the Management Board may prohibit or limit the priority of subscribing new Company's shares by current shareholders (preemptive rights) concerning the increase of share capital under the authorization given to the Company's Management Board in this paragraph of the Articles of Association to increase the share capital within the target capital. The consent of Supervisory Board shall be given each time before each subsequent increase of the share capital of the Company within the target capital. To the said consent of the Supervisory Board of the Company applies item 8 above.*

#### *§ 10b*

*1. Conditional share capital of the Company amounts to PLN 50,000.00 (in words: fifty thousand zlotys 00/100) and is divided into 5,000,000 (in words: five million) ordinary bearer shares series F with nominal value PLN 0.01 (in words: one grosz) each share.*

*2. The aim of conditional increase of the share capital is to grant the right to obtain series F shares to the holders of series B subscription warrants issued by the Company on the basis of the resolution no. 17 of the Ordinary General Meeting of Shareholders of the Company of April 28, 2015.*

*3. The holders of subscription warrants specified in item 2 shall be entitled to obtain series F shares. The right to obtain series F shares can be executed up till December 31, 2019, subject to specific provisions set in resolution no. 17 of the Ordinary General Meeting of Shareholders of the Company of April 28, 2015. In case of non-execution of the rights of*



*subscription warrants series B within the deadline stipulated above, the rights of the warrants shall expire.*

#### § 11

- 1. The Company may issue registered shares and bearer shares, subject to applicable laws.*
- 2. The Company's shares may be redeemed upon consent of the shareholder, whom the redemption of shares concerns, by way of acquisition of shares by the Company (voluntary redemption).*
- 3. The redemption of shares is executed by the reduction of share capital of the Company.*
- 4. The General Meeting's resolution on the redemption of shares defines the way and conditions of share redemption, particularly the amount, date and method of the payment of remuneration due to the shareholder whose actions were redeemed, the legal basis for the redemption and the method of reduction of share capital.*
- 5. When the payment of the remuneration for the voluntarily redeemed shares is paid from the sum, which pursuant to art. 348 § 1 of C.C.C. may be designated for distribution, items 6-7 apply.*
- 6. The General Meeting adopts a resolution in which it: (a) authorizes the Management Board to acquire own shares to be redeemed; (b) allocates, within the limits defined by art. 348 § 1 of C.C.C., a specified part of the Company's profit to pay for the acquisition of own shares to be redeemed; (c) defines the maximum number and price of Company's own shares to be acquired for redemption; (d) defines the maximum period during which the Management Board is entitled to acquire own shares to be redeemed.*
- 7. After the acquisition of shares to be redeemed, the Management Board shall immediately convene a General Meeting in order to adopt a resolution on the redemption of shares and on the reduction of share capital.*
- 8. The granting of voting rights to the pledgee and user of shares requires Supervisory Board's consent. During the period when the Company's shares which have the pledge or usufruct registered, are recorded on the securities accounts kept by the authorized entity pursuant to the provisions on Trading in Financial Instruments, the shareholder is entitled to the voting right attached to these shares.*



#### IV. BODIES OF THE COMPANY

##### § 12

*1. Bodies of the company are:*

- 1. Management Board,*
- 2. Supervisory Board,*
- 3. General Meeting.*

##### 1. MANAGEMENT BOARD

##### § 13

*1. The Management Board consists from 1 (in words: one) to 5 (in words: five) members appointed and revoked by the Supervisory Board, with the exception of the first Management Board appointed by the Resolution of Meeting of Shareholders during the transformation of the company CITY INTERACTIVE Spółka z ograniczoną odpowiedzialnością into spółka akcyjna (joint stock company). The number of Management Board's members shall be determined by the Supervisory Board.*

*2. Term of office of a Management Board's member lasts 5 (in words: five) years. The members are appointed for a joint tenure.*

##### § 14

*The Management Board represents the Company and conducts the Company's affairs except for the matters reserved for the General Meeting or Supervisory Board.*

##### § 15

*Authorized to make declarations of will on behalf of the Company are: the President of the Management Board independently or two members of the Management Board jointly or a Member of the Management Board jointly with a proxy.*

##### § 16

*The member of Company's Management Board cannot, without the Supervisory Board's consent, engage in competitive business activities or be a member of the bodies of competing business entities.*

##### § 17





*On behalf of the Company the agreements with Management Board's members shall be concluded by the President of the Supervisory Board or other representative of the Supervisory Board on the basis of authorization granted by way of resolution. The same procedure applies to all activities relating to the employment of Management Board's member.*

*§ 18*

*Resolutions of the Management Board shall be adopted by an absolute majority of votes. In case of equality of votes, the vote of the President of the Management Board is decisive.*

*§ 19*

*The detailed scope of competence and the operating mode of the Management Board, including the scope of matters requiring the Management's Board resolution, can be stipulated in the Regulations of the Company's Management Board adopted by the Management Board and approved by the Supervisory Board.*

## *2. SUPERVISORY BOARD*

*§ 20*

- 1. The Supervisory Board consists from 5 (in words: five) to 7 (in words: seven) members appointed and revoked by the General Meeting, with the exception of the first Supervisory Board appointed during the transformation of the company CITY INTERACTIVE Spółka z ograniczoną odpowiedzialnością into spółka akcyjna (joint stock company).*
- 2. Term of office of a Supervisory Board's member lasts 5 (in words: five) years.*
- 3. The members of Supervisory Board are appointed for a joint tenure.*

*§ 21*

*The Supervisory Board shall meet as necessary, but not less frequently than 3 (in words: three) times in a financial year.*

*§ 22*

- 1. The President of the Supervisory Board convenes the meeting of the Supervisory Board at their own initiative, upon the written request of the Management Board or on demand of at least two members of Supervisory Board. The meeting of the newly appointed Supervisory Board shall be convened by the Company's Management Board within 30 days from the date of the election of Supervisory Board's members.*



2. *The meeting shall take place not later than 14 (in words: fourteen) days from the request or demand date stipulated in item 1. If the meeting of Supervisory Board is not convened in the said period, the requester can convene it independently, indicating the date, place and agenda.*

3. *The invitation to the meeting of the Supervisory Board consisting of date, place and agenda, shall be sent via registered mail at least 14 (in words: fourteen) days before the date of the meeting of Supervisory Board. Regulations concerning matters not included in the agenda may not be adopted, unless all members of the Supervisory Board are present and nobody present files an objection with regard to the adoption of the resolution.*

4. *The meeting of Supervisory Board can be held without a formal convocation if all its members agree to that not later than on the day of the meeting and confirm it in writing or sign the attendance list.*

5. *The meetings of the Supervisory Board may be attended by members of the Management Board in an advisory capacity.*

#### § 23

1. *Resolutions of the Supervisory Board shall be adopted by an absolute majority of votes. In case of equal number of votes, the vote of the President of the Supervisory Board is decisive.*

2. *The Supervisory Board adopts resolutions if at its meeting at least half of its members is present, and all its members were invited acting pursuant to the procedure stipulated in § 22 therein.*

#### § 24

1. *The members of the Supervisory Board execute their rights and perform their duties individually.*

2. *The member of the Supervisory Board may participate in the adoption of resolutions of the Board by voting in writing through other member of the Board. Voting in writing may not concern matters introduced to the agenda during the Supervisory Board meeting.*

3. *The Supervisory Board may adopt resolutions in writing and by means of remote communication, including the use of teleconferences. The resolution is valid when all members of the Supervisory Board were notified about the content of the draft of the resolution.*



*4. The adoption of resolution pursuant to the procedure stipulated in item 3 and 4 does not apply to the appointment of the President and Vice-President of the Supervisory Board, appointment of the member of the Management Board and revocation and suspension of the abovementioned persons.*

§ 25

*1. The Supervisory Board exercises ongoing supervision of the Company's activities in all areas of its business.*

*2. In addition to the matters referred to in the Code of Commercial Companies, the competence of the Supervisory Board includes:*

- a. appointing and revoking members of the Management Board, including the President of the Management Board, subject to § 13 item 1 of the Articles of Association;*
- b. determining the number of members of the Management Board;*
- c. determining the methods of remuneration of the Management Board's members and the principles of their employment;*
- d. approval of Regulations of the Management Board;*
- e. assessment of the Company's financial statements, Management Board's report on the Company's activities, the assessment of the Company situation and the Management Board's proposals concerning the distribution of profit and coverage of losses, as well as presenting before the General Meeting annual reports on these assessments;*
- f. presenting before the General Meeting the proposals on granting discharge to the members of the Company's Management Board;*
- g. selecting a statutory auditor conducting a review of the financial statements;*
- h. granting an authorization to pay an advance payment against dividends foreseen at the end of a financial year;*
- i. the acquisition, disposal or encumbrance of real estate, the usufruct of the alienable housing tenancy right or share in these rights.*

§ 26

*In case of the delegation of the Supervisory Board's member to perform the duties of the Management Board's member, their mandate of the Supervisory Board and their*



*remuneration shall be suspended. For the purpose of execution of the duties of the member of the Management Board the delegated member of the Supervisory Board is entitled to an additional remuneration specified in the Supervisory Board's resolution.*

*§ 27*

*The members of the Supervisory Board receive remuneration and reimbursement of the expenses related to their duties based on the terms of the General Meeting's resolution.*

*§ 28*

*The detailed operating mode of the Supervisory Board is determined in the regulations of the Supervisory Board adopted by way of resolution by the General Meeting.*

**3. GENERAL MEETING**

*§ 29*

- 1. Management Board convenes the General Meeting.*
- 2. The General Meeting may be ordinary or extraordinary.*
- 3. The General Meeting of the Company is convened by placing an announcement on the Company's website and in a way specified for the publication of current information in accordance with the provisions on public offering, conditions governing the introduction of financial instruments to organized trading and public companies.*

*§ 30*

- 1. The Ordinary General Meeting shall be held within 6 (six) months after the end of each financial year. If the Management Board fails to convene the Ordinary General Meeting within that period, the Ordinary General Meeting may be convened by the Supervisory Board.*
- 2. The Supervisory Board has the right to convene the Extraordinary General Meeting, if it deems it appropriate.*
- 3. The shareholders representing at least a half of the share capital or at least a half of the total number of votes in the Company may convene the Extraordinary General Meeting. The Shareholders appoint the president of this Meeting.*
- 4. The agenda is determined by the entity convening the General Meeting.*
- 5. The shareholders or shareholder representing at least one twentieth of the share capital may request the convening of the Extraordinary General Meeting, as well as request specific*



*matters to be included in the agenda of the next General Meeting. Such a request should be submitted to the Management Board in writing or in an electronic form.*

*6. If the Management Board fails to convene the Extraordinary General Meeting within two weeks from the request submission date, the registry court may authorize the shareholders submitting the request to convene the Extraordinary General Meeting.*

*7. The revocation of the General Meeting in the agenda of which were included matters submitted by request of authorized entities or which was convened on the basis of art. 400 of C.C.C. requires consent of the shareholder who made such a request.*

*8. Refraining from examining an item entered into the agenda upon shareholders request or removing it from the agenda, requires an adoption of a resolution of the General Meeting after prior consent of all present shareholders, who submitted such request, supported by 75% (seventy-five percent) of votes of the General Meeting.*

#### *§ 31*

*1. Entitled to the participation in the General Meeting are only the persons who are shareholders of the Company on 16 (sixteen) days before the date of the General Meeting (date of registration for the participation in the General Meeting).*

*2. The shareholders may participate in the General Meeting in person or by proxies.*

*3. A shareholder may vote on the General Meeting separately for each of the shares they possess.*

#### *§ 32*

*The General Meeting may adopt its Regulations specifying in detail the meeting's procedures.*

#### *§ 33*

*Resolutions of the General Meeting shall be passed by an absolute majority of votes, unless the provisions of the Code of Commercial Companies and the Articles of Association provide more strict conditions.*

#### *§ 34*

*The resolutions on issue of convertible bonds and bonds with right to take up shares, amendments to the Articles of Association, redemption of shares, increase or reduction of share capital, disposal or lease of the enterprise or organized part of the enterprise,*



*consolidation with another company or dissolution of Company shall be adopted by majority of 3/4 (three quarters) of votes.*

§ 35

*1. The following matters, apart from the matters listed in the Code of Commercial Companies, require resolution of the General Meeting:*

- a. appointing and revoking members of the Supervisory Board;*
- b. determining the methods of remuneration and the amount of remuneration for the members of Supervisory Board;*
- c. adopting the Regulations of the Supervisory Board;*
- d. adopting the Regulations of the General Meeting;*
- e. amendment to the Articles of Association, including the change of the Company's main activity;*
- f. liquidation of the Company, consolidation with other entity, division of the Company, transfer of the Company's enterprise;*
- g. the acquisition, disposal or encumbrance of real estate, the perpetual usufruct, transferable cooperative ownership right or share in these rights;*
- h. approval of plans concerning the development and the management of Company's affairs.*

**V. BUSINESS OF THE COMPANY**

§ 36

*1. The Company establishes the supplementary capital to cover financial losses. 8% (in words: eight percent) of the annual profit shall be transferred to the supplementary capital, until the supplementary capital reaches at least 1/3 (in words: one third) of share capital.*

*2. The Company may establish other capitals to cover specific losses or expenses (reserve capitals).*

*3. The use of the reserve capitals is determined by the General Meeting.*

§ 37

*1. The Company's financial year is the calendar year, subject to item 2.*



*2. The first financial year shall start with the date of registration of the Company and shall end on December 31, 2007.*

*§ 38*

*1. The shareholders are entitled to participate in the Company's profit indicated in the financial statements, audited by a statutory auditor, designated by the General Meeting to be paid to shareholders.*

*2. The profit allocated for distribution is divided between shareholders in proportion to the number of shares held, and if shares are not fully paid up, in proportion to the amount of payments made for shares.*

*3. The day according to which the list of shareholders entitled to the dividend for the financial year (record date) is prepared and the date of the dividend are determined in the resolution of the General Meeting.*

*4. The Management Board, with the consent of the Supervisory Board, is authorized to pay the shareholders the advance payment against dividends for the end of the financial year, if the Company has sufficient funds for the payment.*

**VI. FINAL PROVISIONS**

*§ 39*

*1. Dissolution of the Company takes place after the execution of liquidation.*

*2. Liquidators are the members of the Management Board, unless the General Meeting decides otherwise.*

*§ 40*

*(deleted)*

*§ 41*

*In matters not regulated in the Articles of Association the law provisions, including the provisions of Code of Commercial Companies, shall apply.*