

**REPORT OF THE SUPERVISORY BOARD OF
CPD S.A.
COMPRISING:**

- 1. REPORT OF THE SUPERVISORY BOARD ON THE ACTIVITIES OF THE COMPANY IN THE FINANCIAL YEAR ENDING ON 31 DECEMBER 2015**
- 2. EVALUATION OF THE FINANCIAL STATEMENTS OF THE COMPANY AND OF THE CAPITAL GROUP FOR THE FINANCIAL YEAR ENDING ON 31 DECEMBER 2015**
- 3. EVALUATION OF THE REPORT OF THE MANAGEMENT BOARD ON THE ACTIVITIES OF THE COMPANY AND OF THE CAPITAL GROUP FOR THE FINANCIAL YEAR ENDING ON 31 DECEMBER 2015**
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WARSAW, 10 MARCH 2016

1. REPORT OF THE SUPERVISORY BOARD ON THE ACTIVITIES OF THE COMPANY IN THE FINANCIAL YEAR ENDING ON 31 DECEMBER 2015

Pursuant to § 13.2.17 of the Rules of the Supervisory Board of CPD S.A. and in accordance with Rule II.Z.10 of The Warsaw Stock Exchange Rules on 2016 listed companies, the Supervisory Board hereby presents the report on the activities of the Supervisory Board in 2015.

I COMPOSITION OF THE SUPERVISORY BOARD IN 2015

As at January 1, 2015, the Supervisory Board CPD SA included the following persons:

1. Ms Marzena Bielecka - Chairwoman
2. Mr Wiesław Oleś - Vice-Chairman
3. Mr Andrew Pegge - Secretary
4. Mr Mirosław Gronicki - Member
5. Mr Wiesław Rozłucki - Member.

On June 17, 2015 CPD S.A. received the resignation from Mrs. Marzena Bielecka acting as the Chairwoman, from the function of the Chairman of Supervisory Board of the CPD S.A. with day of the forthcoming General Shareholder Meeting of the Company with the changes in the supervisory board in its agenda. The resignation due to professional reasons.

On June 17, 2015 the Annual General Meeting of the Company appointed Mr. Michael Haxby as a member of the Supervisory Board.

On September 8, 2015 the Extraordinary General Meeting acting under to art. 385 § 1 of the Commercial Companies Code and § 6.2.4 of the Company Statute, appoints member of Supervisory Board of the third cadence retaining act of Supervisory Board: Mr. Michael Haxby, Mr. Andrew Pegge, Mr. Mirosław Gronicki, Mr. Wiesław Oleś and Mr. Wiesław Rozłucki.

On October 29, 2015 the Management Board of CPD S.A. received the resignation letter from Mr. Wiesław Rozłucki, the member of the Supervisory Board from the function of the member, with the effect from the close of business on 31 October 2015. Mr. Wiesław Rozłucki as a reason for the resignation pointed enter into force on 1 November 2015 amended Act - Banking Law, in particular Article. 22aa point 3.

On November 24, 2015 the Extraordinary General Meeting acting under § 6.2.4 of the Company Statute hereby appoints Ms Gabriela Gryger as a member of the Supervisory Board of the CPD S.A.

As at 31 December 2015, the Supervisory Board of CPD S.A.

In connection with the above changes, as at 31 December 2015 the Supervisory Board of CPD S.A. consisted of:

1. Pan Andrew Pegge
2. Pan Wiesław Oleś
3. Pan Mirosław Gronicki
4. Pan Gabriela Gryger
5. Pan Michael Haxby

Members of the Supervisory Board at the meeting on September 15, 2015, unanimously to appoint Mr. Andrew Pegge to the function of the Chairman and Mr. Michael Haxby the function of the Vice-chairman of the Supervisory Board. Mr Andrew Pegge and Mr. Micheal Haxby were the only candidates for these functions.

At the meeting on September 15, 2015 was attended four members of the Supervisory Board was present in person, and Mr. Michael Haxby participated via teleconference. Therefore, in order to avoid any doubt, members of the Supervisory Board took the unanimous decision that they will take resolution on the appointment of the Chairman, Vice-Chairmen at the meeting of March 10, 2016, when all members will be present.

Ms Gabriela Gryger and Mr Mirosław Gronicki are Independent Members of the Supervisory Board who meet the conditions for independence and who are qualified in accounting and financial auditing.

In accordance with § 11.2 of the Rules of the Supervisory Board of CPD S.A. and § 11.5 of the By-Laws of the Company, since the shares of the Company have been introduced to regulated trade on the Warsaw Stock Exchange on 23 December 2010, given the five person composition of the Supervisory Board, the tasks of the Audit Committee are performed collegially by the Supervisory Board i.e. all Members of the Supervisory Board are also members of the Audit Committee.

II ACTIVITIES OF THE SUPERVISORY BOARD

The Supervisory Board diligently fulfilled its obligations and maintained regular supervision over activities of the Company. The Supervisory Board performed its duties arising out of provisions of the law, By-Laws of CPD S.A. and Rules of the Supervisory Board of CPD S.A.

In 2015 the Supervisory Board of the Company adopted resolutions on the following dates and subjects:

- 9 April 2015 – in circular mode
 - approving the minutes of the meeting of the Supervisory Board of December 11, 2014
 - on the assessment of the Financial Statements of the CPD S.A. for the financial year from 1 January to 31 December 2014
 - on the assessment of the Activity Report of the Management Board of the CPD S.A. for the financial year 2014
 - on assessment of Consolidated Financial Statement of the CPD S.A. Group for the year 2014
 - on assessment of Management Board Report for Capital Group CPD S.A. for 2014
 - on the assessment of the proposal of the Board as to how to allocate the profit for the financial year 2014
 - on the adoption of Supervisory Board Report for the year 2014
 - opinion on the draft resolutions for the Ordinary General Meeting of CPD S.A.
 - in case of approval of the annual budget for 2015

- 15 June 2015 r
 - on the determination of the number of members of the Management Board of CPD S.A. during the third joint term in office and appointment of the members of the Management Board.
 - in case of approval of the annual budget for 2015.
 - on appointment of an auditor
 - on the appointment of the members of the Management Board

- 15 September 2015 - resolutions have not been taken;
- 25 November 2015 - resolutions have not been taken.

III SELF-EVALUATION OF THE SUPERVISORY BOARD

The Supervisory Board diligently and properly fulfilled its obligations, as a specialised body responsible for maintaining regular supervision over activities of the Company.

In 2015, the composition of the Supervisory Board was in line with generally applicable provisions of the law and the requirements to be met by public listed companies. All members of the

Supervisory Board are highly prepared and have extensive professional experience, therefore, they perform their duties and powers in a proper manner, which ensures supervision over the Company.

In 2015, the Supervisory Board held properly convened and prepared meetings. All the resolutions were adopted unanimously, which demonstrates the lack of differences as to the assessment of the work of the Management Board and handling of the Company's affairs. The agendas prepared by the Chairman of the Supervisory Board included issues which should be dealt with by the Supervisory Board in accordance with governing provisions of the law.

As a group of experts, the Supervisory Board also provided advice to the Management Board by contributing its experience and knowledge in connection with positions occupied in other entities. In addition, the Chairman of the Supervisory Board remained in constant contact with the Management Board and performed consultations on matters related to the ongoing operations of the Company.

Information passed on by the Management Board was prepared in a clear and reliable manner.

In reviewing the situation of the Company, the Supervisory Board took into account objective criteria and the financial performance of the Company.

In the opinion of the Supervisory Board, the Board is well positioned to carry out its statutory and regulatory responsibilities and properly supervised the Company in all material respects of its operations, in accordance with provisions of the law and statutory obligations.

IV EVALUATION OF THE COMPANY'S SITUATION

EVENTS AFFECTING GROUP ACTIVITIES AND FINANCIAL RESULTS

➤ ISSUE OF SERIES B BONDS

On 13 January 2015, the Company issued a total of 30,000 series B secured bonds. The bonds were issued in the manner defined in Article 9.3 of the Bonds Act, i.e. as a private offering.

The bonds were issued on the following terms:

The issuer did not determine the purpose of issue, as defined in the Bonds Act, or the project which is to be funded by issue of the Bonds.

The issued Bonds are series B bearer bonds with a nominal value of PLN 1,000 each, secured and dematerialised.

Total nominal value of all Bonds issued does not exceed PLN 30,000,000.

Nominal value of each Bond is PLN 1,000. The issue price of one Bond is equivalent to its nominal value, that is PLN 1,000.

The Bonds will be redeemed by the Company 4 years of the Bonds issue date, i.e. on 13 January 2019 (hereinafter "Redemption Date") except for cases of earlier redemption of Bonds should the Issuer infringe the terms on which the Bonds had been issued or upon the Issuer's request.

The bonds bear a fixed interest of 9.1% per year.

If the Issuer fails to redeem Bonds earlier in the case of infringements, at the Bond Holder's or the Issuer's request, the Bonds shall be redeemed on the Redemption Date by payment of an amount equivalent to nominal value of the Bonds increased by the unpaid and due interest on the Bonds.

➤ PURCHASE AGREEMENT

30 January 2015. CPD belonging to the group of companies:

- (1) Buffy Holdings No. 1 Limited, based in Nicosia, Cyprus,
- (2) Challenge Eighteen limited liability company with its registered office in Warsaw

signed with the company I.M.E.S. - INDUSTRIA MECCANICA E stampaggio S.P.A. based in Sumirago, Italy a sales agreement for Buffy Holdings No. 1 Limited, 100% of the shares of IMES POLAND Sp. Z oo.

The Company has acquired the right of perpetual usufruct, consisting of plot No. 98, No. rpm. Reg. No. 2-09-09, with an area of 69 457 m² and located near the street Gierdziejewskiego in Warsaw (Warsaw district - Ursus). In accordance with the provisions of the Local Development Plan, the property allows you to build about 80 000 m² of residential and commercial. Purchase of the above assets play an important part in the strategy of the Group CPS SA because it is a strategic complement to the portfolio of building land with great potential residential- service in the district of Ursus. With this transaction, the Company controlled area of over 57 hectares, of which 80% are residential areas - service. Through this transaction, the Company has become a major investor in one of the most attractive investment areas in Warsaw.

Pursuant to the Agreement, the Subsidiary Buyer guarantees payment:

- Full price adjusted in accordance with the conditions set out in the Agreement;
- Contractual penalties resulting from the events specified in the Agreement;
- Any payments under the guarantees and false representation of the Buyer under the Contract.

➤ **APPROVAL OF UOKIK**

On 17 February 2015 issued by the President of the Office of Competition and Consumer Protection after antitrust proceedings initiated upon Challenge Eighteen sp. with its registered office in Warsaw, Smart City sp. with its registered office in Warsaw and Unidevelopment SA with its registered office in Warsaw, the President of the Office of Competition and Consumer Protection approved for concentration, involving the establishment of a joint venture Smart City sp. in the organization of a limited partnership with its registered office in Warsaw by the Subsidiary, Smart City sp. with its registered office in Warsaw and Unidevelopment SA with its registered office in Warsaw.

In this way, fulfilled the condition precedent of the Investment Agreement of September 10 2014 for accession Unidevelopment SA Smart City company o.o limited partnership with its registered office in Warsaw.

➤ **ACCESSION OF UNIDEVELOPMENT SA TO LIMITED PARTNERSHIPS**

On 9 March 2015, the Memorandum of Association of Smart City w organizacji sp. z o.o. sp.k. was annexed, and under this annex Unidevelopment S.A. joined the Limited Partnership as a Limited Partner, made the first portion of their contribution, and committed to make the remaining portion of financial contribution until the date stipulated in the investment agreement of 10 September 2014.

➤ **BUILDING PERMIT DECISION**

28 of September 2015 the President of Warsaw issued a decision approving construction project and granting the construction permit. The decision concerns the construction of residential multi-family housing with services on the ground floor, underground parking, landscaping located named "URSA" in the part of the plot no. 95, precinct 2-09-09 at Hennela Street in Warsaw - Ursus district.

➤ **GENERAL CONSTRUCTOR AGREEMENT**

8 October 2015 the agreement was made by Smart City spółka z ograniczoną odpowiedzialnością spółka komandytowa with UNIBEP S.A. for the performance of construction works as a general contractor. Under the terms of the Agreement, Smart City commissioned to UNIBED S.A. the performance as a general contractor of the works for the construction of the residential project with the name of URSA – Smart City comprising the construction of four modern buildings designed specifically as regards their functionality, along with the underground garage, development of the area as well as the necessary accompanying works. Investment project shall be located on part of the plot of land with the survey number 95 from the zone 2-09-09 at Hennela street in Warsaw – District of Ursus.

Works shall be performed in two stages and as a result of conclusion of the Agreement the realization of the first stage was ordered as part of which one residential building with underground garage under four buildings (with the total of 359 parking spaces) shall be constructed. 181 apartments and 13 commercial premises will be located in the 7-storeys building.

Moreover the decision to of the second stage may made by the Smart City at any time by notifying the UNIBEP at least 2 months prior to the planned commencement date for construction of this stage.

First stage shall be completed in the period between October 2015 – February 2017. And the deadline for the possible completion of the second stage was determined as 59 weeks from the commencement of works as part of that stage.

➤ **INCREASE VALUE OF REAL ESTATE AT THE END OF THE YEAR 2015**

According to the valuation made by the company Savills sp. o.o. at the end of 2015 the total fair value of real estate held by the Group, including its investment properties and inventories amounted to PLN 656.4 million and was higher by PLN 68.5 million from the value reported at the end of 2014. The increase of value of real estate was recognized as a result of valuation of investment properties, which at the end of 2015 was positive and amounted to PLN 59.4 million. To increase of value of the property portfolio of the Group was mainly due to an increase of the value of the investment project in Ursus. It should be noted that the decrease in the real estate portfolio of parcel traffic as a result of gratuitous transfer of public land for m st. Warszawa, has not affected the value of the property portfolio and the opposite. Transfer of roads was one of the elements that made decision easier for councilors of Warszawa on the adoption of the local development plan in the area of the former factories ZPC Ursus, and thus increase value of investing the entire area of the Ursus district.

Another factor, which positively affected the value of the property portfolio of the Group was the increase in value of the building Iris, due to increased rental income due to the progressive commercialization of space.

➤ **COMMERCIALIZATION IRIS BUILDING AT CYBERNETYKI 9 STREET, IN WARSAW**

Iris is a six-storey building office building with a total leasable area of approx. 14,3 thous. m² with 233 parking places and is the final stage of the project office and residential located at the intersection of Cybernetics and Progress in Warsaw. At the date of this report are still under active efforts to commercialize 100% of the building. At the date of this report the building is 94% leased.

➤ **CHANGES IN THE COMPOSITION OF THE COMPANY'S MANAGEMENT BOARD**

In 2015, the composition of the Company's Management Board changed. The Supervisory Board appointment Mr. John Purcell, with effect as of June 17, 2015.

As a result of the changes, the following persons constituted the Management Board as of the day of publication hereof:

1. Ms Elżbieta Wiczowska – President of the Management Board
2. Mr Colin Kingsnorth – Member of the Management Board

3. Ms Iwona Makarewicz – Member of the Management Board
4. Mr John Purcell - Member of the Management Board.

➤ **CHANGES IN THE COMPOSITION OF THE COMPANY'S SUPERVISORY BOARD**

In 2015, the composition of the Company's Supervisory Board changed as described in detail in section I Composition Of The Supervisory Board in 2015 of this report. As a result of the changes, the following persons constituted the Supervisory Board as of the day of publication hereof:

1. Mr Wiesław Oleś
2. Mr Andrew Pegge
3. Mr Mirosław Gronicki
4. Ms Gabriela Gryger
5. Mr Michael Haxby

SUMMARY

In the light of the events described above and having read the report of the Management Board on the activities of the Company in the financial year from 1 January 2015 to 31 December 2015, the Supervisory Board positively evaluates the activities and efforts of the Management Board in the said reporting period.

In the opinion of the Supervisory Board, the standalone and consolidated financial statements of the Company match the books, documents and the actual state of affairs and present a fair and true view of all information essential for evaluation of the material and financial situation of the Company as at 31 December 2015, as well as the financial result for the financial year from 1 January 2015 to 31 December 2015.

In the opinion of the Supervisory Board, despite the continuing difficult market situation, there are no significant threats to the Company's activities in the medium term, and the activities undertaken by the Company constitute grounds for the further activities and implementation of the established plans.

V INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT

The Management Board of the Company is responsible for the internal control system in the Company and its effectiveness in the process of preparing the financial statements and periodic reports prepared and published in accordance with the principles of Regulation of 19 February 2009 on current and periodic information provided by issuers of securities.

The assumption for the effective internal control system of the Company as regards financial reporting is to ensure the adequacy and accuracy of the financial information contained in the financial statements and periodic reports. The effective internal control system and the risk management system of the Company as regards the process of financial reporting was developed through the properly defined scope of financial reporting, as well as through division of responsibilities and work organisation in the process of financial reporting. Moreover, the Management Board regularly reviews the results of the Company with the use of the financial reporting applied.

The Company applies the principle of an independent review of the financial statements published, as required by provisions of the law. The interim and annual financial statements and financial reports published as well as financial data which are the basis for such reporting are reviewed by the auditor of the Company.

In addition, in accordance with the principles of corporate governance adopted by the Management Board and accepted by the General Meeting of Shareholders, an Audit Committee operates in the Company; the Audit Committee is composed of all the members of the Supervisory Board.

As part of further actions aimed at reducing the Company's exposures to the market risk, the Company will assess the potential and development projects and control the ongoing development

projects based on the investment models and decision-making procedures implemented in the Company. In order to reduce the risks associated with development projects and tenancy agreements, the Company receives from subcontractors and tenants guarantees or insurance policies covering the most common risks associated with project implementation or policies to cover the rent from tenancy.

The risk management procedure is regularly updated by the Management Board of the Company and key managerial staff as well as external advisors.

In the opinion of the Supervisory Board, the Management Board has properly identified risks related to the activities of the Company, monitored them on the ongoing basis and effectively managed such risks.

2. EVALUATION OF THE FINANCIAL STATEMENTS OF THE COMPANY AND OF THE CAPITAL GROUP FOR THE FINANCIAL YEAR ENDING ON 31 DECEMBER 2015

Pursuant to Article 382 § 3 of the Code of Commercial Companies and § 11 (2) (4) of the By-Laws of the Company, the Supervisory Board evaluated:

- I the standalone financial statements of CPD S.A. for the year ended on 31 December 2015 and prepared in accordance with the International Financial Reporting Standards, comprising:
- a) statement of financial position for the period from 1 January 2015 to 31 December 2015 with total assets and total liabilities and equity of PLN 534 019 thousand (in words: five hundred thirty four million nineteen thousand zlotys);
 - b) statement of comprehensive income for the period from 1 January 2015 to 31 December 2015 with a comprehensive income of PLN 48 186 thousand (in words: forty eight million one hundred eighty six thousands zlotys);
 - c) statement of changes in equity for the period from 1 January 2015 to 31 December 2015, with the increase of equity by PLN 48 186 thousand (in words: forty eight million one hundred eighty six thousands zlotys);
 - d) cash flow statement for the period from 1 January 2015 to 31 December 2015 with decrease of PLN 3 956 thousand (in words: three million nine hundred fifty six thousand zlotys);
- II The consolidated financial statements of the CPD Group for the year ended on 31 December 2015 and prepared in accordance with the International Financial Reporting Standards, comprising:
- a) consolidated statement of financial position for the period from 1 January 2015 to 31 December 2015 with total assets and total liabilities and equity of PLN 711 477 thousand (in words: seven hundred eleven million four hundred seventy seven thousand zlotys);
 - b) consolidated statement of comprehensive income for the period from 1 January 2015 to 31 December 2015 with a net loss of PLN 46 348 thousand (in words: forty six million three hundred forty eight thousand zlotys);
 - c) consolidated statement of changes in equity for the period from 1 January 2015 to 31 December 2015, with the increase of equity by PLN 46 338 thousand (in words: forty six million three hundred thirty eight thousand zlotys);
 - d) consolidated cash flow statement for the period from 1 January 2015 to 31 December 2015 with increase of PLN 7 303 thousand (in words: six million seven hundred eighty nine thousand zlotys);

The financial statements of the Company and the consolidated financial statements of the CPD Group for the financial year 2015 were audited under the contract concluded between CPD S.A. and PricewaterhouseCoopers sp. z o.o. z with its registered office in Warsaw, at Al. Armii Ludowej 14, 00-638 Warsaw, entered into the list of entity authorised to audit the financial statements kept by the National Council of Statutory Auditors under no. 144. The contract was concluded on the basis of the resolution of the Supervisory Board of the Company of 15 June, 2015.

When evaluating the financial statements, the Supervisory Board based its opinion in particular on the opinion of the statutory auditor, PricewaterhouseCoopers Sp. z o.o., and supplementary reports to that opinion. The Supervisory Board also sourced information from the Management Board of the Company.

In the opinion of the Supervisory Board, the financial statements of the Company match the books, documents and the actual state of affairs and present a fair and true view of all the information essential for evaluation of the material and financial situation of the Company as at 31 December

2015, as well as the financial result for the financial year from 1 January 2015 to 31 December 2015.

The Supervisory Board assessed the following statements and reports submitted by the Management Board:

- The standalone financial statements of the Company for the financial year ended on 31 December 2015,
- The report of the Management Board on the activities of CPD S.A. in 2015,
- The consolidated financial statements of the CPD Group for the year ended on 31 December 2015,
- The report of the Management Board on the activities of the CPD Group for the year ended on 31 December 2015,

and concluded, sharing the opinion of the statutory auditor, that the information contained in the aforementioned documents matches the books, documents and the actual state of affairs.

In the assessment of the Supervisory Board:

- a) The standalone financial statements of the Company for the year ended on 31 December 2015:
 - present a fair and true view of all information essential for evaluation of the material and financial situation of CPD S.A. as at 31 December 2015, as well as its financial result for the financial year from 1 January 2015 to 31 December 2015,
 - were prepared, in all major aspects, in the correct manner, namely in accordance with the accounting principles (policy) arising out of the International Financial Reporting Standards and related interpretations published in the form of regulations of the European Commission, and in the scope not regulated by such Standards, in accordance with the requirements of the Accounting Act and secondary legislation thereto as well as on the basis of properly kept accounting books,
 - comply with provisions of the law and provisions of the By-Laws of the Company which affect the content of the financial statements;
- b) The consolidated financial statements of the CPD Group for the year ended on 31 December 2015:
 - present a fair and true view of all the information essential for the evaluation of the material and financial situation of CPD S.A. as at 31 December 2015, as well as its financial result for the financial year from 1 January 2015 to 31 December 2015,
 - were prepared, in all major aspects, in the correct manner, namely in accordance with the accounting principles (policy) of the parent entity arising out of the International Accounting Standards and the International Financial Reporting Standards and related interpretations published in the form of regulations of the European Commission, and in the scope not regulated by such Standards, in accordance with the requirements of the Accounting Act and secondary legislation thereto as well as on the basis of properly kept accounting books,
 - comply with provisions of the law applicable to the CPD Group which affect the content of the consolidated financial statements;

3. EVALUATION OF THE REPORT OF THE MANAGEMENT BOARD ON THE ACTIVITIES OF THE COMPANY AND OF THE CAPITAL GROUP FOR THE FINANCIAL YEAR ENDING ON 31 DECEMBER 2015

Pursuant to Article 382 § 3 of the Code of Commercial Companies and § 11 (2) (5) of the By-Laws of the Company, the Supervisory Board evaluated the following reports submitted by the Management Board:

- The report of the Management Board on the activities of CPD S.A. in 2015;
- The report of the Management Board on the activities of the CPD Group in 2015

and concluded, sharing the opinion of the statutory auditor, that the information contained in the aforementioned documents matches the books, documents and the actual state of affairs.

The of the Supervisory Board found that the report of the Management Board on the activities of CPD S.A. in 2015 was complete as defined by Article 49 (2) of the Accounting Act and the Regulation of the Minister of Finance of 19 February 2009 on current and periodical reporting by issuers of securities and on the conditions under which the legally required information originating in a non-member state can be deemed equivalent thereof.

The information contained in the report of the Management Board on the activities of the Company and sourced from the audited financial statements matches such financial statements.

4. REVIEW OF CONCLUSIONS OF THE MANAGEMENT BOARD ON ALLOCATION OF THE PROFIT

The financial statements for the financial year ended on 31 December 2015, as prepared by the Company and audited by the independent statutory auditor, demonstrate the net profit of PLN 48 186 PLN (in words: forty eight million one hundred eighty six thousands zlotys).

The Management Board of the Company presented a motion on how to allocate the net profit for the financial year 2015.

Having read the financial statements of the Company and the report of the Management Board on the activities of the Company, the Supervisory Board recommends that the Ordinary General Meeting of Shareholders of the Company should adopt a resolution on how to allocate the net profit in order to cover the loss for the financial year 2015 as requested in the motion presented by the Management Board.

5. MOTIONS TO THE ORDINARY GENERAL MEETING OF SHAREHOLDERS OF CPD S.A.

The Supervisory Board requests that the Ordinary General Meeting of Shareholders of CPD S.A. should:

- 1) Approve the financial statements of the Company for the year ended on 31 December 2015;
- 2) Approve the report of the Management Board on the activities of the Company in 2015;
- 3) Approve the consolidated financial statements of the CPD Group for the year ended on 31 December 2015;
- 4) Approve the report of the Management Board on the activities of the CPD Group for the year ended on 31 December 2015;
- 5) Approve the motion of the Management Board how to allocate the profit for the financial year 2015;
- 6) Approve fulfilment of duties by Members of the Management Board of CPD S.A. in the financial year of 2015
 - Ms Elżbieta Donata Wiczowska – President of the Management Board,
 - Mr Colin Kingsnorth – Member of the Management Board,
 - Ms Iwona Makarewicz – Member of the Management Board,
 - Mr John Purcell – Member of the Management Board.
- 7) Approve fulfilment of duties by Members of the Supervisory Board of CPD S.A. in the financial year of 2015:
 - Ms Marzena Bielecka
 - Mr Wiesław Oleś
 - Mr Andrew Pegge
 - Mr Mirosław Gronickiemu
 - Mr Wiesław Rozłucki
 - Mr Michael Haxby
 - Ms Gabriela Gryger