

Draft resolution
concerning item 1 of the agenda

Draft Resolution No. 1
concerning election of the Chairman

Acting pursuant to Article 409 § 1 of the Code of Commercial Companies and Partnerships and § 5 of the By-Laws of the General Meeting of Shareholders, the Extraordinary General Meeting hereby elects
as the Chairman of the General Meeting of Shareholders.

Draft resolution
concerning item 3 of the agenda

Draft Resolution No. 2
concerning election of the Ballot Counting Committee

Acting pursuant to the order of the Chairman of the General Meeting of Shareholders issued on the basis of § 9 of the By-Laws of the General Meeting of Shareholders upon request of the following shareholders:

- 1.
- 2.
-

the Extraordinary General Meeting appoints the Ballot Counting Committee comprising the following members:

- 1)
- 2)
- 3)

Draft resolution
concerning item 4 of the agenda

Draft Resolution No. 3
concerning adoption of the agenda

The Extraordinary General Meeting of Shareholders hereby adopts the following agenda:

- 1. Opening of the General Meeting of Shareholders and election of its Chairperson.
- 2. Confirming that the General Meeting of Shareholders has been properly convened and is capable of adopting valid resolutions.
- 3. Election of the ballot counting committee upon request of shareholders.
- 4. Adopting the agenda for the meeting.
- 5. Adopting a resolution concerning granting consent for the sale of organized parts of the enterprise, namely the "Mercure Jelenia Góra" Hotel in Jelenia Góra and the "Mercure Karpacz Resort" Hotel in Karpacz.
- 6. Changes in the composition of the Supervisory Board.

Draft resolution
concerning item 5 of the agenda

Draft Resolution No. 4

concerning granting consent for the sale of organized parts of the enterprise,
namely the “Mercure Jelenia Góra” Hotel in Jelenia Góra
and the “Mercure Karpacz Resort” Hotel in Karpacz.

§ 1

Acting pursuant to § 29 section 3 of “Orbis” S.A. Statutes and Article 393 point 3 of the Code of Commercial Companies and Partnerships, the Extraordinary General Meeting of “Orbis” S.A. Shareholders hereby grants its consent for the sale of organised parts of the enterprise, for a total net price of PLN 26 500 000 (twenty six million five hundred thousand Polish zloty), comprising of the following hotels:

1. The “Mercure Jelenia Góra” Hotel located in Jelenia Góra at 63, Sudecka Street, operating as a branch under the business name of “Orbis” S.A., the “Mercure Jelenia Góra” Hotel Branch in Jelenia Góra (the “Hotel 1”). The sale transaction will cover all the assets (including real property and movable property) of the Hotel 1 and the business pursued by the Hotel 1, including in particular the title to perpetual usufruct of real property comprising plot of land no. 198/3 with an area of 7,205 square meters, map zone 33, registered in the land and mortgage register no. KW JG1J/00033087/1 kept by the District Court in Jelenia Góra, VI Land and Mortgage Registry, as well as the ownership title to buildings located on that land and other facilities that comprise a property separate from the land;
2. the “Mercure Karpacz Resort” Hotel located in Karpacz, at 5, Obrońców Pokoju Street, operating as a branch under the business name of “Orbis” S.A., the “Mercure Karpacz Resort” Hotel Branch in Karpaczu (the “Hotel 2”). The sale transaction will cover all the assets (including real property and movable property) of the Hotel 2 and the business pursued by the Hotel 2, including in particular the title to perpetual usufruct of real property comprising plots of land no. 652 and 650/6 with an area of 31 213 square meters, map zone 3, registered in the land and mortgage register no. KW JG1J/00026829/3 kept by the District Court in Jelenia Góra, VI Land and Mortgage Registry, as well as the ownership title to buildings located on that land and other facilities that comprise a property separate from the land.

§ 2

The Resolution shall come into force as of the day of its adoption.

STATEMENT OF REASONS FOR THE ADOPTION OF THIS RESOLUTION

Selling an organized part of an enterprise requires a resolution of a General Meeting of Shareholders (Article 393 point 3 of the Code of Commercial Companies and Partnerships).

The policy implemented by “Orbis” S.A. of concentrating own investments located in Poland in eight major urban agglomerations predetermines a non-strategic location of the “Mercure Jelenia Góra” Hotel and the “Mercure Karpacz Resort” Hotel. Furthermore, due to their age

and technical condition, these hotels require major capital expenditure, especially the “Mercure Jelenia Góra” Hotel.

1. The “Mercure Jelenia Góra” Hotel was built in 1990 and reports negative financial results in recent years. The building requires significant capital expenditure for both technical infrastructure as well as fittings, fixtures and equipment. Since the plans related to development of own properties by “Orbis” S.A. are focused on other urban agglomerations and “Orbis S.A.” does not plan to incur capital expenditure in the hotel in question, its operating and financial results will continue to deteriorate progressively.

2. The “Mercure Karpacz Resort” Hotel was built in 1976. The hotel underwent modernisation during the period 2007–2009, nonetheless, it requires additional capital expenditure, for instance related to modernisation of a part of the building and of its public areas. The Hotel’s financial performance does not come up to “Orbis” S.A. expectations, while the Hotel itself is located in a resort area, where pursuant to the Company’s strategy, “Orbis” S.A. has no plans to invest in its own hotels.

In furtherance of the foregoing, the Management Board of “Orbis” S.A. made a decision concerning a joint sale of the “Mercure Jelenia Góra” Hotel and the “Mercure Karpacz Resort” Hotel. In the course of negotiations with prospective investors, the Management Board of “Orbis” S.A. selected the best offer submitted by an individual investor, with the net purchase price being equal to PLN 26 500 000 (twenty six million five hundred Polish zloty), and providing for the execution of long-term franchise agreements for both the hotels. Accordingly, the preliminary sale and purchase agreement for the “Mercure Jelenia Góra” Hotel and the “Mercure Karpacz Resort” Hotel was executed on February 9, 2017, subject to the condition laid down in the agreement, which must be met prior to finalisation of the transaction, that is granting the consent for the sale of the hotels by the General Meeting of “Orbis” S.A. Shareholders. According to the preliminary sale and purchase agreement, the final sale and purchase agreement is to be executed by March 31, 2017. At the same time, “Orbis” S.A. entered into franchise agreements with the buyer, by virtue of which upon completion of the sale transaction both these hotels will continue to operate under the “Mercure” brand.

(The Management Board of “Orbis” S.A. informed about the execution of the above-mentioned preliminary sale and purchase agreement and the franchise agreements in the current report no. 3/2017 of February 10, 2017).

The Management Board informs that the sale price agreed in the preliminary sale and purchase agreement exceeds the net value of the hotels in the “Orbis” S.A. books which equalled PLN 22.4 million as at December 31, 2016. The agreed price is also greater than the value appraised by an independent property appraiser who specialises in hotel property appraisal. According to property appraisals prepared in 2016 by Pro Value Sp. z o.o. with its registered address in Warsaw, the total value of hotels equals PLN 25.1 million. The value of hotels has been appraised on the basis of the income-based valuation approach, profit method.

At the same time, the Management Board informs that the buyer of the “Mercure Jelenia Góra” Hotel and the “Mercure Karpacz Resort” Hotel is not related with any company belonging to the “Orbis” Group or the Accor Group (the majority shareholder of “Orbis” S.A.).

The Management Board further informs that the sale of the "Mercure Jelenia Góra" Hotel and the "Mercure Karpacz Resort" Hotel has been approved in a positive opinion of the "Orbis" S.A. Supervisory Board.

In view of the foregoing, the Management Board of "Orbis" S.A. considers the disposal of organised parts of the enterprise, that is the "Mercure Jelenia Góra" Hotel and the "Mercure Karpacz Resort" Hotel for a price of PLN 26 500 000 (twenty six million five hundred Polish zloty) fully justified, therefore the Management Board requests the General Meeting of "Orbis" S.A. Shareholders to adopt a resolution in the hereinabove wording.

Draft resolution
concerning item 6 of the agenda

Draft Resolution No. 5

concerning changes in the composition of the "Orbis" S.A. Supervisory Board.

§ 1

Acting pursuant to Article 385 § 1 of the Code of Commercial Companies and Partnerships and § 16 section 2 of the Company's Statutes, the Extraordinary General Meeting of "Orbis" S.A. Shareholders hereby appoints the following person as member of the Supervisory Board for the Board's 10th tenure:

§ 2

The Resolution comes into force as of April 1, 2017.