

Current report no. 68/2008

Date: 2008-11-22



### **Extraordinary General Meeting of Shareholders**

The Management Board of LPP S.A., with its registered office in Gdańsk (hereinafter referred to as the "Company" or "LLP") will hold an Extraordinary General Meeting of Shareholders on 15 December 2008, at 11.00 AM in Gdańsk, Łąkowa 39/44 with the following agenda:

1. Opening of the session and selection of the Chairperson of the Meeting
2. Arriving at an agreement as to whether the Extraordinary General Meeting has been convened in a proper manner and whether it is able to adopt resolutions.
3. Appointment of the voting committee members.
4. Adoption of a resolution on the acceptance of the agenda.
5. Presentation of the resolution of the Supervisory Board on the acceptance of Management Board's statement on the matters to be discussed by the General Meeting of Shareholders on the 15 December 2008 and the resolution of the Management Board accounting for the adoption of resolution described in pt. 6 of the agenda by the General Meeting of Shareholders.
6. Adoption of the resolution modifying the content of Resolution 4/2008, §6 of the Extraordinary General Meeting of Shareholders of LPP of 16 June 2008 on increasing the Company's share capital.
7. Closing of the Extraordinary General Meeting of Shareholders.

The Management Board of LPP hereby informs that the decision on holding the Extraordinary General Meeting of Shareholders was undertaken as a result of acquiring information on the application notice to the District Court in Gdańsk - Północ, 7<sup>th</sup> Commercial Division of the National Court Register, of a shareholder, to be allowed to participate in the processing of the LLP claim in the local District Court to enter in the Register of Entrepreneurs of the National Court Register the increase of Share Capital from PLN 3,412,134 (three million four hundred and twelve thousand one hundred and thirty four PLN) by PLN 80,000 to the amount of PLN 3,492,134 (three million four hundred and ninety two thousands one hundred and thirty four PLN) by the issue of 40,000 (forty thousand) new series J shares of nominal value of PLN 2 (two) taken in private placement by Krzysztof Bajolek, Arkadiusz Bajolek and Jan Pilch (see reports 37/2008 of 16 June 2008,, 64/2008 of 3 November 2008 and 66/2008 of 5 November 2008) and the resulting change in Company's Articles of Association §5 pt. 1 and 2. The shareholder's notice to be allowed to participate in the processing also includes the demand to deny the entering of the abovementioned changes to the Register, justifying it by the fact that the condition precedent of the resolution 4/2008 of the Extraordinary General Meeting of Shareholders of LPP of 16 June 2008 on the increasing of the Company's share capital has not been met, because LPP acquired some of the shares in the share capital of Artman Joint Stock Company seated in Kraków as described in §6 of the aforementioned resolution from entities different from those mentioned in the resolution.

The Management Board informs that it finds the shareholder's notice unjustified and an abuse of the rights of the shareholder stemming from the possession of the Company's shares. The shareholder pointed to the possession of 5 shares of LPP and the possibility of the dilution of his shares in the Company resulting from the increase of the share capital as a legal basis of his notice. The Shareholder did not take part in the General Meeting of Shareholders held on 16 June 2008, and did not make use of any legal instruments to prosecute the resolution of the General Meeting of Shareholders (he did not file a complaint for the annulment of the resolution - art. 422 of the Code of Commercial Companies nor filed a complaint for the invalidity of the resolution - art. 425 of the Code of Commercial Companies), and is not entitled to file the aforementioned complaints (according to art. 422 §2 and art. 425 §1 Code of Commercial Companies, the shareholder who did not participate in the General Meeting of Shareholders is entitled to file a complaint only should he be groundlessly denied access to the Meeting, in case of improper summoning of the General Meeting or if a resolution not mentioned in the agenda is adopted; none of these circumstances occurred), additionally all the deadlines for filing such complaints have elapsed as described in art. 424 §2 of the Code of Commercial Companies and art. 425 §3 Code of Commercial Companies. Considering the above, the

shareholder has no legal interest in participating in the processing of the LPP claim in the District Court Gdańsk - Północ in Gdańsk. In the Management Board' opinion the actions of the shareholder are in contradiction to the interest of the Company, because, as a result of increasing the share capital, PLN 94,000,000 (ninety four million PLN) of contributions for shares will become available for the Company, resulting in the improvement of capitalisation and financial abilities for the continuation of operation of the Company.

The Management Board of LPP wishes to signify that according to §6 of the Resolution no. 4 of the LPP Extraordinary General Meeting of Shareholders held on 16 June 2008 on the increase of the share capital, the condition for the increase was the purchase of a specific number of shares of Artman from Krzysztof Bajolek, Arkadiusz Bajolek and Jan Pilch under the conditions provided in the investment contract. The investment contract accounted for the possibility of the aforementioned persons to enter shares into the closed investment fund, providing that the fund became a party of the contract and a co-debtor as resulting from the contract. Forum X Fundusz Inwestycyjny Zamknięty assumed the duties of the aforementioned founders of the company Artman and according to the provisions of the contract disposed of the Artman shares entered, in transaction with LPP. Therefore only a substitution on the side of the debtor took place and the condition precedent was fulfilled in accordance with the mentioned resolutions. In the opinion of the LPP Management Board there are no doubts concerning the fulfilment of the condition precedent of the resolution.

Exercising caution and considering the interest of the Company and other shareholders the LPP Management Board made the decision to summon an Extraordinary General Meeting of Shareholders, which's agenda includes a resolution amending the §6 of the Resolution no. 4 of the LPP Extraordinary General Meeting of Shareholders of 16 June 2008 on the increasing of share capital, so as to remove any doubt concerning the fulfilling of the aforementioned condition.

The LPP Management Board informs that pursuant to art. 406 §1 of the Code of Commercial Companies, the right to participate in the General Meeting of Shareholders is granted to holders of registered shares or temporary depository receipts, if entered into the share register at least one week before the set date of the Meeting.

The LPP Management Board informs that under art. 406 §3 Code of Commercial Companies and art. 9 par. 3 of the Act of 29 July 2005 on trading of financial instruments (Journal of Laws No 183 item 11472) the right to participate in the General Meeting of Shareholders is granted to holders of registered depository receipts (share certificates) issued to confirm that shares have been deposited, and specifying at the minimum the number of shares and the statement by the Brokerage House confirming that these shares cannot be traded after the certificate is issued and until the certificate is no longer valid or is returned to the issuer. Depository receipts must be submitted to the Company's registered office in Gdańsk, Łąkowa 39/44, the Secretariat, at least one week before the set date of the General Meeting of Shareholders, and cannot be collected before the end of the Meeting.

The LPP Management Board informs that under art. 407 §1 of the Code of Commercial Companies, the list of shareholders entitled to participate in the General Meeting of Shareholders, signed by the Management Board and including names and surnames of eligible persons or names of eligible companies, their registered office, number, type and designation of shares and respective number of votes carried by these shares, will be available at the registered office of the Management Board, in Gdańsk, Łąkowa 39/44, for three working days before the General Meeting of Shareholders is held.

Any shareholder may gain access to the list of shareholders at the Management Board's registered office and ask for a copy of the list (provided that all associated costs are returned by the shareholder). It is also possible to view the documents covered by the agenda and receive copies of requests (with the reimbursement of costs of their execution) on the issues covered by the agenda within a week before the General Meeting in the same location. The LPP Management Board informs that under art. 412 §1- §4 of the Code of Commercial Companies, shareholders may participate in the General Meeting and exercise their voting rights in person or by proxy. The power of attorney should be granted in writing otherwise null and void, bearing the duty stamp and attached to the protocol of the General Meeting. Board members and Company employees may not be proxies at the General Meeting. Representatives of the entities that are not natural persons should present valid extracts from the relevant registers specifying the persons authorized to represent those entities.

The Management Board of LPP informs that the registration of shareholders will commence on 15 December 2008 at 10.00 AM.

Legal basis: Art. 56 par. 1.2 of the Public Offering Act - current and interim information

Signatures	Alicja Milińska - Vice President of the Management Board
	Dariusz Pachla - Vice President of the Management Board