

Subject: Draft resolution submitted by a Shareholder for the Extraordinary General Meeting convened for October 30th 2014

Current Report No. 29/2014 of October 27th 2014

Legal basis: Art. 56.1.2 of the Public Offering Act – Current and periodic information.

Text of the report:

The Management Board of SECO/WARWICK S.A. (“Company”) announces that on October 27th 2014 SW Poland Holding B.V. of the Netherlands (“Shareholder”), a shareholder meeting the criteria set forth in Art. 401.4 of the Commercial Companies Code (i.e. holding at least 5% of the Company's share capital), submitted a new draft Resolution No. 5 for inclusion in the proposed agenda of the Company's Extraordinary General Meeting convened for October 30th 2014.

The draft resolution proposed by the Shareholder concerns Item 6 of the agenda published in Current Report No. 27/2014 of October 2nd 2014.

The full text of the proposed draft resolution and the grounds for the resolution are attached to this report.

Legal basis:

Par. 38.1.5 of the Minister of Finance’s Regulation on current and periodic reports to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the law of a non-member state, dated February 19th 2009.

Appendices:

File

Notification of draft amendment to the resolution of the Extraordinary General Meeting

Description:

Text of the proposed draft resolution along with the grounds for the resolution.

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Resolution No. 5 of the Extraordinary General Meeting of Seco/Warwick S.A. (the "Company") of Świebodzin on authorising the Management Board to repurchase the Company's own shares and creating a capital reserve for the purposes of such repurchase pursuant to Art. 362.1.8 of the Commercial Companies Code

Acting pursuant to Art. 362.1.8 and Art. 362.2 of the Commercial Companies Code and Art. 17.6 of the Company's Articles of Association, the Extraordinary General Meeting resolves as follows:

Section 1

The Company's General Meeting authorises the Company's Management Board to repurchase Company shares listed on the main market of the Warsaw Stock Exchange, i.e. the official stock exchange market ("**the Shares**"), on the terms and in the manner stipulated herein.

Section 2

The Company shall repurchase the Shares on the terms and in the manner set forth below:

- 1) the number of Shares to be repurchased shall be no more than 1,500,000 (one million and five hundred thousand);
- 2) the total par value of repurchased Shares at the time of repurchase and held by the Company and its subsidiaries at any given time shall not exceed 13.97 % of the Company's share capital;
- 3) repurchased Shares shall be paid for in full;
- 4) the minimum payment per Share shall be PLN 10 (ten złoty), and the maximum payment per Share shall be PLN 27.50 (twenty-seven złoty, fifty grosz);
- 5) the total payment for the Shares, increased by the repurchase cost, shall be no more than the amount of the capital reserve established under Section 6 of this Resolution;
- 6) the Shares may be repurchased: (i) by way of a tender offer under the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of July 29th 2005 (Dz.U. of September 23rd 2005) ("**Act**"), (ii) by way of a buy-back offer addressed to the Company's shareholders, with the proviso that the Shares shall be repurchased in a manner ensuring equal treatment of all Company shareholders to the largest possible extent, or (iii) on the terms specified in Commission Regulation (EC) No. 2273/2003 of December 22nd 2003 implementing Directive 2003/6/EC of the European Parliament and of the Council as regards exemptions for buy-back programmes and stabilisation of financial instruments;
- 7) The Management Board is authorised to repurchase the Shares until the capital reserve established for the purpose of the repurchase under Section 6 of this Resolution is exhausted, but not longer than until December 31st 2015;
- 8) the Company's Management Board shall publish the opening and closing dates of the period during the Shares will be repurchased; both beginning and closing of the repurchase process shall require separate resolutions of the Management Board;
- 9) any Shares repurchased by the Company may be cancelled on the basis of a separate resolution of the General Meeting or, upon approval by the Company's Supervisory Board, may be held for the purposes of present or future incentive schemes for the Company's and its subsidiaries' management staff, for further resale, exchange or any other purpose defined in a resolution of the Management Board.

Section 3

Guided by the Company's best interest, the Management Board may, after consultation with the Supervisory Board, close the repurchase of the Shares before December 31st 2015 or discontinue the process in whole or in part. The Management Board shall publish information on closing the repurchase of the Shares or discontinuing it in whole or in part.

Section 4

The Management Board shall notify the next General Meeting of the repurchase of the Shares in accordance with Art. 363.1 of the Commercial Companies Code.

Section 5

The Management Board is hereby authorised to perform any legal and factual actions to implement this Resolution.

Section 6

Pursuant to Art. 362.2.3 and Art. 348.1 of the Commercial Companies Code, in connection with the authorisation to repurchase the Shares, given to the Company's Management Board by this Resolution, a reserve capital of PLN 41,750,000 (forty-one million, seven hundred and fifty thousand zloty) shall be created through the transfer of PLN 41,750,000 (forty-one million, seven hundred and fifty thousand zloty) from the statutory reserve funds which, pursuant to Art. 348.1 of the Commercial Companies Code, may be designated for distribution.

Section 7

This Resolution shall become effective as of its date.

Grounds:

The aim of the proposed amendments to draft Resolution No. 5 is to protect the interests of the existing shareholders of Seco/Warwick S.A. in connection with the intended share buy-back. The amendments will rule out the possibility of share repurchase by way of brokerage orders, block transactions, civil law contracts, or through third parties, thus bypassing the procedures which ensure equal treatment of all Company shareholders, i.e. a tender offer under the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of July 29th 2005, or the procedure provided for in Commission Regulation (EC) No. 2273/2003 of December 22nd 2003 implementing Directive 2003/6/EC of the European Parliament and of the Council as regards exemptions for buy-back programmes and stabilisation of financial instruments.