

REQUEST BY THE MANAGEMENT BOARD OF FEERUM S.A. FOR THE ORDINARY GENERAL MEETING ON
THE CLEARANCE OF THE COMPANY'S LOSS FOR THE 2016 FINANCIAL YEAR

Last year was a period of very big challenges for FEERUM. Due to the difficult situation in the market environment, revenues fluctuated around PLN 40 million. The drop in revenues was mainly due to the shift in the period of granting EU subsidies from the Agency for Restructuring and Modernization of Agriculture to key clients of the Company - from 2016 to 2017. We have closed the year at the net level with a loss.

Board Feerum S.A. asks to cover the Company's loss for the financial year 2016 in the amount of PLN 4,647 thousand (in words: four million six hundred and forty seven zlotys) from the Company's supplementary capital.

SUBSTANTIATION

The company has an appropriate amount of supplementary capital, which, according to the law, can be used to cover losses. The supplementary capital of the Company consists of the item "Capital from the sale of shares above their face value" - in the amount of PLN 9,366 thousand. PLN and the item "Other capitals" - in the amount of PLN 60,762 thousand zł.

The Management Board of the Company requests that the loss for the financial year 2016 be covered by the "remaining capital" of supplementary capital, which, pursuant to art. 396 of the Code of Commercial Companies may be used to cover losses.