

## MINUTES

### MEETING OF THE BOARD OF DIRECTORS OF UKRPRODUCT GROUP Ltd (the "Company") held at Kyiv, Ukraine at 10am on 29 May 2009

#### PRESENT:

Jack Rowell, Director – by telephone  
Roman Prannichuk, Director  
Sergey Evlanchik, Director  
Alexander Slipchuk, Director

#### CHAIRMAN:

Sergey Evlanchik was appointed as chairman (the "**Chairman**") for the purposes of the meeting.

#### NOTICE AND QUORUM:

All of the directors being present, it was resolved to accept short notice of the meeting.

Jack Rowell confirmed that he was physically outside of the United Kingdom and each of the other directors confirmed that they were not resident in the United Kingdom. The Chairman noted that a quorum was present.

#### AGENDA:

1. Dividend (as defined below)
2. Accounts
3. Annual General Meeting ("**AGM**") on 26 June 2009 and the Documents (as defined below).
4. Authorisation of the Company's secretary, Bedell Secretaries Limited (the "**Secretary**"), to sign the Notice and submit the Documents (each as defined below).

#### DIRECTORS' INTERESTS:

Pursuant to article 75(1) of the Companies (Jersey) Law 1991, as amended (the "**Law**") and the articles of association of the Company, each of the directors declared that that they had no interests to declare in the business to be considered at the meeting, save that they were beneficially interested in Ordinary Shares in the Company.

It was noted that, having declared such interests, the directors were entitled under the articles of association of the Company to vote on the business to be transacted at the meeting and to count towards the quorum present.

#### ON THE FIRST ITEM OF AGENDA:

The Chairman referred the meeting to the provisions of articles 114 and 115 of the Companies (Jersey) Law 1991, as amended (the "**Law**") concerning distributions and to the provisions of article 25 of the Company's articles of association concerning the payment of dividends by the Company and reported that it was proposed to authorise and recommend to the shareholders of the Company

(and for this purpose that an ordinary resolution be proposed to the AGM, in the form of Resolution 3 set out in the Resolutions (as defined below)) that a final dividend in respect of the financial year ended 31 December 2008, be declared payable at the rate of 0.40 (nought point four) pence per ordinary share of the Company on 27 July 2009, to shareholders registered when the resolution declaring the dividend is passed (the "**Dividend**").

It was noted with regards to article 115(3) of the Law that the directors of the Company who were to authorise the Dividend, were required to make a statement in the form specified by article 115(4) of the Law, that they have formed the opinion:

(a) that, immediately following the date on which the payment of the Dividend is proposed to be made, the Company will be able to discharge its liabilities as they fall due; and

(b) that, having regard to (i) the prospects of the Company and to the intentions of the directors with respect to the management of the Company's business, and (ii) the amount and character of the financial resources that will in their view be available to the Company, the Company will be able (A) to continue to carry on business, and (B) discharge its liabilities as they fall due until the expiry of the period of 12 months immediately following the date on which the payment of the Dividend is proposed to be made or until the Company is dissolved under article 150 of the Law, whichever first occurs.

It was further noted with regards to article 25 of the Company's articles of association that, amongst other things, no dividend shall be paid otherwise than out of the profits of the Company.

There was produced to the meeting a statement of solvency (the "**Solvency Statement**") to be signed by each of the directors present for the purposes of articles 115(3) and 115(4) of the Law that, they had formed the opinions set out at (a) and (b) above in respect of the payment of the Dividend.

After full and careful consideration of the financial position of the Company and having regard to its profits for the financial year ended 31 December 2008, each of the directors present signed the Solvency Statement and declared that he was of the opinion that the Company has sufficient profits out of which to pay the Dividend and **IT WAS RESOLVED** to authorise and recommend to the AGM that the Dividend be declared (and for this purpose that an ordinary resolution be proposed to the AGM, in the form of Resolution 3 set out in the Resolutions (as defined below)) and that any director be authorised to do all necessary acts and things on behalf of the Company to effect the Dividend.

#### **ON THE SECOND ITEM OF AGENDA:**

The Chairman reported that the consolidated accounts of the group for the year ended 31 December 2008, together with the report of the Directors and the report of the Company's auditor thereon, were included in the annual report of the Company which was posted on 26 May 2009, to Shareholders registered on that date, but that the Company's 'solus' accounts for the full year ended 31 December 2008, were still with the Company's auditors. The Chairman reported it was anticipated that the auditor would be in a position to provide the 'solus' accounts together with its report thereon shortly and in any event, prior to the AGM.

The Chairman proposed that a further meeting of the Directors to approve the Company's 'solus' accounts and to authorise a Director to sign the accounts on behalf of the Directors be held upon the 'solus' accounts and auditor' report thereon becoming available. After discussion **IT WAS RESOLVED** that following such meeting, the Company should aim to publish its 'solus' accounts together with the report of the Directors and the report of the Company's auditor thereon, on the Company's website [www.ukrproduct.com](http://www.ukrproduct.com), prior to the AGM.

### **ON THE THIRD ITEM OF AGENDA:**

The Chairman presented a copy of a circular (the "**Circular**") relating to the AGM of the members of the Company to be held at 6pm on 26 June 2009 at the Company's offices at 39-41 Shota Rustaveli Street, 14<sup>th</sup> floor, 01033 Kyiv Ukraine, for the purposes of proposing certain ordinary and special resolutions of the Company (the "**Resolutions**"), in the form attached to and forming part of these minutes.

It was noted that notice of the AGM (the "**Notice**") was contained in the Circular. A form of proxy (the "**Proxy**") for the purposes of appointing a proxy at the AGM, was also presented to the meeting.

After full and careful consideration and each of the directors having declared that they intended to vote in favour of the Resolutions in respect of their beneficial shareholdings in the Company, being in aggregate 28,928,456 ordinary shares representing 67.6% per cent of the Company's issued ordinary shares, **IT WAS UNANIMOUSLY RESOLVED** that:

(a) the Circular, the Notice and the Proxy (together the "**Documents**") are in the best interests of the Company and be and are hereby approved, subject to such minor amendments, or corrections as may in the opinion of any director acting in good faith be necessary or expedient); and

(b) to recommend to the members that they vote in favour of the Resolutions (subject to such minor amendments, or corrections as may in the opinion of any director acting in good faith be necessary or expedient).

### **ON THE FOURTH ITEM OF AGENDA:**

**IT WAS UNANIMOUSLY RESOLVED** that:

(a) the Secretary be and is hereby instructed to sign the Notice and to submit the Documents (in each case subject to such minor amendments, or corrections as may in the opinion of any director acting in good faith be necessary or expedient) to the members of the Company on behalf of the Company; and

(b) subject to the members of the Company passing the Resolutions, the Secretary be and is hereby instructed to arrange for the filing of such of the Resolutions as are special resolutions.

### **ADDITIONAL RESOLUTION:**

**IT WAS FURTHER UNANIMOUSLY RESOLVED THAT** any of the directors and/or the Secretary (as applicable) be and are hereby authorised to execute and deliver any such documents and generally carry out all such acts and things as may be required or otherwise regarded by him or them as necessary or desirable in connection with any of the matters discussed at the meeting and all matters ancillary.

### **CLOSE OF MEETING:**

There being no further business, the Chairman declared the meeting closed.

Chairman of the meeting

Sergey Evlanchik

## RESOLUTIONS

Resolutions numbered 1 to 9 (inclusive) to be proposed as ordinary resolutions and resolution number 10 to be proposed as a special resolution of the Company:

1. **THAT** the consolidated accounts of the group for the year ended 31 December 2008, together with the report of the Directors and the report of the Company's auditor thereon, be and are hereby received by the Shareholders.
2. **THAT** the Company's accounts for the full year ended 31 December 2008, together with the report of the Directors and the report of the Company's auditor thereon, be and are hereby received by the Shareholders.
3. **THAT** a final dividend in respect of the year ended 31 December 2008, be and is hereby declared payable at the rate of 0.40 (nought point four) pence per Ordinary Share on 27 July 2009, to Shareholders registered when this resolution is passed.
4. **THAT** Jack Rowell, who retires in accordance with Article 17 of the Articles of Association of the Company and who, being eligible, offers himself for re-election in accordance with the said Article 17, be and is hereby re-elected as a Director of the Company.
5. **THAT** Sergey Evlanchik, who retires in accordance with Article 17 of the Articles of Association of the Company and who, being eligible, offers himself for re-election in accordance with the said Article 17, be and is hereby re-elected as a Director of the Company.
6. **THAT** Alexander Slipchuk, who retires in accordance with Article 17 of the Articles of Association of the Company and who, being eligible, offers himself for re-election in accordance with the said Article 17, be and is hereby re-elected as a Director of the Company.
7. **THAT** Roman Prannyuchuk, having been appointed by the Directors as an additional Director of the Company and who, being eligible, offers himself for election retires in accordance with Article 17 of the Articles of Association of the Company, be and is hereby elected as a Director of the Company.
8. **THAT** the appointment of BDO Stoy Hayward LLP as auditor of the Company to hold office until the conclusion of the next annual general meeting be and is hereby approved and that the Directors be and are hereby authorised to fix the auditor's remuneration.
9. **THAT** the Company be and is hereby authorised to hold as treasury shares, any shares which it purchases pursuant to the special resolution passed at the Extraordinary General Meeting of the Company held on 29 January 2009 (which authorised the Company to purchase up to 10,000,000 Ordinary Shares representing 20% of the Company's authorised Ordinary Share capital on the terms set out in the special resolution); and
10. **THAT** the articles of association of the Company be and are hereby amended as follows:
  - (a) the following additional sentence be and is hereby inserted at the end of Article 2(7):

*"Subject to the provisions of the Law and any rights attaching to existing shares, the Company may hold any shares purchased by it as treasury shares."*
  - (b) the following new article 2(8) be and is hereby inserted, immediately following article 2(7):

*"2(8) The Company may hold treasury shares in accordance with the Law."*;

(c) the existing article 13(1) be and is hereby deleted and replaced with the following new article 13(1):

*"13(1) An Annual General Meeting and any Extraordinary General Meetings (and including any general meeting for the passing of a special resolution) shall be called by not less than fourteen days' notice. The notice shall be exclusive of the day on which the notice is deemed to be served and the day for which notice is given and shall specify the place, the day and the hour of the meeting and the general nature of the business to be transacted and shall be given in the manner hereinafter mentioned or in such other manner (if any) as may be prescribed by the Company in a general meeting to such persons as are under the Articles entitled to receive such notices from the Company but the non-receipt of the notice by any such persons shall not invalidate the proceedings at any general meeting. With the consent of all the members for the time being entitled to be present and to vote at an Annual General Meeting such meeting may be convened on a shorter notice than fourteen days and in the case of any other general meeting with the consent of a majority in number of the members entitled to attend and vote thereat, such majority together holding not less than 95 per centum in nominal value of the shares which give the right to attend and vote thereat such meeting may be convened on a shorter notice than fourteen days."*;

(d) the word "*four*", presently appearing at article 21(1) be and is hereby deleted and replaced with the word "*three*";

(e) immediately following the word "*dividends*", appearing at article 25(1), the following provision be and is hereby inserted:

*"and may fix the time for payment of such dividend"*;

(f) the reference in article 25(3) to "*Article 114*", be and is hereby deleted and replaced with a reference to, "*Article 115*"; and

(g) that the following new article 25(13) be and is hereby inserted, immediately following article 25(12):

*"25(13) Notwithstanding any other provision of these Articles, but without prejudice to any rights attached to any shares, the Company in general meeting by ordinary resolution or the Directors may fix a date as the record date by reference to which a dividend will be declared or paid or a distribution, allotment or issue made, and that date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared. In the absence of a record date being fixed, entitlement to any dividend, distribution, allotment or issue shall be determined by reference to the date on which the dividend is declared or the distribution, allotment or issue is made."*