

Current report no. 23/2017

Prepared on: 2016-04-12

Subject: Repeal of the Decision of the Director of the Tax Control Office in Cracow issued against the Issuer's Subsidiary Company.

Legal basis: Article 17(1) of the Market Abuse Regulation – confidential information

Content of the report:

With reference to the information provided in current report: no 15/2017 of 03.03.2017 the Management Board of ACTION S.A. in restructuring (the Company, Issuer), hereby informs that today the Management Board received information about received by the liquidator of SFK Company in bankruptcy (Subsidiary Company of the Issuer) four decisions of the Director of the Tax Administration Chamber in Cracow, where the Director of the Tax Administration repeal Decisions of the Director of the Tax Control Office in Cracow Defining specifying tax liabilities and questioning the amount of tax deducted by the Company for the period from June 2015 to September 2015 in the total amount of 2 766 008,00 PLN. By repealing these decisions the indicated cases should be reconsidered. The appeal body as one of the reasons for the issued decision pointed out that there was no evidence of abuse of tax legislation resulting in a reduction in the State Treasury debt which is necessary to exclude the right to deduct the tax on goods and services.