

Current report no. 73/2017

Prepared on: 2017-10-05

Subject: Complement to the Management Board statement on the planned merger of Companies of ACTION Capital Group

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

Content of the report:

The Management Board of ACTION S.A. in restructuring (the Company, the Issuer) hereby informs, that in connection to current report no.67/2017 (which include Management Board statement on the planned merger of Companies of ACTION Capital Group) and with connection to the receiving of the information about issue by the Court Clerk on 29.09.2017 r. the decision of refusal of registration of merger of ACTION S.A. in restructuring with ACTINA Sp. z o.o., SFERIS Sp. z o.o., RETAILWORLD Sp. z o.o. and GRAM.PL Sp. z o.o., hereby the Management Board completes his statement in case of the merger regarding to the above mentioned Court decision.

The Management Board informs that, the refusal of of registration of merger was justified by the lack of a quorum resulting from the Article 506 §1 Commercial Companies Code in adoption of resolution in case of merger by the Extraordinary General Meeting of Shareholders of the Issuer on 06.09.2017. However in the Company's opinion due to that the Company is a Public Company (Stock Exchange Company), the above mentioned rule is modified, pursuant to Article 506 §2 Commercial Companies Code (the requirements indicated in this article requirements have been fulfilled). Furthermore in the justification of the aforementioned decision it was pointed out the need to draw up a report under Article 311 - 312¹ of the Commercial Companies Code in connection with art. 503¹§1 and 2 of the Commercial Companies Code and submit the report for the examination by the auditor.

Also in this case, the Company argues that the the above mentions rules of law have not been properly applied (in the absence of the conditions set out in Article 503 §1 of the Commercial Companies Code and in particular in connection to the fact that in the justification of the legally binding decision on the submission of the Merger Plan

The Court has clearly stated that the Merger Plan is not subject for the examination by the auditor under Article 516 §6 in conjunction with Article 516 §5, in conjunction with Article 502 §2 of the Commercial Companies Code.

Due to the fact that the merger of the Companies of ACTION Capital Group is also part of the Issuer's restructuring measures provided for in the approved restructuring plan, the Management Board of the Company will take appropriate steps to improve the course of this process.

The Issuer's Management Board also upholds its position regarding the merger of the companies expressed in Current Report No. 67/2017 dated 30.08.2017.

Legal basis: § 19 pint 3 of the Regulation of the Minister of Finance of 19 February 2009 regarding current and periodic information to be published by issuers of securities and conditions for recognizing as equivalent the information required by laws of non-EU member states (Journal of Laws of 2014 No. 133)