

**Current report no.** 34/2020

**Date prepared:** 18-08-2020

**Subject:** Correction of the current report No. 34/2020

**Legal basis:** Article 17 section 1 of the Market Abuse Regulation – confidential information

**Content:**

Management Board of ACTION S.A. under restructuring (the Company, the Issuer) corrects the current report no. 34/2020 of 18 th August 2020 due to an obvious mistake, the entire content was not included in the report 34/2020. Correct text of the report below:

With reference to the current report No. 24/2020 of 16 th June 2020, the Management Board of ACTION S.A. in restructuring (the Company, the Issuer) informs about the today's conclusion of Investment Agreement with MW ASSET MANAGEMENT S.A. with its seat in Krakow and its subsidiaries: MW MANAGEMENT AND CLAIMS Sp. z o.o. with headquarters in Kraków and CENTER ZOO Sp. z o.o. with its seat in Krakow and thus commencement of commercial and investment cooperation within the subsidiary ACTIVEBRAND Sp. z o.o.

As part of the above cooperation, the Issuer's subsidiary - ACTIVEBRAND Sp. z o.o. will conduct commercial activities in the industry of articles for animals, including in particular the [krakvet.pl](http://krakvet.pl) online store. Pursuant to the concluded agreement, the share capital of ACTIVEBRAND Sp. z o.o. was raised from the amount of 5 thousand PLN up to 50 000 thousand PLN. The company will hold 52% of shares and votes at the shareholders' meeting. The remaining 48% will be taken up by MW ASSET MANAGEMENT S.A. based in Krakow. In addition, the Company will acquire the intellectual property rights necessary to run the [krakvet.pl](http://krakvet.pl) online store and its own brands for PLN 405 thousand PLN. (payable in eight quarterly installments). The acquired intellectual property rights will be licensed to the subsidiary ACTIVEBRAND Sp. z o.o. The parties also agreed that the Company will support the described cooperation within [krakvet.pl](http://krakvet.pl) in the field of warehousing, logistics and delivery services. In turn, MW ASSET MANAGEMENT S.A. in the field of knowledge and experience in the industry of animal products and related services. After the lapse of the period of the said cooperation, agreed until 30/06/2023, the parties agreed on the rules for completing the investment by specifying the terms of purchase of shares in the share capital of ACTIVEBRAND Sp. z o.o. by each of the partners, including the repurchase price based on agreed parameters relating to the future financial results of ACTIVEBRAND Sp. z o.o.