

**Current report no.** 64/2021

**Date prepared:** 09-11-2021

**Subject:** Discontinuation of proceedings regarding the entry of mortgages of Group IV Creditors in the performance of the Arrangement

**Legal basis:** Art. 17 sec. 1 - MAR confidential information

**Content:**

The Management Board of ACTION S.A. (the Company, the Issuer) with reference to the current report No. 4/2021 of January 22, 2021, No. 26/2021 of April 8, 2021 and No. 61/2021 of September 23, 2021, informs that the Issuer received information yesterday on the issuing by the District Court in Piaseczno of the decision of October 25, 2021 on discontinuation of the proceedings on the entry of joint mortgages with equal priority rights, previously established - in the notarial declaration of the Company of January 22, 2021 - for the benefit of ten creditors from Group IV Of the Agreement, in section IV of the land and mortgage registers kept for the Company's real estate, number: WA5M / 00356713/3 (real estate located in Zamienie), WA5M / 00433184/9 (real estate located in Zgorzala). The total amount of the mortgages covered by the above decision is 122 703 thousand PLN.

In accordance with point 1.5. (ii) of the arrangement, the above mortgages were established to secure the performance of the arrangement for the period (with respect to Creditors belonging to Group IV) until the date of payment by the Company to all Creditors belonging to Group IV of the Cash Repayment (as defined in point 2.4. of the arrangement) . After the payment of the Cash Repayment is made and as a result of such repayment, the claims of the Group IV creditors expire, the Mortgages established in favor of these Creditors will also expire.

The Company made the Cash Repayment (within the meaning of point 2.4. Of the Agreement) on January 29, 2021. Therefore, the procedure regarding the entry of the above mortgages has become redundant. The decision constituting the basis for the discontinuation of the proceedings is not yet legally binding