

Current Report No. 3/2022

Date: 2022-01-31

Re: Revocation of the decision determining the income tax liability

Legal basis: Article 17(1) MAR – disclosure requirements

Content of the Report:

With reference to the Current Report No. 6/2021 dated 11th February 2021, the Management Board of ACTION S.A. (hereinafter: “the Company”, or “the Issuer”) hereby informs that as of yesterday, *i.e.* on 30th January 2022, the Issuer became aware that on the same day the Company’s legal representative has been served with a decision issued by the Director of the Revenue Administration Chamber in Warsaw dated 28th January 2022, pursuant to which:

- the decision issued by the Head of the Masovian Voivodeship Tax and Customs Office in Warsaw dated 3rd February 2021 determining the Company’s corporate income tax liability for the tax year from 1st August 2008 to 31st December 2009 as amounting to 14,533,000 PLN, was revoked in its entirety;
- the Company’s liability was determined anew as amounting to 9,048,000 PLN (instead of the earlier declared amount of 8,694,000 PLN).

In the light of the above, the remaining liability resulting from the abovementioned decision of the Director of the Revenue Administration Chamber in Warsaw is equal to 354,000 PLN.

As reported by the Issuer in the previously mentioned Current Report, the Head of the Masovian Voivodeship Tax and Customs Office in Warsaw had questioned the correctness of the method of recognising the revenue and expenses reported by the Company as a result of purchase and sale transactions entered into by the Issuer. The Director of the Revenue Administration Chamber in Warsaw found the majority of objections lodged by the Company in the appeal against the initial decision justified. Accordingly, the Director of the Revenue Administration Chamber in Warsaw overturned the first instance decision and determined the Company’s corporate income tax liability anew in the manner indicated above.

The Company notes that due to the tax point date, the remaining tax liability falls within the scope of the arrangement concluded in the restructuring proceedings. Due to the fact that the decision issued on 28th January 2022 by the Director of the Revenue Administration Chamber in Warsaw is final, the abovementioned tax debt will be paid in accordance with and under conditions of the arrangement legally approved in the restructuring proceedings (sanative proceedings).