

Current Report No.: 15/2024

Release date: 15/02/2024

Subject: Commencement of commercial and investment cooperation within the company PDS CARE Sp. z o.o. and acquisition of majority shareholding in this company.

Legal basis: Art. 17 sec. 1 – MAR confidential information

Text of the report:

The Management Board of ACTION S.A. (the Company, Issuer), referring to the current report no. 90/2023 of October 4, 2023, announces the signing of an investment agreement today, under which the Company has acquired shares in the share capital of another entity and agreed on the terms of commercial and investment cooperation within a new sales segment, namely medical and rehabilitation articles with particular emphasis on the needs of elderly people. According to the aforementioned agreement, the Issuer acquired shares constituting a total of 60% of the share capital and the same number of votes at the shareholders' meeting of PDS CARE Sp. z o.o. with its registered office in Łódź (KRS no. 0000865229 – hereinafter: "PDS"), simultaneously obtaining a dominant position in this entity. Furthermore, as part of the arrangements included in the aforementioned agreement, the Company has defined the conditions for acquiring shares in the share capital of PDS in the years 2025 and 2026 (constituting together a further 40% share in the share capital and the same number of votes at the PDS general meeting), as well as the principles of economic cooperation within PDS. In the latter scope, the Parties agreed that the Issuer will support the described cooperation within warehouse, logistics and delivery services. In turn, entities previously and currently associated with PDS will provide their support in terms of industry knowledge and experience.

The total value of the transaction described above (including the current and possible future acquisition of PDS shares) constitutes 0.75% of the total assets of the Company. The transaction was financed from the Company's own funds.

PDS carries out the business activities in the scope of trade in medical and rehabilitation articles, with particular emphasis on the needs of elderly people, including through the online stores *PomoceDlaSeniora.pl* and *medsenio.pl*, as well as a brick-and-mortar store. PDS's annual revenues from the sale of products and services have not exceeded the equivalent of 10 million euros so far.

In the Company's assessment, the described transaction will allow to expand and diversify the product range and strengthen the B2C segment in the sales structure of the Company and the ACTION S.A. Capital Group, as well as increase the share of high-margin products in the Issuer's portfolio, which is in line with the long-term assumptions of the Issuer and its well-established commercial policy.

The Management Board of the Company decided to publish the above information due to its impact on the development of the strategic directions of the Issuer and the ACTION S.A. Capital Group.