

Current Report No. 23/2015

(Tuesday, 6 October 2015)

Legal basis: Art. 56.1.2 of the Act on Public offering – current and periodical disclosure

Conclusion of a material agreement

The Management Board of AB S.A. with its registered office in Wrocław (“Issuer”), pursuant to Art. 5.1.3 of the Regulation of the Minister of Finance of 19 February 2009 on current and periodical disclosure of information by issuers of securities and conditions to recognise as equivalent the information that is required by the law in non-member states (consolidated text, Journal of Laws of 2014, item 133), informs that on 5 October 2015 the Issuer received a signed loan agreement (Agreement) of 23 September 2015 between AT Computers Holding a.s. with its registered office in Ostrava (Borrower) and the Issuer.

Pursuant to the Loan Agreement, the Issuer as the sole shareholder of the Borrower granted the Borrower a loan for the development of business activity in the Czech Republic which is carried out by the Borrower through its subsidiary company. The loan may be used by the Borrower in particular to grant loans to its subsidiary companies that pursue commercial business.

The loan was granted for CZK 448,143,405.90 (in words: CZK four hundred forty eight million one hundred forty three thousand four hundred five and 90/100) for the period by 27 July 2020. The Borrower is not entitled to pre-pay the loan.

The loan earns interest at a fixed interest rate in CZK.

To secure its receivables under the Agreement, a registered pledge was established on inventories from specific suppliers, owned by AT Computers a.s. or mortgage on a property owned by AT Computers a.s., located in Ostrava. The details concerning the collateral will be agreed in a separate agreement to be concluded by 30 November 2015 and the collateral will be established by 31 December 2015.

Other provisions do not differ from standard provisions used in agreements of this type.

In order to mitigate FX risk and interest rate risk resulting from the Agreement at the consolidated level of the AB Group, the Issuer entered with BZ WBK S.A. with its registered office in Wrocław into a Cross-Currency Interest Rate Swap (CIRS), commencing on 28 August 2015 and ending on 28 July 2020, of which the Issuer

informed in its Current Report No. 17/2015.

The criterion used to determine whether the agreement is material is the value of the loan granted exceeding the equivalent of 10% of the Issuer's equity capital.