

CURRENT REPORT No. 40/2017

Date of Report:

26 June 2017

Re:

Signing an Annex No. 1 to the Credit Agreement

Update:

The Management Board of Emperia Holding S.A. ("Company"), based in Warsaw, announces that on 26 June 2017 was signed Annex 1 to the Credit Agreement of 27 April 2017, which was described in Current Report No. 31/2017

In connection with Emperia's intention to provide collateral for a tax liability to the relevant tax authority, as referred to in art. 33d § 2 point 1) of the act of 29 August 1997 - Tax Ordinance, in order to suspend performance of this tax authority's final decision concerning a tax liability in connection with an appeal lodged with the administrative court (if the appeals authority upholds the tax authority's decision), the Banks agreed to extend a guarantee line for the Company on terms specified in Annex 1 to the Credit Agreement.

Annex 1 to the Credit Agreement of 27 April 2017 was signed on 26 June 2017 between the following companies: ELPRO Development S.A., Stokrotka sp. z o.o., Emperia Holding S.A. and banks: mBank S.A., Bank Polska Kasa Opieki S.A., PKO Bank Polski S.A. and Bank BGŻ BNP Paribas S.A., pursuant to which the above lenders will extend a guarantee line to Emperia Holding S.A. under which bank guarantees for a total amount of PLN 202 million will be issued at Emperia Holding S.A.'s request for the benefit of the State Treasury, represented by the Head of the 2nd Mazowieckie Tax Office in Warsaw, as collateral for Emperia Holding S.A.'s tax liability concerning corporate income tax for 2011, and Stokrotka Sp. z o.o. will accede to the debt related to these guarantees for a maximum amount of PLN 15 million, jointly and severally with Elpro Development S.A., which will accede to the debt related to these guarantees for a maximum amount of PLN 240 million.

The Company's maximum own contribution to the guarantee lines will be PLN 54 million. The maximum term of validity for these guarantees will be 12 months from the date of issue. Fees for the guarantees will be in the form of an origination commission.

Annex 1 to the Credit Agreement was executed on market terms. The other provisions, including provisions related to penalties, do not differ from provisions commonly applied in this type of agreement.

The criterion for recognizing assets as of significant value is their value, and importance for the Issuer.

Legal Basis:

Art. 17 (1) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse.