

Current report no 21/2009

Date of report: 2009-07-17

The Issuer's abbreviated name: POLREST S.A.

Subject: The contract of sale of an organized part of enterprise

The legal basis: Art. 56 subparagraph 1 item 2 of the Tender Act – current and interim information.

Content of the report:

Acting pursuant to paragraph 5 subparagraph 1 item 3 of the Ordinance of the Minister of Finance dated February 19, 2009 on current and interim information to be published by issuers of securities (...), the Board of Directors of the company under the business name of PolRest S.A. having its registered office in Krakow informs that on this day a conditional contract of sale of an organized part of enterprise was entered into with a partnership (Buyer).

The contract has been concluded on terms and conditions as follows:

- (1) the object of sale is an organized set of tangible and intangible assets meant for running an economic activity which involves a sale of catering services, which constitute an organized part of an enterprise in the form of five premium restaurants, at present run by the Issuer.
- (2) The Issuer's Board of Directors considers the following conditions set forth below as substantial:
 - a) suspensory condition clause.

In consideration of the provision contained in art. 17 par. 1 of the Commercial Companies Code in connection with art. 393 subparagraph 3 of the Commercial Companies Code, the parties hereto have entered into the above-referred contract of sale of an organized part of enterprise subject to a condition that a due consent shall be granted by the Extraordinary General Meeting of Shareholders of PolRest S.A. having its registered office in Krakow, which was convened by the Issuer's Board of Directors on August 1, 2009. Should the above-mentioned consent be rejected, the Buyer has made a due declaration, incorporated in the contract, of waiver of claims to which he might be entitled in law towards the Issuer.

- b) Seller's obligation to conclude tripartite agreements with the Seller, the Buyer and the Parties to any contracts concluded in connection with running by the Seller an organized part of enterprise which constitutes an object of a contract of sale, or to obtain from the aforesaid contractors unilateral written declarations of consent to the Buyer's conditional assumption of rights and duties arising from such contracts;
- c) obligation of the parties to undertake mutual close cooperation for the purpose of obtaining in favour of the Buyer (transfer) any and all required by law and currently owned by the Seller administrative decisions, licences, permits or other documents issued by the state administration authorities, self-governments, legal entities or physical persons, necessary or expedient pursuant to the law in force to continue by the Buyer an activity of an organized part of enterprise which constitutes an object of the present contract in the scope corresponding to that exercised by the Seller as of the day of conclusion hereof;

- d) reservation of the Buyer's right to partial withdrawal from the contract of sale of an organized part of enterprise in the event of, despite the due diligence exercised by the Buyer, inability to obtain by the Buyer any of the documents which enable to carry on a business activity in any of the premises/restaurants constituting a part of an organized enterprise mentioned herewith, in the manner or in the scope corresponding to that of the Seller's. The Buyer shall have the right to withdraw from the contract due to the foregoing reasons throughout the duration of six months from the day of conclusion of the contract.
- e) The value of the contract is estimated at the amount of 5.000.000 PLN (say: five million Polish zlotys). The payment of the sales price shall be effected in three installments. The Seller reserves the right to terminate the contract of sale of an organized part of enterprise in case of the default by the Buyer to effect payment of any of the installments of the sales price or any part thereof in due time. Furthermore, the parties hereby agree that in the event of exercise by the Seller of the right to terminate the contract herewith, the Buyer is obliged to pay the Seller emoluments by reason of use of the object of the contract or a part thereof throughout the period starting with coming into possession by the Buyer of the object of the contract or the part thereof in the form of any of the restaurants until taking over by the Seller of the said object of the contract or the part thereof. The emoluments shall equal the total of installments paid to the Seller by the Buyer in respect of the sales price until the termination of the contract by the Seller plus the amount of 100.000,00PLN (say: one hundred thousand Polish zlotys) per each started month of use by the Buyer of an enterprise which constitutes the object hereof or any part thereof in the form of any of the restaurants. The contract is deemed to fulfill the criterion which makes it eligible to be considered as significant since the value of the contract exceeds 10% of the Issuer's equity.