

Current report no 22/2009

Date of report: 2009-07-17

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

Subject: Contracts related to acquisition of treasury shares

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, by way of implementing the Board of Directors' resolution no. 1/VII/2009 dated July 16, 2009 on acquisition of treasury shares adopted based on the resolution of the Ordinary General Assembly of PolRest S.A. no. 22/2009 dated June 19, 2009 which empowers the Board of Directors to purchase treasury shares according to the procedure referred to in art. 362 par. 1 item 8 of the Commercial Companies Code and commits the aforementioned Board to undertake any and all factual and legal transactions necessary or expedient to acquire such treasury shares, concluded with a dominant shareholder, that is the company under the business name of DRAMOLTON LIMITED, limited partnership-joint stock company seated in Krakow a contract of obligation to sell the shares and a preliminary contract of sale of shares.

The contract of obligation to sell the shares has been concluded on the following terms and conditions:

- 1) the object of the contract of obligation to sell constitutes:
 - a) 1.000.000 (say: one million) shares, issued by the company under the business name of PolRest S.A. having its registered office in Krakow, corporate address: (31-031) Kraków, ul. Berka Joselewicza 21/2, incorporated in the Trade Register under number 0000138155 by the District Court for Kraków-Down-Town in Kraków, 11th Economic Division of the National Court Registry, being registered, A series shares, of par value of 0,10 PLN each (say: zero zlotys 10/100) privileged voting shares where one share means two votes at the Meeting of Shareholders, bearing the numbers from 0000001 to 1.000.000.
 - b) 250.000 shares, issued by the company under the business name of PolRest S.A. having its registered office in Krakow, corporate address: (31-031) Kraków, ul. Berka Joselewicza 21/2, incorporated in the Trade Register under number 0000138155 by the District Court for Kraków-Down-Town in Kraków, 11th Economic Division of the National Court Registry, of B series, of par value of 0,10 PLN each (say: zero zlotys 10/100), common shares payable to bearer, dematerialized, identified with ISIN PLPREST00012 code, quoted on the securities account no. 01053531 maintained by the Penetrator S.A. Stock-Brokers House seated in Krakow.
- 2) Among the substantial conditions of the above-referred contract the Issuer's Board of Directors considers the following:

- a) reservation by the parties that the sale of shares shall take place outside the controlled market, through the medium of Penetrator S.A. Stock-Brokers House seated in Krakow.
 - b) date of conclusion of a contract of transfer of financial instruments is bound to take place on July 20, 2009;
 - c) sales price of shares which constitute an object of the contract hereof is fixed for the total amount of 10.375.000 PLN (say: ten million three hundred seventy five thousand Polish zlotys).
 - d) payment of the sales price in respect of shares which shall constitute an object of the contract of transfer of financial instruments through the medium of Penetrator S.A. Stock-Brokers House shall be effected within 30 (thirty) days as of the day of conclusion of the aforesaid contract of transfer of financial instruments, by means of payment of monies to the bank account of the Party Liable to Sell.
 - e) acquisition of title to shares is bound to take place on the date of clearance of a transaction covered by the contract of transfer of financial instruments through the medium of Penetrator S.A. Stock-Brokers House and the issue to the Buyer of a multiple A series share certificate.
 - f) designation of July 20, 2009 as the date of clearance of a transaction covered by the contract of transfer of financial instruments through the medium of Penetrator S.A. Stock-brokers House.
- 3) The aim of acquisition of shares has been specified in the resolution of the Company's Board of Directors No. 1/VII/2009 dated July 16, 2009 and it serves the purpose of further resale or exchange for other assets.
 - 4) The par value of acquired shares amounts to 125.000 PLN which constitutes 20% of the capital stock of the Company.
 - 5) Ownership of shares to be acquired entails the right to 31,03% of votes at the General Assembly.
 - 6) The total number of the owned Issuer's shares amounts to 1.250.000 items of shares, which entail the right to 2.250.000 of votes at the General Assembly.

The subsequent contract, that is the preliminary contract of sale of shares has been concluded on terms and conditions set forth below:

- 1) the object of the contract constitutes 940.056 (say: nine hundred forty thousand fifty six) shares issued by the company under the business name of PolRest S.A. having its registered office in Krakow, corporate address: (31-031) Kraków, ul. Berka Joselewicza 21/2, incorporated in the Trade Register under number 0000138155 by the District Court for Kraków-Down-Town in Kraków, 11th Economic Division of the National Court Registry, being registered, B series shares, of par value of 0,10 PLN each (say: zero zlotys 10/100), common shares payable to bearer, dematerialized, identified with ISIN PLPREST00012 code, quoted on the securities account no. 01053531 of the Party Liable to Sell, maintained by the Penetrator S.A. Stock-Brokers House seated in Krakow.
- 2) The aim of acquisition of shares has been specified in the resolution of the Company's Board of Directors No. 1/VII/2009 dated July 16, 2009 and it serves the purpose of further resale or exchange for other assets.

- 3) The par value of shares to be purchased in case of conclusion of the promised contract amounts to 94.005,60 PLN (say: ninety four thousand five Polish zlotys 60/100) which corresponds to 15,04% of the capital stock of the Company.
- 4) Ownership of shares to be acquired in the event of conclusion of the promised contract entails the right to 15,04% of votes at the General Assembly.
- 5) The total number of the Issuer's shares to be purchased in case of conclusion of the promised contract amounts to 940.056 shares which entail the right to 940.056 of votes at the General Assembly.
- 6) Among the substantial conditions of the above-referred contract the Issuer's Board of Directors also considers the following:
 - a) stipulation by the parties that the sale of shares shall take place outside the controlled market,
 - b) date of conclusion of the promised contract is bound to take place at the time, place and hour determined by the Party Liable to Buy, not later, however, than on July 5, 2010.
 - c) sales price of shares which constitute an object of the contract hereof is fixed for the total amount of 75.000,00 PLN (say: seventy five thousand Polish zlotys).
 - d) in the event of conclusion of the promised contract of sale, the payment of sales price shall be effected within 7 (seven) days as of the day of conclusion of the aforesaid contract, by means of payment of monies to the bank account of the Party Liable to Sell.
 - e) in case of conclusion of the promised contract of sale, ownership of shares in question shall be transferred onto the Party Liable to Buy upon having made a relevant record on the securities account of the aforementioned Party, which is to be added up following the order of shares' sale covered by the promised contract, which is expected to take place on the same day as conclusion of the promised contract.
 - f) designation of the day of conclusion of the promised contract as the date of clearance of a transaction covered by the promised contract of sale.
 - g) any and all rights and obligations of the Party Liable to Buy arising from the above-mentioned preliminary contract may be assigned without the consent of the Party Liable to Sell on any third party appointed by the Party Liable to Buy, and such third party shall be deemed to be any physical person or any civil partnership as well as commercial company within the meaning of the provisions of the Commercial Companies Code.
 - h) should the actual state or regulatory environment of shares hereof as described in the preliminary contract of sale change until such time when, at the latest, the promised contract of sale should be concluded due to any actions, omissions or negligence of the Party Liable to Sell, the aforementioned Party shall pay the Party Liable to Buy a contractual indemnity at the amount of 10.000.000,00 PLN (say: ten million Polish zlotys), and shall waive any claims in respect of reduction of the contractual penalty referred to in par. 484 subparagraph 2 of the Civil Code.