

MANAGEMENT BOARD REPORT JUSTIFYING THE TRANSFER

28 July 2017

AmRest

1 Background

- 1.1. This report has been prepared by the management board (the "**Management Board**") of AmRest Holdings SE ("**AmRest**" or the "**Company**") pursuant to Article 8(3) of Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European Company (the "**SE Regulation**") in connection with the proposed transfer of the registered office of the Company from Poland to Spain (respectively, the "**Transfer**" and the "**Transfer Report**").
- 1.2. The purpose of the Transfer Report is to explain and justify the legal and economic aspects of the proposed transfer of the Company's registered office and to explain the implications of the Transfer on shareholders, creditors and employees.

2 Legal aspects of the Transfer

- 2.1. According to Article 10 of the SE Regulation, subject to the provisions of the SE Regulation, a *Societas Europaea* ("**SE**") is treated in the same way as a public limited company formed in accordance with the laws of the Member State in which it has its registered office. Prior to the Transfer, the Company is subject to Polish law and to the SE Regulation (the SE Regulation being directly applicable in all European Economic Area countries).
- 2.2. Under Article 8 of the SE Regulation, the registered office of a SE may be transferred to another Member State in accordance with that Article and such transfer shall not result in the winding up of the SE or in the creation of a new legal person.
- 2.3. The Transfer does not impact the current Company's listing on the Warsaw Stock Exchange S.A. Furthermore, the Company considers seeking dual listing on another stock exchange in Western Europe.

3 Economic aspects of the Transfer

- 3.1. The Management Board has given due and careful consideration to the proposal that the registered office of the Company be transferred from Poland to another appropriate jurisdiction in the European Economic Area pursuant to Article 8 of the SE Regulation.
- 3.2. The Transfer will establish new registered office for the Company in Spain, which is currently the second biggest market of the group. Furthermore the Company plans to expand its business in the Western Europe, which would become an important market in which significant part of its portfolio companies will operate.
- 3.3. Transfer to Spain and listing on a stock exchange located in Western Europe will cause the Company's shares to be traded in Euro, a strong and well-recognized currency in the international financial markets, which should be in the benefit of the Company, opening new financing opportunities, getting greater accessibility to the international capital markets, gaining brand recognition and publicity.
- 3.4. Additional listing (if the Company were to proceed with such a listing) would enhance the profile of the Company, provide access to deeper pools of capital, improve access to a wider range of international investors and improve the liquidity of dealings in its shares.

- 3.5. Following the Transfer, the Company will become tax resident in Spain. The Management Board believes that the transfer of the tax residency of the Company to Spain will not have any material effect from a tax perspective for the Company.
- 3.6. Likewise, the Transfer shall have no impact on the activities and the business the Company already conducts in Poland.
- 3.7. For the aforementioned reasons, the Management Board believes the Transfer and the establishment of new registered office in Spain is a logical next step in the development of the Company.

4 Implications of the Transfer for Shareholders

- 4.1. Prior to the Transfer, the Company is subject to Polish law and to the SE Regulation. Following the Transfer, the Company will continue in existence as a SE with its registered office in Spain, becoming subject to Spanish corporate law in all respects, as if it were a *sociedad anónima* incorporated under Spanish law. It will also continue to be subject to the SE Regulation.
- 4.2. The Transfer will not impact the Company's listing on the Warsaw Stock Exchange. In addition, the share capital of the Company will not be affected as a consequence of the Transfer.
- 4.3. As part of the Transfer, it is proposed that the Company's current statute (the "**Current Statute**") be replaced by new statute (the "**New Statute**"), with such substitution to take effect upon the Transfer becoming effective. The adoption of the New Statute is required to reflect the Company's new registered office being in Spain and to meet the relevant requirements of Spanish law which will apply to the Company following the Transfer. As a SE, the Company will also continue to be subject to the SE Regulation. A copy of the New Statute is set out in Appendix the Transfer Proposal.
- 4.4. Shareholders should consult their own tax advisers for advice in respect of any tax consequences for them as a result of the Transfer.

5 Implications of the Transfer for employees

The Company has no employees. Employees within the Company's group will not be affected as a result of the Transfer.

6 Implications of the Transfer for creditors

- 6.1. The Company is a holding company. Therefore, the Transfer is not expected to have a material effect on the Company's creditors, although the Company will be governed by Spanish Law, rather than Polish law, following completion of the Transfer and therefore, for example, the Spanish insolvency law and procedure will apply to the Company.
- 6.2. The Transfer will not affect and will not require any amendments to be made to the terms and conditions of the Bonds issued by the Company as well as German Law governed *Schuldscheindarlehen*.
- 6.3. In order to protect the interests of its creditors:
 - 6.3.1. the Company will submit a copy of the Transfer Proposal to the National Court Register. The National Court Register will disclose information on filing the Transfer Proposal in the register of entrepreneurs. The Transfer Proposal was published in *Monitor Sądowy i Gospodarczy*. It will be also available on the Company's website;

- 6.3.2. in accordance with Article 8(4) of the SE Regulation, creditors of the Company are entitled to examine the Transfer Proposal and this Transfer Report at the Company's registered office in Wrocław, Plac Grunwaldzki 25-27, 50-365 Wrocław, Polska and, on request, to obtain copies of the Transfer Proposal and this Transfer Report, at least one month before the Extraordinary General Meeting called in order to approve the Transfer; and
- 6.3.3. creditors of the Company, whose claims existed before the publication of the resolution of the Extraordinary General Meeting approving the Transfer (the "**Resolution**") may, within a month from publication of the Resolution in *Monitor Sądowy i Gospodarczy*, request to have their claims secured or satisfied if they submit these claims within that deadline and substantiate that satisfaction of their claims is threatened by the Transfer. The Extraordinary General Meeting is expected to be held at 5 October 2017. Notice of the Extraordinary General Meeting will be published by the Company in a current report.

Wrocław, 28 July 2017

Management Board of AmRest:
