

Current Report No. 8/2015

Date: 14 April 2015

Signing of significant agreements

The Management Board of MLP GROUP S.A. ("Company") hereby reports that on 13 April 2015 loan agreements ("Agreements") were signed between MLP Lublin Spółka z ograniczoną odpowiedzialnością with its registered office in Pruszków ("Borrower"), a subsidiary of the Company, and Bank Powszechna Kasa Oszczędności Bank Polski S.A. with its registered office in Warsaw ("Bank").

In accordance with the provisions of the Agreements, the Bank granted the following loans to the Borrower:

1. Investment loan in a convertible currency for the total amount not exceeding the lower of the following amounts: (i) EUR 14,465,918.00 (fourteen million four hundred sixty-five thousand nine hundred eighteen euros); (ii) 75% (seventy-five percent) of the net value of the construction project being executed by the Borrower (as defined below) ("**Loan I**"), bearing interest based on EURIBOR 3M plus the margin specified in the loan agreement, payable in monthly interest periods. The loan is granted for a period from the date of the loan agreement to the date falling 180 months after the date of the loan agreement but not later than 30 June 2030.

Loan I is secured by the following instruments:

- 1) Borrower's blank promissory note with a promissory note declaration.
- 2) Clause permitting the charging of receivables to the Borrower's accounts kept by the Bank.
- 3) Mortgage up to EUR 25,502,396.00 on the Borrower's right of ownership of the Real Property ("**Real Property**") to secure the repayment of the following receivables of PKO BP SA:
 - 3.1) principal under the agreements listed below,
 - 3.2) interest in the form of:
 - a) contractual interest on the principal used,
 - b) contractual/statutory interest on overdue debt arising from the principal or interest debt,
 - 3.3) commissions and fees arising from the agreements listed below,
 - 3.4) awarded costs of litigation or enforcement associated with the pursuit of claims under the established mortgage,
 - 3.5) side benefits in the form of claims for the repair of damage resulting from non-performance or improper performance of obligations arising from the banking activities listed below or a banking operation to secure their repayment arising from:
 - I. investment loan agreement in a convertible currency up to the amount of EUR 15,430,312.00 entered into with the Borrower,
 - II. revolving working capital loan agreement in the Polish currency to finance current liabilities associated with the payment of VAT and the VAT refund payable to the Borrower in the amount of PLN 3,000,000.00, entered into with the Borrower,
 - III. IRS treasury transactions executed on the basis of the agreement for cooperation in the financial market of 22 January 2013, as amended, entered into with the Borrower.
- 4) Assignment of a cash receivable under the insurance agreement for the Real Property during its construction and after its completion (throughout the loan period).
- 5) Registered pledge on all shares in MLP Lublin Sp. z o.o. and the Borrower's undertaking to make the subscription for or acquisition of future shares in MLP Lublin Sp. z o.o. contingent on the consent of the buyer to encumber the shares with a registered pledge in favor of the Bank.
- 6) Assignment of cash receivables from the lease agreements in the Real Property entered into with ABM Greiffenberger Polska Sp. z o.o. and all subsequent executed lease agreements.

- 7) Assignment of cash receivables from guarantees issued in favor of the Borrower to secure the lease agreements in the Real Property.
- 8) Civil law surety for the full amount of the loan granted by MLP Group S.A. with its registered office in Pruszków, valid until the entry of the above mortgage becomes final non-appealable.
- 9) Assignment of cash receivables from the management agreement entered into with MLP Group S.A. or another entity.
- 10) Financial pledge on the Borrower's accounts kept by the Bank.
- 11) Registered pledge on the Borrower's accounts kept by the Bank.
- 12) Assignment of receivables from the rights to the contract(s) entered into with the general contractor and assignment of cash receivables under the proper performance guarantees.
- 13) Payment to the Bank's account (deposit) of cash to secure the repayment of the loan (DSRA).
- 14) Assignment cash receivables from the insurance policy covering a loss of gross profit by the Borrower; the policy will be for a sum insured not lower than the projected gross profit in the next 12 months resulting from the executed lease agreements.
- 15) Agreement to provide support to MLP Lublin Sp. z o.o. by MLP Group S.A. in the event of exceeding the construction project costs of Stage I and Stage II. The agreement to provide support by MLP Group S.A. to Stage I will be in force until the date on which the decision to permit the use of Stage I becomes final and until the issue by an Independent Technical Advisor ("ITA") of the final report for the Stage, containing confirmation, among others, of the financial settlement with the General Contractor. The agreement to provide support by MLP Group S.A. to the Phases under Stage II will be in force until the date on which the decision to permit the use of the last Phase under Stage II becomes final and until the issue by an ITA of the final report for the whole construction project (Project).

2. Revolving working capital loan in the Polish currency to finance current liabilities associated with the payment of VAT in the amount of PLN 3,000,000.00 (three million Polish zloty) ("Loan II"), the interest rate on which is based on the WIBOR 1M rate plus a margin specified in the loan agreement. The loan is granted for a period from the date of the Agreement to the date falling 30 months after the date of the Agreement but not later than 30 August 2017.

Loan II is secured by the following instruments:

- 1) Borrower's blank promissory note with a promissory note declaration,
- 2) clause, included in § 14 of Loan II, permitting the charging of receivables to the Borrower's bank accounts kept by PKO BP SA,
- 3) mortgage up to EUR 25,502,396 on the Borrower's right of ownership of the Real Property to secure the repayment of the following receivables of the Bank:
 - a) principal under the agreements listed below,
 - b) interest in the form of:
 - I. contractual interest on the principal used,
 - II. contractual/statutory interest on overdue debt arising from the principal or interest debt,
 - c) commissions and fees arising from the agreements listed below,
 - d) awarded costs of litigation or enforcement associated with the pursuit of claims under the established mortgage,
 - e) side benefits in the form of claims for the repair of damage resulting from non-performance or improper performance of obligations arising from the banking activities listed below or a banking operation to secure their repayment arising from:
 - I. investment loan agreement in a convertible currency up to the amount of EUR 14,256,915 entered into with the Borrower,

- II. revolving working capital loan agreement in the Polish currency to finance current liabilities associated with the payment of VAT and the VAT refund payable to the Borrower in the amount of PLN 3,000,000, entered into with the Borrower, and
 - III. IRS treasury transactions executed on the basis of the agreement for cooperation in the financial market of 26 May 2014 (as amended) entered into with the Borrower.
- 4) assignment of a cash receivable under the insurance agreement for the Real Property during its construction and after its completion (throughout the loan period).
 - 5) civil law surety for the full amount of the loan granted by MLP Group S.A. with its registered office in Pruszków, valid until the entry of the above mortgage becomes final non-appealable.

Loan I and Loan II are hereinafter collectively referred to as the “**Loans**”.

The Borrower will use the amounts obtained under the Loans to cover the financing and refinancing of the costs of construction of the warehousing and logistics center (“Construction Project”) on the real property owned by the Borrower, located in Lublin at ul. Erazma Plewińskiego, which covers plot no. 128/2 with an area of 10.5141 hectares, for which the District Court in Lublin keeps land and mortgage register no. LU1S/00012867/9 (“Real Property”) and the payment of related expenses.

On 13 April 2015, MLP Lublin Sp. z o.o., a subsidiary of MLP Group S.A., entered into an agreement with the Bank to establish a financial pledge and a registered pledge on the rights to the funds deposited in the bank accounts kept by the Bank – a PLN account and a EUR account. Based on this agreement, MLP Lublin Sp. z o.o. established a financial pledge on the receivables (rights to cash) of MLP Lublin from the agreement under which the said bank accounts are kept.

The pledge was established to secure the Bank’s receivables from the Loan I agreement. The highest amount of security for the pledge is EUR 19,220,479.43 (nineteen million two hundred twenty thousand four hundred seventy-nine euros and 43/100).

To the best knowledge of MLP Group S.A., there are no ties between, on the one side, MLP Group S.A. and the persons discharging managerial or supervisory functions in MLP Group S.A. and, on the other side, the Bank in favor of which the pledge was established and the persons managing it.

Together with the signing of the Loan I agreement and the Loan II agreement, the Company also provided a surety for the liabilities of MLP Lublin Sp. z o.o.:

- aa) on general terms on account of Loan I up to the amount of EUR 14,465,918.00 (fourteen million four hundred sixty-five thousand nine hundred eighteen euros) for the period until the date on which the entry of the mortgage becomes final non-appealable up to the amount of EUR 25,502,396.00 on the right of ownership of the Real Property held by **MLP Lublin sp. z o.o.**,
- bb) on general terms on account of Loan II up to the amount of PLN 3,000,000 (three million Polish zloty) for the period until the date on which the entry of the mortgage becomes final non-appealable up to the amount of EUR 25,502,396.00 on the right of ownership of the Real Property held by **MLP Lublin sp. z o.o.**,

The criterion for the recognition the Agreements as significant is the value of the Agreements exceeding 10% of MLP Group’s equity.

Legal basis:

§ 5 Section 1 Items 1, 3 and 7 of the Finance Minister’s Regulation of 19 February 2009 on Current and Periodic Information.