

Date of preparation: 21st August 2017

Abbreviated name of the issuer:

EUROCASH

Subject:

Conclusion of the Letter of Intent regarding to potential acquisition of MILA supermarket chain's controlling entities.

Legal basis:

Article 17. sec. 1 MAR – confidential information.

Report body:

Management Board of Eurocash S.A. with its registered office in Komorniki ("the issuer") announces that on 21st August 2017 Letter of Intent between: the issuer, Argus Retail Holding Limited (company under Cypriot law), non-public closed-end investment fund Elbrus with its registered office in Warsaw, Robert Załęski and Stanisław Sosnowski (seller) has been concluded on account of potential conclusion of the agreement of purchasing 100% of shares in the share capital of Domelius Limited (company under Cypriot law) with its headquarter in Nicosia ("the company") considered by the issuer, as well as taking over control on its subsidiary companies including: Mila Holding S.A. (previously Grupa 700 market-Detal spółka z o.o. S.K.A.), Mila S.A. (previously market-Detal spółka z ograniczoną odpowiedzialnością sp.j.), Investpol 700 Mila spółka jawna and "Koja-Mila spółka akcyjna" spółka jawna ("transaction").

In accordance with the provisions of the Letter of Intent seller grants the issuer an exclusive right to finalize transaction before the date of 8th September 2017 ("exclusivity period"). It means, that during exclusivity period seller cannot conduct any kind of negotiations regarding to described transaction with any other entity than the issuer.

The Letter of Intent expires with the earliest of the following dates: (i) expiration of exclusivity period, (ii) conclusion of the agreement of purchasing shares of the company that is not forming an obligation to divestiture the company.

Information about signing the Letter of Intent has been classified by the issuer as confidential, because of essential value of possible transaction and its importance for the issuer, especially in the context of issuer's activity development in retail sector, as well as standard of communication of acquisitions adopted by the issuer. In the result of potential transaction of purchasing shares of the company, the issuer is entitled to take control over Mila Supermarket chain. At the end of 2016 the Mila Supermarket chain was consisted of 188 outlets. Sales revenue reached 1,49 bln PLN, EBITDA reached 4,8 mln PLN.

Full name of the issuer: EUROCASH SA	Full name of the issuer: EUROCASH SA
Abbreviated name of the issuer: Retail trade	Abbreviated name of the issuer: Retail trade
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SIGNATURES OF THE COMPANY'S REPRESENTATIVES

Date	Full Name	Position	Signature
21st August 2017	Jacek Owczarek	Member of the Management Board	
21st August 2017	Rui Amaral	Member of the Management Board	