

**POLISH FINANCIAL SUPERVISORY AUTHORITY**

**Current Report No. 29 / 2020**

Date of preparation: 23<sup>rd</sup> October 2020

Abbreviated name of the issuer:

**EUROCASH**

Subject:

**Eurocash reduced the amount securing the payment of a possible VAT liability**

Legal basis:

Art. 17 par. 1 MAR – confidential information.

Report body:

With reference to the report No. 19/2017 informing about the study of VAT settlements by Eurocash in the years 2013-2017 and, inter alia, on making a payment of PLN 95 746 902 to the bank account of the First Wielkopolski Tax Office in Poznań as security for the payment of any VAT liability ("Security"). Management Board of Eurocash S.A. ("The Company") informs that the Company reduced the amount of the Security by the amount of PLN 34,956,694.00, which was assigned to the current tax liabilities of the Company.

The amount of the Security was estimated in 2017 as the maximum amount of the possible VAT arrears of the Company, assuming the worst-case scenario, i.e. unreliability of a very large number of the Company's contractors participating in the intra-Community supply of the Company's goods. At the moment, based on the analysis of tax inspection files and tax proceedings and the results of internal analyzes, the Company concluded that the Security is too high in relation to the amount of potential VAT arrears (if such arrears exist at all), as the information obtained shows that a significant part of the buyers, originally classified as a potential risk group, settled transactions with the Company correctly in another EU country, showing there intra-Community acquisitions of goods and accounted for the VAT due on this account.

Full name of the issuer:	EUROCASH S.A.
Abbreviated name of the issuer:	EUROCASH
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NIP (Taxpayer Identification Number):	779-19-06-082
REGON (Polish Official Business Registry):	631008941

**SIGNATURES OF THE COMPANY'S REPRESENTATIVES**

Date	Full Name	Position	Signature
23 <sup>rd</sup> October 2020	Jacek Owczarek	Member of the Management Board	
23 <sup>rd</sup> October 2020	Arnaldo Geurreiro	Member of the Management Board	