Issue of bonds under public offering

Legal basis:
Article 17(1) of the Market Abuse Regulation – Confidential Information

Report contents:
The Management Board of BEST S.A. with its registered office in Gdynia (Issuer, Company) hereby announces that today it has adopted Resolution No. 18/2017 on the issue of series R3 bonds (Bonds) by BEST S.A. and on the establishment of the final terms of bond issue. The Bonds will be issued under public offering with the following parameters:

- No more than 600,000 (six hundred thousand) bonds of a nominal value of PLN 100 (one hundred) each and of a total nominal value not exceeding PLN 60,000,000 (sixty million) will be issued;
- The Bonds will not be covered;
- The Bonds will be offered at the issue price, which depends on the date on which the investor subscribes for the Bonds and which is provided for particular subscription dates in the final terms of the Bond issue;
- The Bonds will bear interest at a variable interest rate, being the total of the WIBOR 3M rate and a 3.30% margin per annum;
- The interest will be payable in quarterly interest periods;
- The Bonds will be redeemed on 23 September 2021;
- The Bonds give the right to cash benefits only;
- The Bonds will be ordinary dematerialised bearer bonds.

The Issuer did not specify the issue purpose within the meaning of the provisions of the Bond Act of 15 January 2015 (Act). The net proceeds from the issue of Bonds will be used to finance expenditure related to the operating and investing activities of the Group entities, to refinance their debt or to make acquisitions. The planned results of these undertakings will be comparable with those of similar undertakings implemented by the Company to date.

As at 31 December 2016, the estimated value of liabilities incurred by the Issuer amounts to PLN 438,888 thousand, whereby PLN 425,114 thousand constitute financial liabilities. The Issuer has no past due liabilities. Until the complete redemption of the Bonds, the Issuer is planning further investments in receivable portfolios, which may be financed, in part or in whole, by bond issue or with bank loans. Over that time, the Issuer will continue to repay any debts from the prior issues of bonds on an ongoing basis.

The issue of Bonds is effected under the Act, the resolution of the Company’s Management Board, No. 59/2016 of 4 July 2016, on establishing by the Company of a public programme for the bond issue of a nominal value not exceeding PLN 200,000,000 (Programme), resolution No. 98/2016 of 14 September 2016 on approving the terms of the bond issue and the template of the final terms of the bond issue, resolution No. 18/2017 of 27 February 2017 on issuing series R3 bonds and establishing the final terms of the series R3 bond issue as well as on the basis of the following documents approved by the Polish Financial Supervision Authority: on 3 October 2016 the base issue prospectus, and on 11 January 2017 the addendum to the base issue prospectus, jointly constituting the base issue prospectus (Prospectus), prepared by the Company in connection with the Programme. The Prospectus has been published on the Issuer’s website — www.best.com.pl and additionally, for information purposes, on the website of Powszechna Kasa Oszczędności Banku Polskiego S.A. – Dom Maklerski PKO Banku Polskiego with its registered office in Warsaw (www.dm.pkobp.pl).
The final terms of the Bond issue, which constitute the detailed terms and conditions of the Bond offering within the meaning of Article 24 of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and on Public Companies, will be announced to the general public on the Issuer’s website – [www.best.com.pl](http://www.best.com.pl) and additionally, for information purposes, on the website of Powszechna Kasa Oszczędności Banku Polskiego S.A. – Dom Maklerski PKO Banku Polskiego with its registered office in Warsaw ([www.dm.pkobp.pl](http://www.dm.pkobp.pl)).

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**BEST S.A.**

(full name of the Issuer)

**BEST**

(abbreviated name of the Issuer)

Other finance (fin)

(sector according to the Warsaw Stock Exchange classification)

81-537

(postal code)

Gdynia

(city/town)

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8A

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(www)

585-00-11-412

Tax Identification Number (NIP)

190400344

Company Identification Number (REGON)

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**SIGNATURES OF THE COMPANY’S REPRESENTATIVES:**

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<thead>
<tr>
<th>Date</th>
<th>Full Name</th>
<th>Position / Function</th>
<th>Signature</th>
</tr>
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<tbody>
<tr>
<td>27 February 2017</td>
<td>Krzysztof Borusowski</td>
<td>President of the Management Board</td>
<td></td>
</tr>
<tr>
<td>27 February 2017</td>
<td>Marek Kucner</td>
<td>Vice-President of the Management Board</td>
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