Subject:
Issue of bonds by way of a public offering

Legal basis:
Article 17 section 1 MAR – inside information

Report contents:
The Management Board of BEST S.A., with its registered office in Gdynia (Issuer, Company), announces that today it adopted resolution no. 2/2017 on the issue of series R2 bonds (Bonds) by BEST S.A. and on establishing the final Bonds issue terms. The Bonds will be issued as part of a public offering with the following parameters:

- Up to 300,000 (three hundred thousand) Bonds will be issued with a nominal value of PLN 100 (one hundred zloty) each and a total nominal value of up to PLN 30,000,000 (thirty million zloty);
- The bonds will not be secured;
- The Bonds will be offered at an issue price depending on the day when an investor subscribes for the Bonds, and the issue price for each subscription day is specified in the final terms of the Bonds issue;
- The Bonds will carry a variable interest rate being the sum of WIBOR 3M and a margin of 3.30% per annum;
- Interest will be paid on a quarterly basis;
- The Bonds will be redeemed on 10 August 2021;
- The Bonds entitle the holder only to money considerations;
- The Bonds will be ordinary dematerialised bearer bonds.

The Issuer has not specified the purpose of the issue within the meaning of the Bonds Act of 15 January 2015 (Act). Net inflows from the Bonds issue will be earmarked for financing expenditures related to the operating and investing activities of the Group entities, for refinancing their debt or for acquisitions. The planned effects of such undertakings will be comparable with the effects of similar undertakings of the Company in the past.

As of 30 September 2016, the value of liabilities incurred by the Issuer amounted to PLN 384,117 thousand, of which financial liabilities amounted to PLN 375,490 thousand. The Issuer does not hold any overdue liabilities. By the time the Bonds are completely redeemed, the Issuer plans further investments in debt portfolios which may be fully or partially financed through the issue of bonds or with bank loans. During that period, the Issuer will continue to repay its liabilities under previous bond issues.

The Bonds are issued pursuant to the Act, resolutions of the Company’s Management Board no. 59/2016 of 4 July 2016 on the Company’s establishment of a public bonds issue programme with a nominal value of up to PLN 200,000,000 (Programme), no. 98/2016 of 14 September 2016 on approving the bonds issue terms and the model form of the final bonds issue terms, no. 2/2017 of 11 January 2017 on the issue of series R2 bonds and establishing the final terms of issue of series R2 bonds as well as based on a base issue prospectus and an addendum to the base issue prospectus, which were approved by the Polish Financial Supervision Authority on 3 October 2016 and 11 January 2017 respectively and which together represent a base prospectus (Prospectus) prepared by the Company in connection with the Programme. The Prospectus is available on the Issuer’s website (www.best.com.pl), and in addition, for information purposes, on the website of Powszechna Kasa Oszczędności Bank Polski S.A. Oddział – Dom Maklerski PKO Banku Polskiego, with its registered office in Warsaw (www.dm.pkobp.pl).
The final Bonds issue terms, which are the detailed terms of the Bonds 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 public on the Issuer’s website (www.best.com.pl), and in addition, for information purposes, on the website of Powszechna Kasa Oszczędności Bank Polski S.A. Oddział – Dom Maklerski PKO Banku Polskiego, with its registered office in Warsaw (www.dm.pkobp.pl).

**BEST S.A.**

(full name of the Issuer)

BEST

(abbreviated name of the Issuer)

Other finance

(sector as per WSE classification)

81-537

(postal code)

Gdynia

(city/town)

Łużycka

(street)

8A

(number)

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(www)

585-00-11-412

Tax ID (NIP)

190400344

Statistical Number (REGON)

**SIGNATURES OF THE PERSONS REPRESENTING THE COMPANY:**

<table>
<thead>
<tr>
<th>Date</th>
<th>Name</th>
<th>Position/Function</th>
<th>Signature</th>
</tr>
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<tbody>
<tr>
<td>11.01.2017</td>
<td>Krzysztof Borusowski</td>
<td>President of the Management Board</td>
<td></td>
</tr>
<tr>
<td>11.01.2017</td>
<td>Marek Kucner</td>
<td>Vice-President of the Management Board</td>
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