

Current Report No.: 40/ 2013
Date: 2013-12-24



Conclusion of a material agreement

The Management Board of LPP SA informs that on 23 December 2013 a sub-license agreement was concluded between LPP SA and Gothals Limited, based in Nicosia, Cyprus (further "Gothals Ltd"), concerning the use of the following trademarks (words and graphics): House, MOHITO and Sinsay, and additional trademarks (further "Trademarks"). By virtue of the agreement, LPP SA acquired the right to use the Trademarks. Additionally, the Management Board of LPP SA informs that Gothals Ltd had previously signed a licence agreement with Jaradi, a company registered pursuant to the laws of Limited United Arab Emirates, based in Dubai (further "Jaradi Ltd"), concerning the exclusive license for using the Trademarks, entitling Gothals Ltd to to use the Trademarks and award sub-licences (further licenses). The Management Board of LPP SA also indicates that in separate current report no. 39/2013 of 24 December 2013, the Board informed about the transfer of rights to the Trademarks to Gothals Ltd in exchange for shares in the capital of this company, about the transfer of rights to the Trademarks from Gothals Ltd to Jaradi Ltd in exchange for shares in the share capital of Jaradi Ltd, and about the purpose of these activities. Both license agreements, i.e. the license agreement between Jaradi Ltd and Gothals Ltd and the sub-license agreement between Gothals Ltd and LPP SA have been concluded for an indefinite period and have a payable nature - the license fees were defined basing on a common market practice in this field and amount to about 4% of net revenues from sales of goods marked with the Trademarks. As a result of the sub-license agreement, LPP SA will be entitled to use the Trademarks to the extent necessary to conduct business, including the conduct of the sales network, sales of goods and services marked with these Trademarks. The estimated value of license fees for the right to use the Trademarks in the period of five years shall amount to about PLN 280 million, which exceeds 10% of equity capital of LPP SA

Article 56(1) Item 2 of the Public Offering Act – current and periodical information

SIGNATURES:	Dariusz Pachla - Vice President of the Management Board Piotr Dyka - Vice President of the Management Board
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