

Automatic cancellation of shares in a subsidiary

The Management Board of Selena FM S.A. with its registered office in Wrocław (the “Company”) hereby informs the public of the following inside information pursuant to Article 17(1) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (“MAR”):

Today, the Management Board of the Company has received information about the automatic cancellation of 1,081,248 shares in the share capital of the Company’s subsidiary Selena Industrial Technologies Sp. z o.o. with its registered office in Warsaw (“SIT”) with a total nominal value of PLN 54,062,400.00. As a result of the cancellation of the shares in SIT, the Company, as the only shareholder of SIT, will be entitled to remuneration, which was set at a total amount of PLN 63,912,135.61, payable within 14 days of the event that triggered the automatic cancellation of shares, i.e. by 7 November 2017.

The Company’s Management Board advises that the cancellation of shares was triggered on 24 October 2017 by fulfilment of the automatic share cancellation condition stipulated in the Memorandum of Association of SIT. Pursuant to §6(4)(a) of the Memorandum of Association of SIT, within the first 30 months after its signing, i.e. since 29 May 2015, in the event of cancellation of shares in the subsidiaries of SIT, particularly in the event of cancellation of shares in the share capital of any limited liability companies (sp. z o.o.) which are subsidiaries of SIT, the shares in SIT will be automatically cancelled when the SIT’s claim for payment of remuneration for the cancellation of SIT’s rights to its shares in the subsidiaries becomes due and payable.

On 19 October 2017, the Extraordinary General Meeting of Shareholders of SIT’s subsidiary Orion PU Sp. z o.o. with its registered office in Dzierżonów (“Orion”) adopted a resolution approving the purchase of shares in Orion from its shareholders for the purpose of their cancellation, with the voluntary cancellation to be settled from clean profit. To this end, Orion acquired from its shareholders a total of 5,335 shares. The deadline for payment of the remuneration to the shareholders in respect of the shares cancelled was set to 23 October 2017.

On 24 October 2017, the management board of SIT adopted a resolution confirming occurrence of the event triggering the automatic redemption of shares in SIT. With regard to the cancellation of shares in Orion, the claim became due and payable on 24 October 2017.

In connection with the automatic cancellation of shares in the share capital of SIT, the Management Board of SIT is going to update the company’s data in the register of entrepreneurs of the National Court Register.