

**Current Report No. 25/2014**

**Drawn up on:** 6 October 2014

**Subject:** Meeting one of the conditions precedent under the framework agreement with Sferia S.A.

**Legal basis:** Article 56 par. 5 of the Public Offering Act – update of information

With reference to Current Report No. 55/2012, No. 25/2013 and No. 5/2014 concerning the framework agreement (the “Framework Agreement”) with Sferia S.A. (“Sferia”), the Management Board of Midas S.A. (the “Company”) announces that on 6 October 2014 it received notification from the Management Board of Sferia that Sferia had obtained the decision of the President of the Office of Electronic Communications of 26 September 2014 concerning a change of radio frequency reservations in the 816-821 MHz range and the 857-862 MHz range (the “Decision”). Pursuant to the notification received, the Decision was issued by a duly authorised administrative body and was in line with its powers. The decision is final and authorises Sferia to commence commercial use of the frequencies granted to it in the 816-821 MHz and 857-862 MHz ranges as of 1 January 2015.

In view of the above, in the opinion of the Management Board of the Company, the Framework Agreement may be performed with respect to concluding the Supply Agreement in the time frame stemming from Annex No. 2 to the Framework Agreement (described in Current Report No. 5/2014), i.e. by 31 December 2014, with effect from 1 January 2015, and with respect to concluding the Wholesale Agreement - in the time frame stemming from the Framework Agreement, i.e. 12 months from the date on which Sferia obtained the right to utilise the frequency allowing it to provide LTE services in Poland. The Management Board of the Company notes that in order for the Supply Agreement and Wholesale Agreement to be concluded, the second condition precedent set forth in the Framework Agreement must also be satisfied, which requires that the Supervisory Board of the Company grant its consent to the conclusion of the Supply Agreement. The Management Board of the Company will make an announcement as soon as the above second condition precedent has been satisfied. The Company notes that if the Supply Agreement is concluded, the Midas Group Companies will supply Sferia with a telecommunications network which Sferia will be able to use to provide telecommunications services, under conditions no lesser than the LTE technology, and using the frequencies which Sferia will have the right to utilise. However, if the Wholesale Agreement is concluded, Sferia will wholesale services created in the telecommunications network to the Midas Group, and the Company will have the right to further resell those services.