

**Current report No. 9/2016**

**Subject: Notice of transactions in shares in Midas S.A.**

**Legal basis:** Article 70 item 1 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies.

The Management Board of Midas S.A. (the "**Company**") announces that on March 4, 2016 the Company received the notification from Karswell Limited („**Karswell**") prepared pursuant to Article 69 Section 1 Item 2 in conjunction with Article 87 Section 5 Item 1 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies of July 29, 2005 (consolidated text: Dz. U. of 2013, item 1382, as amended) (the "**Public Offering Act**") of indirect sale ("**Indirect Sale**") of 976,542,690 shares in the Company, accounting for 65.9975% of the total number of votes and of the share capital of the Company ("**Indirectly Sold Shares**").

The Indirect Sale occurred as a result of the February 29, 2016 sale by Ortholuck Limited, a direct subsidiary of Karswell, to Polkomtel sp. z o.o. of 100% shares in Litenite Limited with its registered office in Cyprus, which was the direct holder of the Indirectly Sold Shares.

Prior to the Indirect Sale, Karswell held, via, successively, Ortholuck Limited and Litenite Limited, 976,542,690 shares in the Company, vesting the right to 976,542,690 votes at the Company general meeting, accounting for 65.9975% of the total number of votes and of the Company share capital.

Following the Indirect Sale, Karswell does not hold any shares in the Company, whether directly or indirectly.

There are no direct or indirect subsidiaries of Karswell that would directly or indirectly hold shares in the Company.

Karswell is not party to any agreement concerning the transfer of the power to exercise voting rights attaching to shares of the Company within the meaning of Article 87 Section 1 Item 3 point c of the Public Offering Act.

Prior to the Indirect Sale, Litenite Limited was an indirect subsidiary of Mr. Zygmunt Solorz-Żak, who is also an direct dominant shareholder of Karswell. Therefore Mr. Zygmunt Solorz-Żak's indirect stake in the Company has not changed as a result of the Indirect Sale.