

The Company: **Work Service S.A.**
Current Report no.: **91/2018**
Dated: **11 December 2018**
Time: **3:20 p.m.**
Subject: **Entry of Annex 4 to the Credit Agreement into force**

The Management Board of Work Service S.A. ('Issuer', 'Company', 'Borrower') informs that all conditions for entry of Annex 4 concluded on 05 December 2018 ('Annex'), on which the Company informed in Current Report No. 86/2018, to the Credit Agreement of 18 November 2015 with BGŻ BNP Paribas S.A. Bank, Millennium S.A. Bank, Santander Bank Polska S.A. and Powszechna Kasa Oszczędności Bank Polski S.A. Bank ('Lenders'), on which the Company informed in Current Report No. 43/2015 ('Credit Agreement'), into force were fulfilled on 10 December 2018, which was confirmed by the Credit Agent.

Conclusion of the Annex on 05 December 2018 crowned the complex negotiations of the changes of the most of the significant terms & conditions of the Credit Agreement.

Entry of the Annex into force depended on fulfilment of a number of conditions, including mainly: provision of the Lenders with the confirmations from the factors confirming or making probable the fact that the total amount of the factoring limits provided to the Polish entities of the Capital Group of the Issuer immediately after entry of the Annex into force will not be lower than PLN 55,000,000.00 by the Issuer; and

completion of the process of restructuring or refinancing of the bonds issued by the Issuer in such a way that its effect is: (a) in relation to T-series and Y-series bonds - their rolling and redemption as well as expiry of the receivables of the bond holders on account of these bonds and consequent deletion of all T-series and Y-series bonds from the record; and (b) in relation to W-series bonds - change of the terms & conditions of the issue of these bonds and (c) issue of new bonds on the basis of the terms & conditions of the issue meeting the requirements as to the individual parameters determined in the Annex.

As a result of entry of the Annex into force, a number of significant amendments of the Credit Agreement, being favourable for the Company, were made, including inter alia:

the Final Repayment Date was postponed from 10 December 2018 to 31 March 2020;

in the period to the Final Repayment Date, the Company is not obliged to any scheduled credit amortisation;

in the entire financing term, the Company may use the working capital credit limits under the Credit Agreement up to the amount of PLN 110,350,000.00 (i.e. the entire credit limits remaining after the performed repayment of the credits in the amount of PLN 104,000,000.00 from the means coming from the sale of Exact Systems S.A., on which the Company informed in Current Report 62/2018);

the credit interest was lowered to WIBOR 1M increased by the margin in the amount of 100 bps per annum, payable on an ongoing basis, and by additional 100 bps of the margin payable only on the Final Repayment Date;

all undertakings relating to maintenance of the financial ratios on specified levels were deleted while the previous financial ratios will be reported solely for informational purposes;

the Lenders agreed that to the moment of submission of the potential Credit Agreement termination notice to the Borrower, the cases of violations will not allow the Lenders to decrease, block or cancel the provided working capital credits;

the Lenders consented to the return transfer of the receivables of the Borrower on account of the deferred payment of the price relating to the sale of Exact Systems, which will allow for supporting of the liquidity of the Company with the amount of PLN 10,000,000.00 on 11 December 2018 and additionally, for supporting of the liquidity of the Company with the amount of PLN 700,000.00 by 14 January 2019;

the Lenders unconditionally and irrevocably cancelled the previous cases of violation of the Agreement indicated in the Annex and waived their rights under the Credit Agreement resulting from occurrence of such previous cases of violations, including the ones relating to the financial ratios determined in the Credit Agreement;

Work Service Czech s.r.o. stopped being the guarantor of the credit. The following subsidiaries of the Borrower remained the guarantors of the credit: 'Finance Care' Sp. z o.o., 'Industry Personnel Services' Sp. z o.o., 'Antal' Sp. z o.o., 'Work Express' Sp. z o.o., Support and Care Sp. z o.o., Sellpro Sp. z o.o. and Work Service Investments Sp. z o.o.; and

the Lenders consented also to performance of the process of restructuring or refinancing of the bonds, on which the Company has informed today in a separate Current Report, including inter alia to establishment of covers on the shares of the Czech company and on the Slovak companies from Work Service Group.

At the same time, in the Annex, the Company undertook to a number of restructuring actions including inter alia:

updating of the business plan and development of the operational restructuring plan by 31 March 2019;

the process of sale of Prohuman 2004 Kft within the specified schedule, on the commencement of which the Company informed by Current Report No. 52/2018; and

renegotiation of the terms & conditions of some liabilities of the Company on account of loans, deferred payments or other liabilities.

As a result of the performed analysis, the Issuer decided that it was justified to qualify the information indicated above as confidential information in the meaning of art. 17 section 1 of MAR, being subject to publishing in the form of this report.

Legal basis:

Article 17 (1) MAR (Regulation of the European Parliament and of the Council (EU) No 596/2014 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 Directive 2003/124/EC, 2003/125/EC and 2004/72/EC.

Signatures:

Maciej Witucki – President of the Board

Tomasz Ślęzak- Vice President of the Board