

DEBICA

POLISH FINANCIAL SUPERVISION AUTHORITY
Current Report No. 36/2018

Date: December 21, 2018

Abbreviated name of issuer:
DEBICA

Subject:
Granting loans to Goodyear S.A.

Legal grounds:
Art. 17 item 1 MAR – confidential information

Report content:

The Management Board of Tyre Company Debica S.A. with its registered office in Debica (the "Company") informs that today the Company concluded two loan agreements with Goodyear S.A. with its registered office in Colmar-Berg, Luxemburg (the "Goodyear"), under which the Company granted Goodyear loans of the total value of PLN 185 million.

The first loan agreement was concluded in the amount of PLN 45 million and its repayment date was set at 2 January 2019. The second loan agreement was concluded in the amount of PLN 140 million and its repayment date was set at 1 February 2019.

The interest rate on both the first and second loan per year is equal to the sum of [WIBOR1Y + 0.1% margin], i.e. currently 1.97% per year. Both loan agreements provide for both Goodyear's right to early repayment and the Company's right to demand early repayment. Repayment of the loans is guaranteed by The Goodyear Tire & Rubber Company, based in Akron, Ohio, USA, an indirect parent company of the Company.

In connection with the timely repayment on 21 December 2018 of an earlier loan granted in the nominal amount of PLN 100 million (the stated amount does not include accrued and repaid interest) by Goodyear (of which the Company informed in current report no. 18/2017 of 22 December 2017), the total value of loans granted at present Goodyear amounts to PLN 350 million (principal, not including accrued interest).

Goodyear S.A. is the indirect parent company of the Company and indirectly holds 81.396% of the Company's shares through Goodyear Holdings S.à.r.l.

The conclusion of the Agreement in question was considered confidential due to its value and the fact that it was granted to the indirectly dominant entity.