

INFORMATION ON THE TAX STRATEGY IMPLEMENTED IN 2020 GLOBE TRADE CENTER S.A.

Pursuant to Article 27b and Article 27c of the Corporate Income Tax Act, this information presents the tax strategy of Globe Trade Center S.A. in the tax year ending on 31 December 2020.

Legal basis

Pursuant to Article 27c sec. 1 with reference to Article 27b sec. 2 point 2) of the Corporate Income Tax Act ("Act"), corporate income tax payers shall prepare and publish information on the tax strategy implemented in a given tax year, if the taxpayer's revenue value obtained in a given fiscal year exceeded the equivalent of EUR 50 million converted into PLN at the average EUR exchange rate announced by the National Bank of Poland on the last business day of the calendar year preceding the year in which the above limit was exceeded.

Pursuant to Article 27c sec. 4 of the Act, the taxpayer shall publish information on the implemented tax strategy for the tax year, prepared in Polish or its translation into Polish, on its website by the end of the twelfth month following the end of the tax year. The taxpayer's website shall include publicly available information on the tax strategy implemented for individual years.

Pursuant to Article 27c of the Act, information on the implemented tax strategy shall include, taking into account the nature, type and size of the business, in particular:

1. the following information regarding the taxpayer:
 - a. processes and procedures for managing the performance of obligations under the tax law and ensuring their proper performance,
 - b. voluntary forms of cooperation with the authorities of the National Revenue Administration.
2. information on the taxpayer's fulfillment of tax obligations in the territory of the Republic of Poland, including information regarding the number of pieces of information provided to the Head of the National Revenue Administration regarding tax schemes referred to in Article 86a § 1 point 10 of the Tax Ordinance, with a breakdown into particular taxes,
3. Information regarding:
 - a. transactions with related entities within the meaning of Article 11a sec. 1 point 4 of the Act, whose value exceeds 5% of the balance sheet total of assets within the meaning of accounting regulations, determined on the basis of the last approved financial statements of the company, including entities that are not tax residents of the Republic of Poland,

- b. restructuring activities scheduled or undertaken by the taxpayer which may affect the amount of tax liabilities of the taxpayer or related entities within the meaning of Article 11a sec. 1 point 4 of the Act,
4. information regarding the taxpayer's applications submitted for the issuance of:
 - a. a general tax ruling referred to in Article 14a § 1 of the Tax Ordinance,
 - b. a tax law provisions ruling referred to in Article 14b of the Tax Ordinance,
 - c. binding information on rate referred to in Article 42a of the Value Added Tax Act,
 - d. binding information on excise referred to in Article 7d sec. 1 of the Act of 6 December 2008 on excise duty (Journal of Laws of 2020, item 722, as amended).
5. information regarding the taxpayer tax settlements in territories or countries applying harmful taxation competition indicated in the implementing acts issued on the basis of Article 11j sec. 2 and pursuant to Article 23v sec. 2 of the Act of 26 July 1991 on personal income tax and in the announcement of the minister competent for public finance issued pursuant to Article 86a § 10 of the Tax Ordinance

- excluding information covered by a trade, industrial, professional or manufacturing process secret.

Elements of the tax strategy of Globe Trade Center S.A. implemented in the fiscal year ended on 31 December 2020.

I. Processes and procedures applied to the management of the performance of obligations under tax law and ensuring their proper performance.

Processes

The Company has processes in place, developed for particular departments, regarding necessary actions to be taken for the proper fulfillment of tax obligations by the Company.

The circulation of documents in the Company is fully automated and has several layers of acceptance/ qualification/ verification of documents and business events in terms of taxation. In 2020, the Company operated a dedicated tax team responsible for the preparation and supervision of the day-to-day tax settlements of the Company. The Company's tax settlements were also verified by external entities providing tax advisory services. Permanent cooperation with such external entities significantly reduces the risk of incorrect tax settlement.

Training sessions on taxes are available to the Company's employees dealing with tax settlements, as well as electronic tools in order to consolidate, expand and constantly update their tax knowledge.

Procedures

Withholding tax

The Company has a due diligence procedure in place regarding withholding tax. The purpose of the procedure is for the Company to correctly fulfil its tax obligations regarding performing the role of a withholding tax payer. This procedure is subject to periodical update.

Tax schemes

The Company has a procedure in place to ensure the proper implementation of obligations regarding the tax schemes reporting to the Head of the National Revenue Administration. This procedure is subject to periodical update.

Document circulation and approval

The Company has a procedure in place for the circulation and approval of documents, whose part is also the assessment and qualification of documents in terms of taxes. This procedure is subject to periodical update.

Fixed assets

The Company has a procedure in place regarding general principles of recognizing fixed assets. This procedure is subject to periodical update.

Corrective invoices

The Company has a procedure in place for the verification of corrective invoices. This procedure is subject to periodical update.

Issuing sales invoices and corrective invoices

The Company has a procedure in place for issuing sales invoices and corrective invoices. This procedure is subject to periodical update.

External support

The Company engages the services of external entities regarding a confirmation of tax consequences of major transactions, verifying the correctness of the company's tax settlements, advising on day-to-day matters and providing tax training for the Company's employees.

II. Voluntary forms of cooperation with the authorities of the National Revenue Administration.

In 2020, the company did not participate in voluntary forms of cooperation with the authorities of the National Revenue Administration.

III. information on the taxpayer's fulfillment of tax obligations in the territory of the Republic of Poland, including information regarding the number of pieces of information provided to the Head of the National Revenue Administration regarding tax schemes referred to in Article 86a § 1 point 10 of the Tax Ordinance, with a breakdown into particular taxes.

In 2020, the Company did not submit any information regarding tax schemes referred to in Article 86a § 1 point 10 of the Tax Ordinance to the Head of the National Revenue Administration.

The Company did not pay corporate income tax for the tax year of 2020, as a loss of previous years was settled.

IV. Information regarding transactions with related entities within the meaning of Article 11a sec. 1 point 4 of the Act, whose value exceeds 5% of the balance sheet total of assets within the meaning of accounting regulations, determined on the basis of the last approved financial statements of the company, including entities that are not tax residents of the Republic of Poland.

In accordance with the approved Company's 2020 financial statements, the balance sheet total of the Company's assets was PLN 5,091,587,000.00.

Therefore, for 2020, the threshold for transactions subject to disclosure regarding the tax strategy implemented in 2020, amounted to PLN 254 579 350.00.

In 2020, the value of transactions with related entities within the meaning of Article 11a sec. 1 point 4 of the Act, including entities that are not tax residents of the Republic of Poland, did not exceed the value of 5% of the balance sheet total of assets within the meaning of accounting regulations, determined on the basis of the last approved financial statements of the Company.

Information regarding restructuring activities scheduled or undertaken by the taxpayer which may affect the amount of tax liabilities of the taxpayer or related entities within the meaning of Article 11a sec. 1 point 4 of the Act.

On 23 June 2020, GTC Holding Zártkörűen Működő Részvénytársaság registered in Budapest, Hungary ("GTC Holding Zrt.") acquired 100% of the share capital of GTC Dutch Holdings B.V. (the majority shareholder of the Company) from LSREF III GTC INVESTMENTS B.V. registered in Amsterdam, the Netherlands. GTC Dutch Holdings BV holds 298,575,091 shares of the Company, representing 61.49% of the share capital of the Company. Following the above-

mentioned transaction, GTC Holding Zrt. holds (indirectly, through the majority shareholder) 298,575,091 shares of the Company, which give 61.49% of the total number of votes at the general meeting of the Company.

The following changes occurred in the structure of the Group in the 12-month period ended 31 December 2020:

- Julesberg Sp. zo.o. was liquidated,
- Jowett Sp. z o.o. was liquidated,
- Glorine Investments Sp. z o.o. was in liquidation,
- Glorine Investments Sp. z o.o. s.k.a. was in liquidation,
- Fajos S.R.L. Fajs S.R.L. was in liquidation,
- SASAD Resort Kft. merged with GTC Hungary Ltd,
- Amarantan Ltd. merged with Center Point I. Kft.
- The Company acquired a 20% stake in Marlera Golf LD d.o.o.
- GTC Future Kft. (a 100% subsidiary of the Company) was established,
- Globe Office Investments Kft (a 100% subsidiary of the Company) was established.

Transactions other than the ones listed above were not scheduled to be carried out in 2020.

- VI. information regarding the taxpayer's applications submitted for the issuance of:**
- a. a general tax ruling referred to in Article 14a § 1 of the Tax Ordinance,
 - b. a tax law provisions ruling referred to in Article 14b of the Tax Ordinance,
 - c. binding information on rate referred to in Article 42a of the Value Added Tax Act,
 - d. binding information on excise referred to in Article 7d sec. 1 of the Act of 6 December 2008 on excise duty (Journal of Laws of 2020, item 722, as amended).

In 2020, the Company did not file any applications for the issuance of: (i) a general tax ruling referred to in Article 14a § 1 of the Tax Ordinance, (ii) a ruling regarding the tax law provisions referred to in Article 14b of the Tax Ordinance (iii) binding information on rate referred to in Article 42a of the Value Added Tax Act, (iv) binding information on excise referred to in Article 7d sec. 1 of the Act of 6 December 2008 on excise duty (Journal of Laws of 2020, item 722, as amended).

- VII. Information regarding the taxpayer's tax settlements in territories or countries applying harmful tax competition indicated in the implementing acts issued on the basis of Article 11j sec. 2 of the Act and in the announcement of the minister competent for public finance issued pursuant to Article 86a § 10 of the Tax Ordinance.**

Pursuant to § 1 of the Regulation of the Minister of Finance of 28 March 2019 on the determination of countries and territories applying harmful tax competition in the field of corporate income tax, harmful tax competition is applied in tax systems in the following countries and territories:

- 1) the Principality of Andorra;
- 2) Anguilla - Overseas Territory of the United Kingdom of Great Britain and Northern Ireland;
- 3) Antigua and Barbuda;
- 4) Sint-Maarten, Curaçao - countries included in the Kingdom of the Netherlands;
- 5) the Kingdom of Bahrain;
- 6) British Virgin Islands - an Overseas Territory of the United Kingdom of Great Britain and Northern Ireland;
- 7) Cook Islands - a Self-Governing Territory Associated with New Zealand;
- 8) the Dominica Community;
- 9) Grenada;
- 10) Sark - a Dependent Territory of the British Crown;
- 11) Hong Kong - a Special Administrative Region of the People's Republic of China;
- 12) The Republic of Liberia;
- 13) Macau - a Special Administrative Region of the People's Republic of China;
- 14) The Republic of Maldives;
- 15) The Republic of the Marshall Islands;
- 16) The Republic of Mauritius;
- 17) The Principality of Monaco;
- 18) The Republic of Nauru;
- 19) Niue - a Self-Governing Territory Associated with New Zealand;
- 18) The Republic of Panama;
- 21) The Independent State of Samoa;
- 22) The Republic of Seychelles;
- 23) Saint Lucia;
- 24) The Kingdom of Tonga;
- 25) US Virgin Islands - a US Unincorporated Territory;
- 26) The Republic of Vanuatu.

In accordance with the announcement of the Minister of Finance, Funds and Regional Policy of 13 October 2021 on the announcement of the list of countries and territories indicated in the EU list of non-cooperative jurisdictions for tax purposes adopted by the Council of the European Union, which were not included in the list of countries and territories applying harmful tax competition issued on the basis of the provisions on personal income tax and the provisions on corporate income tax, from the date of adoption of this list by the Council of the European Union (Polish Monitor 2021, item 94), the list of countries indicated above was extended by the following countries:

- 1) The Republic of Fiji;
- 2) Guam;
- 3) The Republic of Palau;
- 4) The Republic of Trinidad and Tobago;
- 5) American Samoa.

In 2020, the Company did not make tax settlements in the territories or countries indicated above.

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