

Founder and CEO of eBilet.pl (2001-2009)

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Allegro's stock exchange debut and a very controversial acquisition of eBilet.pl (ticketing system established 2001).

Will Allegro reimburse their shareholders when it transpires that they do not own eBilet?

Allegro will soon go public on Warsaw Stock Exchange, maybe even on London or Amsterdam Stock Exchanges. It is possible that a couple of million of Polish entrepreneurs registered on the website will get an invitation to buy its shares. But will they realise what exactly they are buying?

eBilet is one of the first Polish web-based brands. The company has been a market leader in online ticket sale since its launch in 2001. Allegro bought 80% of eBilet's shares in 2009 for 88 mln PLN with a secured option to purchase remaining 20%; the whole enterprise has been appraised for 110 mln PLN. However, shortly a lawsuit will be filed in order to nullify that acquisition.

According to experts, the market value of eBilet is estimated to be around 150-180 mln PLN, which means that the value of this transaction was highly underpriced. eBilet's value was grossly underpriced due to a huge legal defect: 29% of eBilet shares were obtained illegally. They were stolen between 2010 and 2012, and then sold to Allegro. The details of this theft will be discussed in next paragraphs. Curiously, Allegro's management board knew that they were buying shares with questionable ownership. Everyone can check this for themselves: the National Court Register files of eBilet and eBilet Polska are available to public in the registration court at Czerniakowska Street in Warsaw. So what do you colloquially call buying goods that were stolen?

Currently the legal situation is as follows: eBilet.pl is a part of Allegro's assets, so buying shares would automatically mean co-ownership of eBilet. Would it, though? The acquisition of eBilet is still in progress and since an objection has been filed against it, the final result is uncertain. The unlawful takeover of 29% of shares in eBilet website, belonging to its founder, and transfer of all shares to Cyprus are currently being investigated by Regional Prosecutor's Office in Warsaw. Soon it might turn out that Cyprus-based company Bola Investment, which sold eBilet to Allegro, had no legal rights to the company, as the transfer of shares has been unlawful and the previous owner, Polish company eBilet Sp. z o.o.(KRS 217316), has not been remunerated.

How exactly were those shares stolen? Let's use an analogy: imagine that you desire your neighbour's huge and beautiful house. Said neighbour has been living abroad for some time, and no one knows when or if he will come back. You choose as your partners in crime: a bailiff, a notary, and a mortgage clerk. Together you forge a sale or loan agreement with a collateral, in this case the

house. The bailiff and the notary prepare counterfeit documents needed for that transaction, and the mortgage clerk turns a blind eye to their authenticity, and simply makes you the new „owner”. Meanwhile, the real owner becomes aware of the situation and makes a fuss. Therefore, you try to sell the house as quickly as possible for less than it is worth to someone who pretends to know nothing. It's not a joke. In a nutshell, this is how eBilet's founder lost his shares, which are currently worth tens of millions of PLN. That would be enough to buy 10 huge and beautiful houses (with gardens).

Obviously, this operation wouldn't be possible if Polish courts and prosecutor's offices functioned properly. The impunity of criminals and their effortless frauds occur because they know they won't be held accountable for their actions for the next 5 to 10 years. Even the most simple proceedings take months for courts and even years for prosecution to complete. It's as if the state encouraged unlawful actions.

Truly it is extremely easy to steal, but the amount of money must be huge, because then you will be able to move it and yourself abroad before judicial system reacts. Then usually all that they will do is dismiss the offence notification because the prosecutors who understand the intricacies of economic matters are rare.

And for that reasons it is mostly the State Treasury that is being sued – and that means in fact all taxpayers. Much evidence points to the fact that this whole fraud has been set up in such a way that, in the end, it will be the state who pays for the theft of eBilet shares, and the thieves can enjoy stolen assets. What is interesting, although the prosecution is aware of all the facts, they still cannot act efficiently in order to protect not even the economic safety in Poland, but the State Treasury.

You can find more details in an interview from 2012 which you can find on youtube under „Krupa Lubański: Allegro.pl kupuje eBilet.pl”.

If you are interested in legal details, do not hesitate to contact me. I am willing to share legal documentation with journalists and those planning to buy Allegro shares.

To sum up, the acquisition of eBilet by Allegro is somehow similar to fencing, given that 29% of shares of eBilet company were stolen from its owner. By whom exactly? By those who planned that fraud and systematically implemented it for ten years but also by the state of Poland and incompetence of its judicial system. That is the kind of business ethics presented by the Allegro board of management and alleged owners of the entire eBilet website, who sold stolen assets – and that is the fact of which Allegro was fully aware.

Part 2: legal details:

1. Why do we want to invalidate the acquisition of eBilet (that is the purchase of 100% of assets of eBilet Polska) by Allegro from Cyprus-based company Bola Investments?

The Bola Investments company, situated at 30 Chytra Street No 32 in Nicosia, Cyprus (this is the address of several thousand Cyprus-based companies), acquired shares in eBilet Polska through the operation resembling a theft of a portal eBilet.pl to the detriment of the “old” joint-stock company eBilet (KRS 217316). This old joint-stock company was the sole owner of a portal eBilet, as it was in possession of all the shares of eBilet Polska (KRS 496514) which run the portal from 2014. Chronologically, eBilet.pl was run by: PMP Systemy Komputerowe – Piotr Krupa between 2001 and 2009, then by eBilet (KRS 217316) between 2009 and 2013, and from 2013 by eBilet Polska (KRS 496514). eBilet Polska was a subsidiary of eBilet (KRS 217316), founded by Piotr Krupa who is the creator of eBilet, for only one year (2013-2014); then it was moved to Cyprus.

After the transfer of eBilet to Cyprus in 2014, the eBilet company (KRS 217316) lost all its assets and became a shell company, as it was not reimbursed in any way for the capital of approximately 150-180 million PLN (value estimation for 2018-2019). The company was simply robbed. That is the reason why the move to Cyprus, and the following acquisition by Allegro should be invalidated by court or prosecutor’s office.

The transaction was set up by two men who pose as the holders of 100% of shares of eBilet (KRS 217316). These men started their professional careers in the Polish People’s Republic, and maybe that is why all the prosecutorial proceedings against them were magically dismissed under suspicious circumstances. What is even more amusing, they tried to hide their identities from the National Court Register when they were selling eBilet to Allegro in 2019 on behalf of Bola Investments. Only when the National Court Register refused to register Allegro as a new owner of 80% of shares of eBilet Polska, did these men reveal their surnames. During this event, which took place in spring of 2019 when Allegro bought 80% of shares for 88 mln PLN, the aforesaid men acted in double capacity: as sellers and as guarantors that all the statements and files were genuine, and that all their actions were legal. Three-ring circus. Congratulations are in order for the sensible National Court Register clerk. It seems that currently the National Court Register works better than it did in 2010 when it transferred all eBilet founder’s shares to those two men without asking any questions about the basis of their request.

That is not the only bombshell from the National Court Register. In 2015 during the registration of Bola Investments as a new owner of eBilet Polska (and thus eBilet.pl), several mysterious incidents took place. Numbering of files was changed twice, and the crucial pages concerning the move to

Cyprus were simply torn out from the Court files. The files lack several pages with pivotal agreements covering the transfer of the company to Cyprus. Maybe the files have run away on their own? That is also probably how the files of the case XX GC 611/14 disappeared from the District Court when the perpetrators of this whole commotion were negotiating the sale of eBilet with Allegro. The operations in Cyprus occurred in multiple stages and involved several local companies. Their detailed description prepared by lawyers can be found in the attachment. It can be called a guide to the "Cypriot scam". This description is available for all the interested parties for the sake of common good and reliable investigative journalism.

The proceedings regarding these incidents are being undertaken by the Regional Prosecutor's Office in Warsaw under the supervision of the State Prosecutor's Office. One of the potential results of these proceedings might be the invalidation of eBilet transfer to Cyprus, and therefore the nullification of the acquisition of eBilet by Allegro.

2. Why did the (alleged) owners of the "old" joint-stock company eBilet (KRS 217316) decide to divest their (allegedly) own company of all its assets?

The answer is simple. The illusion that it is solely their company might have been quickly dissolved because the founder of eBilet.pl portal owned, and still should own 29% of shares of the company, which he registered in 2004. Their appropriation of his shares between 2010 and 2011 was invalidated by court between 2012 and 2014. And therefore, the perpetrators were afraid that the founder would claim his proprietorship, which he systematically has been trying to achieve for the last 10 years.

The only way to continue their fraud was to remove the enterprise from the joint-stock company, which took place in 2014. That year, eBilet.pl portal was moved from eBilet (KRS 217316) to eBilet Polska (KRS 496514), and its value was under-priced. It was stated that eBilet.pl was worth approximately 8.5 mln PLN, when in reality, its market value was estimated to amount to around 60 mln PLN.

3. How were the shares of eBilet founder appropriated? And what was the role of judicial system in this endeavour?

This occurred between 2011 and 2012. In 2011, the National Court Register on Czerniakowska Street (so called KRS) signed over the shares of eBilet founder to Future Invest company, which was a front for two men mentioned above. This action had no legal standing and was carried out only on the basis of perpetrator's request. Next, with only one entry into eBilet KRS (KRS 217316, volume 6, file cards from 1132, entry number 37471/10/571 and following), several crucial changes

were made in the company, such as: eBilet founder was crossed out of the shareholders list; his right to control and supervise was crossed out from the company agreement; the share capital was changed. It all took place within 36 hours (!) from the illegal general meeting during which the company agreement was unlawfully changed. Similarly to the example with the house presented above, this operation was a team effort. Apart from the perpetrators, the KRS clerk who worked there in 2010 played a crucial role (his name was relayed to the Prosecutor's Office).

This clerk, acting in the name of the State, altered the shareholders list, that is crossed out the eBilet founder on the basis of a request filed by the perpetrators (graphically it is similar to PIT form). This application was submitted without any attachments, court judgements, or even the invalid bailiff's decision which was mentioned before. If they have enclosed the invalid bailiff's decision, the clerk would have dismissed their request, and if not, the entry based on that decision would be easy to appeal.

What happened? Was the clerk badly trained and unwilling to ask his supervisors whether the documents were as they should be? Or maybe someone persuaded him to turn a blind eye?

In the end, because of his actions eBilet founder lost his shares for which he worked for 10-15 years while investing everything he had into eBilet. The clerk registered the changes the day after the "documents" were submitted to the National Court Register, which means that it is nearly certain that someone supervised and pushed this case forward. Normally, it takes several weeks or even longer to make such changes. Is someone willing to believe that it was simply negligence and incompetence (on a scale of several million PLN) that propelled such actions in the name of the state, and in favour of specific people?

It turns out that there are instances in which Polish courts act quickly. The bailiff (and with him the State Treasury) was sued for damages for a huge amount of money (case IC 983/14 in District Court in Warsaw). Appraisers were also sued because the valuation of the company on the request of the bailiff was a different, but not less entertaining fraud. The valuation was carried out by the "specialists" who on a daily basis assessed the value of the apartments which were auctioned by the bailiff. They had no experience with assessing companies' value, especially the internet-based ones. What is more, they determined the value based on forged accounting records which included only one year from company's ten years history. The appraisers later admitted that one of them never assessed such companies, and the other one granted his signature, but was formally appointed to that case after the date stated on the valuation (!). It seems that the bailiff was in a hurry, and he mistook architectural portals with internet-based ones. The valuation itself was conducted without the obligatory court supervision which allowed to under-price the value by 20 times in comparison to company's real market value. The lack of supervision delayed the appeal of the assessment, as it only could be filed post-factum, and not before its unlawful misuse. The valuation was created in

September of 2011, and nullified one year later, in autumn of 2012. If the court supervision was present, no one would be able to use this assessment before clearing up of all the doubts, and before it becoming legally valid.

It is good to remember (especially if you are a bailiff) that according to Polish law the auctioning of real estate and company shares should take place in district court (article 185 of the Code of commercial companies) as part of a trial with both parties present, so that bailiffs would not be able to conduct such frauds.

4. How was it possible for the bailiff to make an invalid pronouncement to seize and auction the shares of eBilet founder (as well as the rest of his assets) in 2010?

It was the result of the earlier fraud conducted by “Future Invest”, as well as of sluggishness and negligence of Polish judicial system. At the end of 2009, “Future Invest” sued the eBilet founder for a bogus claim of 1.6 mln PLN. They used an out-of-date delivery address on purpose, even though they were officially informed about a new delivery address several months before.

The address used (Wilcza Street in Warsaw) was the same as the address in the KRS of eBilet whose office they seized six months earlier, and thus it was essentially their own address (!), not the defendant’s address. Even though company’s office was moved in the July of 2009, they changed the address in KRS in the late spring of 2010. However, the lawsuit with Wilcza address was filed in the December of 2009, and therefore took place without the defendant’s knowledge.

At the same time, the conspirators were conducting feigned negotiations with the founder’s proxy, so they could have asked him for the right address as they knew that their summons has not reached him. However, they intentionally did not do that. The negotiations took place only until they got the default judgement from the District Court in the amount of 1.6 mln PLN counterfeit, undue penal damages. With such a judgement at their disposal, they contacted the bailiff who seized the assets of eBilet founder, and thereby destroyed his new projects – innovative start-ups.

Prosecutor’s Office and the President of the District Court were immediately informed about the incident, as the perpetrators used the judgement scrounged from the District Court to carry out their robbery. This judgement was delivered, as it happens, without any attempt from the court to contact the defendant, although at the time he was available and was staying in Poland. The President of the District Court was notified multiple times as the bailiff’s auctions advanced. But it turned out that the judicial system does not care about citizens’ lives being destroyed in a mindless manner. It also become evident that it is possible to unlawfully sign over a huge amount of assets in KRS within 2 days, but it takes 18 months, despite the submitted offence notification, to block the order of immediate enforceability of the default judgement acquired in a deceitful way and to reopen a lawsuit. This is how things work in Poland.

When the lawsuit was conducted in the normal way, that is with the defendant being present, with witness testimonies, and presentation of appropriate evidence, the perpetrators lost in both instances, as their claims were clearly fabricated.

5. How did the perpetrators react to the reopening of the lawsuit (IC564/10)?

After their losing the lawsuit in the first instance, the perpetrators transferred the eBilet.pl from the joint-stock company eBilet (KRS 217316) set by the eBilet founder to a new joint-stock company called eBilet Polska (KRS 496514). Since the middle of 2013, eBilet.pl was run by the company eBilet Polska situated in The National Stadium in Warsaw.

By the way, that was a kind of blasphemy. It was a typical escape with all the assets – a normal reaction of someone about to lose their loot. Since because of the approaching invalidation of the default judgement by which the estate was seized, the perpetrators would have to return all the assets. So what should a scammer on a verge of losing his money do? The easiest thing to do is to transfer all of the company assets to a new joint-stock company, and as a result to turn the old one into a shell company. And that is exactly what happened.

But there are laws against that. The moment the same judgement to clear the defendant of all charges and obligation to pay 1.6 mln PLN penal damages was passed in the second instance, the perpetrators transferred the shares of the new company eBilet Polska to Cyprus. It was conducted in such a way that eBilet (KRS 217316) lost all its assets, that is the shares in eBilet Polska (KRS 496514), which starting from 2013 has been running the eBilet.pl. The “old” joint-stock company did not receive the remuneration for these assets, which means that it basically gave them away for free (!). The move to Cyprus allowed the perpetrators to save a lot of money in taxes (at the expense of the State Treasury), and at the same time it prevented the founder of eBilet from reclaiming his shares. Since the search for joint-stock companies in Cyprus is complicated and expensive, and the founder’s estate was seized by the bailiff, and the founder himself has been precluded from finding regular job for the past 10 years.

It is important to mention that the perpetrators, while posing as the sole owners of eBilet, deprived the company and thereby themselves of the assets worth approximately 70-90 mln PLN. They did it of their free will, so that they would be able to retrieve those assets via several Cyprus-based companies, which the founder would have trouble accessing. But that is also for nothing. These companies have just been issued civil lawsuits and are subjected to international prosecutor’s proceedings.

And that is the story of the takeover of one of the oldest Polish internet-based start-ups by people who feel unpunishable in Poland, nearly as if they have their own country within a country. This is the reason why compensations claims were issued. As well as a vast array of lawsuits invalidating

all decisions from illegal general meetings of eBilet company (KRS 217316), since they were all made in an unlawful manner after the shareholder who had the right to supervise and control was dismissed. Furthermore, the transfer of the portal from the old joint-stock company to the new one and the move of the company to Cyprus are also prosecuted.

These claims are currently being examined by the Supreme Court. In 2019, eBilet founder's claims received preliminary acceptance in the Supreme Court (which is only issued in 30% of the submitted cases) and in the course of the year the Court will issue the judgment regarding them. This may indeed change the legal standing of eBilet.pl portal and nullify all illegal operations undertaken regarding the portal between 2010 and 2014, and in the following years. As a result, the ripple effect may happen in a year or two. House of cards will fold, as... *nemo plus juris ad alium transferre potest quam ipse habet*.

From the legal point of view, there is a high likelihood that the purchase of eBilet by the Cyprus-based company (Bola Investments) will be invalidated. That will cause the acquisition of eBilet by Allegro to become a sham because one cannot sell something that is not in their possession. The shares of eBilet Polska will be returned to the old eBilet company, and Allegro will be left with nothing because they already paid a lot of money (88 mln PLN) for 80 % of shares to two men with little credibility and at the same time with ability to hide abroad. This whole operation may backfire and discredit Allegro. Surprisingly, despite all these prompts Allegro has not only never got eBilet affairs in order during the past two year, but has also decided to go public on stock exchange with all that mess.

Is it fair to offer shares in assets to which Allegro has questionable rights? It looks like Allegro's stock exchange debut will be rather messy.

Since 2018, Allegro has been informed about all the proceedings multiple times, but they still play stupid stating that the National Court Register indicates Cyprus-based Bola Investments as the owner of eBilet Polska (KRS 496514). However, the same KRS files prove that the shares of eBilet.pl founder have been seized unlawfully. The fact that must have been spotted during the due diligence process. And it is known that the control process of the documents was carried out by a big and well-known consulting company.

Allegro's explanations are rather worthless, as the information in KRS files was registered illegally. What is more, the data are not credible and can be misleading, which can be detected even by a beginner lawyer, so the team checking them for Allegro should have also noticed that.

I wonder how the team conducting the due diligence process commented on the fact that there are big gaps in the KRS file cards; "someone" disposed of multiple file cards with key documents in several places. This is an example of how much the Polish National Court Register is worth, and how much it cares about the safety of the owners of companies registered there.

It is obvious that the State Treasury is responsible for facilitating the appropriation of eBilet founder's shares, since without the bailiff and the KRS clerk breaking the law, the whole scam would not be possible. That is the reason, as well as a general mess in KRS, why the separate lawsuit has been filed against the State Treasury.

Journalists and investment funds interested in learning more details or seeing the documents are welcome to contact me.

Best regards, Founder of eBilet.pl

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