CURRENT REPORT

HOOP S.A.

March 27th 2008

Current Report No. 9/2008

Position of HOOP S.A.'s Management Board on the Planned Merger with Kofola SPV Sp. z o.o. along with a Justification

Pursuant to Par. 19.3 of the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities, dated October 19th 2005, the Management Board of HOOP Spółka Akcyjna hereby announces its position on the planned merger with Kofola SPV spółka z ograniczoną odpowiedzialnością.

The Management Board of HOOP Spółka Akcyjna of Warsaw ("the Company", "HOOP") hereby recommends the HOOP shareholders to merge the Company with Kofola SPV spółka z ograniczoną odpowiedzialnością of Warsaw ("Kofola SPV") and to vote in favour of the resolution to merge the Company and Kofola SPV as well as in favour of the resolution approving amendments to HOOP's Articles of Association at the Extraordinary General Shareholders Meeting convened for March 31st 2008.

Justification of the position of HOOP's Management Board on the planned merger:

1. Merging Companies

1.1. The Acquirer

HOOP Spółka Akcyjna, registered office at ul. Jana Olbrachta 94, 01-102 Warsaw, entered in the Register of Entrepreneurs maintained by the District Court for the Capital City of Warsaw, XII Commercial Division of the National Court Register, under No. KRS 0000134518, holding tax identification number (NIP) 527-00-08-818, industry identification number (REGON) 012771739, with the share capital of PLN 13,088,576.00 (thirteen million, eighty-eight thousand, five hundred and seventy-six złoty), fully paid up and divided into 13,088,576 bearer shares with the par value of PLN 1 (one złoty) per share. HOOP is a public company whose shares are traded on the Warsaw Stock Exchange ("the WSE"). HOOP is the central entity of the HOOP Group, responsible for strategic management and operational control over the Group.

The HOOP Group produces, sells and distributes non-alcoholic beverages, including both carbonated and non-carbonated soft drinks as well as mineral water. The Group's business activities are spread across Poland and, through subsidiary undertakings, also the Russian Federation.

1.2. The Acquiree

Kofola SPV spółka z ograniczoną odpowiedzialnością, registered office at Pl. Piłsudskiego 1, 00-078 Warsaw, entered in the Register of Entrepreneurs maintained by the District Court for the Capital City of Warsaw, XII Commercial Division of the National Court Register, under No. KRS 0000281571, holding tax identification number (NIP) 525-23-93-349, industry identification number (REGON) 140950300, with the share capital of PLN 13,311,450.00 (thirteen million, three hundred and eleven thousand, four hundred and fifty złoty), divided into 266,229 shares with the par value of PLN 50 per share. Kofola SPV is a member of the KOFOLA Group, operating in the segment of production and distribution of non-alcoholic beverages in the Czech Republic, Slovakia, Poland and Hungary, and exporting its products to other countries.

2. Method of Merger

The merger of HOOP and Kofola SPV will be effected pursuant to Art. 492.1.1 of the Commercial Companies Code, i.e. through the transfer of all Kofola SPV assets to HOOP in exchange for HOOP's new issue shares to be delivered to Kofola SPV shareholders. Subsequent to the merger, Kofola SPV will cease to exist.

Following the merger of Kofola SPV and HOOP, HOOP's share capital will be increased from PLN 13,088,576.00 (thirteen million, eighty-eight thousand, five hundred and seventy-six złoty) to PLN 26,171,918.00 (twenty-six million, one hundred and seventy-one thousand, nine hundred and eighteen złoty), i.e. by PLN 13,083,342 (thirteen million, eighty-three thousand, three hundred and forty-two złoty) through the issue of 13,083,342 (thirteen million, eighty-three thousand, three hundred and forty-two) Series F ordinary bearer shares, with the par value of PLN 1 (one złoty) per share ("Series F Shares").

HOOP will take all reasonable steps required to ensure that Series F Shares are admitted and introduced to trading on the WSE. In the light of the foregoing, it is intended that on the day of passing by HOOP's General Shareholders Meeting of a resolution on the merger, the Meeting will concurrently adopt the following: a resolution authorising the Management Board of HOOP to execute an agreement on registration of Series F Shares with the Polish NDS and on dematerialisation of Series F Shares, and a resolution to apply for admission and introduction of Series F Shares to stock-exchange trading.

Following the merger, HOOP will operate under the name of KOFOLA-HOOP Spółka Akcyjna of Warsaw. The operations of the entire Group will be coordinated and organised at the registered office of KOFOLA-HOOP.

3. Legal Basis for the Merger

The merger will be effected through the acquisition of Kofola SPV by HOOP in accordance with Art. 492.1.1 of the Commercial Companies Code, i.e. through the transfer of all Kofola SPV assets to HOOP, with a simultaneous increase in the share capital of HOOP, effected through the issue of new shares to be delivered by HOOP to Kofola SPV shareholders. Pursuant to Art. 506.1–2 of the Commercial Companies Code, the basis for the merger will be resolutions passed by the General Shareholders Meeting of HOOP and the General Shareholders Meeting of Kofola SPV, containing the approval of the Plan of Merger and the amendments to HOOP's Articles of Association following from the merger by the shareholders of HOOP and Kofola SPV.

As a result of the merger, pursuant to Art. 494.1 of the Commercial Companies Code, HOOP will assume all the rights and obligations of Kofola SPV as of the merger date. In line with Art. 494.4 of the Commercial Companies Code, Kofola SPV shareholders will become shareholders in HOOP as of the merger date.

The merger of the companies will become effective as of the date on which the merger (share capital increase at HOOP) is registered by the registry court having jurisdiction over the registered office of HOOP. The registration will result in the deletion of Kofola SPV from the National Court Register, in accordance with Art. 493.2 of the Commercial Companies Code.

4. Economic Rationale for the Merger

4.1. Purpose of the Merger

The merger of HOOP and Kofola SPV is aimed at integrating the HOOP Group and the KOFOLA Group, conducting operations on the beverages market in Poland and Central Europe.

The post-merger entity – KOFOLA-HOOP Spółka Akcyjna – will demonstrate a high growth potential driven by multi-level merger synergies, including the Groups' strong brands on the markets in Poland, the Czech Republic, Slovakia and Russian Federation, as well as the experience gained from the presence on these markets.

The group of companies born from the merger will own nine production plants located in four countries (Poland, the Czech Republic, Slovakia, and Russia).

The merger will create a group which will (i) benefit from substantial cost synergies, (ii) further develop the existing products and launch new ones characterised by considerable added value, and (iii) be able to integrate the distribution of products by fully exploiting the potential of the distribution networks of HOOP and KOFOLA. In the long term, this should lead to a distinct improvement in operating efficiency, which in turn will bring tangible economic benefits for the shareholders as well as ensure further enhancement in the quality of the products offered to customers and more effective distribution and sales processes.

4.2. Benefits of the Merger

The Merger is expected to yield the following tangible benefits:

4.2.1. Enhanced competitive standing

The merger will create a leading company on the market of carbonated and non-carbonated beverages, juices, and mineral water in terms of market share and product range.

KOFOLA-HOOP Spółka Akcyjna will undertake efforts aimed at increasing its market share by expanding the range of products produced under own brands and introducing the flag-ship products of the merging companies into new markets via an integrated distribution network.

4.2.2. Cost efficiencies

The merger will help achieve clear cost efficiencies resulting from the concentration of operations within a single entity. The efficiencies will be derived both from better organisation of the operations of the new entity, which will allow for the reduction of overlapping costs incurred by separate production and distribution companies, as well as from direct savings in operating expenses and fixed-asset spending. In the long run, the cost rationalisation will contribute to higher shareholder value and enable the Group to expand the range of products and further enhance their quality.

4.2.3. Improvement of management and product quality control processes

The merger will lead to significant improvements in the management processes thanks to the use and full implementation of the high standards developed by both Groups. Continued substantial enhancement in the product quality, as well as optimisation of the management processes and operational procedures is a priority in the list of objectives to be achieved by the Company after the merger.

4.2.4. Economic benefits for the merging companies

Prior to the decision on the merger, an analysis had been performed to identify potential merger synergies.

In the course of the analysis, the Management Boards of the merging companies determined the key steps to be taken in order to achieve substantial cost synergies in the coming years. The expected decrease in costs will result from streamlining the activities related to raw materials supply, logistics, transport, costs of products, sales, and administration. The plan approved for implementation envisages considerable economies of scale to be achieved by the merged company.

5. Share Exchange Ratio

5.1.1. Exchange Ratio Determination Method

The Management Boards of the merging companies are of the opinion that the share exchange ratio should be determined on the basis of the value of each company, calculated with the use of the discounted cash flow method and the comparable method (including trading multiples method and transaction comparables). Based on the valuations made, it has been determined that Kofola SPV shareholders will receive 13,083,342 Series F Shares in exchange for 266,229 shares in Kofola SPV.

5.1.2. Contributions by Kofola SPV Shareholders

In connection with the accepted share exchange ratio and merger structure, Kofola SPV shareholders will make additional cash contributions (referred to in Art. 492.3 of the Commercial Companies Code) of PLN 2,027 to HOOP.

5.1.3. Opinion of Court-Appointed Auditor

Acting pursuant to Art. 500.1 in conjunction with Art. 502.2 of the Commercial Companies Code, the Management Boards of the merging Companies jointly requested the competent registry court having jurisdiction over the registered office of the Acquirer to appoint an auditor with a view to auditing the Plan of Merger in terms of its fairness and accuracy. The auditor appointed by the registry court prepared a written opinion, wherein the following has been stated:

(i) the assets, equity and liabilities of the merging companies were valued in a correct manner and on the basis of historical data,

(ii) the assets of the merging companies were valued with the use of methods customarily applied for such valuations, and using an average algorithm from several calculations,

(iii) the share exchange ratio was determined correctly, in accordance with appropriate methods,

(iv) the Plan of Merger is fair and accurate.

6. Exceptional Difficulties Arising in Connection with the Valuation of the Merging Companies

No exceptional difficulties were encountered during the process of valuing the merging companies and determining the share exchange ratio.

7. Additional Information

Series F Shares issued by HOOP in connection with the merger will carry the right to a share in the profits generated by HOOP starting with profit distributions for 2008, i.e. as of January 1st 2008.

No preferential rights will be granted to Kofola SPV shareholders following the merger.

No special entitlements will be granted to the members of the governing bodies of the merging companies in connection with the merger.

No additional benefits are envisaged for other persons participating in the merger.

The Management Boards of the merging companies are considering a proposal to the shareholders of the companies to create an incentive programme for employees and cooperating entities.

8. Summary and Recommendation

In the Management Board’s view, the merger is justified in economic terms, the valuations of the companies have been prepared in a correct manner, the share exchange ratio has been established taking into account the interests of HOOP shareholders and Kofola SPV shareholders, and the merger process is being conducted in accordance with the applicable provisions of the Commercial Companies Code and the Articles of Association of HOOP and Kofola SPV.

Given the foregoing, the Management Board of HOOP recommends the General Shareholders Meeting of the Company to adopt a resolution on the merger of HOOP and Kofola SPV.

Legal basis: Art. 56.1.2 of the Act on Public Offering – current and periodic information