

Ostrów Mazowiecka, on the 2nd of February 2016

CURRENT REPORT NO. 4/2016

Subject: increase of mortgage

Pursuant to the current report no. 50/2015 concerning the conclusion on the 15th of December 2015 of the subsequent annex to the loan agreement on current account, concluded with Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna (further referred to as PKO BP S.A.) on the 14th of February 2000, increasing the maximum loan amount to 55,000,000.00 PLN (in words: fifty five million zloty), the Management of FABRYKI MEBLI "FORTE" S.A. with its registered seat in Ostrów Mazowiecka (further referred to as Company) hereby informs that as of the 1st of February 2016 it obtained a notification from the District Court in Biała Podlaska, 9th Mortgage Register Department in Hajnówka regarding the entry as of the 28th of January 2016 in favour of PKO BP S.A. of an increase of contractual bail mortgage of total up to 55,000,000.00 PLN (in words: fifty five million zloty) on the perpetual usufruct right to the land property of the Company and on the ownership right to the buildings and devices located therein, in Hajnówka at ul. 3 Maja 51, for which the District Court in Biała Podlaska, 9th Mortgage Register Department in Hajnówka maintains land and mortgage register under the numbers: BI2P/00017202/7, BI2P/00017198/5, BI2P/00027286/2, BI2P/00007254/3. The book value of the assets within the accounts of the Company on which the mortgage has been set amounts to 22,238,068.18 PLN (in words: twenty two million two hundred and eight thousand sixty eight zloty and eighteen grosze).

There are no links between the Company, persons managing and supervising the Company and PKO BP S.A..

The criterion of the disclosure of the hereby information stems from the fact, that the value of the increased mortgage exceeds than the equivalent expressed in PLN of the amount of EURO 1,000,000, calculated according to the average exchange rate issued by the National Bank of Poland on the day when the information obligation arises.

Legal basis:

Article. 56 section 1 item 2 of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies (Journal of Laws of 2013, 1382, consolidated text)