

Ostrów Mazowiecka, on the 4th of April 2016

CURRENT REPORT NO. 8/2016

Subject: Increase of mortgage

Pursuant to the current report no. 50/2015 concerning concluding 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.) of the 14th of February 2000, increasing the maximum amount of loan to PLN 55,000,000.00 (in words: fifty five million zloty) the Management Board of FABRYKI MEBLI "FORTE" S.A. with its registered seat in Ostrów Mazowiecka (further referred to as Company) hereby informs that on the 4th of April 2016 it obtained a notification from the District Court in Ostrów Mazowiecka, V Division of Land and Mortgage Register regarding an entry on the 31st March 2016 towards PKO BP S.A. an increase of contractual joint capped mortgage up to the amount of PLN 55,000,000.00 (in words: fifty five million zloty) on the right of perpetual usufruct of a land of the Company and on the right of ownership of buildings and structures located thereon, located in Ostrów Mazowiecka at ul. Biała no. 1 for which the District Court in Ostrów Mazowiecka, V Division of Land and Mortgage Register maintains a land and mortgage register with number OS1M/00000739/8. The registered value of assets within the accounts of the Company on which the mortgage has been set amounts to PLN 39,089,727.67 (in words: thirty nine million eighty nine thousand seven hundred and twenty seven zloty and sixty seven grosz)

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

The criterion for the issuance of the above noted information stems from the fact that the value of the established pledge exceeds the expressed in zloty equivalent of EUR 1,000,000, calculated according to the average exchange rate issued by the National Bank of Poland on the day when the obligation to disclose information 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)