

Ostrów Mazowiecka, on the 27th of June, 2016

CURRENT REPORT NO. 27/2016

Subject: establishment of register pledge

In reference to the current report No. 25/2016, concerning the conclusion on 10th of June, 2016, annex to the credit agreement on the current account dated 14th of February, 2000 with Powszechna Kasa Oszczędności Bank Polski S.A., Management Board of FABRYK MEBLI „FORTE” S.A. with its registered office in Ostrow Mazowiecki (hereinafter: Company), informs that on 27th of June, 2016 ,it received the decision from the District Court in Białystok, Economic Department X - Register of Pledges to change the entry in the Register of Pledges in favor of Powszechna Kasa Oszczędności Banku Polski S.A., by entering registered pledge on inventories of things labelled as to the types belonging to the Company, located at the branch of the Company in Hajnówka, street 3 Maja 51.

The highest amount of security has changed and now it amounts to 120,000,000 PLN.

The value of recorded assets in the accounting books of the Company, on which the registered pledge was established amounts to 32,455,503.34 PLN, in accordance with the state, dated 31.03.2016.

Between the Company, managing and supervising persons in the Company and Powszechna Kasa Oszczędności Banku Polskiego S.A. there are no connections.

The criterion for forwarding above information arises from the fact that the value of pledge is greater than that expressed in PLN equivalent of EUR 1,000,000, recalculated according to the average exchange rate published by the National Polish Bank on the day of creation of information obligation.

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).