

Ostrów Mazowiecka, on 18th January 2017

CURRENT REPORT NO. 2/2017

Refers: Confidential information-conclusion of joint venture agreement

The Management Board of FABRYKI MEBLI „FORTE” S.A. with its seat in Ostrów Mazowiecka (further referred to as: Company or FORTE) hereby informs that on 18.01.2017 the Company concluded with Indian Furniture Products Limited with its seat in Chennai, India (further referred to as: OFPL), that is an entity belonging to Capital Group ADVENTZ, joint venture agreement concerning production and sale of furniture on Indian market. An element of joint venture agreement is creation of entity under the name FORTE FURNITURE PRODUCTS INDIA PVT. LTD with its seat in Chennai, India (further referred to as: FFPI) in which each of the shareholders, that is FORTE and IFPL, has 50% of shares each. Financial input introduced to the company share capital of FFPI by each shareholder will be an equivalent of approx. 2 million Euro and the basic subject of activity for FFPI will be the production and sale of furniture.

Activity of FFPI will be based on the existing production plant and sales network in India, having so far been the property of IFPL and on the know-how design, product development and production technology provided by FORTE.

Planned commencement of FFPI operations is planned for April 2017.

Both FORTE and IFPL expect that mutual cooperation and dynamic growth of newly-created entity, that is FFPI allow to obtain a significant position on a dynamically developing Indian market in the scope of furniture sales for self-assembly.

Legal basis: art. 17 act 1 of MAR Regulation