

Ostrów Mazowiecka, on 26th of October 2015

CURRENT REPORT NO. 38/2015

Subject: Concluding a significant agreement resulting in selling by the subsidiary the assets from the Issuer with significant value to the subsidiary and concluding significant agreement resulting in purchasing by the subsidiary the assets with significant value.

The Management Board of FABRYKI MEBLI „FORTE” S.A. with its seat in Ostrów Mazowiecka (hereinafter referred to as FORTE or Issuer) hereby notifies that on 26 October 2015 the subsidiary of the Issuer - Antwerp Spółka z ograniczoną odpowiedzialnością-XXXIV-S.K.A with its seat in Wrocław, with KRS number 0000480008 (hereinafter referred to as „SKA”), concluded with the company Terceira Spółka z ograniczoną odpowiedzialnością, with its seat in Warsaw with the KRS number 0000535948 (hereinafter referred to as „Terceira”) the datio in solutum agreement (the agreement for the provisions in the place of performance – hereinafter referred to as „Agreement”), by virtue of which SKA shall be released from the obligation of paying in favor of Terceira a liability of PLN 206,800,000.00 for the purchase of Bonds series A and B by SKA issued by Terceira (hereinafter referred to as „Bonds”), SKA transferred to Terceira the enterprise SKA covering the set of tangible and intangible components allocated for conducting the business activity within the meaning of art. 55 (1) of the Civil Code constituting the value of PLN 206,800,000.00.

The main components of the SKA enterprise include:

1. rights of intellectual property, i.e. the rights to trade marks being the subject of the protection of trade marks entered into the registers conducted by:
 - Patent Office RP under the numbers of protective certificates 144050, 147680;
 - World Organization of Intellectual Property (OMPI/WIPO) under the numbers 810263 and 823025;
 - National Register of Trade Marks and Service Marks of Russian Federation under the numbers 245700,245701,245704;
 - German Patent Office under the number 2104299,
2. Rights to the property, i.e.:
 - a) the rights of perpetual usufruct with the rights of ownership of the buildings and houses founded thereon constituting a separate subject of ownership from the land, located:
 - in Przemyśl, at Bakończycka street no. 7,
 - in Wrocław at Brücknera street no. 25-43,
 - in Wrocław at Robotnicza street no. 54;
 - b) cooperative ownership right to the utility facility located in Kraków at Aleksandra street no. 11.

The ownership of the enterprise SKA was passed onto Terceira as of the day of concluding the Agreement.

The agreement does not contain any provisions concerning contractual penalties, nor conditions deviating from those commonly used in the agreements of that type.

The enterprise SKA acquired by Terceira was used by SKA to conduct the activity in the scope of granting licenses to use trademarks and rent real estate. Terceira plans to continue the previous method of using the SKA enterprise.

Simultaneously, the Management Board of FABRYKI MEBLI „FORTE” S.A. notifies that on 26 October 2015 SKA acquired Bonds from Terceira, i.e.:

- 20 unsecured inscribed bonds of series A with a total nominal value of PLN200,000,000.00, for a total issue price equal to nominal value of bonds, i.e. PLN 200,000,000.00,
- 17 unsecured inscribed shares of series B with a total nominal value of PLN 6,800,000.00, for a total issue price equal to nominal value of the bonds, i.e. PLN 6,800,000.00,

The rights resulting from the Bonds passed to SKA as of 26th of October 2015.

Terceira undertakes to buy out the Bonds on 31 October 2020 (hereinafter referred to as „Buyout Day”). Terceira has the right to buy out the Bonds before the Buyout Day.

The Buyout of Bonds takes place by paying for SKA a nominal value of Bonds with due interests. The bonds have the percentage rate in accordance with 4%, per annum, for the whole effectiveness of the Bonds until the Buyout Day or the Earlier Buyout Day. The interest shall be charged on the nominal value in 6-month periods, from the day following the day of allocation of bonds and shall be paid on the last day of each period.

The bonds are unsecured.

Simultaneously, the Management Board of FORTE informs that there are no affiliations between the managing or supervising persons of SKA and the managing and supervising persons from Terceira. The Issuer also informs that general partner SKA – the company Antwerp Sp. z o.o. with its seat in Warsaw has 100 % shares in Terceira.

In addition, the Issuer informs that he has 100 % shares in share capital of SKA and 100 % votes at the Annual General Meeting of Shareholders of SKA and 100 % shares in the company Antwerp Sp. z o.o. being the general partner of SKA.

The criterion to recognize the Agreement as the significant one is its value and value of assets covered with the subject of the agreement which exceed 10 % of equity of the Issuer.

The criterion to recognize the purchase of Bonds by SKA as the purchase of assets with significant value is the value of Bonds which exceed 10 % of Issuer’s equity.

Legal basis:

Article 56 section 2 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies