

Ostrów Mazowiecka, on 19th of August 2016

CURRENT REPORT NO. 33/2016

Subject: establishing mortgage

Pursuant to the current report no. 25/2016 concerning concluding on the 10th of June 2016 of the annex to the loan agreement on the current account concluded with PKO BP, S.A. on the 14th of February 2000, increasing the amount of the loan by 100,000,000 PLN (in words: one hundred million zloty), the Management of FABRYKI MEBLI "FORTE" S.A. with its seat in Ostrów Mazowiecka (further referred to as Company) hereby informs that on the 19th of August 2016 it obtained an information from the District Court in Ostrów Mazowiecka, 5th Land and Mortgage Register Department regarding an entry as of the 17th of August 2018 towards PKO BP S.A. of an increase of capped total mortgage up to the amount of 120.000.000 PLN (in words: one hundred and twenty million zloty) on perpetual usufruct rights for the property of the Company located on these properties and devices, constituting a separate to the land subject of ownership, located in Ostrów Mazowiecka at ul. Biała no. 1, for which District Court in Ostrów Mazowiecka, 5th Land and Mortgage Register Department maintains land and mortgage register of number OS1M/00000739/8. The book value of assets in the account of the Company on which the mortgage has been set amounts to 39.595.832,14 PLN (in words: thirty nine million and five hundred and ninety five thousand and eight hundred thirty two zloty and four groszy) according to the status as of the 31st of March 2016.

Legal Basis: art. 17, sec. 1 MAR-confidential information.