

Ostrów Mazowiecka, on the 8th of 2016

CURRENT REPORT NO. 30/2016

Subject: Establishing mortgage

Pursuant to the current report no. 25/2016 concerning conclusion on the 10th of June 2016 of an annex to the loan agreement on current account, concluded with PKO BP S.A. of the 14th of February 2000, increasing the loan amount up to PLN 100,000,0000 (in words: one hundred million zloty), the Management Board of FABRYKI MEBLI "FORTE" S.A. with its seat in Ostrów Mazowiecka (further referred to as the Company) hereby informs that on the 8th of August 2016 it obtained an information from the District Court in Bielsko Podlaskie, IX Department of Mortgage Register in Hajnówka of entering on the 4th of August 2016 for PKO BP S.A. an increase of contractual total capped mortgage up to the amount of PLN 120,000,000 (in words: one hundred and twenty million) on the rights of perpetual usufruct of developed property of the Company and buildings and devices located on these properties, constituting a separate subject of property from the land, located in Hojnówka at ul. 3-ego Maja 51, for which District Court in Bielsko Podlaskie IX Mortgage Register Department in Hajnówka maintains Land Registration number BI2P/00017202/7.

The book value of assets within accounts of the Company on which the capped mortgage has been set amounts to PLN 22,000,121.97 (in words: twenty two million one hundred and twenty one thousand zloty and ninety seven grosz) according to the state as of the 31st March 2016.

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