

Subject: Information on the recommencement of the public offering of the Series E shares in the Company, the determination of the new Maximum Price and Price Range by the Supervisory Board, change in the number of the existing shares in the Company to be sold by the Company's shareholder under the private placement and change of the Company's dividend policy

Current Report no. 63/2015

In reference to the current report no. 54/2015 of October 9, 2015 and the current report no. 60/2015 of October 22, 2015, the Management Board of Pfeiderer Grajewo S.A. (the "**Company**") hereby gives notice that on November 25, 2015, the Company's Management Board, in agreement with the Sole Global Coordinator (as defined in prospectus approved by the Polish Financial Supervision Authority (the "**PFSA**") on October 9, 2015, hereinafter the "**Prospectus**") and following consultation with the other Joint Bookrunners (as defined in the Prospectus) decided to recommence the public offering of the Series E shares in the Company (the "**Public Offering**").

Pursuant to an authorization contained in Resolution No. 3 of the Company's Extraordinary General Meeting of 27 July 2015 concerning the increase in the share capital of the Company, on November 25, 2015 the Company's Supervisory Board determined:

- (i) the maximum issue price (the "**Maximum Price**") of the Series E shares in the Company (the "**New Shares**") for the purpose of placing the subscriptions by the Eligible Investors (as defined in the Prospectus) at a level of PLN 26 per one New Share; and
- (ii) the indicative price range (the "**Price Range**") for the purpose of bookbuilding among institutional investors of between PLN 24 and PLN 26 per one New Share.

On November 26, 2015 the Company intends to file with the PFSA the annex no. 6 to the Prospectus (the "**Annex**") containing, among others, information on the recommencement of the Public Offering, together with the application for its approval. Immediately upon approval of the Annex by the PFSA, it will be published in the manner used to publish the Prospectus. Detailed information regarding the recommencement of the Public Offering will be included in the Annex. The Company expects gross proceeds from the offering amounting to up to approximately PLN 490 million. The Company intends to use the proceeds to finance the acquisition of Pfeiderer GmbH and EUR11-12m of gross proceeds to reduce the indebtedness of the enlarged group following the completion of the corporate reorganization.

Simultaneously, the Management Board of the Company hereby informs that on November 25, 2015, the Company was notified by the Company's shareholder, Pfeiderer Service GmbH ("**PSG**") that the number of the existing shares in the Company (the "**Existing Shares**") to be sold by the PSG under the private placement (the "**Private Placement**" and together with the Public Offering, the "**Offering**"), in connection with the reorganization of the Pfeiderer capital group, amounts to between 3.1 million and 9.0 million Existing Shares. The Private Placement will not be conducted on the basis of the Prospectus and will not constitute a public offering within the meaning of the Act of July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies (consolidated text: Dz. U. of 2013, Item 1382). The Company was also notified that on completion of Corporate Reorganization, Atlantik S.A. plans to disburse between 6.5 and 7.1 million of existing shares held in the Company to some of its creditors.

Additionally, on November 25, 2015 the Management Board of the Company declared the intention to recommend to the General Meeting of the Shareholders of the Company the payment of a dividend for year 2015 in the amount from PLN 1.00 to PLN 1.25 per one share, subject to (i) the completion of the Corporate Reorganization (as defined in the Prospectus); (ii) compliance of such dividend payment with binding provisions of law, in particular to the requirement to generate sufficient net profit as disclosed in the stand-alone financial statements of the Company and (iii) any restrictions in the agreements governing the financial indebtedness of the Group (as defined in the Prospectus). Moreover, the Management Board of the Company has changed the dividend policy of the Company set forth in the Prospectus by determining, that beginning from the financial year ending on December 31, 2016, depending on the point in the business cycle, the Company will appropriate for the purposes of dividend payment up to 70% of the consolidated net income of the Group, as shown in the Group's

consolidated financial statements prepared in accordance with the international accounting and financial reporting standards, on the terms and conditions provided for in the Prospectus.

On November 25, 2015 Grajewo and PSG received from some of the creditors of Atlantik S.A., i.e. Brookside s.a.r.l., Yellow Sapphire s.a.r.l. and Kings Forest s.a.r.l. represented by Strategic Value Partners, LLC (collectively, the **"Funds"**), an indication of their intention to place firm orders in the book building process upon re-launch of the Offering of up to approximately 10.5 million of New and Existing Shares. In connection with the indicative commitment Grajewo and PSG granted to the Funds a preferential pre-allocation in connection with the Offering. In connection with the above, the Funds has undertaken a lock-up commitment of 180 days.

This report was prepared pursuant to Article 56 Section 1 Item 1 of the Act of July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies. (consolidated text: Dz. U. of 2013, Item 1382).

November 26, 2015

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