

Subject: Mortgage established on real properties of a subsidiary

Current Report No. 68/2015

The Management Board of Pfleiderer Grajewo S.A. (the "Company") hereby announces that on November 30, 2015 the Company received a notice from the District Court in Grajewo, 5th Land and Mortgage Register Division, dated November 25, 2015 informing that on November 25, 2015 a mortgage was established on the real properties of its subsidiary, i.e. Pfleiderer MDF Sp. z o.o. with its registered office in Grajewo, for the benefit of Commerzbank Aktiengesellschaft Filiale Luxemburg as a security agent (the "Security Agent") up to the maximum amount of PLN 1,286,228,472.00.

The mortgage was established on the properties where the production plant of Pfleiderer MDF Sp. z o.o. is located.

The aforementioned mortgage was established for the benefit of the Security Agent to secure the repayment of amounts due in respect of the parallel debt under the Intercreditor Agreement disclosed by the Company in its Current Report No. 57/2015 of October 21, 2015.

In accordance with the accounting records of Pfleiderer MDF Sp. z o.o., the net value of the properties is equal to PLN 107,820,856.85.

There are no connections between the Company and its management or supervisory persons and the Security Agent and its management persons. The assets discussed above were classified as assets of important value on the basis of equity of the Company.

This report was prepared pursuant to Article 56 Section 1 Item 2 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) and § 5 Section 1 Item 1 of the Regulation of the Minister of Finance on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state of February 19, 2009 (Dz. U. No. 33, item 259, as amended).

November 30, 2015

Disclaimer:

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