

Subject: Signing of documents regarding accession to financial agreements and establishment of collateral

Current Report no. 53/2016

The Management Board of Pfeiderer Grajewo S.A. (the “**Company**”), hereby informs that in relation to the internal reorganization of the Company’s capital group (the “**Group**”) in Poland, about which the Company informed in its current report no. 36/2016 dated June 1, 2016, on July 4, 2016 the companies belonging to the Group i.e. Pfeiderer Grajewo sp. z o.o. and Pfeiderer Services sp. z o.o. (the “**Subsidiaries**”) signed:

- (i) Accession Deeds to the super senior revolving credit facility agreement, dated July 4, 2014 (as amended) (the “**Revolving Credit Facility Agreement**”), about which the Company informed in its current report no. 52/2015 dated October 5, 2015; and
- (ii) Obligor Accession Agreements to the Intercreditor Agreement dated July 4, 2014 (as amended) (the “**Intercreditor Agreement**”), about which the Company informed in its current report no. 57/2015 dated October 21, 2015.

The Subsidiaries’ accession to the Revolving Credit Facility Agreement as well as to the Intercreditor Agreement will become effective when the Subsidiaries satisfy certain conditions precedent set out in the Revolving Credit Facility Agreement. Once the Subsidiaries execute the above mentioned agreements, they will become additional borrowers and additional guarantors under the Revolving Credit Facility Agreement and additional debtors under the Intercreditor Agreement, under the same terms and conditions as the other companies of the Group. Detailed information on the Revolving Credit Facility Agreement and Intercreditor Agreement has been also included in the prospectus of the Company approved by the Polish Financial Supervision Authority on October 9, 2015 available at the Company’s website.

Additionally, on July 4, 2016 the Subsidiaries executed a guarantee agreement (the “**Guarantee Agreement**”) regarding obligations arising from the 7.875% senior secured notes, issued by Pfeiderer GmbH on July 7, 2014, due 2019 in the aggregate principal amount of EUR 321,684,000.00 (the “**Notes**”). The Guarantee Agreement was concluded between the Subsidiaries, Commerzbank Aktiengesellschaft, Filiale Luxemburg and the common representative of the holders of the Notes (Günther & Partner GmbH). Under the Guarantee Agreement, the Subsidiaries, under the same terms and conditions as the other companies from the Group, which were presented in current report no. 4/2016 dated January 19, 2016, jointly and severally guarantee, on a senior basis, the due and punctual payment of principal, interest, costs, expenses or any other amount payable by Pfeiderer GmbH under or in connection with the Notes.

Moreover, on July 4, 2016 the Company, Subsidiaries and Commerzbank Aktiengesellschaft, Filiale Luxemburg executed and signed agreements and other documents stipulating establishment of the following collaterals: (i) financial and registered pledges over shares of the Subsidiaries; (ii) the powers of attorney to exercise corporate rights from the pledged shares of the Subsidiaries; (iii) the financial and registered pledges over receivables under bank account agreements of the Subsidiaries; (iv) the powers of attorney to block and disburse the funds from bank accounts of the Subsidiaries; (v) the registered pledges over assets (whole business, including trademarks) of the Subsidiaries; (vi) the security assignment over receivables under insurance policies and material contracts (including intercompany loan agreements) of the Subsidiaries; and (vii) submissions to enforcement of the Subsidiaries.

Registered pledges shall become effective upon their registration into the Pledge Register. The above collaterals secure the claims under the parallel debt obligations, due to

Commerzbank Aktiengesellschaft, Filiale Luxemburg, as the security agent pursuant to the Intercreditor Agreement and the Revolving Credit Facility Agreement, and has been granted under the same terms and conditions as by the other companies of the Group, which has been presented in indicated above current reports.

The planned accession of the Subsidiaries to the Revolving Credit Facility Agreement and Intercreditor Agreement, as well as establishment of the above collaterals, is connected with the current process of the internal reorganization of the Group and aims, in particular, at enabling the Subsidiaries to use the available financing on the same terms and conditions as the other companies from the Group.

This report was prepared pursuant to Article 17 Section 1 of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (OJ EU L 173/1 dated June 12, 2014).

04.07.2016