

Subject: Decision of President of the OCCP in antimonopoly proceedings

Current report no. 57/2017

The management board of Pfeiderer Group S.A. (the "**Company**") informs investors that on 28 December 2017 the Company received decision no. DOK-3/2017 (the "**Decision**") of the President of the Office of Competition and Consumer Protection (the "**President of the OCCP**") considering as an anti-competitive practice the conclusion by Kronospan Szczecinek sp. z o.o., Kronospan Mielec sp. z o.o., Swiss Krono sp. z o.o. (formerly Kronopol sp. z o.o.), Pfeiderer Group S.A. (formerly Pfeiderer Grajewo S.A.) and Pfeiderer Wieruszów sp. z o.o. (formerly Pfeiderer Prospan S.A.) an agreement limiting competition on the national market of sales of chipboard and on the national market of sales of fibreboard, consisting in:

1. the fixing of prices of chipboard and fibreboard, which infringes the prohibitions mentioned in Art. 6 sec. 1 point 1 of the Act on Competition and Consumer Protection (the "**Act**") and Art. 101 sec. 1 a) of the Treaty on the Functioning of the European Union (the "**TFEU**"); and
2. the exchange of commercial information on the conditions of sale of chipboard and fibreboard, which infringes the prohibition mentioned in Art. 6 sec. 1 of the Act and Art. 101 sec. 1 of the TFEU.

According to the Decision, the agreement was in force from the beginning of 2008 to 7 September 2011. In the Decision, the President of the OCCP imposed a fine of PLN 15,957,741.83 on Pfeiderer Group S.A. and PLN 19,804,706.50 on Pfeiderer Wieruszów sp. z o.o. The Decision is not legally final.

During an internal investigation, the Company did not identify any infringements of competition law that would justify the Decision's being issued in relation to the Company and Pfeiderer Wieruszów sp. z o.o. Consequently, the Company plans to file an appeal against the Decision with the Court of Competition and Consumer Protection.

The Company notes that the fines mentioned in the Decision are payable after the Decision becomes legally final, that is after the appeal procedure in courts of two instances has been exhausted.

The Company is examining the justification of the Decision and conducting an analysis to determine the amount of the provision it should set up in its accounting ledgers.

Legal basis: Art. 17 sec. 1 of the Regulation (EU) No. 596/2014 of the European Parliament and of the Council 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 L of 2014, no. 173, p. 1, as amended).

28.12.2017

Hour: 16:15