

Current report no. 64/2017

Date prepared: 25.07.2017

Issuer's abbreviated name: POLIMEX-MOSTOSTAL

Subject: Conclusion of an annex to the loan agreement by a subsidiary

Legal basis: Article 17(1) of 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

Referring to current report no. 6/2016 dated 29 January 2016 and current report no. 62/2017 dated 21 July 2017, the Management Board of Polimex-Mostostal S.A. having its registered office in Warsaw (hereinafter referred to as the „**Company**”) informs that it has become aware that, on 24 July 2017, Mostostal Siedlce Sp. z o.o. Spółka komandytowa (hereinafter referred to as „**Mostostal**”) concluded an annex (hereinafter referred to as the „**Annex**”) to the fixed-term loan agreement executed on 29 January 2016 by and between PKO BP and Pekao on one hand, and Mostostal and Nieruchomości MS sp. z o.o. on the other hand (hereinafter referred to as the "**Mostostal Loan Agreement**"); as a result thereof, a revolving loan facility to be used by Mostostal solely in the form of guarantees or letters of credit up to the total amount of PLN 20,000,000.00 will be made available as part of the Agreement (hereinafter referred to as the "**Guarantee Line**").

The availability period of the Guarantee Line is no longer than 12 months with a possible renewal for another 12 months (the consent of the banks is required each time), not later than by the final date for the repayment of the fixed-term loan granted under the Mostostal Loan Agreement (31 December 2021).

The Annex provides for additional security interests in the form of: (i) a cash deposit in PLN established by Mostostal in case the total amount of all guarantees issued exceeds the amount of total loan exposure as part of the Guarantee Line limit and (ii) a surety of Nieruchomości MS sp. z o.o. (Mostostal's subsidiary) which will be granted once the real estate currently owned by Mostostal has been transferred over to Nieruchomości MS sp. z o.o.

The Guarantee Line will be made available to the Company under the condition that the security interests established so far on the loan facilities made available to the Company under the Annex will be extended.