

Current report no. 4/2017

Date prepared: 18.01.2017 r.

Issuer's abbreviated name: POLIMEX-MOSTOSTAL

Subject: Conclusion of an investment contract

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. 58/2016, current report no. 60/2016, current report no. 62/2016 and current report no. 64/2016, the Management Board of Polimex-Mostostal S.A. having its registered office in Warsaw (hereinafter referred to as the "**Company**") informs that on 18 January 2017 the Company and ENEA Spółka Akcyjna having its registered office in Poznań, ENERGA Spółka Akcyjna having its registered office in Gdańsk, PGE Polska Grupa Energetyczna Spółka Akcyjna having its registered office in Warsaw, and PGNiG Technologie Spółka Akcyjna having its registered office in Krosno (hereinafter referred to as the "**Investors**") concluded an investment contract specifying the detailed parameters of the Investor's equity participation, as well as the mutual rights and obligations of the Parties (hereinafter referred to as the "**Investment Contract**").

Subject to the Conditions Precedent specified below, the Investors undertake to make investment in the Company through the subscription of the Company's Class T shares at the issue price of 2 PLN each (in words: two zlotys 00/100) (hereinafter referred to as the "**Issue Price**"), 37,500,000 shares for each Investor (hereinafter referred to as the "**Investment**").

In order to make it possible for the Investors to execute the Investment, the Company will ensure that a meeting of the Supervisory Board is held with the issue of its consent for the Issue Price set by the Management Board and for the offering of shares to the Investors by the Management Board on the agenda.

The Conditions Precedent include inter alia: (i) conclusion of an agreement regarding a change of conditions of financing for the Polimex-Mostostal Group, (ii) conclusion of a contract requiring a change of the terms of a Class A convertible bond issue and agreement on the terms of a new convertible bond issue, (iii) agreement on the binding conditions of refinancing or extension of forward financing for Mostostal Siedlce, (iv) obtaining the consent of the Antitrust Authority for concentration consisting in the takeover by the Investors of joint control over the Company or the expiry of the time limit within which a decision should be issued by the Antitrust Authority, (v) conclusion of a contract obliging the Industrial Development Agency to sell 146 convertible bonds, (vi) conclusion of a contract obliging SPV Operator to sell the Company's shares for the benefit of the Investors, (vii) conclusion by Towarzystwo Finansowe „Silesia” Sp. z o.o. and the Investors of a call option contract, (viii) conclusion by Bankowe Towarzystwo Kapitałowe S.A. and the Investors of a contract regarding a waiver of the right to conversion of Class A bonds held by Bankowe Towarzystwo Kapitałowe S.A., (ix) adoption by the Company's General Meeting of Shareholders of resolutions regarding amendments to the Articles of Association and changes in the composition of the Supervisory Board and registering the former at a registry court.

If not all Conditions Precedent are fulfilled by 31 January 2017, the Investment Contract shall expire on this day unless the Parties agree otherwise.

The Investors shall subscribe the Company's shares on a working day following the fulfilment of the Conditions Precedents or when the Investors waive the last Condition Precedent yet to be fulfilled (hereinafter referred to as the "**Recapitalisation Day**").

In case the President of the Agricultural Property Agency exercises the right specified in Article 4 (1), in connection with Article 4 (6) of the Act on Agricultural System, towards any of the Investors, the Investment Contract shall expire with regard to all Investors.

The Investors acting jointly have the right to withdraw from the Investment Contract with immediate effect in case the Company violates its obligations specified in the Investment Contract during a transition period. Withdrawal from the Contract is effective if a related statement is delivered in person to the Company before the Recapitalisation Day. The Investors acting jointly have the right to withdraw from the Investment Contract by the Recapitalisation Day in case of an exceptional change of the circumstances indicated in the Investment Contract.

The Company is obliged to undertake any actions necessary to admit the shares to trading at the Warsaw Stock Exchange not later than 6 months after the Recapitalisation Day.

The Investment Contract shall expire with regard to individual or all Investors in cases of their loss of control over the Company as specified in the Investment Contract.

Signatures of persons representing the Company:
Joanna Białas – Disclosure Requirement Fulfilment Coordinator