

Current report no. 5/2017

Date prepared: 18.01.2017

Issuer's abbreviated name: POLIMEX-MOSTOSTAL

Subject: Fulfillment of the Condition Precedent and conclusion of a contract concerning a change of the terms of a Class A convertible bond issue

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. 152/2014, current report no. 3/2017 and current report no. 4/2017, 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 Condition Precedent indicated in the Investment Contract (as defined in current report no. 4/2017) was fulfilled.

The Company, Bankowe Towarzystwo Kapitałowe S.A. (hereinafter referred to as "**BTK**") and Towarzystwo Finansowe "Silesia" Sp. z o.o. (hereinafter referred to as "**TFS**") (BTK and TFS are hereinafter jointly referred to as the "**Bondholders**") have concluded a contract concerning a change of the terms of the issue of Class A bonds (hereinafter referred to as the "**Bonds**") (hereinafter referred to as the "**Terms of the Bond Issue**") issued by the Company, specifying the way of change of the Terms of the Bond Issue on the condition that TFS purchases 146 Bonds (hereinafter referred to as the "**Contract**").

In accordance with the Contract, the Parties have undertaken to change the Terms of the Bond Issue in the following way:

(i) the Bonds shall be subject to redemption on 31 July 2022 or on the first working day after this day, as a result of which the interest payment dates shall change accordingly;

(ii) the issue price of Shares offered in return for the Bonds shall be equal to the nominal value of the Company's shares;

(iii) a provision will be introduced requiring the Company to purchase the Bonds from the Bondholders for redemption in the number and on the dates specified in the Obligatory Redemption Schedule, i.e. on 31 July 2020 and 31 July 2021. The price of one Bond shall be equal to the nominal value of one Company's share multiplied by the number of Bonds purchased by the Company from a given Bondholder plus due interest on such Bonds (if any);

(iv) the catalogue of securities will be updated;

(v) modifications will be introduced into the catalogue of information obligations;

(vi) the violation of the obligation referred to in item (iii) above by the Company shall be deemed a circumstance entitling each Bondholder to demand the immediate redemption of their Bonds;

(vii) modifications will be introduced into the catalogue of circumstances entitling each Bondholder to demand the early redemption of the Bonds. Added will be the following case among other things: no issue of new convertible bonds by 30 September 2017 on the terms and conditions specified in the Agreement, about the conclusion of which the Company notified in current report no. 3/2017.

The other provisions of the Terms of the Bond Issue specified in current report no. 152/2014 will remain unchanged.

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