

18 November 2016

THE POLISH FINANCIAL SUPERVISION AUTHORITY

**Plac Powstańców Warszawy 1
00-950 Warszawa**

**PBG S.A.
ul. Skórzewska 35
Wysogotowo k. Poznania
62-081 Przeźmierowo**

This notification is drawn up in connection with Article 69, Section 1 in connection with Article 69b, Sections 1 and 3 and Article 69, Section 1 in connection with Article 87, Section 1, item 5), Article 87, Section 5 of the Act on Public Offering and the Conditions of Introducing Financial Instruments to the Organized System of Trading and on Public Companies

Jefferies International Limited, a company established and operating under the laws of England and Wales, with its registered office in London (address: Vintners Place, 68 Upper Thames Street, London, EC4V 3BJ United Kingdom), entered into the Register of Companies of England and Wales under number 1978621 (the “**Notifier**”), acting in connection with Article 69, Section 1 in connection with Article 69b, Sections 1 and 3 and Article 69, Section 1 in connection with Article 87, Section 1, item 5), Article 87, Section 5 of the Act on Public Offering and the Conditions of Introducing Financial Instruments to the Organized System of Trading and on Public Companies of 29 July 2005 (Dz. U. 2016, item 1639, as amended; the “**Act**”), hereby provides the following information.

The Notifier is a direct wholly owned subsidiary of Jefferies International (Holdings) Limited. Jefferies International (Holdings) Limited is a direct wholly owned subsidiary of Jefferies Holdings II Limited. Jefferies Holdings II Limited is a direct wholly owned subsidiary of Jefferies Holdings I Limited. Jefferies Holdings I Limited is a direct wholly owned subsidiary of Jefferies Group LLC. Jefferies Group LLC is a direct wholly owned subsidiary of Limestone Merger Sub, LLC. Limestone Merger Sub, LLC is a direct wholly owned subsidiary of Leucadia National Corporation which is the ultimate parent company of the Notifier.

This notification is drawn up also in the name of the entities referred to in the previous paragraph.

This notification is one of two notifications made by the Notifier at the same time, in connection with the Notifier’s holding of share capital of PBG S.A. with its registered office in Wysogotowo (ul. Skórzewska 35, Wysogotowo k. Poznania, 62-081 Przeźmierowo, entered into the Register of Business Entities of the National Court Register under number KRS 0000184508) (the “**Company**”/the “**Issuer**”) and the related voting rights. Both notifications should be read together for completeness.

1. Date and type of event:

On 14 November 2016, the increase in the share capital of the Company through the issue of the Company's registered series H shares (the "**Shares**") was recorded in the Register of Business Entities of the National Court Register.

The Shares were issued in accordance with the receivables conversion procedure into the Company's shares pursuant to an arrangement concluded by the Company with its creditors, approved by the final and binding decision of the Bankruptcy Court of 8 October 2015 (the "**Restructuring Arrangement**"). The Notifier is one of the Company's creditors.

As a result of the foregoing, on 14 November 2016 the Notifier became a shareholder of the Company having 34.176.350 of the Company's series H shares.

Furthermore, the Notifier is a party to certain agreements which may comply with the conditions of being treated as the agreements referred to in Article 87, Section 1, item 5) of the Act with third parties (jointly the "**Seller Agreements**", and each of them individually a "**Seller Agreement**").

Pursuant to the Seller Agreements, the Notifier is entitled to:

- 1) issue binding instructions on the manner of exercising the voting rights attached to 115.030.299 shares issued by the Issuer, entitling their holder to 115.30.299 voting rights at the Issuer's general meeting, representing approximately 14,93% of the total number of voting rights at the Issuer's general meeting held by the remaining parties of the Seller Agreements; and
- 2) have the ownership of 115.030.299 shares issued by the Issuer, representing approximately 14,93% of the total number of the Issuer's shares, held by the other parties to the Seller Agreements transferred to the Notifier.

Furthermore, the following agreements which may comply with the conditions of being treated as the agreements referred to in Article 87, Section 1, item 5) of the Act in respect of shares of the Company are in force:

- 1) agreements between the Notifier and VTT Fund Limited with registered office at c/o The Harbour Trust Co. Ltd, Windward I, Regatta Office Park, PO BOX 897 GT, Georgetown, Grand Cayman, Cayman Islands ("**VTT**") and
- 2) agreements between the Notifier and Vega Select Opportunities Fund Limited with registered office at c/o The Harbour Trust Co. Ltd, Windward I, Regatta Office Park, PO BOX 897 GT, Georgetown, Grand Cayman, Cayman Islands ("**Vega**"),

(jointly the "**VTT and Vega Agreements**", and each of them individually the "**VTT and Vega Agreement**").

On 14 November 2016 VTT became a shareholder of the Company having 11.641.680 shares issued by the Issuer, representing approximately 1,51% of the total number of the Issuer's shares, entitling their holder to 11.641.680 voting rights at the Issuer's general meeting, representing approximately 1,51% of the total number of voting rights at the Issuer's general meeting.

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Pursuant to the VTT and Vega Agreements, VTT is entitled, inter alia, to:

- 1) issue binding instructions on the manner of exercising the voting rights attached to 5.479.142 Issuer's shares held by the Notifier at the Company's general meetings;
- 2) have the ownership of 14.320.160 Issuer's shares held by the Notifier transferred to VTT;
- 3) issue binding instructions to the Notifier to instruct certain other relevant parties to the related Seller Agreements on the manner of exercising the voting rights attached to 61.683.166 Issuer's shares held by certain other relevant parties to the related Seller Agreements at the Company's general meetings; and
- 4) have the ownership of 61.683.090 Issuer's shares held by the certain other relevant parties to the related Seller Agreements transferred to VTT after they are transferred to the Notifier in accordance with the relevant Seller Agreements.

Pursuant to the VTT and Vega Agreements, Vega is entitled, inter alia, to have the ownership of 11.832.189 Issuer's shares held by the certain other party to a relevant Seller Agreement transferred to Vega after they are transferred to the Notifier in accordance with the Seller Agreement.

Due to the fact, that before 14 November 2016 none of the relevant shares (being those of the Company's series H shares that were issued on 14 November 2016 pursuant to the Restructuring Agreement) were issued to or held by the Notifier or any other party to the VTT and Vega Agreements or the Seller Agreements the relevant provisions of the the VTT and Vega Agreements and Seller Agreements in scope regarding the shares of the Company came to the legal effect as of 14 November 2016.

2. The number of shares held before the change of the shareholding and their percentage of the share capital of the Issuer and the number of voting rights attached to these shares and their percentage of the total number of voting rights at the Issuer's general meeting:

Before 14 November 2016 the Notifier did not hold any of the Company's shares.

3. The number of shares held after the change of the shareholding and their percentage of the share capital of the Issuer and the number of voting rights attached to these shares and their percentage of the total number of voting rights at the Issuer's general meeting:

As at the end of day on 14 November 2016, the Notifier directly held 34.176.350 of the Issuer's shares, representing approximately 4,43% of the total number of the Issuer's shares, entitling their holder to 34.176.350 voting rights at the Issuer's general meeting, representing approximately 4,43% of the total number of voting rights at the Issuer's general meeting.

As at the end of day on 14 November 2016, pursuant to the Seller Agreements, the Notifier was entitled to give binding instructions as to the manner of exercising the voting rights attached to 115.030.299 shares issued by the Issuer, representing approximately 14,93% of the total number of the Issuer's shares, entitling their holder to 115.030.299 voting rights at the Issuer's general meeting, representing approximately 14,93% of the total number of voting rights at the Issuer's general meeting held by the remaining parties to the Agreements.

As at the end of day on 14 November 2016, VTT directly held 11.641.680 shares issued by the Issuer, representing approximately 1,51% of the total number of the Issuer's shares, entitling their holder to 11.641.680 voting rights at the Issuer's general meeting, representing approximately 1,51% of the total number of voting rights at the Issuer's general meeting.

As at the end of day on 14 November 2016, pursuant to the VTT and Vega Agreements, VTT was entitled to give binding instructions as to the manner of exercising the voting rights attached to 5.479.142 shares issued by the Issuer, representing approximately 0,71% of the total number of the Issuer's shares, entitling their holder to 5.479.142 voting rights at the Issuer's general meeting, representing approximately 0,71% of the total number of voting rights at the Issuer's general meeting held by the Notifier.

As at the end of day on 14 November 2016, pursuant to the VTT and Vega Agreements, VTT was entitled to give binding instructions to the Notifier to instruct the certain other relevant parties to the related Seller Agreements on the manner of exercising the voting rights attached to 61.683.166 shares issued by the Issuer, representing approximately 8% of the total number of the Issuer's shares, entitling their holder to 61.683.166 voting rights at the Issuer's general meeting, representing approximately 8% of the total number of voting rights at the Issuer's general meeting.

As at the end of day on 14 November 2016, Vega didn't hold any of the Company's shares and was not entitled to give instructions on the manner of exercising the voting rights attached to any of the Company's shares.

In view of the foregoing, as at the end of day on 14 November 2016 the Notifier and VTT directly held in aggregate 45.818.030 shares issued by the Issuer, representing approximately 5,94% of the total number of the Issuer's shares, entitling their holder to 45.818.030 voting rights at the Issuer's general meeting, representing approximately 5,94% of the total number of voting rights at the Issuer's general meeting.

4. Information on the Notifier's subsidiaries holding the Issuer's shares

As at 14 November 2016, there were no Notifier's, VTT's or Vega's subsidiaries holding any of the Issuer's shares. As described above, the Notifier is an indirect wholly owned subsidiary of Leucadia National Corporation.

5. Information in the persons referred to in Article 87, Section 1, item 3, letter c) of the Act

As at 14 November 2016, there were no persons referred to in Article 87, Section 1, item 3), letter c) of the Act.

6. The number of voting rights attached to the Issuer's shares calculated in the manner specified in Article 69b, Section 2 of the Act, the Notifier is entitled or required to acquire as the holder of the financial instruments referred to in Article 69b, Section 1, item 1 of the Act, and the financial instruments, referred to in Article 69b, Section 1, item 2 of the Act, which are not executed only through cash settlement, type and name of

such financial instruments, their expiration date, and the date or time limit when the shares were, or may be, acquired

As at the end of day on 14 November 2016, pursuant to the Seller Agreements, the Notifier was entitled to have the ownership of the relevant Company's series H shares (being those of the Company's series H shares that were issued on 14 November 2016 pursuant to the Restructuring Agreement) held by the each other party to the relevant Seller Agreement transferred to the Notifier, and thus the number of voting rights attached to the Issuer's shares, calculated in the manner specified in Article 69b, Section 2 of the Act the Notifier was thus entitled to acquire, was in aggregate: 115.030.299 voting rights at the Issuer's general meeting, representing approximately 14,93% of the total number of voting rights at the Issuer's general meeting. The expiration date of the above rights and time limit when the shares may be acquired are described separately in every Seller Agreement. Details of these are included in the second notification made by the Notifier at the same time as this notification.

As at the end of day on 14 November 2016, pursuant to the VTT and Vega Agreements, VTT was entitled to have the ownership of:

- 1) 14.320.160 Issuer's shares held by the Notifier to be transferred to VTT and
- 2) 61.683.090 Issuer's relevant shares (being those of the Company's series H shares that were issued on 14 November 2016 pursuant to the Restructuring Agreement) held by the certain other relevant parties to the related Seller Agreements transferred to VTT after they are transferred to the Notifier in accordance with the terms of the relevant Seller Agreements,

and thus the number of voting rights attached to the Issuer's shares, calculated in the manner specified in Article 69b, Section 2 of the Act, transferred to which VTT, was in aggregate thus entitled to acquire, was jointly: 76.003.250 voting rights at the Issuer's general meeting, representing approximately 9,86% of the total number of voting rights at the Issuer's general meeting.

As at the end of day on 14 November 2016, pursuant to the VTT and Vega Agreements, Vega was entitled to have the ownership of 11.832.189 Issuer's shares held by a certain party to a related Seller Agreement transferred to Vega after they are transferred to the Notifier in accordance with the terms of the relevant Seller Agreement and thus the number of voting rights attached to the Issuer's shares, calculated in the manner specified in Article 69b, Section 2 of the Act Vega was thus entitled to acquire, was in aggregate: 11.832.189 voting rights at the Issuer's general meeting, representing approximately 1,54% of the total number of voting rights at the Issuer's general meeting.

The above rights pursuant to the VTT and Vega Agreements have no expiration date.

The series H shares referred in item 1)-2) above will be acquired as soon as practically possible but in any case not earlier than on the date on which the shares of Company shall become validly transferable under Polish law and also (where applicable) not earlier than the date on which they are transferred to the Notifier in accordance with the terms of each relevant the Seller Agreements..

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7. The number of voting rights attached to the Issuer's shares calculated in the manner specified in Article 69b, Section 3 of the Act, to which the financial instruments referred to in Article 69b, Section 1, item 2 of the Act refer, type or name of such financial instruments, and the expiration date of such financial instruments

As at 14 November 2016, the Notifier and the Notifier's subsidiaries held no financial instruments referred to in Article 69b, Section 1, item 2 of the Act, which are executed only through cash settlement.

8. The aggregate amount of the number of voting rights specified pursuant to items 2, 6 and 7 and its percentage of the total number of the Issuer's voting rights.

Before 14 November 2016 the Notifier did not hold any of the Company's shares.

As at the end of day on 14 November 2016, pursuant to the Seller Agreements, the Notifier was entitled to have the ownership of the relevant Company's series H shares (being those of the Company's series H shares that were issued on 14 November 2016 pursuant to the Restructuring Agreement) held by each other party to the relevant Seller Agreement transferred to the Notifier, and thus the number of voting rights attached to the Issuer's shares, calculated in the manner specified in Article 69b, Section 2 of the Act the Notifier was thus entitled to acquire, was in aggregate: 115.030.299 voting rights at the Issuer's general meeting, representing approximately 14,93% of the total number of voting rights at the Issuer's general meeting. The expiration date of the above rights and time limit when the shares may be acquired are described separately in every Seller Agreement. Details of these are included in the second notification made by the Notifier at the same time as this notification.

As at the end of day on 14 November 2016, pursuant to the VTT and Vega Agreements, VTT was entitled to have the ownership of:

- 1) 14.320.160 Issuer's shares held by the Notifier to be transferred to VTT and
- 2) 61.683.090 Issuer's relevant shares (being those of the Company's series H shares that were issued on 14 November 2016 pursuant to the Restructuring Agreement) held by the certain other parties to the related Seller Agreements transferred to VTT after they are transferred to the Notifier in accordance with the terms of the relevant Seller Agreements,

and thus the number of voting rights attached to the Issuer's shares, calculated in the manner specified in Article 69b, Section 2 of the Act, transferred to which VTT, was in aggregate thus entitled to acquire, was in aggregate: 76.003.250 voting rights at the Issuer's general meeting, representing approximately 9,86% of the total number of voting rights at the Issuer's general meeting..

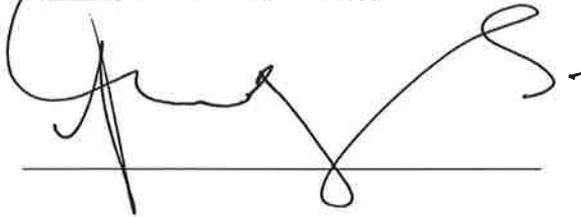
As at the end of day on 14 November 2016, pursuant to the VTT and Vega Agreements, Vega was entitled to have the ownership of 11.832.189 Issuer's shares held by a certain party to a related Seller Agreement transferred to Vega after they are transferred to the Notifier in accordance with the terms of the relevant Seller Agreement and thus the number of voting rights attached to the Issuer's shares, calculated in the manner specified in Article 69b, Section 2 of the Act Vega was thus entitled to acquire, was in aggregate: 11.832.189 voting rights at the Issuer's general meeting, representing approximately 1,54% of the total number of voting rights at the Issuer's general meeting.

As at 14 November 2016, the Notifier not any other party to the VTT and Vega Agreements or their subsidiaries held any financial instruments referred to in Article 69b, Section 1, item 2 of the Act, which are executed only through cash settlement.

All information contained in this notification about ownership of shares of the Company and the related voting rights regarding entities other than the Notifier and its direct and indirect parent companies is being only presented to the best knowledge of the Notifier, as at the date of this notice, which knowledge is based exclusively on the information included in the Restructuring Arrangement and *Additional Agreement to the Restructuring Arrangement* dated 8 November 2016 executed between the Company and some of its creditors.

On behalf of the Notifier:

Jefferies International Limited

A handwritten signature in black ink, appearing to be 'G. S.', written over a horizontal line. The signature is stylized and cursive.

HEAD OF COMPLIANCE