

18 November 2016

VTT Fund Limited

The Harbour Trust c/o Ltd, Windward I,
Regatta Office Park, PO Box 897 GT,
Georgetown, Grand Cayman, Cayman

Vega Select Opportunities Fund Limited

The Harbour Trust c/o Ltd, Windward I,
Regatta Office Park, PO Box 897 GT,
Georgetown, Grand Cayman, Cayman

**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) and 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

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 (hereinafter referred to as "**VTT**") 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 (hereinafter referred to as "**Vega**"; VTT and Vega hereinafter also referred jointly as 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) and 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.

VTT is a direct wholly owned subsidiary of Constellation Limited. Constellation Limited is a direct wholly owned subsidiary of 1982 White Horse Foundation which is the ultimate parent company of the VTT.

Vega is a direct wholly owned subsidiary of Constellation Limited. Constellation Limited is a direct wholly owned subsidiary of 1982 White Horse Foundation which is the ultimate parent company of the Vega.

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

1. Date and type of event:

On 14 November 2016, the increase in the share capital of the 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**”) 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**”). VTT is one of the Company’s creditors.

As a result of the foregoing, 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.

Furthermore, the following agreements which 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 VTT and **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 “**Jefferies**”) and
- 2) agreements between Vega and Jefferies,

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

Pursuant to the VTT and Vega Agreements, the 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 Jefferies at the Company’s general meetings;
- 2) have the ownership of 14.320.160 Issuer’s shares held by Jefferies transferred to VTT;
- 3) issue binding instructions to Jefferies to instruct the other parties to the Seller Agreements (as defined below) on the manner of exercising the voting rights attached to 61.683.166 Issuer’s shares held by the remaining parties to the Seller Agreements (as defined below) at the Company’s general meetings; and
- 4) have the ownership of 61.683.090 Issuer’s shares held by the other parties to the Seller Agreements transferred to VTT after they are transferred to Jefferies in accordance with the Seller Agreements (as defined below).

Pursuant to the VTT and Vega Agreements, the Vega is entitled, inter alia, to have the ownership of 11.832.189 Issuer’s shares held by the other parties to the Seller Agreements transferred (as defined below) to Vega after they are transferred to Jefferies in accordance with the Seller Agreements (as defined below).

Furthermore, Jefferies 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, Jefferies is entitled to:

- 1) issue binding instructions on the manner of exercising the voting rights attached 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 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 Jefferies.

On 14 November 2016 Jefferies became a shareholder of the Company having 34.176.350 of the Company’s series H shares.

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 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 neither the Notifier nor Jefferies held 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, 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 Jefferies.

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 Jefferies to instruct the other parties to the 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.

As at the end of day on 14 November 2016, Jefferies 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, Jefferies 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.

In view of the foregoing, as at the end of day on 14 November 2016 Jefferies and VTT directly held jointly 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 VTT's, Vega's or Jefferies's subsidiaries holding any of the Issuer's shares.

As described above, VTT is an indirect wholly owned subsidiary of 1982 White Horse Foundation.

As described above, Vega is an indirect wholly owned subsidiary of 1982 White Horse Foundation.

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 VTT and Vega Agreements, VTT was entitled to have the ownership of:

- 1) 14.320.160 Issuer's shares held by Jefferies 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 other parties

to the Seller Agreements transferred to VTT after they are transferred to Jefferies in accordance with the terms of the 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 the other parties to the Seller Agreements transferred to Vega after they are transferred to Jefferies in accordance with the 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 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 Jefferies in accordance with the terms of each relevant the Seller Agreements.

As at the end of day on 14 November 2016, pursuant to the Seller Agreements, Jefferies 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 Jefferies, 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 Jefferies 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.

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 nor Jefferies 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.

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 neither the Notifier nor Jefferies held any of the Company's shares.

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 Jefferies 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 other parties to the Seller Agreements transferred to VTT after they are transferred to Jefferies in accordance with the terms of the 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 the other parties to the Seller Agreements transferred to Vega after they are transferred to Jefferies in accordance with the 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 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 the end of day on 14 November 2016, pursuant to the Seller Agreements, Jefferies 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 Jefferies, 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 Jefferies 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.

As at 14 November 2016, the Notifier nor Jefferies 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.

Please be informed that all information regarding ownership of shares of the Company and the related voting rights regarding entities other than the Notifier are presented to the best knowledge of the Notifier and are 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:



Lukasz Orłowski

VTT and Vega Proxy