

Current Report No. 14/2014

Date prepared: 2014-02-07

Subject: The transfer of assets of significant value by a subsidiary to a further tier subsidiary

Legal basis: Article 56 Section 1 Item 2 of the Public Offering Act - current and periodic information

Contents of the report:

MAKRUM S.A. having its seat in Bydgoszcz (MAKRUM) informs that on the previous day, e.i. on 6 February 2014, it received the information from its subsidiary IMMOBILE Sp. z o.o. having its seat in Bydgoszcz (IMMOBILE) on the increase in share capital of HOTEL 1 Sp. z o.o. 1 S.K.A. having its seat in Bydgoszcz (Company) from the amount of PLN 50.000,00 by an amount of PLN 8.935.827,00, that is to the amount of PLN 8.985.827,00 through the issue of 8.935.827 new ordinary bearer shares, "B" series, with numbers from 1 to 8.935.827, with a nominal value of PLN 1,00 each, all of which were offered through a private subscription at a nominal issue price of PLN 10,00 each, to IMMOBILE Company and were fully paid-up by the said company with the contribution in kind in the form of:

1. Perpetual usufruct right to the land property for which the District Court Szczecin - Prawobrzeże and Zachód in Szczecin, 10th Land and Mortgage Register keeps the land and mortgage register entry under no.: SZ1S/00081399/6, located in Szczecin at ul. Małopolska 23, Zachodniopomorskie Province, with an area of 0.1375 ha, constituting a plot numbered 4 in the records, developed with a three-star hotel having five above ground storeys, two underground storeys and usable attic, with cubic capacity of 17,130 m³, as well as property rights to the building in question. The Company is registered as a perpetual user and owner of the buildings forming a separate property.
2. Perpetual usufruct right to the land property for which the District Court in Bydgoszcz, 10th Land and Mortgage Register keeps the land and mortgage register entry under no.: BY1B/00004707/1, located in Bydgoszcz at ul. Modrzewiowa 1, Kujawsko - Pomorskie Province, with the area of 0.1132 ha, constituting a plot numbered 18/1 in the records, developed with a hotel building, as well as property rights to the building located on the land property in question constituting a separate property. The Company is registered as a perpetual user and owner of the building forming a separate property.
3. Perpetual usufruct right to the land property for which the District Court for Łódź - Śródmieście in Łódź, 16th Land and Mortgage Register keeps the land and mortgage register entry under no.: LD1M/00175075/7, located in Łódź at ul. Łąkowa 23/25, Łódzkie Province, with the area of 0.5361 ha constituting a plot numbered 86/10 in the records, developed (including the land property described in item 4 below LD1M/00183566/5) with a three-star Focus hotel building and the building of Fabryka Towarów Bawełnianych Juliusza Kindermana and a ground parking lot, as well as property rights to the building located on the land property in question constituting a separate property. The Company is registered as a perpetual user and owner of the buildings forming a separate property.
4. Perpetual usufruct right to the land property for which the District Court for Łódź - Śródmieście in Łódź, 16th Land and Mortgage Register keeps the land and mortgage register entry under no.: LD1M/00183566/5, located in Łódź at ul. Łąkowa 23/25, Łódzkie Province,

with the area of 0.2077 ha constituting a plot numbered 86/13 in the records, developed (including the land property described in item 3 above LD1M/00175075/7) with a three-star Focus hotel building and the building of Fabryka Towarów Bawełnianych Juliusza Kindermana and a ground parking lot, as well as property rights to the building located on the land property in question constituting a separate property. The Company is registered as a perpetual user and owner of the buildings forming a separate property and having a total net value of PLN 72.649.000,00, i.e. gross PLN 89.358.270,00, in return for which IMMOBILE took up 8.935.827 new "B" series ordinary bearer shares.

The difference between the total issue price of all new B series bearer shares and their nominal value, which amounts to PLN 80.422.443,00, constitutes aggio, which was transferred to the supplementary capital of the Company.

For that purpose, on 06.02.2014, IMMOBILE entered with the Company into the agreement on transfer of the above mentioned perpetual usufruct and property rights.

The Company is a company in which, until the date of adopting resolution on increasing the capital, IMMOBILE owned 49 950 A series registered shares with a nominal value of PLN 1,00 each, whilst the remaining 50 A series registered shares with a nominal value of PLN 1,00 each are owned by the General Partner HOTEL 1 Sp. z o.o. (the company in which IMMOBILE owns 100% shares).

Net book value of assets constituting a contribution in kind in the accounts of IMMOBILE amounts to the total value of PLN 24.406.792,19, whilst in the consolidated financial statement of the Capital Group MAKRUM S.A., the net value of assets was presented in the amount of about PLN 68.8 million.

Assets were considered to be significant due to exceeding 10% of revenue of the Capital Group MAKRUM S.A. for the last four quarters. MAKRUM adopts this criterion due to the fact that it currently allows one to better assess the significance of the concluded agreement.

Note: Polish version of this report is legally binding. English version is for reference only.