

SCO-PAK S.A.

CR No. 18/2015

POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report No. 18/2015

Date of issue: 25/07/2015

Issuer's abbreviated name: SCO-PAK S.A.

Subject: Issue of bonds of H series

Legal basis

Article 56 paragraph 1 item 2 of the Public Offering Act – current and periodic reports

Text of the report:

Pursuant to § 5 paragraph 1 item 11 of the Regulation of the Minister of Finance of 19 February 2009 on current and interim reports published by issuers of securities and on conditions for recognition of information required by the non-Member State regulations as equivalent, the Management Board of SCO-PAK SA ("Company", "Issuer") informs that on 24 July 2015, they adopted the Resolution No. 1 on the issue of bonds of H series. By the virtue of the aforesaid resolution, 2,500 covered bearer bonds series marked with the letter H with consecutive numbers in this series from number 0.001 to number 2.500 will be issued in the form of a document (hereinafter: "Bonds") with a nominal value of PLN 10,000.00 (ten thousand) per bond and the total nominal value of not more than PLN 25,000,000.00 (twenty five million), bearing interest at the rate WIBOR 6M plus margin per annum, with the maturity date falling on the day of expiry of 72 (seventy-two) months from the date of their allotment to subscribers, and at an issue price per Bond equal to the nominal value per Bond, subject to the conditions detailed in the following documents:

- (a) "Offer to Acquire Bonds of H Series issued by SCO-PAK SA with its registered office in Warsaw" attached as the Appendix No. 1 to the aforesaid resolution and
- (b) "Terms of Issue of Bonds of H Series issued by SCO-PAK SA with its registered office in Warsaw" attached as the Appendix No. 2 to the aforesaid resolution.

The proceeds from the issue of the Bonds will be used in their entirety for:

- a) the payments due in connection with the redemption of the Bonds of E Series;
- b) the purchase of the Bonds of Danos and monetary claims from the redemption of the Bonds of Danos.

The liabilities on the last day of the quarter preceding the purchase offer are as follows: PLN 97,806,000 from short-term liabilities and PLN 4,738,000 from long-term liabilities. The Issuer expects that in the period from the total redemption of Bonds, the Company's liabilities will be decreasing in proportion to the repayment of financial liabilities resulting from the maturity of bonds and the repayment the loans and borrowings. The Issuer does not preclude that due to the increased scale of operations the level of trade liabilities will grow compared the liabilities on the last day of the quarter preceding the purchase offer.

In connection with pledges established to secure the issue of bonds of H series, the Issuer has made the following valuations:

- a) MP 1 paper machine production line (inventory no. 5/0098/546) with the value of: PLN 177,656,816.00.

b) paper mill wastewater treatment plant in Orchówek near Włodawa, ul. Garbarska 16, and the CHP and boiler house facilities and piping systems located in the CHP building in Orchówek near Włodawa, ul. Garbarska 16, with the value of: PLN 30,130,000.00.

c) one- or multi-layered corrugated cardboard production line with the value of PLN 10.370.500,00.

d) reinforced cardboard (honeycomb) production line and the line for manufacturing Case-China boxes with the value of: PLN 2,173,800.00.

e) Real property situated in Chełm at ul. Garbarska 16, with the value of: 63,300,000.00,

f) Real property situated in Chełm at ul. Rampa Brzeska 39, with the value of: PLN 6,400,000.

The Issuer's Management Board has set the deadline for acceptance of the Offer to Purchase the Bonds of H Series not later than 31 July of 2015.

The criterion for recognition of the aforementioned contracts as significant is the fact that the value thereof exceeded 10% of the Issuer's revenue for the past four quarters covered by the reports.

SCO-PAK SPÓŁKA AKCYJNA

(Issuer's full name)

SCO-PAK S.A.

(Issuer's abbreviated name)

Industry (pin)

(sector according to WSE classification)

00-383 Warsaw

(postal code) (city)

Prosta 28

(street) (number)

+ 48 82 565 40 17 +48 82 565 47 57

(phone) (fax)

(e-mail) (www)

563-15-88-270 110150964

(TAXPAYER ID) (STATISTICAL ID)

SIGNATURES OF THE COMPANY'S REPRESENTATIVES

Date	Full name	Title/Function	Signature
25/07/2015	Grzegorz Pleskot	President of the Management Board	Grzegorz Pleskot
25/07/2015	Maciej Pleskot	Vice-President of the Management Board	Maciej Pleskot