

Pursuant to Article 428 § 1 in conjunction with Article 428 § 3 of the Polish Code of Commercial Companies, the Board of Directors of Przedsiębiorstwo Przemysłu Spożywczego „Pepees” S.A. (**the “Company”**), hereby answers the questions asked by Mr Łukasz Warsza, the proxy of the shareholder: Epsilon FIZ AN, during the Ordinary (Annual) General Meeting of Shareholders of the Company held on 19 May 2016 (**the “AGM”**).

The content of the question/requested information:

What was the justification for granting loans by the Company to PPZ Bronisław sp. z o.o. for the total amount of PLN 5,800,000?

Answer:

The Board of Directors hereby informs that the loans were granted due to business reasons. The loans were granted in 2011, so 4 years ago. Therefore, the justification for them and the purpose of their granting are not related to the agenda of the Ordinary (Annual) General Meeting of Shareholders which discusses issues related to the results for 2015.

The content of the question/requested information:

What was the justification for granting loans by the Company to ZPZ Lublin sp. z o.o.?

Answer:

The loan agreement concluded in 2011 with ZPZ LUBLIN Sp. z o.o. to finance the purchase of potatoes and of semi-finished products for the production of syrup, was justified by market conditions. Therefore, the justification for them and the purpose of their granting are not related to the agenda of the Ordinary (Annual) General Meeting of Shareholders which discusses issues related to the results for 2015.

The content of the question/requested information:

What was the justification for granting loans by the Company to CHP Energia sp. z o.o.?

Answer:

The loan was granted in 2012 for the construction of a biogas plant being a source of renewable energy, and was justified by the development of the Associate.