

Current report No. 2/2018

Date of report: 5 February 2018

Abbreviated name of the Issuer: Ronson Europe N.V.

Subject: Commencement of the procedure for the transformation of Ronson Europe N.V. into a European Company (SE) and the transfer of its registered office to Poland

Text of the Report:

Ronson Europe N.V. (the "**Company**") hereby announces the conclusion by the Company on 5 February 2018 of an agreement between the Company and a special negotiation body elected from amongst a group of employees of the Company's capital group (the "**Agreement**") pursuant to the requirements of Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (the "**Regulation**"). The Agreement regulates the rules of the involvement of employees of the Company's capital group, including:

- a) the access of interested employees to information regarding changes to the structure of the Company, its economic and financial situation, the development of business, production and sales, material capital expenditures, fundamental organisational changes, the introduction of new working and manufacturing methods, mergers, demergers and transformations, the relocation of production operations, retrenchments or closures of companies, work establishments or material parts thereof, the current status of, the developments in and the probable trend of the employment situation, and mass dismissals; and
- b) the right of interested employees to participate in consultations with the Company regarding the above-mentioned issues and to express an opinion thereon.

The conclusion of the Agreement allows for the commencement of a procedure involving the transformation of the Company into a European Company (SE) (the "**Transformation**") and the subsequent transfer of its registered office to Poland (the "**Transfer of the Registered Office to Poland**").

After having considered all of the economic circumstances and available analyses, the management board of the Company believes that the potential Transformation and the Transfer of the Registered Office to Poland may be beneficial both for the Company and its shareholders. The Transformation and the Transfer of the Registered Office to Poland will result in a reduction of administrative and operational costs. In the opinion of the management board, it will also result in the improved functioning of all of the entities of the Company's capital group and will increase the transparency of the Company towards investors in connection with the shares in the Company traded on the Warsaw Stock Exchange.

The potential completion of the Transformation will be dependent on the issuance of the consent of the Company's shareholders during the general meeting. For this purpose, the management board intends

to convene a general meeting of the shareholders of the Company in connection with the potential adoption of a resolution on the Transformation. In accordance with the applicable provisions, materials regarding the potential Transformation (including a transformation plan and the proposed version of the Company's articles of association after the Transformation) shall be made available to shareholders and investors in the announcement on the convocation of the general meeting of the shareholders of the Company.

After the potential Transformation, the intention of the management board of the Company is to effect the Transfer of the Registered Office to Poland. The Transfer of the Registered Office to Poland will require an additional consent of the shareholders to be issued at a subsequent general meeting of the shareholders of the Company.

Due to the fact that pursuant to Art. 37 sec. 2 of the Regulation the potential Transformation will be effected without the commencement of any liquidation proceedings, the potential Transformation shall not entail any changes to the Company's relations with any third party.

Legal grounds: Art. 17 section 1 of the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation)