

Current Report CR No 12 – Information on the Results Achieved by the Issuer in the 1st half of 2019 (confidential information disclosed on 2nd August 2019, at 13:45 hrs.).

In connection with the Individual Reporting Standards adopted by Stalprodukt S.A. ('Issuer', 'Company'), the Company's Management Board, hereby, discloses to the public the information on the results achieved by the Stalprodukt Group in the 1st half of 2019, which shows some significant deviations from the average figures achieved in the analogical periods in the recent 2 years. The criterion of materiality adopted by the Company stands for the deviation of +/- 25 % in relation to the base value.

Significant changes in the average size over the last 2 years have occurred for the following items:

1. Revenues of Electrical Sheets Segment in the 1st half of 2019 amounted to PLN 464,970 thousand (compared to the amount of PLN 325,970, which is the average value of the amounts for 1st half of 2017 and 2018).

This increase was caused by the inclusion of GO Steel Frydek Mistek a.s. in consolidation.

2. Consolidated operating profit, which for the 1st half of 2019 amounted to PLN 131,054 thousand (compared to the amount of PLN 190,953 thousand, which is the average of the results from the 1st half of 2017 and 2018).

3. Consolidated net profit, which for the 1st half of 2019 amounted to PLN 96,120 thousand (compared to the amount of PLN 164,333 thousand, which is the average of the results from the 1st half of 2017 and 2018).

The decrease in the consolidated net profit in relation to the base value is mainly due to the lowering of the result in the Zinc Segment against the high base, i.e. results recorded for 1st half of 2017 and 2018 (as a result of considerably higher zinc LME prices in comparison with the reporting period) and worsening margins in Electrical Sheets Segment, mainly due to unfavorable relation of input materials' prices to the prices of finished goods).

At the same time, on the basis of achieved results one should underline that consolidated net result for the 2nd quarter of 2019 was higher by PLN 7 548 thousand from the one achieved in the 1st quarter of 2019. In the opinion of the Management Board it shows that the decline trend of Stalprodukt's Group financial results has been stopped.

The Company's Management Board underlines that the above data have been prepared within the framework of the conducted consolidation procedures. Consolidated Financial Report for the 1st half of 2019 will be disclosed to the public in accordance with the 2019 disclosure dates provided in the current report No 1/2019 of 29 January 2019, i.e. on 30 August 2019.

Legal basis: Art. 17 par. 1 of the Market Abuse Regulation of the European Parliament and the (EU) Council No 596/2014 as of 16 April 2014 r. (Market Abuse Regulation MAR) repealing the Directive 2003/6/EC of the European Parliament and the Council as well as Directives of the EU Commission 2003/124/EC, 2003/125/EC and 2004/72/EC.