

Current Report CR No 2 – Confidential Information Concerning Extra Funding Received by Subsidiary Company from National Center for Research and Development (10.01.2017)

The Management Board of Stalprodukt S.A. (“Issuer”), herewith, informs about the confidential information (within the meaning of art. 17 par.1 of the MAR Regulation) received this day (i.e. on 10 January 2017) from the Management Board of the subsidiary company, i.e. ZGH “Bolesław” S.A, on extra funding obtained from the National Center for Research and Development.

The Issuer discloses the content of the received notification below.

Acting pursuant to Art. 17 par.1 of the Regulation of the European Parliament and of the Council (EU) No 596/2014 dated 16 April 2014 on market abuse (market abuse regulation) and repealing the Directive 2003/6/EC of the European Parliament and the Council and Directive of the Commission 2003/124/EC, 2003/125/EC and 2004/72/EC, the Management Board of ZGH “Bolesław” S.A. (hereinafter: Company) informs that this day the Company received written information from the National Center for Research and Development that the application submitted by the Company within the Smart Growth Operational Program 2014-2020 measure 1.1/ sub-measure 1.1.2 „R&D works related to manufacturing a pilot/demonstration installation”, the project entitled “Verification of ZGH Bolesław’s Pilot Line for Electrowinning of High-Purity Zinc - New Technology Aimed at Raising Recyclable Materials’ Share in Electrolytic Zinc Production Process to Industry’s Breakthrough Level” was the one selected for extra funding by the National Center for Research and Development.

The funding applied for by the Company and accepted by the National Center for Research and Development amounts to PLN 38,873,197.22. The amount was accepted by NCR&D at the maximum anticipated amount and accounts for 40% of the project’s eligible costs, calculated at the level of PLN 97,182,933.05. The anticipated outlays to be expended for the “New Wash Tubs Hall”, within which the project is carried out, will amount to approx. PLN 240 million. Stalprodukt S.A. informed about the Company’s activities aimed at obtaining the extra funds for the project in the Current Report No 33 dated 27.10.2016.

Legal basis: Art. 17 par. 1 of the Regulation of the European Parliament and of the Council (EU) No 596/2014 dated 16 April 2014 on market abuse (market abuse regulation) and repealing the Directive 2003/6/EC of the European Parliament and the Council and Directive of the Commission 2003/124/EC, 2003/125/EC and 2004/72/EC.