

Current Report CR No 35 – Signing an agreement on purchasing GO Steel Frydek Mistek a.s. (confidential information disclosed on 15 December 2017, at 18:32)

The Management Board of Stalprodukt S.A. ("Company", "Issuer") informs about signing today, i.e. on 15 December 2017, a share purchase agreement for 100% shares in GO Steel Frydek Mistek a.s. based in Frydek Mistek in the Czech Republic with ArcelorMittal S.A. with its registered office in Luxembourg (the Company announced that it had submitted a binding offer for the purchase of GO Steel Frydek Mistek in the current report no. 17/2017 of 10 July 2017). The agreement is conditional, and its entry into force depends on obtaining approval for concentration from relevant antimonopoly offices in Germany, Austria and Turkey.

The final consideration will amount up to 40 million Euros; consisting of cash payment, contingent consideration, and the value attributed to the commercial agreement.

This transaction will allow the Company to strengthen its position on the transformer sheet market by increasing its production capacity to about 150,000 tons /year and diversification of activities in the field of conventional grades (the Frýdek Místek plant) and high grades, the so-called HGO (the plant in Bochnia).

Legal basis: Art. 17 par. 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.