

RISKS OF CONDUCTING BUSINESS ACTIVITY BY A SUBSIDIARY IN UKRAINE IN CONNECTION WITH THE INTRODUCTION OF MARTIAL LAW

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Management Board of ULMA Construccjon Polska S.A. (hereinafter referred to as the "Issuer"), the entity managing the ULMA Construccjon Polska Capital Group, which includes the subsidiary ULMA Opalubka Ukraina (hereinafter referred to as "Subsidiary"), informs that in connection with the introduction of martial law for a period of 30 days on 26 November 2018, pursuant to the President's decree, in 10 districts, including the Odessa district, where the Subsidiary conducts its operations, certain rights related to the freedom of conducting business activity by the Subsidiary may be limited. This applies in particular to the introduction of entry and exit controls from and to the above-mentioned regions, the control of passenger transport and cargo as well as the introduction of restrictions on civil liberties. The Issuer's Management Board informs that as of the date of publication of this current information on the above-mentioned the Subsidiary Company has:

1. ongoing projects for the rental of formwork systems and their accessories, and has a rented warehouse where the above-mentioned fixed assets. The total value of assets in net book values involved in the ongoing projects and placed at the warehouse is 19 284 901,24 hryvnia (nineteen million two hundred and eighty four thousand nine hundred one hryvnia 24/100), which is PLN 2 582 224.27 (two million five hundred and eighty two thousand two hundred twenty four zlotys 27/100) after conversion according to the exchange rate published on 30 November 2018 by the National Bank of Poland amounting to 0.1339.
2. trade receivables from customers with open contracts for the above area. The total value of these receivables is 278 271.56 hryvnia (two hundred seventy eight thousand two hundred seventy one hryvnia 56/100), which is PLN 37 260.56 (thirty seven thousand two hundred sixty zlotys 56/100) converted according to the exchange rate published on 30 November 2018 by the National Bank of Poland amounting to 0.1339.

The items indicated in points 1 and 2 amount to a total of 19 563 172,80 hryvnia (nineteen million five hundred sixty three thousand one hundred seventy two hryvnia 80/100), i.e. PLN 2,619,484.83 (two million six hundred nineteen thousand four hundred eighty four zlotys 83 / 100) after conversion according to the exchange rate published on 30 November 2018 by the National Bank of Poland amounting to 0.1339, which is approx. 7.6% of the consolidated net profit of the ULMA Construccjon Polska SA Capital Group. for the first three quarters of 2018, the Issuer's Management Board decided to publish this current information in connection with the key character of the decision to introduce martial law on the above-mentioned area and the inability to effectively predict its effects.

The Issuer's Management Board remains in constant contact with the Management of the Subsidiary, which monitors the situation and developments on an ongoing basis. As at the date of publication of this current information according to the opinion of the Management of the Subsidiary, there are no indications pointing to the impossibility of maintaining business continuity on the above-mentioned area. Moreover, without excluding the risk of escalation of the current conflict, the Issuer's Management Board and the Management of the Subsidiary do not see any indications of a negative impact of martial law on the above-mentioned area for the ability to continue trading activities by the Subsidiary on the remaining area of Ukraine.

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

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