



Current report No. 17/2019

Date: October 29, 2019

Subject: Acquisition of 100% shares in Fabryka Armatur "Głuchołazy" S.A. based in Głuchołazy

Legal basis: Article 17, paragraph 1 Regulation MAR

Contents of the report:

The Management Board of MANGATA HOLDING S.A. hereby notifies its acquisition on October 29, 2019, by a subsidiary of the Issuer – Zetkama sp. z o.o. based in Ścinawka Średnia, of 100% shares in the company Fabryka Armatur "Głuchołazy" S.A. based in Głuchołazy (National Court Register: 0000002304) ("FAG"). The total purchase price of the shares amounts to 2,724,596.10 PLN.

The source of financing of the transaction is Zetkama sp. z o.o.'s own funds.

FAG specializes in the design, production and distribution of steel and cast steel fittings. In its offer FAG has a wide range of own products, which are diversified in terms of purpose and functionality. Long-standing customers of FAG include combined heat and power plants, conventional power plants, refineries, shipyards and companies from the chemical industry. The expected sales revenues of FAG in the financial year 2019 will amount to about 10 million PLN.

The acquisition of FAG aims to strengthen the Mangata Holding Capital Group's product offer, in particular in the fittings and industrial automation segment (high pressure valves area). The FAG product portfolio will allow the Mangata Holding Capital Group to supplement its sales offer with niche products that were not previously offered. The investment in this entity also aims at increasing production capacity and efficiency of production through the reorganization of FAG's production processes and investment in its production assets FAG. The purchase of shares in FAG is a long-term capital investment by the Issuer's subsidiary.