



Current report No. 4/2018

Date: April 24, 2018

Subject: Information on undertaking actions aimed at selling the entire shares of the subsidiary Techmadex s.a. with headquarters in Warsaw.

Legal basis: Art. 17 sec. 1 of MAR Regulation

Contents of the report:

Mangata Holding SA Management Board based in Bielsko-Biała, informs that on 23 April 2018 took steps to dispose of all shares owned subsidiary Techmadex S.A. with headquarters in Warsaw (referred to as "Techmadex").

The Issuer owns 773,327 shares of Techmadex, representing 51.02% of its share capital.

On April 23, 2018 Issuer's Management Board submitted to the Techmadex request for inclusion in the agenda of the Annual General Meeting Techmadex held on 15 May 2018 points providing for adoption of resolutions on authorizing the Management Board to purchase own shares Techmadex in order to offer their employees and for redemption.

The Issuer's intention is to dispose of all or part of the Techmadex shares held by the Issuer as part of the procedure of purchasing own shares in order to offer employees and as part of the procedure of purchasing own shares for redemption.

In case of inability to sell all the shares held by the Issuer under the aforementioned Techmadex. Due to the possibility of submitting shares to be acquired also by other shareholders, the Issuer intends to offer to the external investor or other shareholder the remaining shares of Techmadex, held by the Issuer after the completion of the above-mentioned procedures.

The Issuer decided to dispose of all the shares of Techmadex held by the Issuer for the following reasons.

The Mangata Holding Capital Group operates in the following operating segments:

- components for the automotive industry and components,
- fittings and industrial automation,
- fasteners,
- non-productive activities (servicing non-productive properties - sale and rental).

In 2014, the Issuer became the majority shareholder of Techmadex.



Techmadex operates in the field of industrial automation (design, implementation, operation and maintenance of control systems and visualization of technological processes), service and repair of gas equipment and trade in transport equipment.

The development strategy implemented by the Issuer does not envisage building significant business values of the Mangata Holding Capital Group in the area in which Techmadex operates. At the same time, the Issuer does not assume any further significant capital engagement in the strategic directions of development that Techmadex intends to implement.

Bearing in mind that the activities and development plans of Techmadex and the Mangata Holding Capital Group are going in other directions, continuing this investment is not justified.

The Issuer's several years' cooperation with Techmadex did not bring the results assumed by the Issuer, both financial and in the scope of building common values and using the synergy effect in the companies of the Mangata Holding Capital Group.

At the moment, the Issuer is planning to focus on other operations within operating segments of the Mangata Holding Capital Group and possible investments in new projects. For the above reasons, in the opinion of the Management Board, the continuation of this investment is not justified.

The completion of the process of selling the entire shares of the subsidiary Techmadex S.A. with its registered office in Warsaw, the Issuer's Management Board will inform in a separate report.