

**Current report no: 16/2019**



**Date: 16/10/2019**

**Decision on the commencement of actions aimed at liquidation of the subsidiary.**

The Management Board of Relpol S.A. (issuer) with headquarters in Żary, informs that it has made a decision regarding the commencement of actions aimed at liquidating Relpol M LLC with its registered office in Minsk in Belarus. Relpol S.A. owns 80% of shares in Relpol M. The Management Board of Relpol S.A. will present this decision at the next meeting of Relpol M. shareholders. The liquidation of the company will be carried out in accordance with the legislation of the Republic of Belarus. A law office operating on the Belarusian market will be chosen as the company's liquidator.

In July 2018, the Management Board of Relpol S.A. made a decision to sell its 80% of shares in this company, but the search for a buyer did not bring the desired results. In the opinion of the Management board, continuing business activities of this company is unjustified. Sales revenues achieved by this company in the first half of 2019 amounted to PLN 79 thousand, and net loss of PLN 31 thousand. The balance sheet of the company as at 30/06/2019 was PLN 219 thousand and were mainly current assets, including cash, accruals and inventories.

The liquidation of this company will not have a significant impact on the financial results of the Relpol S.A. It will not affect the results of the Relpol capital group, as it was not consolidated. Sales of Relpol S.A. products on the Belarusian market is and will be operated by other entities. Relpol S.A. had informed about its intention to sell shares in this company in current report no. 13/2018 of 13/07/2018.

Legal basis: art. 17 sec. 1 of the Regulation of the European Parliament and of the Council (EU) NR 596/2014 of 16 April 2014 on market abuse.

Signatures:	Sławomir Bialik - President of the Management Board Krzysztof Pałgan- Vice President of the Management Board
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