MASTERPLAST PLC.
INTERIM MANAGEMENT REPORT
17 MAY 2018

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Interim management report

Consolidated, not audited

According to International Financial and Reporting Standards (IFRS)

Founded in 1997, the main areas of activity of Masterplast (later: "Group" or "Masterplast") are production and sales of building industry insulation materials. With its headquarters in Hungary, the Central and Eastern European international company group has nine active subsidiary companies all over the world, where it operates two own-property production units. The Group has a presence with its main products, thermal insulation system, heat, sound and water insulation, roofing and dry construction on the market. Its international production bases (own and production under license) ensures that group products reaches the European markets and the markets outside Europe through its subsidiary companies and partners. Masterplast considers the aspects of sustainability, energy efficiency and environment protection of high importance in its internal processes as well as in production and innovation.

1. SUMMARY

In a basically positive market environment the Company has increased its revenues by 4% in Q1 2018 with a temporary negative impact of the strong winter weather in March. Mainly due to the outstanding performance on the Hungarian market the trade margins were increased and with the further growing production output of the Company - the fiberglass mesh production in Subotica, the fiberglass and foil production in Kal – the own production became more efficient and profitable. Due to the higher manufacturing headcount and to the wage inflation effects the overall personnel costs increased and the other expenditures also showed a rise as well. The growing revenue supported by the increasing trade margin and the improving production efficiency resulted in a nearly 50% increase of Company operation profit (EBIT) level in the Q1 2018. Due to its more favourable banking conditions - despite the higher credit and loan exposure - the Company's interest expense did not increase, while the negative exchange rate effects had worsened the financial result. The Group's profit after tax has doubled in the seasonally weakest period compared to the base period. Considering the favourable market mood, the Company expects a boosting growth from Q2 2018 which can be coupling with an improving manufacturing and operating results.

Data in 1000 EUR	Q1 2018	Q1 2017
Sales revenues	18 661	17 990
EBITDA	732	573
EBITDA ratio	3,9%	3,2%
Profit/loss after taxation	54	27
Net income ratio	0,3%	0,2%

Source: consolidated non-audited report of the Group on 31th of March 2018 and on 31th of March 2017 based on IFRS accounting rules, as well as the non-audited data from the Group's management information system

- In the Q1 2018 there were mostly favourable trends in the development of the Company's portfolio in its single markets, where the unfavourable weather conditions in March - trough rescheduled sales orders - relevantly reduced the good start of the year. On the most significant **Hungarian market** the building industry growth had been continued and even more robust economic trends were reported by the statistics, where despite the adverse weather conditions increasing demand characterized the market. According to the indications of the market players the demand on the **Romanian market** was fluctuated in the Q1 2018. The period started with a strong growth, but was followed by a major downturn due to the unfavourable weather conditions. In **Serbia** the GDP grew in Q1 2018 and the economy, including the industry met with more favourable conditions. In **Ukraine** the economy had been stagnating in the Q1 2018, the construction works were mainly related to building new homes and to the reconstructions - including the technical type as well. The economic indicators showed a decline in **Croatia** in Q1 2018, while the construction output grew, including the increasing volumes in the field of the building related construction works. In **Slovakia and Poland** the economies have continued to grow.
- The total revenue of the Company was 18 661 thousand EUR in the Q1 2018, 4% higher than in the base period in 2017.

- Still the building renovation and home improvement markets related **Thermal insulation system** reached the biggest, 44% share, where the overall sales grow by 4% in 2018 Q1 and mainly the own fiberglass mesh sales contributed the most to the increased revenues. The sales were increased by 23% in the **Dry construction system** products group compared to the base period. Also, an 8% increase were reported in the **Heat, sound and water insulation materials** segments and a 7% growth in the **Building industry accessories** sales. The **Roofing foils and accessories** and the **Industrial applications** products group sales were both declined by 8% in Q1 2018 compared to Q1 2017.
- On its main – **Hungarian - market** the group has increased its sales by 7%, while on the less relevant **Poland** market the revenues peaked by 78%. On the **Export** markets the sales of the Company performed well as sales went up by 3% and by 2-2% in **Slovakia** and **Macedonia**. The sales were decreased on the **Croatian** (-13%), **Romanian** (-12%), **Ukrainian** (-7%) and on the **Serbian** (-6%) **markets** in Q1 2018, compared to base period. Beyond the hectic weather conditions in March it can be highlighted the impacts of the product portfolio cleaning, and reorganizational steps done in Romania too, which enabled the Company to operate with a higher profitability with a decreasing turnover.
- In addition to the increase in turnover, the Company's gross trade margin also grew in Q1 2018 compared to the base period. The greatest expansion was achieved on the local Hungarian market, but also a remarkable grow in the margins can be highlighted on the Ukraine and Slovakian markets as well. The fiberglass mesh production output in Subotica significantly, while the foam and fiberglass mesh production in Kál plants in less extent were increased in Q1 2018 compared to the base period. Particularly due to the rising output levels in Subotica the production efficiency has improved and the results are increased in Q1 2018 compared to the base period. Due to the increasing trade margins and the improving manufacturing efficiency, the cost of materials and services – considering the change in the self-manufactured inventories as well – has decreased while the turnover expanded by 4%.
- The rapidly expanding production of the fiberglass mesh in Serbia and the inflated wages in the area are resulted in a 20% increase in the personal expenditures in Q1 2018 compared to the base period. The Company had 900 employees at the end of March 2018 compared to the staff level of 863 people at the end of the base period. 351 people were employed at the fiberglass mesh production unit in Subotica at the end of March 2018, compared to the base period's 274 employee.
- Mainly the investment in the new product lines in Serbia resulted in an increase in the amount of depreciation in Q1 2018 compared to the base.
- The other operating expenses of the Company increased in the Q1 2018 compared to the by one-off items improved (sale of fixed assets) base period.
- As the result of the above mentioned the EBITDA was 732 thousand euros in the Q1 2018 (3.9 % EBITDA ratio) compared to the 573 thousand euros (with 3.2% EBITDA ratio) in the base period. Taken into account the depreciation too the EBIT resulted in 262 thousand euros in 2018 which exceeds by nearly 50% the 182 thousand EUR level of the base period.
- Due to the more favourable banking conditions the interest expense of the Company did not increase in Q1 2018 compared to the base period despite the higher utilized loan portfolio.
- As a result of the more unfavourable foreign currency movements of the year 2018, a 110 thousand euros loss were booked among other financial results in the Q1 2018, compared to a loss of 36 thousand euros in the base period.
- Considering the financial results as well, the Company has generated 54 thousand euros profit after tax in the Q1 2018 compared to the 27 thousand euros result of the base period.
- The inventory level at the end the Q1 in 2018 was higher by 2 004 thousand euros than in the base period, mainly deriving from the growing output of self-manufactured fiberglass mesh products.
- As result of the weak sales performance in March, the trade accounts receivables were decreased by 1 173 thousand euros (8 %) compared to the base in 2017.

2. Presentation of the external economic and industrial environment

The external economic and industrial environment has a significant effect on the production and sale of the insulation and other construction materials which is the main activity of the Masterplast. While the sale of the constructional and accessories product is mainly in relation with the new buildings market, the insulation related materials (primarily the heat insulation) mostly depends on the building reconstruction and home improvement market.

The trends and the industrial climate, regarding the Company's relevant markets were mostly favourable in Q1 2018. After the first two months passed with mild weather, the winter conditions in March make the construction works more difficult which disrupted the sales.

On the most relevant **Hungarian market** still an industrial growth and even more robust economy trends had been reported by the statistics. The driven factors - besides the unfavourable weather conditions in the Q1 2018 - the still available EU funded energy efficiency tenders and the state subsidised home building schemes which are resulted increase in the private housing constructions. The main expansive areas of the housing industry are the construction projects and investments those are carried out in the Capital and in the larger cities of Hungary. The finalization of the ongoing public investments which were scheduled in accordance with parliamentary election also contributed positively to the construction output. An increasing demand had been detected in the private sector and the number of issued building permits climbed further. Due to these economic measures the market expansion can continue in the coming period, although in a smaller scale than in the peak base period and the lack of the labour force can also slow down the growth.

The feedback of the building industry participants showed a fluctuating demand on the **Romanian construction** market in the Q1 2018. The construction industrial output has grown by 8% comparing to base period. The 1Q has started with a strong growth, than in the last month of the Q1 a relevant downturn had been caused by the unfavourable weather conditions and the still relevant lack of the available labour. The building contractors still have been facing with delays in the projects due to the increasing labour-, construction-, materials and energy costs.

In **Serbia** in Q1 2018 the GDP has grown by 3.9% compared to the base period in 2017. The National Bank has further pursued its price-stability policy; the introduced measures bring more favourable conditions to the whole economy. The industrial output has grown and the introduced reforms in the building sector had a positive impact on the investments. The number of issued building permits increased almost by one-third compared to the base period.

In **Ukraine**, the economy had been stagnating in the Q1, while a moderate price increase has been recorded among the goods and services. More than 80% of construction work was carried out in the construction of new buildings, reconstructions and technical rebuilds.

The overall economic indicators have shown a decline in **Croatia** in Q1 2018. In the first two months of 2018 the industrial output fell by 0.4% compared to the base period of 2017, while the retail goods sector has expanded. At the same time the output of the building and construction industry has increased within that the construction works on the buildings grew by 7%. The issued building permits are further increased compared to the base period of the last year. The lack of skilled labour and the construction companies' poor financial condition has a negative effect to the market

In **Slovakia and Poland** the economy continued to grow. The construction sector has performed well, where the growth of the first two months in 2018 was followed by a smaller downturn due to the adverse weather conditions.

In correspondence with the processes and data cited above, a EUROSTAT quarterly statistic report is recalled here presenting the changes in the volume of the issued building permits divided by countries and compared to the base (preceding) periods.

Quarterly change of building permits from Q4 2016 to Q4 2017:

	Q4 2016	Q1 2017	Q2 1017	Q3 2017	Q4 2017
Bulgaria	9,2	9,6	8,2	12,1	5,9
Croatia	-11,9	23,2	-2,1	-0,1	25,5
Hungary	30,1	9,3	-13,6	-2,8	3,9
Austria	-0,3	7,8	0,3	8,2	-1,9
Poland	8,9	4,0	4,1	0,1	-0,5
Romania	0,5	1,6	4,5	3,6	4,7
Slovakia	31,9	-37,5	14,6	2,4	2,8
Serbia	-6,5	-9,9	19,9	20,4	-3,3

Source: EUROSTAT: Building permits - quarterly data

3. Sales by main product groups

The company has reviewed and changed the reporting of the sales divided by the main product groups. In the last few years the revenues from the Bituminous roof covering and shingle coverings are considerably reduced, the stand alone presentation of this product group is no longer grounded, so it will be merged with Roofing foils and accessories product group. From the Heat, sound and water insulation materials product group the Bituminous waterproofing products were left and will be contributed to revenues of the Roofing foils and accessories product group. The revenues of the packaging industrial materials – due to its increased volume – has been removed from the Heat, sound and water insulation materials- and the Building industry accessories product group and being presented among the lately established Industrial applications product group.

As the IFRS 15 came into force from 1st January 2018 the Company recognise the given cash discount as a reduction from the revenues. For the sake of comparability the Company made a restatement for the base period, so the given cash discounts have been retroactively reclassified from the other financial expenditures line.

The following table contains the reclassification of results for Q1 2017:

Sales by main product groups (in 1000 EUR) for Q1 2017					
Previous product groups	**New product groups**	**Previous classification of the sales revenue**	**Sales revenue reclassification**	**Payment discount (sconto) reclassification**	**New classification of the sales revenue**
Thermal insulation systems and its elements	Thermal insulation system	7 318	550	-16	7 853
Roofing foils and accessories	Roofing foils and accessories	2 515	484	-6	2 992
Bituminous roof covering and shingle coverings	-	356	-356	0	0
Dry construction and accessories profile products	Dry construction system	2 370	0	-6	2 364
Heat, sound and water insulation materials	Heat, sound and water insulation materials	3 249	-1 053	-4	2 192
Building industry accessories	Building industry accessories	598	-28	-1	569
Production and other packaging materials	Industrial applications	1 623	402	-7	2 019
Total sales revenue		**18 029**	**0**	**-40**	**17 990**

Source: non-audited data from the Group's management information system

Sales by main product groups:

Sales by main product groups (in 1000 EUR)	**Q1 2018**	**Q1 2017**	**Index**
	(A)	**(B)**	**(A/B-1)**
Thermal insulation system	8 154	7 853	4%
Roofing foils and accessories	2 755	2 992	-8%
Dry construction system	2 919	2 364	23%
Heat, sound and water insulation materials	2 363	2 192	8%
Building industry accessories	608	569	7%
Industrial applications	1 863	2 019	-8%
Total sales revenue	**18 661**	**17 990**	**4%**
Contribution of product groups in percentage to the total sales revenue			
Thermal insulation system	44%	44%	
Roofing foils and accessories	15%	17%	
Dry construction system	16%	13%	
Heat, sound and water insulation materials	13%	12%	
Building industry accessories	3%	3%	
Industrial applications	10%	11%	
Total sales revenue	**100%**	**100%**	

Source: consolidated non-audited report of the Group on 31th of March 2018 and on 31th of March 2017 based on IFRS accounting rules, as well as the non-audited data from the Group's management information system

The Masterplast net turnover in Q1 2018 was 18 661 thousand EUR, 4% higher comparing to the base period 2017.

The mainly building renovation and home improvement related **Thermal insulation system** still reached the largest share (44%) comparing to the total the sales, where the turnover increased by 4% in Q1 2018 on base term. The increase in sales were mainly was due to the 25% growth in the fiberglass mesh sales. The fiberglass sales grew the biggest in Poland and on the Export markets, but the company was also able to increase its sales in Serbia and in Hungary as well compared to the base period. The sales of the expanded polystyrene (EPS) has overall declined – grew on the Hungarian but the sales were decreased on the Romanian, Serbian and Croatian markets compared to the Q1 2017.

The **Roofing foils and accessories** product group has performed an 8% decline in turnover in Q1 2018 on base term and was due to the decrease in sales and the reclassification of the Bituminous roof covering products. The sales of the other products of the group overall remained on the level of the base period's. Considering the single markets, the revenues grew on the Hungarian, Romanian and Slovakian markets in the Q1 2018, while the others showed a slight decrease compared to the base period.

In the field of the **Dry construction system** the sales were up by 23% in Q1 compared to the base period in 2017. In the plasterboard systems group the sales showed an increase on all markets, while extraordinary increase in the revenues was achieved on the Hungarian and Slovakian markets.

The revenue in the **Heat, sound and water insulation materials** product group grew by 8% in Q1 2018 on base term. The sales of the fibre- and rock wool products increased in the greatest extent, while the Hungarian, Polish and Ukrainian market performed the most significant growths.

On the market of **Building industry accessories** the Company reached a 7% sales increase in Q1 2018 on base term. On the markets of Hungary, Ukraine and the Export areas the revenues were higher-, while in the other countries they were slightly below the base period.

In case the products of the **Industrial applications** product group the Company sales were declined by 8% in Q1 2018 compared to the base period. It should be noted that primarily the non-strategic trade of raw material suffered a relevant sales decrease, which was just partly offset by the 21% sales increase of the packaging materials.

4. Sales by countries

The breakdown of the sales by countries shows the revenue realized in countries where Masterplast has its own subsidiary, regardless of which subsidiary has sold in its country. For countries where there is no subsidiary of the Group, sales are reported on the Exports line.

From 2018, the accumulated revenues of the Other line low-volume countries with subsidiaries are being retransferred. The customer relationship management of the classified non active Russian and Austrian subsidiaries are carried out by the Export department, accordingly the realized revenues were presented among Export sales and Macedonia will be shown as a single item hereinafter. For the reasons of comparability the sales of 2017 are presented in accordance with the reclassification in the table below.

Sales by countries:

Sales by countries (in 1000 EUR)	**Q1 2018**	**Q1 2017**	**Index**
	(A)	**(B)**	**(A/B-1)**
Hungary	6 897	6 433	7%
Export	3 484	3 372	3%
Romania	2 076	2 367	-12%
Serbia	1 619	1 731	-6%
Poland	1 550	872	78%
Ukraine	988	1 065	-7%
Croatia	884	1 013	-13%
Slovakia	805	787	2%
Macedonia	359	350	2%
Total sales revenue	**18 661**	**17 990**	**4%**
Contribution of countries in percentage to the total sales revenue			
Hungary	37%	36%	
Export	19%	19%	
Romania	11%	13%	
Serbia	9%	10%	
Poland	8%	5%	
Ukraine	5%	6%	
Croatia	5%	6%	
Slovakia	4%	4%	
Macedonia	2%	2%	
Total sales revenue	**100%**	**100%**	

Source: consolidated non-audited report of the Group on 31th of March 2018 and on 31th of March 2017 based on IFRS accounting rules, as well as the non-audited data from the Group's management information system

On the most relevant **Hungarian** market the turnover has grown by 7% in Q1 2018 compared to the base period. The sale volumes were heavily affected by the extreme weather conditions – after the extraordinary increase in the first two months the Company suffered a relevant drop in March caused by the unusual winter time. It must be stressed however, that the Company was able to expand its turnover in all the product groups in Q1 2018 on the Hungarian market, with the largest growth reported in the sales of the plasterboards and profile products which are belonging to the Dry construction system product group**.** Taking the favourable market climate into consideration - after a modest increase in the Q1 – the Company expects to continue to report a strong growth from Q2 2018.

The company has reached a smaller scale, 3% growth on the **Export markets** compared to the base period in Q1 2018. Increased its sales in the Thermal insulation system group including the increasing revenues from fiberglass mesh products where the sales achievement were mainly due to the acquired clients and the intensified sales toward the system distributors. A relevant drop has been reported in the Roofing foils and accessories product group, which was caused by the unfavourable weather conditions in the relevant countries such as U.K and Ireland. Excluding the Building industry accessories products all the other product group performed a slight decrease in sales. The Masterplast reached an outstanding growth on the Czech-, and on the Greek and Italian Mediterranean markets.

On the other relevant **Romanian market** the sales deteriorated by 12% in Q1 2018 compared to the base period. In Romania the Company has introduced product portfolio and structural changes by the end of 2017, moderating the planned target figures as well. The decrease in the sales of the Thermal insulation system related EPS and adhesives were primarily due to these measures. However the revenues from Roofing foils and accessories were up, while besides the Industrial applications products all the other product group's sales were at the base period level. It should be highlighted, that despite the decreasing income from sales, the Company's operating profit level remarkably improved in the Q1 2018 on base term, due to the logistical and cost savings of the reorganization.

In Serbia the Masterplast's sales decreased by 6% in 2018 Q1 compared to the base period. The Thermal insulation system product group also showed a decline – within that the EPS sales fell back, which was somewhat offset by the growth in fiberglass mesh sales. The revenues of the Group in the Dry construction system product group increased, while the Heat, sound and water insulation materials, the Roofing foils and accessories as well as the Building industry accessories showed a decreasing sales volume.

The Group performed outstandingly well on the **Polish market**, where the sales were up by 78% in Q1 2018 compared to the base. The revenues from the own produced fiberglass mesh had increased significantly, where besides the market penetration the anticipations for the price hikes were also had an impact on the sales in Q1 2018. The turnover was significantly increased in the Heat, sound and water insulation materials group and the Company did fairly good in the other product groups as well.

In Ukraine the decline in sales was 7% in Q1 2018 compared to the 2017 base. In the most relevant Thermal insulation system product group – where mainly the externally produced fiberglass mesh sales accounted for most of the turnover-, also the important Roofing foils and accessories product group showed a decrease in sales in Q1 2018 compared to the base period. Although in case the smaller scale product groups such as the Heat, sound and water insulation materials, the Dry construction system products and the Building accessories products the revenues of the Group had been grown.

On the **Croatian** market the Group sales shrunk by 13% in the Q1 2018 on base term. The sales were decreased in almost all the product groups only the Dry construction system products showed an increase in the first three months compared to the base period.

The Company's sales were up by 2% in Q1 2018 on the **Slovakian** market. The revenues in the different product groups showed a mixed performance, while in case the Dry construction system products and the Roofing foils and accessories product group the sales were increased in case the others the revenues dropped.

In **Macedonia**, with the smallest turnover share, a slight (2%) sales increase was achieved in Q1 2018, attributable to the sales of the fiberglass mesh from the Thermal insulation system product group.

Overall in the rather positive industrial environment the Company has increase its total sales by 4% in Q1 2018 - which was significantly affected by the heavy winter weather in March - compared to base period. The biggest gain in sales was achieved on the Polish market, while among the product groups the revenues of the Dry construction system products grew to the greatest extent. Considering the favourable market mood, the Company expects a boosting sales growth from Q2 2018, mostly due to the higher contributions of the Hungarian, Export and Polish markets.

5. Profit and loss account

The exhibit below shows the consolidated profit and loss statement of the Masterplast PLC in total cost form, in thousand EUR. As the IFRS 15 came into force from 01/01/2018 the Company recognise the given cash discount (sconto) among the revenues, while the purchase related received cash discounts (sconto received) are booked on the materials, goods and services line. For the sake of comparability the 2017 data has been restated accordingly, the amendment has not any effects on the profit after tax.

Profit and loss account (in 1000 EUR)	Q1 2018	Q1 2017	Change	Index
	(A)	(B)	A-B	(A/B-1)
Sales revenues	18 661	17 990	671	4%
Cost of materials and services	-14 827	-15 193	366	-2%
Payroll costs and contributions	-2 817	-2 342	-475	20%
Depreciation	-466	-391	-75	19%
Change in self-manufactured inventories	-187	95	-282	-297%
Other operating revenues and expenses	-98	23	-121	-526%
EBITDA	**732**	**573**	**159**	**28%**
EBIDTA ratio	*3,9%*	*3,2%*		
PROFIT / LOSS OF BUSINESS ACTIVITY (EBIT)	**266**	**182**	**84**	**46%**
Interest revenues	37	35	2	6%
Interest expenses	-142	-142	0	0%
Other financial revenues and expenses	-110	-36	-74	206%
FINANCIAL PROFIT/LOSS	**-215**	**-143**	**-72**	**50%**
Profit/loss from associations	11	1	10	1000%
Profit/loss before income tax	**62**	**40**	**22**	**55%**
Taxes	-8	-13	5	-38%
Profit/loss after taxation	**54**	**27**	**27**	**100%**
Profit attributable to the owners of the parent	*54*	*23*	*31*	*135%*
Profit attributable to the minority	*0*	*4*	*-4*	*-100%*
Profit/loss per stock (EUR)	*0,00*	*0,00*		

Source: consolidated non-audited report of the Group on 31th of March 2018 and on 31th of March 2017 based on IFRS accounting rules

The total revenue of the Company was 18 661 thousand EUR in the Q1 2018, with 671 thousand euros (4%) higher than in the base period.

In addition to the increase in turnover, the Company's gross trade margin also grew in Q1 2018 compared to the base period. The greatest expansion was achieved on the local Hungarian market, but also a remarkable grow in the margins can be highlighted on the Ukraine and Slovakian markets as well. In Poland there were growth in the margin as a result of outstanding sales, while in Romania with the delisted unprofitable products (portfolios cleaning) the margin percentage grew in the first quarter of 2018. The fiberglass mesh production output in Subotica significantly, while the foam and fiberglass mesh production in Kál plants in less extent were increased in

Q1 2018 compared to the base period. Due to the wintry weather in March, production volume in the EPS plant in Subotica was reduced and the restructuring of the Romanian organization at the end of 2017 led to the suspension of EPS production in Sfântu Gheorghe. Particularly due to the rising output levels in Subotica the production efficiency has improved and the results are increased in Q1 2018 compared to the base period. Due to rising production volumes, the Group's material and other material costs next to the delivery costs increased, while fuel, vehicle maintenance and advertising costs fell in Q1 2018 compared to the base period. Due to the increasing trade margins and the improving manufacturing efficiency, the cost of materials and services – considering the change in the self-manufactured inventories as well – has decreased by 1% while the turnover expanded by 4%.

Mainly due to the expanded fiberglass mesh production in Serbia, together with the wage inflation in the region the personnel expenditures of the Company has increased by 20% in Q1 2018 compared to the base period. The Company had 900 employees at the end of March 2018 opposed to the staff level of 863 people of the base period. 351 people were employed at the new production unit in Subotica at the end of March 2018, compared to the level of 274 staff at 31st March 2017.

Mainly the investment in the new product lines in Serbia resulted in an increase in the amount of depreciation in Q1 2018 compared to the base.

Other operating expenses of the Company increased in Q1 2018 compared to the by on-off items improved (sale of assets) base data. Mainly in relation with the outstanding debts of the Balkan countries, the Company needed to book 34 thousand EUR higher losses and provisions – on bad debtors, compared to the base period.

As a result of the above, the generated Group EBITDA was 732 thousand euros in the Q1 2018 (3.9% EBITDA ratio) compared to the 573 thousand euros with 3.2% EBITDA ratio in the base period. Taken the depreciation too into account the operating profit (EBIT) of the Company was 262 thousand EUR in 2018, which passed the base period's result of 182 thousand euros by almost 50%.

As the banking conditions became more favourable the interest expenditures did not increase in Q1 2018 compared to the base period, even with drawing higher loan portfolio level.

The other financial related incomes and expenditures mainly represent the exchange rate related profits/losses. As the Company mainly realises its purchases in euro and USD and the sales are being generated in local currencies therefor the fluctuation of these currencies can have a remarkable effect on the Company's financial results. Since most of the local currencies are linked to the euro, the EUR/USD rate moves also influences – in case USD purchases – the exchange rate results. The Company had concluded purchase related EUR/USD based hedging deals in 2018, the results from closure and evaluation of this deals are also reflected among other financial profit/loss. The Hungarian entity (Masterplast Kft.) carries euro dominated working capital loans while the Serbian subsidiary holds euro base investment loan as well.

The following table shows the exchanges of major currencies for the Group in 2018, 2017 and 2016:

Closing exchange rates	31-12-2016	31-03-2017	31-12-2017	03-31-2017	Index	Index	Index	Index
	A	B	C	D	C/A	C/B	D/B	D/C
EUR/USD	1,06	1,07	1,20	1,23	113,15%	112,04%	115,08%	102,71%
EUR/HUF	311,02	308,70	310,14	312,55	99,72%	100,47%	101,25%	100,78%
EUR/RON	4,54	4,55	4,66	4,66	102,64%	102,42%	102,42%	100,00%
EUR/RSD	123,47	123,97	118,47	118,39	95,95%	95,56%	95,50%	99,93%
EUR/UAH	28,42	28,96	33,50	32,70	117,87%	115,68%	112,91%	97,61%
USD/HUF	293,69	288,64	258,82	253,94	88,13%	89,67%	87,98%	98,11%
USD/RON	4,30	4,26	3,89	3,78	90,47%	91,31%	88,73%	97,17%
USD/RSD	117,14	116,13	99,12	96,08	84,62%	85,35%	82,73%	96,93%
USD/UAH	27,19	26,98	28,07	26,54	103,24%	104,04%	98,37%	94,55%
USD/RUB	60,66	56,38	57,60	57,26	94,96%	102,16%	101,56%	99,41%

Source: Hungarian National Bank rates

Mainly as a result of the less favourable movements of the exchange rates the in the year 2018 the Company has suffered 110 thousand EUR loss, as other financial result in Q1 2018, compared to 36 thousand euros loss in the base period.

Considering the financial results as well, the Company has generated 54 thousand euro profit after tax in the Q1 2018 compared to the 27 thousand euros gained in the base period.

In a rather positive industrial environment the Company increased its overall sales by 4% in Q1 2018, which period was relevantly and negatively affected by the harsh winter weather in March. Mainly due to the flourishing performance on the Hungarian market, the trade margins were climbing and with the further growing production outputs – fiberglass mesh in Subotica; mesh and foam sheets manufacturing in Kal - , the own production became more efficient and more profitable. The increase in personnel expenditures of the Group corresponds to the increased production labour level and to the wage inflation effects, while the other expenditures were up. As the results of the higher turnover, the rising trade margin and the improved production efficiency, the Company's EBIT improved nearly by 50% in the Q1 2018 compared to the base period. Due to the more favourable banking conditions the interest expenditures of the Group did not increase even after taking higher loan portfolio in the period, while the negative exchange rate effects has reduced the financial results. The Group's profit after tax in the seasonally weakest period exceeded the profit of the base period by 100%. Considering the favourable market climate, the Company anticipates boosting growth from Q2 2018 - expecting the growth on the Hungarian, Export and Polish markets – which can be coupling with an improving manufacturing and operating results.

6. Other comprehensive income

Other comprehensive income (in 1000 EUR)	31-03-2018	03-31-2017
Profit for the year	**52 886**	**26 219**
Foreign exchange loss on translation*	-218 527	-105 023
Parent company's share of the Other Comprehensive income of associates*	-15	1 506
Other comprehensive income	**-218 542**	**-103 517**
Comprehensive income	**-165 656**	**-77 298**

Source: consolidated non-audited report of the Group on 31th of March 2018 and on 31th of March 2017 based on IFRS accounting rules

* Will not be recognised in profit or loss in future periods

7. Balance sheet

Balance Sheet (in 1000 EUR)	31-03-2018	03-31-2017	Change	Index
	(A)	(B)	A-B	(A/B-1)
FIXED ASSETS				
Land, buildings and equipment	29 130	25 692	3 438	13%
Intangible assets	6	64	-58	-91%
Shares in related companies	45	36	9	25%
Deferred tax assets	341	354	-13	-4%
Total fixed assets	**29 522**	**26 146**	**3 376**	**13%**
CURRENT ASSETS				
Inventories	23 419	21 415	2 004	9%
Trade accounts receivable	13 964	15 137	-1 173	-8%
Tax receivables	1 505	1 429	76	5%
Other financial receivables	24	1	23	2300%
Other current assets	4 214	2 054	2 160	105%
Liquid assets	634	2 788	-2 154	-77%
Total current assets	**43 760**	**42 824**	**936**	**2%**
TOTAL ASSETS	**73 282**	**68 971**	**4 311**	**6%**
CAPITAL AND RESERVES				
Subscribed capital	5 504	5 226	278	5%
Reserves	22 037	19 229	2 808	15%
Repurchased shares	-22	-18	-4	22%
Parent share of interests	34	23	11	48%
Equity attributable to the owners of the parent	**27 553**	**24 460**	**3 093**	**13%**
Minority interests	294	321	-27	-8%
Total capital and reserves	**27 847**	**24 781**	**3 066**	**12%**
LONG-TERM LIABILITIES				
Long- term loans	4 735	5 501	-766	-14%
Deferred tax liabilities	170	266	-96	-36%
Deferred income	2 802	1 920	882	46%
Other long-term liabilities	736	1 956	-1 220	-62%
Total long-term liabilities	**8 443**	**9 643**	**-1 200**	**-12%**
SHORT-TERM LIABILITIES				
Short-term loans	19 130	14 997	4 133	28%
Trade accounts payable	13 865	16 338	-2 473	-15%
Short-term leasing liabilities	166	120	46	38%
Other financial liabilities	5	55	-50	-91%
Tax liabilities	875	815	60	7%
Short-term deferred income	360	302	58	19%
Provisions	324	146	178	122%
Other short-term liabilities	2 267	1 774	493	28%
Total short-term liabilities	**36 992**	**34 547**	**2 445**	**7%**
TOTAL LIABILITIES	**45 435**	**44 190**	**1 245**	**3%**
TOTAL CAPITAL AND LIABILITIES	**73 282**	**68 971**	**4 311**	**6%**

Source: consolidated non-audited report of the Group on 31th of March 2018 and on 31th of March 2017 based on IFRS accounting rules

The total assets of the Group was 72 282 thousand euros on the 31st of March 2018, which was by 4 311 thousand euros higher than at the end of the base period.

The total fixed assets amounted to 29 522 thousand euros at the end of March 2018, by 3 376 thousand euros higher than base period's volume. The increase is due to the fiberglass mesh production investment in Subotica. The Company has overall spent 311 thousand euros on capital expenditure as buying tangible assets.

The inventory at the end of the Q1 2018 was 23 419 thousand euros, which is by 2 004 thousand euros higher than was closed at the end of the base period. The higher level of the inventory derives from the growing output of the self-manufactured fiberglass mesh products.

Due to the less intensified sales in March, the trade receivables has decreased by 1 173 thousand euros (8%) comparing to the base period.

On January 15, 2018, the Board of Directors of the Company decided to increase the share capital of the Company to 1 460 127 900 HUF by the private placement of 858 318 new ordinary shares with a nominal value of 100 HUF (issued on 607 HUF). The capital increase is consisted of a non-cash contribution against the Masterplast founding owners' 1 629 thousand euros claim.

As shifting toward to the own production the purchase activity of the Group has been moderated, the supplier accounts has also decreased and amounted to 13 865 thousand euros at the end of Q1 2018. As financing the intensifying own production the total (short and long term) loan portfolio of the Company has increased compared to the base period of 2017.

The Group's cash and equivalents stand at 634 thousand euros at 31st of March 2018, which are lower by 2 154 thousand euros than the closing volume in the base period.

8. Cash-flow, bank information

Cash Flow (in 1000 EUR)	31-03-2018	31-03-2017	Change	Index
	(A)	(B)	A-B	(A/B-1)
Operating Activities				
PBT	61	39	22	56%
Depreciation and Amortisation	466	391	75	19%
Bed debt provision	134	0	134	0%
Shortage and scrap of stocks	13	0	13	0%
Provisions	235	78	157	201%
Profit on fixed asset sale	-75	0	-75	0%
Interest expense	142	142	0	0%
Interest revenue	-37	-35	-2	6%
Profit/loss from associations	-11	-1	-10	1000%
Unrealized foreign exchange gain (loss)	36	0	36	0%
Changes in Working Capital:				
Change in Accounts Receivable	-2 785	-4 535	1 750	-39%
Change in Inventory	-2 263	-2 726	463	-17%
Change in Other Assets	-2 250	-57	-2 193	3847%
Change in Accounts Payable	1 002	5 480	-4 478	-82%
Change in Short-term liabilities	1 119	-129	1 248	-967%
Taxation	0	-13	13	-100%
Net Cash from Operations	**-4 213**	**-1 366**	**-2 847**	**208%**
Investing Activities				
CAPEX	-311	-1 592	1 281	-80%
Sale of fixed assets	95	0	95	0%
Financial revenues	37	35	2	6%
Net Cash from Investing activities	**-179**	**-1 557**	**1 378**	**-89%**
Financing Activities				
Income from issue of shares	0	0	0	0%
Borrowing	3 079	3 611	-532	-15%
Loan repayments	-922	-201	-721	359%
Payment of dividends	0	0	0	0%
Interest expense	-142	-142	0	0%
Net Cash from Financing activities	**2 015**	**3 268**	**-1 253**	-38%
Net Cash flow of the period	-2 379	346	-2 725	-788%
Cash at beginning of period	3 013	2 442	571	23%
Effect of exchange rate changes	0	0	0	0%
Cash at end of period	**634**	**2 788**	**-2 154**	**-77%**

Source: consolidated non-audited report of the Group on 31th of March 2018 and on 31th of March 2017 based on IFRS accounting rules

The net cash flow from operation was -4 213 thousand euros at the end of Q1 2018, while it was -1 366 thousand euros the end of the base period, where the differences is explained by the seasonally high inventory demand related higher volume of the suppliers.

The cash flow from investing activities was -179 thousand euros in 2018 compared to -1 557 thousand euros in the base period, where the higher Group's CAPEX in 2017 explains the differences.

The net cash flow from financial related activities amounted to 2 015 thousand euros in 2018 compared to the 3 268 thousand euros in the base period, where the higher exposure of credit lines in 2017 and the higher loan repayment in 2018 account for the differences.

All in all the cash and equivalents of the Company was 634 thousand euros at 31st of March 2018 which is lower by 2 154 thousand euros than the level of the base period

Loans and bank related information:

On 5th of March, 2018 the Company has drawn a further 2.5 million euros working capital loan from one of its Hungarian banks. The Company has renewed its contract with one of its Hungarian bank as refinancing of the export subsidized loans, under which a total of 2.45 million euros loan portfolio with extended maturity and with more favourable terms was contracted. The new frame agreements are providing the financial background to the expanding production output and to the growth of the Group.

By the end of March 2018, the Company had complied with the lately redefined and contracted banking covenant requirements.

Investigations against Masterplast:

On 21st of October 2015 the National Tax and Customs Administration (NAV) started an investigation against Masterplast Kft which is a fully subsidiary of Masterplast Nyrt. According to the conclusion of the authorities the supposed misuse was committed by deceiving the leaders of Masterplast without the knowledge, consent or permission of them. Nevertheless the Company may be liable – with strict liability – for the assumed wrongful Value Added Tax re-vindication 731 166 EUR (226 763 948 HUF) and the possible penalties. Concerning the investigation the sequestration of the fixed assets of Masterplast Kft in the amount of 2 605 717 EUR (808 137 000 HUF) was dissolved on 20th of January 2016. On 6th of October 2017 the accusation against the employee of the Kft. was modified from perpetrator to accomplice and the amount concerned with the supposed misuse was reduced from 868 752 EUR to 731 166 EUR (from 269 379 000 HUF to 226 763 948 HUF). In October 2017 another employee of the Company was questioned as accomplice, and on 20th of October the investigation stage of the case has been terminated. In consideration of the uncertain outcome of the case - there is no obligation for provisioning; in addition the banks confirmed the credit limits. Masterplast will publish without delays any necessary information about the case in accordance with the stock exchange regulations and other rules of law in the appropriate places. The Company is confident that the case will be terminated as soon as possible.

An investigation has been extended to the MASTERPLAST Romania Srl. which was launched by the Romanian tax authority to an assumed tax claim in relation with anti-dumping laws on imported products concerning the operations of some of the suppliers of the Romanian subsidy of the Company. For the upcoming periods of the procedure – making with the options of the tax laws – for the assurance of any enforcement, a 2nd rank mortgage and disposal and debit restrictions had been registered in the amount of 2 1717 473 EUR (10 118 411 RON) on the properties owned by the MASTERPLAST Romania Srl. This procedure has no influence on the operation and business activities of the MASTERPLAST Romania Srl. The Company has appealed against the 2nd rank mortgage. As the result of the completed tax investigation, as the first degree resolution, the Romanian tax authority determined a VAT liability in the amount of 267 411 EUR (1 246 053 RON) and additionally 85 121 EUR (396 638 RON) as default interest for the inspected period from 01.01.2014 to 31.08.2016. The Company represented a bank guarantee for the tax liabilities and launched a legal remedy process against the determination.

9. Change in equity (in EUR)

	Subscribed capital	Shares	Capital reserves	Accumulated profit reserves	Conversation reserves	Total reserves	Parent company's share of profit	Equity per shareholders in parent company	Share of external owners	Shareholders' equity
01-01-2017	**5 226 391**	**-17 693**	**6 655 559**	**18 059 110**	**-7 686 840**	**17 027 829**	**2 314 595**	**24 551 122**	**319 448**	**24 870 570**
Net profit	0	0	0	0	0	0	2 610 062	2 610 062	71 435	2 681 497
Other comprehensive income	0	0	0	0	22 231	22 231	0	22 231	-121 021	-98 790
Transfer of previous year's net profit	0	0	0	2 314 595	0	2 314 595	-2 314 595	0	0	0
Repurchased shares	0	-4 338	0	0	0	0	0	-4 338	0	-4 338
Change in the share of external owners	0	0	0	0	0	0	0	0	0	0
Paid dividends	0	0	0	-1 023 094	0	-1 023 094	0	-1 023 094	0	-1 023 094
Ownership contribution	0	0	0	-48 992	0	-48 992	0	-48 992	0	-48 992
31-12-2017	**5 226 391**	**-22 031**	**6 655 559**	**19 301 619**	**-7 664 609**	**18 292 569**	**2 610 062**	**26 106 991**	**269 862**	**26 376 853**
01-01-2018	**5 226 391**	**-22 031**	**6 655 559**	**19 301 619**	**-7 664 609**	**18 292 569**	**2 610 062**	**26 106 991**	**269 862**	**26 376 853**
Net profit						0	33 995	33 995	18 891	52 886
Other comprehensive income					-223 517	-223 517		-223 517	4 975	-218 542
Transfer of previous year's net profit				2 610 062		2 610 062	-2 610 062	0		0
Repurchased shares		170				0		170		170
Capital increase	277 548					0		277 548		277 548
Premium income			1 407 169			1 407 169		1 407 169		1 407 169
Change in the share of external owners				0	0	0		0	0	0
Paid dividends				0		0		0		0
Ownership contribution				-48 992		-48 992		-48 992		-48 992
31-03-2018	**5 503 939**	**-21 861**	**8 062 728**	**21 862 689**	**-7 888 126**	**22 037 291**	**33 995**	**27 553 364**	**293 728**	**27 847 092**

Source: consolidated non-audited report of the Group on 31th of March 2018 and audited report of 31th of December 2017 based on IFRS accounting rules

10. Contingent liabilities

Company	Type of guarantee	Covert amount by guarantee	Currency	Amount in EUR	Currency
Masterplast Romania	Bank guarantee	1 246 053	RON	267 393	EUR
Masterplast Romania	Bank guarantee	396 638	RON	85 115	EUR
Masterplast Kft.	Custom	100 000 000	HUF	319 949	EUR
Masterfoam Kft.	Custom	10 000 000	HUF	31 995	EUR
Masterplast YU D.o.o.	Bank guarantee	2 000 000	EUR	2 000 000	EUR
Total:				**2 704 452**	**EUR**

Source: consolidated non-audited report of the Group on 31th of March 2018, as well as the non-audited data from the Company's management information system

Off balance sheet items: relevant items in financial terms but items are not being presented in the balance sheet (such as guarantees, mortgage related liabilities etc.).

The Company has presented a bank guarantee covering the liabilities which were determined by the Romanian tax authority in the amount of 1 246 053 RON and 396 638 RON as default interest and the Company launched a legal remedy process against the decision. Taking into account the legal outcome of the case, in consultation with the Company's legal counsel, the obligation is presented by the Company as a contingent liability.

11. Presentation of the manufacturing capacity

In Q1 2018 the output of the Company’s EPS production plant in Subotica fell by 29 % compared to the base period and lagged by 22% behind the plans. The backlog was due to the weak sales in March, affected by the winter weather.

In Q1 2018, the output of the corner bead profiles production was just nearly below the planned-, and the base period fact data as well.

In the fiberglass mesh factory in Subotica both the production and the sales substantially – by more than 50% - were above the base period. The produced quantity was by 3%-, while the sales by 5% above the plans. The development of the fiberglass mesh production in Subotica in 2018 is in line with the approved plan. The contracts with the main supplier partners were concluded, the advance payment to suppliers were settled and the production process regarding ordered technological device has begun.

In the foam sheet factory of the Group - centred in Kál - the level of the output in Q1 2018 was over the planned (5%) and met with the base period’s volume. The increase of the domestic sales and the portion of the higher value added laminated and associated products are still must be highlighted.

In the Q1 2018 in Kál the fiberglass production has been grown by 5% compared to the base period, although the planned figures were just slightly missed to meet.

By the end of 2017 the Company closed its site in Sfântu Gheorghe and suspended its production of EPS there. The further utilization of the site and the manufacturing tools is in progress.

12. Changes of the full time employees (headcount)

	2017.03.31	2017.12.31	2018.03.31
Company employees	46	46	40
Group level employees	863	934	900

Source: non-audited data from the Group's management information system

13. Significant events between the annual report and the end of this quarter’s reporting

In addition to the published information, no significant events occurred.

14. Balance sheet compared with 31 December 2017 status

Balance Sheet (in 1000 EUR)	31-03-2018	31-12-2017	Change	Index
	(A)	(B)	A-B	(A/B-1)
FIXED ASSETS				
Land, buildings and equipment	29 130	29 348	-218	-1%
Intangible assets	6	17	-11	-65%
Shares in related companies	45	34	11	32%
Deferred tax assets	341	330	11	3%
Total fixed assets	**29 522**	**29 729**	**-207**	**-1%**
CURRENT ASSETS				
Inventories	23 419	21 171	2 248	11%
Trade accounts receivable	13 964	11 311	2 653	23%
Tax receivables	1 505	1 271	234	18%
Other financial receivables	24	24	0	0%
Other current assets	4 214	2 197	2 017	92%
Liquid assets	634	3 013	-2 379	-79%
Total current assets	**43 760**	**38 987**	**4 773**	**12%**
TOTAL ASSETS	**73 282**	**68 716**	**4 566**	**7%**
CAPITAL AND RESERVES				
Subscribed capital	5 504	5 226	278	5%
Reserves	22 037	18 293	3 744	20%
Repurchased shares	-22	-22	0	0%
Parent share of interests	34	2 610	-2 576	-99%
Equity attributable to the owners of the parent	**27 553**	**26 107**	**1 446**	**6%**
Minority interests	294	270	24	9%
Total capital and reserves	**27 847**	**26 377**	**1 470**	**6%**
LONG-TERM LIABILITIES				
Long- term loans	4 735	3 199	1 536	48%
Deferred tax liabilities	170	169	1	1%
Deferred income	2 802	1 707	1 095	64%
Other long-term liabilities	736	692	44	6%
Total long-term liabilities	**8 443**	**5 767**	**2 676**	**46%**
SHORT-TERM LIABILITIES				
Short-term loans	19 130	18 510	620	3%
Trade accounts payable	13 865	12 864	1 001	8%
Short-term leasing liabilities	166	239	-73	-31%
Other financial liabilities	5	5	0	0%
Tax liabilities	875	603	272	45%
Short-term deferred income	360	360	0	0%
Provisions	324	88	236	268%
Other short-term liabilities	2 267	3 904	-1 637	-42%
Total short-term liabilities	**36 992**	**36 572**	**419**	**1%**
TOTAL LIABILITIES	**45 435**	**42 339**	**3 095**	**7%**
TOTAL CAPITAL AND LIABILITIES	**73 282**	**68 716**	**4 566**	**7%**

Source: consolidated non-audited report of the Group on 31th of March 2018 and audited report of 31th of December 2017 based on IFRS accounting rules

15. Consolidated companies

Company	Place of business registration	Equity capital	Foreign currency	Ownership	Voting rate	Activity
Masterplast Romania S.R.L.	Romania	36 000	RON	100%	100%	Wholesale of building materials
Masterplast YU D.o.o.	Serbia	192 557 060	RSD	100%	100%	Wholesale of building materials, EPS and fiberglass production
Master Plast s.r.o.	Slovakia	26 555	EUR	100%	100%	Wholesale of building materials
Masterplast d.o.o.	Croatia	20 000	HRK	100%	100%	Wholesale of building materials
MasterPlast TOV	Ukraine	27 000	UAH	80%	80%	Wholesale of building materials
Masterplast Sp zoo	Poland	200 000	PLN	80,04%	80,04%	Wholesale of building materials
MasterFoam Kft.	Hungary	3 000 000	HUF	100%	100%	Foam sheet production
Masterplast Kft.	Hungary	10 000 000	HUF	100%	100%	Wholesale of building materials
Masterplast D.O.O.	Macedonia	973 255	MKD	10%	10%	Wholesale of building materials
OOO Masterplast RUS	Russia	1 000 000	RUB	100%	100%	Wholesale of building materials
Green MP Invest	Ukraine	33 223 500	UAH	100%	100%	Asset management
Masterplast Hungária Kft.	Hungary	230 000 000	HUF	100%	100%	Wholesale of building materials
Mastermesh Production Kft.	Hungary	300 000 000	HUF	100%	100%	Fiberglass production
Masterplast International Kft.	Hungary	3 000 000	HUF	100%	100%	Wholesale of building materials
Indirect relations:						
Masterplast D.O.O.	Macedonia	973 255	MKD	80%	80%	Wholesale of building materials
Affiliated company of the Group:						
Masterprofil Kft.	Hungary	3 000 000	HUF	20%	20%	Profile production

Source: non-audited data from the Group's management information system

16. Leaders and strategic employees influencing the operation of the Issuer

The members of the Board:

Name	Post	Commencement of mandate (beginning of membership in the Board)	Completion of mandate	Time spent in Board /as Board members	Stockholding (pcs)
Tibor Dávid	Chairman of the Board	03-04-2008	30-04-2019	approximately 10 years	4 767 076
Ács Balázs	Vice Chairman of the Board	03-04-2008	30-04-2019	approximately 10 years	4 455 046
Kazár András	Board member	24-04-2013	30-04-2019	approximately 5 years	-
Dr. Martin-Hajdu György	Board member	01-05-2014	30-04-2019	approximately 4 years	-
Dirk Theuns	Board member	01-05-2014	30-04-2019	approximately 4 years	-

The data of the Company's top management are shown in the table below on 31 March 2018:

Name	Post	Beginning of the current top management position	Completion of current top management position	Stockholding (pcs)
Piry László	CEO	01-01-2017	indefinite duration	-
Nádasi Róbert	CFO	02-08-2010.	indefinite duration	33 864

17. The shareholders of the Company with a holding above 5%

The Company's shareholders with a holding of more than 5% at the time of the closure of the report based on the announcements:

Name	Deposit handler	Quantity (pcs)	Share (%)
Tibor Dávid	no	4 767 076	32,65
Ács Balázs	no	4 455 046	30,51
OTP Alapkezelő Zrt.	no	908 727	6,22
SOH Kft. & LPH Kft.	no	779 676	5,34
Total		**10 910 025**	**74,72**

18. Presentation of the amount of own shares (pcs)

	31-03-2018
Issuing ownership	11 937
Affiliated companies ownership	0
Total	**11 937**

19. Publications issued by the Company in the reference period:

Publication date	Subject
02.01.2018.	Share capital, voting rights
09.01.2018.	Information on the transfer of treasury shares to Employee Stock Ownership Plan
16.01.2018.	Information about capital increase
01.02.2018.	Share capital, voting rights
27.02.2018.	Publication of Q1-Q4 2016 results, interim management report
01.03.2018.	Share capital, voting rights
09.03.2018.	Information about the registration of the capital increase in the company register
09.03.2018.	Articles of Associations
22.03.2018.	Disclosure of Ownership
26.03.2018.	Disclosure of Ownership
27.03.2018.	GM - Invitation
27.03.2018.	Remuneration Statement
03.04.2018.	Share capital, voting rights
06.04.2018.	GM - Proposals
10.04.2018.	Information on the transfer of treasury shares to Employee Stock Ownership Plan
27.04.2018.	General Meeting Resolutions
27.04.2018.	CG Declarations
27.04.2018.	Annual Report of year
28.04.2018.	Summary Report
02.05.2018.	Share capital, voting rights

DECLARATION

MASTERPLAST Nyrt. (H-8143 Sárszentmihály, Árpád u. 1/A.) declares that the interim management report provides a true and fair view of the financial position of MASTERPLAST Nyrt., comprises the subsidiaries included in the consolidation.

Sárszentmihály, 17 May 2018

Tibor Dávid
Chairman of the Board

MASTERPLAST GROUP INTERNATIONAL

www.masterplastgroup.com