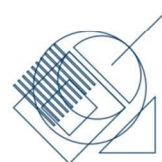
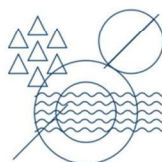
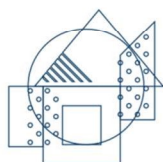




MASTERPLAST PLC. HALF-YEARLY REPORT

27 AUGUST 2019



MASTERPLAST PLC.

Half-yearly Report

Consolidated, not audited

According to International Financial and Reporting Standards (IFRS)

27 August 2019

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 eight 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 the Company has increased its revenues by 6% in Q2 2019. With the increase in turnover, the trade margin value was increased almost at the same extent, next to it there was an improvement in the efficiency of production output too. Due to the payraises and the expanding headcount the payroll costs showed an increase, as well as higher depreciation was realized related to the manufacturing investments, while the other operating expenses decreased. EBITDA was 2 409 thousand EUR (8,4% EBITDA ratio) in Q2 2019 compared to the 2 067 thousand EUR (7,7% EBITDA ratio) in Q2 2018, whereas the Company's operating profit (EBIT) was 1 835 thousand EUR compared to the 1 580 thousand EUR of the base period. The financial result landed on a lower profit, whereas the profit after taxation was 10% higher than the Q2 2018 was. The Group expects positive construction environment for the second half year, which may provide a good basis for the growth in the strongest season. The acquisition of T-Cell Plasztik provides growing product background to meet the dynamically increasing demands at insulation materials. In addition to this, the further growing output and efficiency of the own production can ensure to reach the annual sales and operating profit target.

Data in 1000 EUR	Q2 2019	Q2 2018	H1 2019	H1 2018
Sales revenues	28 507	26 839	50 575	45 390
EBITDA	2 409	2 067	3 342	2 798
EBITDA ratio	8,4%	7,7%	6,6%	6,2%
Profit/loss after taxation	1 824	1 653	2 061	1 706
Net income ratio	6,4%	6,2%	4,1%	3,8%

Source: consolidated non-audited report of the Group on 30th of June 2019 and non-audited report on 30st of June 2018 based on IFRS accounting rules, as well as the non-audited data from the Group's management information system

- In Q2 2019 the Company has met with mostly favourable trends in the new building market and in the home renovation market of major importance for Masterplast. On the most significant **Hungarian** market according to the feedback of the market participants, the Q2 in the construction industry was moderately increasing. On the **Romanian market** the demand in the construction market was negative, due to the unfavourable weather conditions and due to the economic policy factors. In **Serbia** in Q2 2019, the commercial has grown compared to the same period last year and in the construction sector the number of building permits increased too. In **Ukraine**, the economy has performed well in Q2 2019 and the value of the construction works exceeded the value of last year. In **Poland** the economic growth continued, but with a lessened extent, and in the construction industry the number of the accomplished flats and building projects increased. In **Slovakia** the construction industry was stagnant, compared to the growing of last year the building output fell back in Q2 2019. In **Croatia**, the unemployment rate was smaller and the building industry grew.
- The total revenue of the Company was 28 507 thousand EUR in Q2 2019, 6% higher than in the base period in 2018.
- Still the **Thermal insulation system** provided the biggest product share, where the overall sales grew by 15% in Q2 2019. The sales decreased by 6% in the **Roofing foils and accessories**, while in the **Dry construction system** product group grew by 15%. In the **Heat, sound and water insulation materials** segment the sales in Q2 2019 was smaller (-5%) as in the **Building industry accessories** product group (-15%) compared to the

base period in 2018. In case the **Industrial applications products**, the Group has achieved 5% increase in turnover in Q2 2019 versus Q2 2018.

- On the Group's main – **Hungarian market** the sales has increased by 12% in Q2 2019 compared to the base, The sales revenues also grew in **Ukraine** (18%) and on the Company's **export markets** (16%). A moderated extent was in **Poland** (4%) and in **Croatia** (1%), while in **Romania** (-12%), in **Serbia** (-7%), in **Slovakia** (-3%) and with the smallest share of sales in **North Macedonia** (-14%) the revenues was smaller.
- With the increase in turnover, the trade margin value was increased almost at the same extent. The Group's trade margin was higher on the export, Polish, Slovakian, Ukrainian and Romanian markets, but the realized margin volume grew in the Hungarian and Croatian markets as well.
- There was a growth in the production output of fiberglass mesh, profile and EPS in Serbia, while in Kal the foam factory production dropped on a lesser extent in Q2 2019 compared to the base quarter.
- The cost of materials and services – considering the change in the self-manufactured inventories as well – has increased by a smaller rate than the turnover expansion in Q2 2019.
- As a result of the expanding headcount of the fiberglass mesh factory in Serbia and due to the payrises the personnel expenses of the Company has increased in Q2 2019 compared to the base period. The Group employed 1 027 people by the end of June 2019 compared to the 930 employees in the base period.
- Mainly the investments in the production lines in Serbia and in Kal resulted in an increase in the amount of depreciation in Q2 2019 compared to the base.
- The other operating expenses of the Company decreased in Q2 2019 compared to the base period.
- As the result of the above mentioned the Group EBITDA was 2 409 thousand EUR in Q2 2019 (8,4% EBITDA ratio) compared to the 2 067 thousand EUR (7,7% EBITDA ratio) in the base period, which was 17% growth.
- Taken into account the depreciation too the EBIT resulted in 1 835 thousand EUR in Q2 2019 which exceeded by 16% the 1 580 thousand EUR level of the base period.
- The interest expenditures decreased, the interest revenues increased in Q2 2019 compared to the base period. The Company has generated and booked 179 thousand EUR profit as other financial result in Q2 2019 compared to the 296 thousand EUR profit of Q2 2018.
- The Group PAT was 1 824 thousand EUR profit in Q2 2019 compared to the base period's profit of 1 653 thousand EUR.
- The total fixed assets amounted to 37 563 thousand EUR at the end of Q2 2019, by 4 397 thousand EUR higher than base period's volume.
- The inventory at the end of Q2 2019 was 21 444 thousand EUR, which partly owing to the inventory optimization project landed by 2 067 thousand EUR lower than the base period closing stock was.
- The trade accounts receivables were 18 512 thousand EUR at the end of this quarter which meant an increase (12%) compared to base period.

Business prospects

The acquisition of T-Cell Plasztk Kft. in June 2019 ensure the further dynamic growth of EPS sales for the second half of the year. In the thermal insulation system segment, besides the construction of new buildings, the growth of the renovation sector may also be significant. In addition, both segments are positively affected by the increasingly used thicker insulation materials and the launch of new state incentives (extended family support system and village CSOK).

The growing production output (primarily through fiberglass mesh investment in Subotica) provides a rising product base for regional subsidiaries and Western European exports. In addition, the increased production also means greater manufacturing efficiency and effectiveness for the second half of the year.

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) depends on both the new building and home renovation market.

The Masterplast in Q2 2019 has faced with slightly moderated but mostly favourable trends and industrial climate regarding the Company's relevant single markets in its country portfolio.

On the most significant **Hungarian market** according to the feedback of the market participants, the Q2 in the construction industry was moderately increasing. The demand was negatively impacted by the extreme weather conditions in the first two months of the quarter and by the advanced customer purchases at the beginning of this year, while it was strengthened by the investments that were carried over from last year. The output of each major group of construction has expanded, including of buildings and other structures too. At the building group the growth came from the construction of industrial, residential and office buildings. In the second quarter, new housing construction numbers were on a downward trend, while the number of building contracts for educational and sports facilities increased. The labor shortages had a major impact on the performance of the construction industry, which become not only a sectoral problem but a national one. Construction expectations remain positive for the new periods, although final withdrawal of the VAT discount is expected to affect the starting of new investments, while the expanded "CSOK" started in this summer can bring many opportunities in the renovation market.

Demand in the construction market was negative in **Romania** in the second quarter of 2019, mainly attributable to the changing weather. In addition, the government has reduced the number of planned investments, and due to the economic situation of Bucharest, the building insulation projects have been stopped. As a result the turnover of the building material traders dropped significantly especially on the thermal insulation market compared to the same period last year. The real estate market also showed a downturn and for the first time in a few years the property prices have decreased in some regions.

In **Serbia** the National Bank has further pursued its price-stability policy and brought favourable conditions to the whole economy with the decreased interest rate. In the construction sector, the number of issued building permits increased slightly, just as the employment nationally.

In **Ukraine**, the economy performed well compared to the same period in 2018. The value of the constructions carried out exceeded the value of Q2 last year by more than 26%.

In **Poland**, the economic growth continued but with a lessened extent. The construction companies are a little pessimistic not only about their future orders, but the implementations already in progress were considered risky. Rising wages and higher building material prices as well as the continuous labor shortage marked the market in the second quarter. In the construction industry, the number of the completed flats and the number of construction projects that had been started increased based on data from the statistical office, but the number of building permits issued decreased in Q2 2019.

In **Slovakia**, the construction industry was stagnant, compared to the growing of last year, the building output fell back in Q2 2019. The continuing labor shortage was the feature of the period and the construction firms were increasingly employing foreign workers to solve the problem.

The economic indicators have shown improvement in **Croatia** in Q2 2019. The unemployment decreased, the construction industry continued to expand and not only the value of the planned investments was higher, but the number of building permits issued also increased. Nationally in the residential building prices there was a growth compared to the same period last year, mainly in the capital.

The industrial production in **North Macedonia** increased, as did the construction activity. The number of building permits issued has also increased compared to the same period last year, as well as the estimated value of the new building investments.

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 Q1 2018 to Q1 2019:

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Croatia	-20,7	-6,9	18,7	-10,0	35,9
Hungary	23,1	-29,0	11,2	4,8	15,7
Austria	-12,2	-5,6	-7,2	0,3	9,3
Poland	3,1	-4,8	3,1	-3,2	-0,7
Romania	-1,0	-0,6	-2,8	1,3	4,7
Slovakia	-27,2	47,4	4,6	12,1	-37,6
Serbia	-20,7	-6,9	18,7	-10,0	35,9

Source: EUROSTAT: Building permits - quarterly data

3. Sales by main product groups

From 2019 the company has revised and changed the classification of some item groups into product group categories. In the last few years the revenues from the Bituminous roof covering item group are considerably reduced, so the presentation is no longer justified in the Roofing foils and accessories product group and from 2019 it was reclassified to the Building industry accessories product group. The revision concerned the Colour plaster item group which was transcategorized from the Thermal insulation system product group to the Building industry accessories product group.

As the IFRS 15 came into force from 1st January 2018 the mediated services were presented at net way at the Company. For the sake of comparability, the Company made a restatement for the base period, so the mediated services have been reclassified to the materials and services used line.

The following table contains the reclassification of results:

Sales by main product groups (in 1000 EUR)	Q2 2018				H1 2018			
Product groups	Previous classification of sales revenue	Previous classification of sales revenue	Item group reclassification	IFRS 15 reclassification	New classification of sales revenue	Item group reclassification	IFRS 15 reclassification	New classification of sales revenue
Thermal insulation system	13 099	-343	-61	12 696	21 253	-435	-107	20 711
Roofing foils and accessories	4 598	-638	-18	3 941	7 353	-894	-32	6 427
Dry construction system	2 513	0	-12	2 500	5 432	0	-29	5 403
Heat, sound and water insulation materials	3 856	0	-16	3 841	6 219	0	-27	6 192
Building industry accessories	919	981	-11	1 889	1 526	1 329	-17	2 839
Industrial applications	1 987	0	-15	1 972	3 850	0	-31	3 819
Total sales revenue	26 971	0	-133	26 839	45 632	0	-242	45 390

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

Sales by main product groups:

Data in 1000 EUR	Q2 2019	Q2 2018	Index	H1 2019	H1 2018	Index
	(A)	(B)	(A/B-1)	(A)	(B)	(A/B-1)
Thermal insulation system	14 622	12 696	15%	25 209	20 711	22%
Roofing foils and accessories	3 692	3 941	-6%	6 576	6 427	2%
Dry construction system	2 885	2 500	15%	5 893	5 403	9%
Heat, sound and water insulation materials	3 631	3 841	-5%	6 409	6 192	3%
Building industry accessories	1 600	1 889	-15%	2 716	2 839	-4%
Industrial applications	2 078	1 972	5%	3 773	3 819	-1%
Total sales revenue	28 507	26 839	6%	50 575	45 390	11%
Contribution of product groups in percentage to the total sales revenue						
Thermal insulation system	51%	47%		50%	46%	
Roofing foils and accessories	13%	15%		13%	14%	
Dry construction system	10%	9%		12%	12%	
Heat, sound and water insulation materials	13%	14%		13%	14%	
Building industry accessories	6%	7%		5%	6%	
Industrial applications	7%	7%		7%	8%	
Total sales revenue	100%	100%		100%	100%	

Source: consolidated non-audited report of the Group on 30th of June 2019 and non-audited report on 30st of June 2018 based on IFRS accounting rules, as well as the non-audited data from the Group's management information system

The Masterplast sales in Q2 2019 was 28 507 thousand EUR, 6% higher comparing to the base period in 2018.

Within the Group's sales revenue, the **Thermal insulation systems** continued to generate for the highest sales proportion (51%), where in the second quarter the sales increased by 15%. The sales volume grew at each item group, but the most significant increase was at the fiberglass mesh sales. Regarding the markets the sales of fiberglass mesh products provided the highest increase on export markets, but the turnover was rising everywhere except for the Croatian, Romanian and North Macedonian markets compared to the same period last year. The sales growth of EPS was mainly driven by the Hungarian market, which was reduced by the smaller sales on the Serbian market compared to Q2 2018.

Turnover of the **Roofing foils and accessories** decreased by 6% in Q2 2019 versus Q2 2018. In the diffusion roofing foils item group the sales were landed on a higher level, while in the other item groups there was a drop in the turnover. Regarding the markets, on the export area the lagging in the turnover was significant, in Slovakia the sales was stagnant while the Croatian, Polish and Romanian markets performed the best.

Sales of the **Dry construction system** products increased by 15% in Q2 2019 compared to the base. In terms of gypsum plasterboard systems, the turnover growth on the Hungarian market was the highest, but on the other markets the sales also increased, except of Croatia, Poland, Serbia and the export area.

In the **Heat, sound and water insulation materials** product group in Q2 2019 the sales decreased by 5% compared to the same period in 2018. The sales of glass and rock wool products and the sales of foam were smaller, while there was a growth in the turnover of XPS products. In terms of markets, the Company's revenue increased in Hungary, Ukraine, Slovakia and on the export area, regarding the other countries it was falling.

Turnover of **Building industry accessories** products decreased by 15% in the second quarter of 2019 compared to the base, where sales dropped nameable way in Serbia, but in the Romanian, Croatian and Slovakian markets the revenue was lower too.

In the case of **Industrial applications product** group, the Group achieved 5% increase in Q2 2019 versus the base period. The sales of packaging related products showed decline while the non-strategic trade of raw materials were growing compared to the base.

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.

Sales by countries:

Data in 1000 EUR	Q2 2019	Q2 2018	Index	H1 2019	H1 2018	Index
	(A)	(B)	(A/B-1)	(A)	(B)	(A/B-1)
Hungary	10 288	9 146	12%	18 956	15 937	19%
Export	5 384	4 624	16%	9 507	8 108	17%
Romania	3 126	3 538	-12%	5 364	5 613	-4%
Serbia	2 445	2 631	-7%	4 180	4 250	-2%
Poland	2 595	2 196	18%	3 879	3 184	22%
Ukraine	1 978	1 908	4%	3 679	3 454	7%
Croatia	1 298	1 341	-3%	2 261	2 146	5%
Slovakia	935	925	1%	1 913	1 808	6%
North Macedonia	459	531	-14%	837	889	-6%
Total sales revenue	28 507	26 839	6%	50 575	45 390	11%
Contribution of countries in percentage to the total sales revenue						
Hungary	36%	34%		37%	35%	
Export	19%	17%		19%	18%	
Romania	11%	13%		11%	12%	
Serbia	9%	10%		8%	9%	
Poland	9%	8%		8%	7%	
Ukraine	7%	7%		7%	8%	
Croatia	5%	5%		4%	5%	
Slovakia	3%	3%		4%	4%	
North Macedonia	2%	2%		2%	2%	
Total sales revenue	100%	100%		100%	100%	

Source: consolidated non-audited report of the Group on 30th of June 2019 and non-audited report on 30st of June 2018 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 12% in Q2 2019 compared to the base period. In the Roofing foils and accessories and in the Building industry accessories product group the sales decreased, while in the other product groups they increased. With the highest rate the EPS and fiberglass mesh at the Thermal insulation system and the gypsum plasterboard profiles at the Dry construction system sales extended.

An increase of 16% was achieved on the **export market** in Q2 2019 compared to the base period. The Group has increased its sales in the Thermal insulation system group including the increasing revenues from fiberglass mesh products. A growth has been reached in the Heat, sound and water insulation materials and also in the Building industry accessories. The other product groups had a decrease in sales. Considering its markets the Masterplast reached a growth in Italy, in Czech Republic, in Bulgaria and in Germany, while in United Kingdom, in Finland and in Russia the sales lessened.

On the **Romanian market** the sales decreased by 12% in Q2 2019 compared to the base period. The Company has increased its sales in the Dry construction system product group and in the Roofing foils and accessories. The other product groups had a decrease in sales compared to the base period. The turnover of the glass and rock wool products belonging to the Thermal insulation system group decreased significantly.

In **Serbia** the sales were decreased by 7% in Q2 2019 compared to 2018. A growth in sales has been achieved regarding the Thermal insulation system product group where although the EPS sales dropped but the fiberglass mesh revenue reached a higher level. The turnover of the other product groups was smaller in the second quarter this year than in Q2 2018.

In **Ukraine**, the growing in sales was 18% in Q2 2019 compared to the base. The Company's revenue increased especially in the most relevant Thermal insulation system product group - where not the own-produced fiberglass mesh sales accounted for most of the turnover. Except of Roofing foils and accessories the other product groups also showed a growth for the second quarter in 2019.

On the **Polish market** the sales were up by 4% in Q2 2019 compared to the base. The revenue increased especially in the diffusion roofing foils from the Roofing foils and accessories product group, and also in the own-produced fiberglass mesh from Thermal insulation system product group. The sales was higher in the Building industrial accessories too, but in the Heat, sound and water insulation materials and in the Dry construction system product group the Company reached smaller turnover.

The sales were down by 3% in Q2 2019 on the **Slovakian market**. In the Thermal insulation system, in the Dry construction system and in the Heat, sound and water insulation materials the Group reached higher sales than in Q2 2018 were. Regarding the Roofing foils and accessories the turnover was on the same level, but in the Building industry accessories and in the Industrial applications products it was decreased.

On the **Croatian market** the sales grew by 1% in Q2 2019 on base term. The revenue increase was in the Thermal insulation system product group, especially in case EPS products and in the Roofing foils and accessories product group. The other product groups had a drop in sales compared to the base period.

In **North Macedonia**, with the smallest turnover share, a 14% decrease in sales was reported in Q2 2019, which was mainly due to the smaller revenue of the fiberglass mesh from the Thermal insulation system product group. There was a growth in the Dry construction system product group and also in the Building industry accessories, but at the others the sales were increased.

Overall, in the basically positive industrial environment the Group has increased its total sales by 6% in Q2 2019 compared to the base period. The Group achieved sales growth in the Hungarian, export, Ukrainian, Polish and Croatian market, while sales decreased in Romania, Serbia and North Macedonia. The turnover was also mixed across the product groups. Regarding the Thermal insulation system, the Dry construction system and the Industrial applications products the sales were increased, but at the Roofing foils and accessories, at the Heat, sound and water insulation materials and also at the Building industry accessories there was a drop.

5. Profit and loss account

The exhibit below shows the consolidated profit and loss statement of the Masterplast PLC. in total cost form, in EUR. As the IFRS 15 came into force from 01/01/2018 the mediated services booked on the cost of materials and services line. For the sake of comparability the 2018 data has been restated accordingly. The amendment has no effects on the profit after tax. Besides this there has been no change in the Company's accounting policy compared to the previous year.

Data in EUR	Q2 2019	Q2 2018	Change	Index	H1 2019	H1 2018	Change	Index
	(A)	(B)	A-B	(A/B-1)	(A)	(B)	A-B	(A/B-1)
Sales revenues	28 507 387	26 838 530	1 668 857	6%	50 575 054	45 390 437	5 184 617	11%
Cost of materials and services	-22 849 479	-22 323 414	-526 065	2%	-41 069 640	-37 041 829	-4 027 811	11%
Payroll costs and contributions	-3 478 700	-3 025 410	-453 290	15%	-6 426 845	-5 842 826	-584 019	10%
Depreciation	-573 119	-487 070	-86 049	18%	-1 111 108	-952 808	-158 300	17%
Change in self-manufactured inventories	25 774	601 241	-575 467	-96%	111 471	414 413	-302 942	-73%
Other operating revenues and expenses	203 546	-24 092	227 638	-945%	151 516	-122 140	273 656	-224%
EBITDA	2 408 528	2 066 856	341 672	17%	3 341 556	2 798 055	543 501	19%
<i>EBIDTA ratio</i>	8,4%	7,7%			6,6%	6,2%		
PROFIT / LOSS OF BUSINESS ACTIVITY (EBIT)	1 835 409	1 579 786	255 623	16%	2 230 448	1 845 247	385 201	21%
Interest revenues	16 725	10 938	5 787	53%	30 576	47 641	-17 065	-36%
Interest expenses	-108 451	-138 253	29 802	-22%	-262 172	-280 609	18 437	-7%
Other financial revenues and expenses	179 042	295 614	-116 572	-39%	238 845	185 940	52 905	28%
FINANCIAL PROFIT/LOSS	87 316	168 299	-80 983	-48%	7 249	-47 028	54 277	-115%
Profit/loss from associations	5 894	5 684	210	4%	702	16 587	-15 885	-96%
Profit/loss before income tax	1 928 619	1 753 769	174 850	10%	2 238 399	1 814 806	423 593	23%
Taxes	-104 314	-100 379	-3 935	4%	-177 366	-108 530	-68 836	63%
Profit/loss after taxation	1 824 305	1 653 390	170 915	10%	2 061 033	1 706 276	354 757	21%
<i>Profit attributable to the owners of the parent</i>	<i>1 761 217</i>	<i>1 616 179</i>	<i>145 038</i>	<i>9%</i>	<i>1 984 253</i>	<i>1 650 174</i>	<i>334 079</i>	<i>20%</i>
<i>Profit attributable to the minority</i>	<i>63 088</i>	<i>37 211</i>	<i>25 877</i>	<i>70%</i>	<i>76 780</i>	<i>56 102</i>	<i>20 678</i>	<i>37%</i>
<i>Earnings per share (EPS)</i>	<i>0,12</i>	<i>0,11</i>			<i>0,14</i>	<i>0,11</i>		
<i>Diluted earnings per share (diluted EPS)</i>	<i>0,12</i>	<i>0,11</i>			<i>0,14</i>	<i>0,11</i>		

Source: consolidated non-audited report of the Group on 30th of June 2019 and non-audited report on 30st of June 2018 based on IFRS accounting rules

The total revenue of the Group was 28 507 thousand EUR in Q2 2019, with 1 669 thousand EUR (6%) higher than in the base period.

Compared to the previous period the sales growth in the period was more modest and the total turnover landed under the budget. This was due to the unfavourable weather conditions, lower production output of the fiberglass mesh plant in Serbia and the decline in the demand of packaging industry customers served by plant in Kal.

With the increase in turnover, the trade margin value was increased almost at the same extent. The Group's trade margin was higher on the Export, Polish, Slovakian, Ukrainian and Romanian markets, but the realized margin volume grew in the Hungarian and Croatian markets as well. There was a growth in the production output of fiberglass mesh, profile and EPS in Serbia, while in Kal the foam factory production dropped on a lesser extent in Q2 2019 compared to the base quarter. The material and other material costs slightly increased while the 3rd party related transportation expenditures decreased. The maintenance costs, the energy costs, the fuel costs and rents were also increased in Q2 2019 compared to the base period. The cost of materials and services – considering the change in the self-manufactured inventories as well – has increased (5%) by smaller rate than the turnover expansion in Q2 2019.

As a result of the expanding headcount of the fiberglass mesh factory in Serbia and due to the payrises the personnel expenses of the Company has increased by 15% in Q2 2019 compared to the base period. The Group had 1 027 employees at the end of June 2019 opposed to the staff level of 930 people of the base period. 422 people were employed at the production unit in Subotica at the end of Q2 2019, compared to the level of 360 staff at 30th of June 2018.

Mainly the investments in the production lines in Serbia and in Kal resulted in an increase in the amount of depreciation in Q2 2019 compared to the base.

The other operating expenses of the Company decreased in Q2 2019 compared to the base period whenas the released accruals for fiberglass production in Serbia improved the result for the period.

As the result of the above mentioned the Group EBITDA was 2 409 thousand EUR in Q2 2019 (8,4% EBITDA ratio) compared to the 2 067 thousand EUR (7,7% EBITDA ratio) in the base period, which was 17% growth. Taken into account the depreciation too the EBIT resulted in 1 835 thousand EUR in Q2 2019 which exceeded by 16% the 1 580 thousand EUR level of the base period.

The interest expenditures decreased, the interest revenues increased in Q2 2019 compared to the base period.

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 Group'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 EUR/USD and EUR/HUF based hedging deals in 2018, the results from closure and evaluation of this deals are also reflected among other financial profit/loss. The Hungarian entities (Masterfoam Kft., and Masterplast International Kft.) carry 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 2019, 2018 and 2017:

Closing exchange rates	31-12-2017	31-03-2018	30-06-2018	31-12-2018	31-03-2019	30-06-2019	Index	Index	Index	Index	Index
	A	B	C	D	E	F	C/A	F/D	C/B	F/E	F/C
EUR/USD	1,20	1,23	1,17	1,14	1,12	1,14	97,22%	99,52%	94,65%	101,59%	97,76%
EUR/HUF	310,14	312,55	328,60	321,51	320,79	323,54	105,95%	100,63%	105,14%	100,86%	98,46%
EUR/RON	4,66	4,66	4,66	4,66	4,76	4,74	100,02%	101,53%	100,02%	99,42%	101,59%
EUR/RSD	118,47	118,39	118,07	118,19	118,01	117,91	99,66%	99,76%	99,73%	99,92%	99,87%
EUR/UAH	33,50	32,70	30,57	31,71	30,57	29,73	91,25%	93,74%	93,48%	97,26%	97,26%
USD/HUF	258,82	253,94	282,06	280,94	286,14	284,08	108,98%	101,12%	111,07%	99,28%	100,72%
USD/RON	3,89	3,78	4,00	4,07	4,24	4,16	102,91%	102,09%	105,91%	98,00%	103,88%
USD/RSD	99,12	96,08	101,34	103,39	105,00	103,77	102,24%	100,37%	105,47%	98,82%	102,40%
USD/UAH	28,07	26,54	26,19	27,69	27,25	26,17	93,30%	94,50%	98,68%	96,03%	99,91%

Source: Hungarian National Bank rates

The Company has generated and booked 179 thousand EUR profit as other financial result in Q2 2019 compared to the 296 thousand EUR profit of Q2 2018.

The Group PAT was 1 824 thousand EUR profit in Q2 2019 compared to the base period's profit of 1 653 thousand EUR.

Overall, in a basically positive market the Company has increased its revenues by 6% in Q2 2019. With the increase in turnover, the trade margin value was increased almost at the same extent while there was an improvement in the efficiency of production output. The cost of materials and services – considering the change in the self-manufactured inventories as well – has increased by smaller rate than the turnover expansion in Q2 2019. Due to the payraises and the expanding headcount the payroll costs showed an increase, as well as higher depreciation was realized related to the manufacturing investments, while the other operating expenses decreased. EBITDA was 2 409 thousand EUR (8,4% EBITDA ratio) in Q2 2019 compared to the 2 067 thousand EUR (7,7% EBITDA ratio) in Q2 2018, whereas the Company's operating profit (EBIT) was 1 835 thousand EUR compared to the 1 580 thousand EUR of the base period. The financial result landed on a lower profit, whereas the profit after taxation was 10% higher than in the Q2 2018 was.

The Group expects a positive construction environment for the second half year, which may provide a good basis for the growth in the strongest season. The further growing output and efficiency of the own production can ensure to reach the annual sales and operating profit target.

6. Other comprehensive income

Data in EUR	30-06-2019	30-06-2018
Profit for the year	2 061 033	1 706 276
Foreign exchange result on translation*	-374 642	-1 118 071
Parent company's share of the change in the value of associates*	310 430	-108
Other comprehensive income	-64 212	-1 118 179
Comprehensive income	1 996 821	588 097

Source: consolidated non-audited report of the Group on 30th of June 2019 and non-audited report on 30st of June 2018 based on IFRS accounting rules

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

7. Balance sheet

Due to the strong seasonal impact of the Group's business during the year, the Company presents and analyses its balance sheet as at 30th June 2019 comparing to the balance sheet data of the same date of the previous year. A separate table shows the comparison with year-end volumes.

Data in EUR	30-06-2018	30-06-2018	Change	Index
	(A)	(B)	A-B	(A/B-1)
FIXED ASSETS				
Land, buildings and equipment	36 851 818	32 767 736	4 084 082	12%
Intangible assets	64 839	1 940	62 899	3242%
Shares in related companies	344 907	50 128	294 779	588%
Deferred tax assets	301 441	345 915	-44 474	-13%
Total fixed assets	37 563 005	33 165 719	4 397 286	13%
CURRENT ASSETS				
Inventories	21 443 901	23 510 990	-2 067 089	-9%
Trade accounts receivable	18 511 942	16 600 946	1 910 996	12%
Tax receivables	1 158 972	951 020	207 952	22%
Other financial receivables	75 774	1 213	74 561	6147%
Other current assets	1 542 828	2 239 807	-696 979	-31%
Liquid assets	2 576 701	1 837 879	738 822	40%
Total current assets	45 310 118	45 141 855	168 263	0%
TOTAL ASSETS	82 873 123	78 307 574	4 565 549	6%
CAPITAL AND RESERVES				
Subscribed capital	5 503 939	5 503 939	0	0%
Reserves	24 143 901	20 659 971	3 483 930	17%
Repurchased shares	-20 713	-20 794	81	0%
Parent share of interests	1 984 253	1 650 174	334 079	20%
Equity attributable to the owners of the parent	31 611 380	27 793 290	3 818 090	14%
Minority interests	368 459	324 831	43 628	13%
Total capital and reserves	31 979 839	28 118 121	3 861 718	14%
LONG-TERM LIABILITIES				
Long- term loans	6 324 897	5 110 847	1 214 050	24%
Deferred tax liabilities	181 139	243 612	-62 473	-26%
Deferred income	3 615 406	3 077 605	537 801	17%
Other long-term liabilities	760 308	728 525	31 783	4%
Total long-term liabilities	10 881 750	9 160 589	1 721 161	19%
SHORT-TERM LIABILITIES				
Short-term loans	21 314 268	19 760 668	1 553 600	8%
Trade accounts payable	13 618 522	16 274 252	-2 655 730	-16%
Short-term leasing liabilities	162 330	102 693	59 637	58%
Other financial liabilities	31 630	152 531	-120 901	-79%
Tax liabilities	1 384 295	1 200 201	184 094	15%
Short-term deferred income	933 723	360 076	573 647	159%
Provisions	253 409	395 111	-141 702	-36%
Other short-term liabilities	2 313 357	2 783 332	-469 975	-17%
Total short-term liabilities	40 011 534	41 028 864	-1 017 330	-2%
TOTAL LIABILITIES	50 893 284	50 189 453	703 831	1%
TOTAL CAPITAL AND LIABILITIES	82 873 123	78 307 574	4 565 549	6%

Source: consolidated non-audited report of the Group on 30th of June 2019 and non-audited report on 30st of June 2018 based on IFRS accounting rules

The total assets of the Group were 82 873 thousand EUR on the 30th of June 2019, by 4 566 thousand EUR higher than at the end of the base period.

The total fixed assets amounted to 37 563 thousand EUR at the end of Q2 2019, by 4 397 thousand EUR higher than base period's volume. The increase was due to the fiberglass mesh production investment in Subotica and in the expansion of the foam production line in Kal. The Company has overall spent 2 461 thousand EUR on CAPEX in H1 2019.

The inventory at the end of Q2 2019 was 21 444 thousand EUR, which partly owing to the inventory optimization project landed by 2 067 thousand EUR lower than the base period closing stock was.

The trade accounts receivables were 18 512 thousand EUR at the end of this quarter which meant 1 911 thousand EUR increase (12%) compared to base period.

The Group's cash and equivalents stood at 2 577 thousand EUR at the end of Q2 2019, which were higher by 739 thousand EUR than the closing volume in Q2 2018.

In relation with the CAPEX the amount of the long-term loans (24%) increased, just as the short-term credit lines (8%) at the end of Q2 2019 compared to the closing data of the base period.

The accounts payable decreased in a smaller extent (16%) by 2 656 thousand EUR, while the deferred income increased (32%) related to the government grants to investments.

8. Cash-flow, bank information

Data in EUR	30-06-2019	30-06-2018	Change	Index
	(A)	(B)	A-B	(A/B-1)
Operating Activities				
PBT	2 238 399	1 814 806	423 593	23%
Depreciation and Amortisation	1 111 108	952 808	158 300	17%
Bad debt provision	62 779	37 615	25 164	67%
Shortage and scrap of stocks	88 646	39 389	49 256	125%
Provisions	66 465	306 666	-240 201	-78%
Profit on fixed asset sale	-35 409	-78 057	42 649	-55%
Interest expense	262 172	254 535	7 637	3%
Interest revenue	-30 576	-21 567	-9 009	42%
Profit/loss from associations	-702	-16 587	15 885	-96%
Unrealized foreign exchange gain (loss)	165 141	-378 822	543 962	-144%
Changes in Working Capital				
Change in Accounts Receivable	-6 121 757	-5 328 086	-793 671	15%
Change in Inventory	1 527 737	-2 378 853	3 906 590	-164%
Change in Other Assets	94 287	300 241	-205 954	-69%
Change in Accounts Payable	844 683	3 410 640	-2 565 957	-75%
Change in Short-term liabilities	-15 065	1 460 147	-1 475 212	-101%
Taxation	-34 802	214 027	-248 830	-116%
Net Cash from Operations	223 104	588 902	-365 798	-62%
Investing Activities				
CAPEX	-2 460 631	-4 825 555	2 364 924	-49%
Sale of fixed assets	101 954	144 176	-42 222	-29%
Subsidiaries sold	100		100	0%
Interest received	30 576	21 567	9 009	42%
Net Cash from Investing activities	-2 328 001	-4 659 812	2 331 811	-50%
Financing Activities				
Borrowing	3 849 868	8 797 885	-4 948 017	-56%
Loan repayments	-636 954	-5 634 970	4 998 015	-89%
Government grant	0		0	0%
Dividends paid	0	0	0	0%
Interest paid	-262 172	-254 535	-7 637	3%
Net Cash from Financing activities	2 950 742	2 908 381	42 361	1%
Net Cash flow of the period	845 845	-1 162 529	2 008 374	-173%
Cash at beginning of period	2 089 823	3 013 001	-923 178	-31%
Effect of exchange rate changes	-358 967	-12 593	-346 374	2751%
Cash at end of period	2 576 701	1 837 879	738 822	40%

Source: consolidated non-audited report of the Group on 30th of June 2019 and non-audited report on 30st of June 2018 based on IFRS accounting rules

The net cash flow from operation was 223 thousand EUR at the end of Q2 2019, while it was 589 thousand EUR the end of the base period.

The cash flow from investing activities was -2 328 thousand EUR in H1 2019 compared to -4 660 thousand EUR in H1 2018.

The net cash flow from financial related activities amounted to 2 951 thousand EUR compared to the 2 908 thousand EUR of the base year.

All in all the cash and equivalents of the Company was 2 577 thousand EUR at 30th of June 2019 which was higher by 739 thousand EUR than the level of the previous year.

Loans and bank related information:

By the end of June 2019, the Company had complied with the lately redefined and contracted banking covenant requirements.

Investigations against Masterplast:

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 2 171 473 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.

9. Change in equity

Data in EUR	Subscribed capital	Shares	Capital reserves	Accumulated profit reserves	Conversion reserves	Total reserves	Parent company's share of profit	Equity per shareholders in parent company	Share of external owners	Shareholders' equity
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							1 650 174	1 650 174	56 102	1 706 276
Other comprehensive income					-1 117 046	-1 117 046		-1 117 046	-1 133	-1 118 179
Transfer of previous year's net profit				2 610 062		2 610 062	-2 610 062			
Repurchased shares		1 237						1 237		1 237
Capital increase	277 548							277 548		277 548
Capital increase - agio			1 407 169			1 407 169		1 407 169		1 407 169
Change in the share of external owners										
Paid dividends				-532 783		-532 783		-532 783		-532 783
Ownership contribution										
30-06-2018	5 503 939	-20 794	8 062 728	21 378 898	-8 781 655	20 659 971	1 650 174	27 793 290	324 831	28 118 121
01-01-2019	5 503 939	-20 843	8 062 732	21 346 318	-8 480 506	20 928 544	3 283 382	29 695 022	287 866	29 982 888
Net profit							1 984 253	1 984 253	76 780	2 061 033
Other comprehensive income					-68 025	-68 025		-68 025	3 813	-64 212
Transfer of previous year's net profit				3 283 382		3 283 382	-3 283 382			
Repurchased shares		130						130		130
Capital increase										
Capital increase - agio										
Change in the share of external owners										
Paid dividends										
Ownership contribution										
30-06-2019	5 503 939	-20 713	8 062 732	24 629 700	-8 548 531	24 143 901	1 984 253	31 611 380	368 459	31 979 839

Source: consolidated non-audited report of the Group on 30th of June 2019 and non-audited report on 30st of June 2018 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	263 152	EUR
Masterplast Romania	Bank guarantee	396 638	RON	83 765	EUR
Masterfoam Kft.	Custom	10 000 000	HUF	30 908	EUR
Masterfoam Kft.	Tender guarantee	260 000 000	HUF	803 610	EUR
Masterplast YU D.o.o.	Bank guarantee	2 000 000	EUR	2 000 000	EUR
Total:				3 181 436	EUR

Source: consolidated non-audited report of the Group on 30th of June 2019 and non-audited report on 30st of June 2018 based on IFRS accounting rules, as well as the non-audited data from the Group'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. 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. The presentation of the segments at Masterplast

H1 2019 (Data in EUR)	Sales	Production	Unallocated costs	Segment elimination	Consolidated
Sales revenues	50 575 054	0	0	0	50 575 054
Sales between segments	11 628 297	12 662 057	0	-24 290 354	-0
Depreciation	-498 138	-480 677	-132 294	0	-1 111 108
Operating expenses	-58 782 461	-11 768 650	-872 740	24 290 354	-47 133 498
EBITDA	3 420 890	893 407	-872 740	0	3 441 556
EBITDA ratio	5,5%	7,3%	0,0%		7,6%
EBIT	2 922 752	412 730	-1 005 034	0	2 330 448
EBIT ratio	4,7%	3,4%	0,0%		5,1%
Fixed Assets	11 819 444	18 222 940	6 809 434	0	36 851 818
Inventories	18 696 982	2 746 919		0	21 443 901

H1 2018 (Data in EUR)	Sales	Production	Unallocated costs	Segment elimination	Consolidated
Sales revenues	45 390 437	0	0	0	45 390 437
Sales between segments	17 157 143	12 225 434	0	-29 382 577	0
Depreciation	-322 420	-401 475	-228 913	0	-952 808
Operating expenses	-59 502 121	-11 459 631	-1 013 207	29 382 577	-42 592 382
EBITDA	3 045 459	765 803	-1 013 207	0	2 798 055
EBITDA ratio	4,9%	6,3%	0,0%		6,2%
EBIT	2 723 039	364 328	-1 242 120	0	1 845 247
EBIT ratio	4,4%	3,0%	0,0%		4,1%
Fixed Assets	9 717 698	17 252 711	5 797 327	0	32 767 736
Inventories	20 053 557	3 457 433	0	0	23 510 990

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

The turnover of the Sales segment was 50 575 thousand EUR in H1 2019, which passed the base period's result by 5 185 thousand EUR (11%). In addition to the increase in turnover, the realized margin also grew compared to base period. Notable expansion was achieved on the export and Polish markets, but also the growth in the realized margins can be highlighted on the Hungarian, Serbian, Slovakian, Ukrainian and Croatian markets as well. The EBITDA of this segment was 3 421 thousand EUR in the first six months of this year, the EBITDA ratio was 5,5%, which was more than half percent higher than in the prior year.

Regarding of the Production segment, the turnover for H1 2018 was 12 662 thousand EUR, which passed the base period's result by 437 thousand EUR (4%). With the further increasing production output of the Company, the own production became more efficient and profitable, but due to the declining demand of packaging industry the revenue landed under the budget. The manufacturing EBITDA was 893 thousand EUR (7,3% EBITDA ratio) compared to the 766 thousand EUR (6,3% EBITDA ratio) of H1 2018. The increase in the fixed assets caused a larger depreciation and the EBIT was 413 thousand EUR in the first half of 2019 compared to the last year's 364 thousand EUR. The production performance of each plant is presented below.

In the Group's EPS plant in Subotica in Q2 2019 the production volume was growing again. After the outstanding Q1 the output was more moderated, 6% higher than in the same period of last year. On the whole the volume in H1 exceeded the previous year's output by 31%.

The quarterly output of the mesh edge protection production was 17% higher than the period of last year. For the first half year the output growth was 10% higher than H1 2018.

In Subotica, the production and output of the fiberglass factory also increased compared to the base period. However, the high growth plans could not be achieved, mainly due to slower recruitment and training than planned. The technological advancements were completed and worked well with traditional weaving. The machines with German technology were only started operationally with considerable slippage at the end of the quarter, so they did not bring in additional volumes compared to last year. Cumulative output of fiberglass mesh products was 15% higher than in the same period last year, but was smaller than the planned volume. The task for the next quarter is to fill up production headcount and stabilize the German technology.

In the Kal based foam factory the quarterly output was in 12% lagging compared to the level of Q2 2018. The largest decline was in the third party packaging industry customers, while affiliated company markets were stable. With the machineries of the technology development from last year, the Company successfully developed new product types in Q2. However, their introduction on the market was started in the last weeks of the second quarter – so it had no significant improvement effect. The task for the next quarter is to continue introducing new products to the market, to familiarize and get them across the major customers.

12. Changes of the full time employees (headcount)

	30-06-2019	31-12-2018	30-06-2018
Company employees	42	43	41
Group level employees	1027	925	930

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

13. Significant events between the quarter-end and the semi-annual report

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

14. Balance sheet compared with 31 December 2018 status

Data in 1000 EUR	30-06-2019	31-12-2018	Change	Index
	(A)	(B)	A-B	(A/B-1)
FIXED ASSETS				
Land, buildings and equipment	36 851 818	35 454 633	1 397 185	4%
Intangible assets	64 839	207 028	-142 189	-69%
Shares in related companies	344 907	33 775	311 132	921%
Deferred tax assets	301 441	303 568	-2 127	-1%
Total fixed assets	37 563 005	35 999 004	1 564 001	4%
CURRENT ASSETS				
Inventories	21 443 901	23 059 923	-1 616 022	-7%
Trade accounts receivable	18 511 942	12 453 324	6 058 618	49%
Tax receivables	1 158 972	1 075 573	83 399	8%
Other financial receivables	75 774	23 275	52 499	226%
Other current assets	1 542 828	1 773 013	-230 185	-13%
Liquid assets	2 576 701	2 089 823	486 878	23%
Total current assets	45 310 118	40 474 931	4 835 187	12%
TOTAL ASSETS	82 873 123	76 473 935	6 399 188	8%
CAPITAL AND RESERVES				
Subscribed capital	5 503 939	5 503 939	0	0%
Reserves	24 143 901	20 928 544	3 215 357	15%
Repurchased shares	-20 713	-20 843	130	-1%
Parent share of interests	1 984 253	3 283 382	-1 299 129	-40%
Equity attributable to the owners of the parent	31 611 380	29 695 022	1 916 358	6%
Minority interests	368 459	287 866	80 593	28%
Total capital and reserves	31 979 839	29 982 888	1 996 951	7%
LONG-TERM LIABILITIES				
Long-term loans	6 324 897	6 050 695	274 202	5%
Deferred tax liabilities	181 139	181 514	-375	0%
Deferred income	3 615 406	4 067 918	-452 512	-11%
Other long-term liabilities	760 308	721 352	38 956	5%
Total long-term liabilities	10 881 750	11 021 479	-139 729	-1%
SHORT-TERM LIABILITIES				
Short-term loans	21 314 268	18 375 553	2 938 715	16%
Trade accounts payable	13 618 522	12 773 839	844 683	7%
Short-term leasing liabilities	162 330	289 284	-126 954	-44%
Other financial liabilities	31 630	255	31 375	12304%
Tax liabilities	1 384 295	641 013	743 282	116%
Short-term deferred income	933 723	933 723	0	0%
Provisions	253 409	186 944	66 465	36%
Other short-term liabilities	2 313 357	2 268 957	44 400	2%
Total short-term liabilities	40 011 534	35 469 568	4 541 966	13%
TOTAL LIABILITIES	50 893 284	46 491 047	4 402 237	9%
TOTAL CAPITAL AND LIABILITIES	82 873 123	76 473 935	6 399 188	8%

Source: consolidated non-audited report of the Group on 30th of June 2019 and audited report of 31th of December 2018 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.	North Macedonia	973 255	MKD	10%	10%	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.	North 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
T-Cell Kft.	Hungary	104 000 000	HUF	24%	24%	EPS production

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

The Company on 3 June 2019 acquired 24% ownership in T-CELL Plasztik Company with Limited Liability. The main activity of T-CELL Plasztik Kft. is a polystyrene manufacture, in its two plants in Hungary – in Hajduszoboszló and Zalaegerszeg. With the collaboration between the two Hungarian companies, the existing manufacturing background of the Group is also further strengthened, where by means of purchases, the growth in capacity and the favourable logistics facilities may help to better exploit the opportunities provided by the construction industry boom.

The consolidation of the Company is based on equity valuation (equity method), and the Group has determined that the value of T-CELL Plasztik Kft.'s equity is recognized in profit and loss account. The fair value of the interest at the date of preparation of the interim management report is the same as the purchase value, so the profit and loss account has not been adjusted by the difference resulting from the valuation of the share.

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	30-04-2020	approximately 11 years	4 548 057
Ács Balázs	Vice Chairman of the Board	03-04-2008	30-04-2020	approximately 11 years	3 877 259
Kazár András	Board member	24-04-2013	30-04-2020	approximately 6 years	-
Dr. Martin-Hajdu György	Board member	01-05-2014	30-04-2020	approximately 5 years	-
Dirk Theuns	Board member	01-05-2014	30-04-2020	approximately 5 years	-

The data of the Company's top management are shown in the table below on 30 June 2019:

Name	Post	Beginning of the current top management position	Completion of current top management position	Stockholding (pcs)
Nádasi Róbert	CEO	01-08-2018	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	4 548 057	31,15
Ács Balázs	no	3 877 259	26,55
OTP Alapkezelő Zrt.	no	978 727	6,70
SOH Kft. & LPH Kft. jointly	no	779 676	5,34
Total		10 183 719	69,75

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

	30-06-2019
Issuing ownership	179 798
Affiliated companies ownership	0
Total	178 798

19. Publications issued by Masterplast PLC. in the reference period:

Publication date	Object
02.01.2019.	Share capital, voting rights
01.02.2019.	Share capital, voting rights
26.02.2019.	Publication of Q1-Q4 2018 results, interim management report
01.03.2019.	Share capital, voting rights
04.03.2019.	Notification and public disclosure of transaction by persons discharging material responsibilities
05.03.2019.	Notification and public disclosure of transaction by persons discharging material responsibilities
25.03.2019.	General Meeting Invitation
29.03.2019.	Share capital, voting rights
04.04.2019.	General Meeting Proposals
04.04.2019.	Remuneration Statement
25.04.2019.	General Meeting Resolutions
25.04.2019.	CG Declaration
25.04.2019.	Annual Report
25.04.2019.	Summary Report
29.04.2019.	Information about sales of interest
29.04.2019.	Transactions with Treasury Shares
02.05.2019.	Share capital, voting rights
16.05.2019.	Publication of Q1 2019 results, interim management report
16.05.2019.	Information about the rules for the purchase of treasury shares required for the Employees' Stock Ownership Program (MRP)
16.05.2019.	Information on the purchase of treasury shares
17.05.2019.	Information on the purchase of treasury shares
20.05.2019.	Information on the purchase of treasury shares
27.05.2019.	Information on the purchase of treasury shares
29.05.2019.	Information on the purchase of treasury shares
03.06.2019.	Share capital, voting rights
03.06.2019.	Information about investing
06.06.2019.	Information about sales of interest
17.06.2019.	Information about the content of the Option agreement between the MASTERPLAST Plc. and the Masterplast MRP Organization
20.06.2019.	Information on the purchase of treasury shares
28.06.2019.	Information about the registration of acquisition to the company register
01.07.2019.	Share capital, voting rights
03.07.2019.	Information on the registration of changes to the company's register corresponding to the resolutions of the AGM
03.07.2019.	Articles of Association
29.07.2019.	Information of the change of the personally responsible auditor
01.08.2019.	Share capital, voting rights

DECLARATION

MASTERPLAST Public Limited Company (8143 Sárszentmihály, Árpád u. 1 / A, hereafter referred to as "the Company") states that the consolidated half-yearly report prepared with the best of its knowledge and based on the applicable accounting standards provides a true and fair view of the issuer and of the assets, liabilities and financial state development profits and losses, and performance of the issuing and consolidating companies, describing the main assets affecting the remaining six months of the financial year and the consolidated financial statements of the consolidating companies, risks and uncertainties.

Sárszentmihály, 27 August 2019



Tibor Dávid
Chairman of the Board

