



# Letter from the President of the Management Board

Dear Sirs,

For our Group, 2017 was a period of changes. We carried out a modernization program in accordance with our previous announcement.

The Group spent PLN 11 million on modernization of the machines in the plant of Ceramika Nowa Gala SA, and the production pursued in our smallest plant, that of Ceramika Nowa Gala II, was relocated to the two bigger ones. At present, we have two production centers: Ceramika Nowa Gala SA and Ceramika Gres, which simplifies production processes and brings cost savings, and will also help us make better use of funds earmarked for investing in development.

Although all these operations were associated with costs, we are now able to launch new products. The modernization process was coupled with changes in sales management methods.

I would like to take this opportunity to express my gratitude to all individuals and institutions cooperating with our Company for their trust in the past year.

Waldemar Piotrowski  
President of the Management Board

Końskie, 26 March 2018