

## REGULATORY ANNOUNCEMENT

### **PEGAS NONWOVENS received a decision regarding a commitment for investment incentives**

**PRAHA/ZNOJMO, 14 March 2018 – PEGAS NONWOVENS a.s. (hereinafter "PEGAS" or "Company") announces that it has received a decision regarding a commitment for investment incentives.**

The decision regarding the commitment for investment incentives was issued by the Ministry of Industry and Trade to the subsidiary PEGAS – GIC a.s. in connection with the expansion of nonwoven textile production at the production plant in Znojmo-Příměťice by means of investment into a new RF5 Bico FHL R&D 2F production line.

The commitment for investment incentives is provided in the form of an income tax relief and financial support for job creation in the maximum amount of 21.54 % of the total value of qualified expenses and for the maximum amount of CZK 212.635 million, whilst the tax relief may be exercised for a period of ten directly consecutive taxation periods.

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PEGAS NONWOVENS a.s. is a holding company based in the Czech Republic with operating companies in Znojmo and Bučovice, Czech Republic and in the City of 6th of October, Egypt. PEGAS NONWOVENS is a manufacturer of polypropylene and polyethylene nonwoven textiles for the hygiene, industrial, construction, agricultural, medical and other specialised sectors. These textiles are primarily used for the manufacture of baby diapers, feminine hygiene and adult incontinence products. The Company is active in developing new products demanded by the market and thereby maintains its position of technology leader in the European nonwovens market. PEGAS NONWOVENS currently has almost 600 employees.

PEGAS NONWOVENS a.s. is a publicly traded company on the Prague stock exchange.

PEGAS NONWOVENS a.s. is registered with the commercial register in the Czech Republic maintained by the Municipal Court in Prague under file No. B 23154. Its registered office is at Hradčanské náměstí 67/8, Hradčany, 118 00 Praha 1, Czech Republic.