

## Agreements signed by a subsidiary.

With reference to Current Report No. 31/2016 of 22 December 2016 and pursuant to § 8(3) of the Individual Reporting Standard (ISR) of 3 July 2016, which is designed to align the information policy of Selena FM S.A. with the new legal provisions laid down in Regulation No. 596/2014 of the European Parliament and of the Council (EU) of 16 April 2014 (MAR), the Management Board of Selena FM S.A. (“Company”) advises that today it has received from its Chinese subsidiary Selena Nantong Building Materials Co. Ltd information that on 28 March 2017 the subsidiary entered into further agreements with Shanghai Haozheng Construction Engineering Co. Ltd (“Partner”, jointly “Parties”), as a follow-up to and elaboration of the framework agreement concluded on 21 December 2016.

Today, the Parties signed the Articles of Association of JV. The agreement and other agreements entered into with the Partner lay down the strategic rules for cooperation in the Chinese market (including the scope of the products covered by the cooperation), the rules and scope of operations of the new entity (including the level of involvement in managing and supervising the new company), the conditions of trade cooperation between the entities and the rules for using Selena’s trademarks by the new entity. The new joint venture will perform sales and marketing functions in the Chinese market. Selena Nantong and Haozheng acquired a 40% and 60% stake, respectively, in the new company.

By means of the concluded agreements the Parties fulfil their commitment to cooperate within the newly established joint venture.