

Company AS MERKO EHITUS
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Yesterday, on 3 September 2019, information about the operations of Latvian authorities concerning the Latvian construction sector companies was published in the media. In addition to the comments provided yesterday (<https://cns.omxgroup.com/cdsPublic/viewDisclosure.action?messageId=1136375>), AS Merko Ehitus states the following:

- * yesterday, on 3 September 2019, Latvian Competition Council (Konkurences padome) officials carried out administrative proceeding activities in the office of SIA Merks, part of AS Merko Ehitus group;
- * to our knowledge, the purpose of the proceeding is to ascertain whether or not there have been breaches of the competition law in Latvia, concerning construction companies;
- * as part of the activities, Oskars Ozolišs, Chairman of SIA Merks's Management Board, was interviewed by the officials;
- * no searches, seizing of documents or other such activities were carried out in SIA Merks's office.

According to information published in the media, in parallel to the administrative proceeding carried out by Latvian Competition Council, there is an ongoing investigation by Latvian Corruption Prevention and Combating Bureau (Korupcijas novēršanas un apkarošanas biroja, KNAB), which involves construction sector companies. The activities in SIA Merks's office on 3 September were not carried out by KNAB officials and according to our knowledge were not connected with the investigation carried out by KNAB.

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AS Merko Ehitus (group.merko.ee (<https://group.merko.ee/en/>)) group consists of Estonia's leading construction company AS Merko Ehitus Eesti, the Latvian-market-oriented SIA Merks, UAB Merko Statyba operating on the Lithuanian market,



and the Norwegian construction company Peritus Entreprenør AS. Besides provision of construction service as a main contractor, the group's other major area of activity is apartment development. As at the end of 2018, the group employed 764 people, and the group's revenue for 2018 was EUR 418 million.

