

CURRENT REPORT FILED WITH THE POLISH FINANCIAL SUPERVISION AUTHORITY

DATE: June 28th 2019

Subject: **Annex to multi-purpose credit facility agreement with PKO BP
(Current Report No. 19/2019)**

Contents:

Current Report No. 19/2019

The Management Board of RAFAKO S.A. of Racibórz (the “**Company**”) announces that on June 28th 2019 the Company and Powszechna Kasa Oszczędności Bank Polski S.A. of Warsaw (the “**Bank**”) signed an annex (the “**Annex**”) to the multi-purpose credit facility agreement of February 7th 2012, as amended (the “**Agreement**”), announced in Current Reports No. 12/2012, 3/2013, 9/2013, 28/2013, 37/2013, 60/2013, 7/2014, 12/2014, 15/2014, 24/2014, 42/2014, 45/2014, 52/2014, 8/2015, 11/2015, 43/2015, 14/2016, 20/2016, 24/2017 and 24/2018.

The Bank extends the multi-purpose credit facility agreement for up to PLN 200,000,000 for another year, i.e. until June 30th 2020. The key amendments made under the Annex are set out below.

A. Under the facility, the Bank provides the Company with:

- 1) an overdraft credit facility of up to:
 - a) PLN 70,000,000 – until January 31st 2020,
 - b) PLN 50,000,000 – as of February 1st 2020,
 based on drawdown notices to be issued by the Company. The facility will be reduced in connection with the settlement of the Jaworzno contract. The reduction amount will increase the guarantee facility,
- 2) a revolving working capital facility, in PLN and EUR, up to the amount currently required by the Company, i.e. PLN 44,000,000.00, based on a drawdown notice to be issued by the Company, to finance obligations arising in the course of the Company's day-to-day operations;
- 3) bank guarantees in PLN, CZK, USD, EUR and GBP:
 - a) of up to PLN 150,000,000 – until January 31st 2020,
 - b) of up to PLN 170,000,000 – as of February 1st 2020,
- 4) a revolving working capital facility in PLN, of up to PLN 170,000,000, to cover the Company's liabilities towards the Bank under payments made under bank guarantees issued by the Bank,

with the proviso that the total amounts withdrawn under the facility may not exceed the unchanged amount of PLN **200,000,000**.

- B. The Annex specifies that the availability and maturity date of the facility is June 30th 2020.
- C. The Company has also agreed to update its existing representations on submission to enforcement in the form of a notarial deed under Art. 777 of the Code of Civil Procedure, by extending the period in which the Bank may apply to the court for issuing a writ of execution with respect to the bank enforcement order until June 30th 2025.
- D. If the Company fails to meet the planned target value of new contracts signed in 2019 of PLN 900,000,000, VAT exclusive, the Bank may reduce the amount of the overdraft facility by the percentage by which the new order book falls short of the target value, rounded to the nearest million. The planned value of the order book will be reviewed on the basis of the Company's representation and a contract list to be submitted to the Bank by January 31st 2020.

The other material terms and conditions of the Agreement, including its financial terms and security structure, are not amended under the Annex.

Legal basis: Article 17(1) of the Market Abuse Regulation – Inside information

Agnieszka Wasilewska-Semail – Vice President of the Management Board
Jarosław Dusiło – Vice President of the Management Board