CURRENT REPORT FILED WITH THE POLISH FINANCIAL SUPERVISION AUTHORITY

DATE: October 5th 2020

Subject: **Submission of notice of impossibility/termination under contract with JSC VILNIAUS KOGENERACINĖ JĖGAINĖ [Current Report No. 53/2020]**

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Further to Current Report No. 28/2016 of September 29th 2016, announcing the conclusion with JSC VILNIAUS KOGENERACINĖ JĖGAINĖ (the "**Principal**") of a significant conditional contract to construct a biomass-fired co-generation unit consisting of boilers with fluidised beds, biomass storage and feeder systems, and a flue gas treatment system, as part of a project to construct a new CHP plant in Vilnius, Lithuania, (the "**Contract**"), the Management Board of RAFAKO S.A. w restrukturyzacji (in restructuring) of Racibórz (the "**Company**") announces that today, acting in accordance with the provisions of the Contract, the Company has submitted a notice of impossibility/termination in connection with:

1) inability to perform the Contract due to the fact that the task the Company committed itself to perform has become different from that provided for in the Contract or, alternatively
2) withdrawal from the Contract due to lack of cooperation on the part of the Principal and the Principal's failure to perform its contractual obligations, in particular lack of coordination between projects LOT1 and LOT2,
3) withdrawal from the Contract due to the Principal's failure to issue on time interim payment certificates for completed milestones.

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

Mariusz Zawisza, President of the Management Board
Ewa Porzucek, Vice President of the Management Board