

**CURRENT REPORT FILED WITH THE
POLISH FINANCIAL SUPERVISION AUTHORITY**

DATE: January 21th 2021

Subject: [Entering into negotiations with JSC “VILNIAUS KOGENERACINĖ JĖGAINĖ” regarding an amicable settlement to dispute arisen under the contract being a part of a project to construct a new CHP plant in Vilnius, Lithuania \[RB 7/2021\].](#)

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Further to Current Report No. 53/2020 of October 5th 2020, announcing submission by RAFAKO S.A. w restrukturyzacji (in restructuring) (the “**Company**”) of a notice of impossibility/termination under the conditional contract to construct a biomass-fired cogeneration 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**”), as well as Current Report No. 54/2020 of October 6th 2020, announcing immediate withdrawal from the Contract by JSC VILNIAUS KOGENERACINĖ JĖGAINĖ (the “**Principal**”) and Current Report No. 54/2020 announcing the receipt from the Principal of a notice of withdrawal from the Contract, the Management Board of the Company announces that the parties have entered into negotiations regarding an amicable settlement to their dispute arisen under the Contract parallel to the ongoing arbitrary proceedings in the present case.

The Company will inform of the progress of negotiations process in next current reports.

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