

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

DATE: February 19th 2021

Subject: [Recognition of provisions and impairment losses \[Current Report No. 14/2021\]](#)**Text of the report:**

Further to Current Report No. 50/2020 of September 24th 2020 announcing the recognition of provisions and impairment losses, the Management Board of RAFAKO S.A. w restrukturyzacji (in restructuring) of Racibórz (the “**Company**”) announces that on February 19th 2021 it decided, acting in line with the principle of prudent valuation, to recognise provisions for identified risks to contract performance and impairment losses on assets, totalling approximately PLN 108m.

The largest of the provisions, amounting to approximately PLN 65m, was recognised in connection with the risk of incurring additional costs of works carried out under the project to construct a coke gas-fired power generation unit at at JSW KOKS S.A., Radlin Coke Plant, Branch of KKZ. The Company also announces that it has submitted a notice to JSW KOKS S.A. requesting additional consideration of approximately PLN 53m in view of significant changes to the subject matter of the contract and the need to perform indispensable additional services.

The provisions and impairment losses will have a negative impact on the Company’s financial performance in 2020.

Legal basis:

Article 17(1) of the Market Abuse Regulation – inside information.

Radosław Domagalski-Łabędzki, President of the Management Board

Jarosław Pietrzyk, Vice President of the Management Board