

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

DATE: July 9th 2021

**Subject: [Agencja Restrukturyzacji Przemysłu S.A. decides to grant restructuring aid to RAFAKO S.A. \[RB 27/2021\]](#)**

The Management Board of RAFAKO S.A. of Racibórz (the “**Company**”) announces that on July 9th 2021 it became aware that on July 9th 2021 Agencja Restrukturyzacji Przemysłu S.A. of Warsaw issued a decision (Case No. BZR.7701.86.2020) to grant the Company restructuring aid within the meaning of the Act of July 16th 2020 on granting public aid for rescuing or restructuring of entrepreneurs (the “**Decision**”), thus granting the Company’s request in its entirety.

According to the Decision:

1. The restructuring aid amount is PLN 100,000,000.00 (one hundred million złoty, 00/100) and is to be used as security for a guarantee facility – PLN 46,000,000.00 (forty-six million złoty, 00/100), and to finance operating expenses related to ongoing and future contracts – PLN 54,000,000.00 (fifty-four million złoty, 00/100);
2. The restructuring aid is to be granted for a period of 120 (one hundred and twenty) months;
3. The restructuring aid will be provided through subscription for PLN 100,000,000.00 (one hundred million złoty, 00/100) worth of bonds, with an annual interest rate of 4.15%;
4. The bonds are to be repaid in three instalments: the first instalment, of PLN 33,000,000, on December 31st 2028; the second instalment, of PLN 33,000,000, on December 31st 2029; and the third instalment, of PLN 34,000,000, on the redemption date, i.e. December 31st 2030, with the entire interest amount to be paid on the redemption date for the whole period, with an option of early redemption of the bonds.

Moreover, according to the Decision, the grant of the restructuring aid under the Decision was made conditional on the fulfilment by the Company of the following conditions within 30 days of the Decision becoming legally binding or upon the Company submitting a statement on waiver of the right of appeal:

1. The Company obtains an individual notification of the European Commission as referred to in Art. 11.1 of the Act of July 16th 2020 on granting public aid for rescuing or restructuring entrepreneurs;
2. The Company submits a legally binding ruling issued by a competent common court on approval of the arrangement with creditors;
3. The Company provides, for the benefit of the State Treasury – the minister competent for economy, the following security for repayment of the aid:

- i. A registered pledge, and for the time until the registered pledge is entered in the pledge register – a civil pledge, with a notary-certified signature, over the RAFAKO trademark protection right, with a total value of PLN 101,700,000 (one hundred and one million, seven hundred thousand złoty, 00/100), as well as proof of filing with the competent district court of a request for entering the registered pledge into the pledge register, and for the time until the registered pledge is entered in the pledge register – of execution of a civil pledge agreement with a notary-certified signature on the RAFAKO trademark protection right, in accordance with the material provisions of the pledge agreements attached to the Decision;
 - ii. The Company's blank promissory note without protest together with a promissory note declaration, pursuant to which the payee will be entitled to fill out the promissory note with an amount of up to PLN 150,000,000 (one hundred and fifty million złoty, 00/100);
 - iii. The Company's declaration on submission to enforcement pursuant to Art. 777.1.5 of the Code of Civil Procedure as regards the obligation to return the amount of aid together with the interest specified in the Decision and to return the costs of proceedings, i.e. as security for all existing and future claims related to the grant of aid, i.e. up to the total maximum amount of PLN 150,000,000 (one hundred and fifty million złoty, 00/100),
4. The Company submits a representation on obtaining, or on the lack of obligation to obtain, corporate authorisation to assume the liability resulting from the aid to be granted under the Decision and to provide security for the benefit of the State Treasury – the minister competent for economy, as specified in the Decision;
 5. The Company delivers all consents required to effectively assume the obligation specified in the Decision on the grant of restructuring aid through subscription for bonds, or a representation that there is no obligation to obtain such consents.

The decision is not legally binding as of the date of issue of this current report. The Management Board also notes that the restructuring aid provided under by the Decision is subject to notification to the European Commission. The Company will communicate any subsequent events relating to the grant of restructuring aid within the meaning of the Act of July 16th 2020 on granting public aid for rescuing or restructuring entrepreneurs.

The Company has announced its request for restructuring aid within the meaning of the Act of July 16th 2020 on granting public aid for rescuing or restructuring entrepreneurs in the financial statements of the Company and the consolidated financial statements of the Group for the year ended December 31st 2020, issued on April 29th 2021.

Legal basis:

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

Radosław Domagalski-Łabędzki, President of the Management Board
Maciej Stańczuk, of the Management Board