

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

DATE: January 21st 2022

Subject: [Execution of letter of intent concerning potential transaction to acquire Company shares currently held by PBG S.A. in restructuring and by Multaros Trading Company Limited, as well as provision of financing to Company \[Current Report No. 5/2022\]](#)

**Text of the report:**

The Management Board of RAFAKO S.A. of Racibórz (the “**Company**”) announces that on January 21st 2022 the Company executed a letter of intent with a domestic industry investor acting together with an international financial partner regarding a potential transaction that would involve:

- (a) purchase of 42,466,000 Company shares currently held by PBG S.A. of Wysogotowo and Multaros Trading Company Limited of Limassol; and
- (b) provision of financing to the Company in an amount no less than PLN 70m in order to, among other things, provide the Company with adequate working capital, finance early repayment by the Company, at an additional discount, of selected liabilities covered by the scheme of arrangement entered into in the course of the Company’s restructuring process, eliminate its negative equity and enable the Company to obtain guarantee facilities so it could execute new contracts.

Detailed terms of such potential transaction will be subject to further discussions between the Company and the potential investor.

A decision to go ahead with the potential transaction outlined in the letter of intent will depend on the satisfaction of a number of legal and business conditions, to be determined in detail at a later stage of the discussions between the Company and the potential investor, and in particular on

- (a) findings of the due diligence exercise to be undertaken by the potential investor with respect to the Company, including legal and financial due diligence;
- (b) ability to provide an adequate level of financing to the Company;
- (c) grant of approvals for the potential transaction outlined in the letter of intent by the relevant corporate bodies of the Company and the potential investor.

The commitments included in the letter of intent are preliminary and non-binding.

Following the execution of the letter of intent, the Company decided to commence discussions with its key stakeholders, including in particular the financing institutions, key customers and

principal shareholders in order to agree on the detailed financial and legal parameters of the potential transaction and assess its viability.

Any further significant events and decisions related to the ongoing process in which the Company is seeking to secure an investor will be announced promptly in separate current reports.

Following an analysis, the Company decided that it is justified to classify the information referred to above as inside information within the meaning of Article 17(1) the Market Abuse Regulation, subject to publication in the form of this report.

Legal basis:

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

Radosław Domagalski-Łabędzki, President of the Management Board

Maciej Stańczuk, Vice President of the Management Board