

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

DATE: July 8th 2022

Subject: [Execution of settlement agreement with Mostostal Warszawa S.A. \(Current Report No. 53/2022\).](#)

Text of the report:

Further to (i) Current Report No. 16/2016 of June 15th 2016 concerning receipt from Mostostal Warszawa S.A. of Warsaw ("**Mostostal Warszawa**") of a notice of termination of a contract for the design, delivery and erection of a grid, boiler and flue gas treatment system for two units of the Thermal Waste Treatment Plant in Szczecin (the "**MW Notice**" and the "**Contract**"), (ii) Current Report No. 19/2016 of June 21st 2016 stating the Company's position regarding the MW Notice, and Current Report No. 21/2016 of July 7th 2016 announcing submission by the Company of a notice of termination of the unperformed part of the Contract, the Management Board of RAFAKO S.A. of Racibórz (the "**Company**") announces that on July 8th 2022 a settlement agreement was entered into between RAFAKO and Mostostal Warszawa, providing for a final resolution of the claims of the Company and Mostostal Warszawa arising under the Contract (the "**Settlement Agreement**").

Under the Settlement Agreement, Mostostal Warszawa will pay PLN 15,432,359.04 (fifteen million four hundred and thirty-two thousand three hundred and fifty-nine złoty, 04/100) to the Company on the terms set forth in the Settlement Agreement. The Settlement Agreement provides that its execution and the payment of the above amount to the Company satisfy all the mutual claims of Mostostal Warszawa and the Company under the Contract, which, however, does not apply to any rights or claims accrued to Mostostal Warszawa under statutory warranties and quality guarantees before the date of the Settlement Agreement.

The Settlement Agreement has a positive effect on the Company's financial performance, amounting to PLN 13,132,359.04 (thirteen million one hundred and thirty-two thousand three hundred and fifty-nine złoty, 04/100).

The Settlement Agreement stipulates that its entry into force is contingent on the payment of the amount referred to above by Mostostal Warszawa.

Legal basis: Article 17(1) of MAR – Inside information

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