

**Current Report:** 13/2021**Date:** 2021-06-11**Name of the Issuer:** FERRUM S.A.**Title:** Information on the submission of offer with lowest price in proceedings organized by GAZ-SYSTEM by Consortia with FERRUM's participation**Legal basis:** Art. 17 item 1 MAR – inside information**Content of the Report:**

The Management Board of FERRUM S.A. (Company, Issuer) hereby informs that on 11<sup>th</sup> June 2021 it received information on results of opening by Operator Gazociągów Przesyłowych GAZ-SYSTEM S.A. (GAZ-SYSTEM, Ordering Party) of offers filed within procedure for granting a public procurement conducted in the form of an unlimited open tender for the performance of the task entitled: "Delivery of coated steel pipes for Gustorzyn-Wronów and Dolna Odra gas pipeline order no. 2", procedure number: ZP/2021/04/0046/PZ, Part 1 (Proceeding 1).

The offer submitted by Consortium composed of Izostal S.A. (Consortium Leader), FERRUM S.A. (Consortium Partner) and Stalprofil S.A. (Consortium Partner) hereinafter referred to as Consortium 1, with the value of ca. PLN 186.4 mio. net, i.e. PLN 229.3 mio. gross, turned out to be the most advantageous. The criterion for choosing the offer was the total gross price - criterion importance 100%. The Issuer informs that as of the day of drawing this report, the Issuer's scope of work involvement and share in the Consortium's remuneration are under stipulation.

The specification of essential terms of the order provides for the delivery of coated steel pipes with diameter of DN1000 with total length of ca. 79 km from 15<sup>th</sup> May 2022 to 31<sup>st</sup> October 2022. The Consortium 1's offer price exceeds the means designed by the Ordering Party for the aforementioned investment, which are equivalent to ca. PLN 221 mio. gross.

The condition for concluding agreement between the Consortium and the Ordering Party within Proceeding 1 is fulfilling all formalities after choosing the offer in accordance with Tender Law Act, as well as the Consortium's establishing due performance guarantee in the amount of 10% of the total gross value of remuneration mentioned above.

Subsequent important events related to Proceeding 1 shall be subject to separate current report.

Moreover, the Issuer informs that also on 11<sup>th</sup> June 2021 it received information on results of opening by Operator Gazociągów Przesyłowych GAZ-SYSTEM S.A. (Ordering Party) of offers filed within procedure for granting a public procurement conducted in the form of an unlimited open tender for the performance of the task entitled: "Delivery of coated steel pipes DN500 and DN300 for the task of connecting to transmission grid EC Czechnica in Siechnice", procedure number: ZP/2021/04/0048/WRO (Proceeding 2). The offer submitted by Consortium composed of Izostal S.A. (Consortium Leader), FERRUM S.A. (Consortium Partner) and Stalprofil S.A. (Consortium Partner) hereinafter referred to as Consortium 2, with the value of ca. PLN 13.6 mio. net, i.e. PLN 16.7 mio. gross, turned out to be the most advantageous. The criterion for choosing the offer was the total gross price - criterion importance 100%. The Issuer informs that as of the day of drawing this report, the Issuer's scope of work involvement and share in the Consortium 2's remuneration are under



stipulation. The specification of essential terms of the order provides for the delivery of externally coated and internally painted steel pipes DN500 with total length of ca. 5 km and DN 300 with total length of ca. 7 km. The order shall be executed within 18 weeks after concluding the Agreement. The Consortium 2's offer price exceeds the means designed by the Ordering Party for the aforementioned investment, which are equivalent to ca. PLN 14.8 mio. gross. Due to significantly lower value of the offer as compared to the offer submitted in Proceeding 1, the Issuer's intention is that important events related to Proceeding 2 shall be subject to relevant periodic reports.

**SIGNATURES OF PERSONS REPRESENTING THE COMPANY**

<b>Date</b>	<b>Position</b>	<b>First name and surname</b>
2021-06-11	President of the Management Board	Krzysztof Kasprzycki
2021-06-11	Holder of a Commercial Power of Attorney	Wojciech Zeidler