



**Current Report:** 15/2021

**Date:** 2021-06-17

**Name of the Issuer:** FERRUM S.A.

**Title:** Concluding a preliminary agreement on sale of land real property – declassifying of delayed inside information

**Legal basis:** Art. 17 item 1 MAR – inside information

**Content of the Report:**

The Management Board of FERRUM S.A. (Company, Issuer, Seller) informs that on 17<sup>th</sup> June 2021 the Company concluded with NOHO Investment Sp. z o.o. Sp. k. seated in Kraków (Buyer) a preliminary agreement on sale of rights of perpetual usufruct of the Issuer's land real property situated in Katowice, Muckowska and Porcelanowa Street, with total acreage of ca. 7.5 ha (Preliminary Agreement).

Conditional promissory agreement on sale of perpetual usufruct of the aforementioned property (Conditional Agreement) shall be concluded under the proviso that Borough Katowice does not use its pre-emption right, whereas the parties agreed that the Conditional Agreement shall be concluded until 17<sup>th</sup> September 2021 and the agreement on transferring the rights of perpetual usufruct of the property (Promissory Agreement) shall be concluded within 7 days after Borough Katowice submits its statement on not using the pre-emption right or after the deadline on submitting such a statement, until 30<sup>th</sup> November 2021 latest.

Moreover, the parties agreed that a part of the price shall be paid by the Buyer in form of a notary's deposit. After positive result of due diligence process this amount shall be paid to the Issuer as down payment, which is ruled by civil code, unless withdrawal from the Preliminary Agreement occurs before that day. The rest of the agreed price shall be paid within two working days after concluding the Promissory Agreement.

Additionally, in accordance with the Preliminary Agreement, the parties agreed that the Buyer shall carry out, at its cost, legal and technical analysis of entitlement to the real property (due diligence) and the Seller is obliged to cooperate in the scope that is necessary to carry out the due diligence analysis. From 19<sup>th</sup> July 2021 on the Buyer is entitled to renounce the Preliminary Agreement should the Buyer's due diligence analysis show a negative result.

Moreover, the Company informs that due to the necessity of execution of the aforementioned due diligence analysis by the Buyer, which is necessary for signing the Conditional Agreement, and due to the possibility of breaching the Issuer's reasonable interest by worsening its competitive and negotiating position in case of immediate publication of information regarding price stipulated in Preliminary Agreement, in accordance with Art. 17 item 4 of the Regulation (EU) of the European Parliament and of the Council no. 596/2014 of 16<sup>th</sup> April 2014 on market abuse (market abuse regulation) the Company decided to delay the information regarding price stipulated in the Preliminary Agreement.

The remaining terms and conditions of the Preliminary Agreement do not differ from standard ones normally applied for this type of agreements.

Additionally, the Issuer informs that due to the fact that the negotiating process prior to concluding the Preliminary Agreement is extended over time, the Issuer decided to delay the following:



- 
- on 10<sup>th</sup> May 2021 – inside information on starting as of the same day the negotiations with the Buyer on prospective purchase by the Buyer of the aforementioned investment real property,
  - on 25<sup>th</sup> May 2021 – inside information on issuing as of the same day the Company Supervisory Board's consent to sell the Company's rights of perpetual usufruct of the aforementioned land real property.

The Company explains that publication of the above mentioned inside information on the day of their occurrence could result in significant worsening of the Company's negotiation position due to the possibility of a third party involvement in the negotiating process.

The aforementioned could result in the Issuer's losing of potential benefits from selling the investment real property and in consequence could bring the talks to failure. Such a situation would breach the Issuer's legally grounded interest.

Moreover, the Issuer informs that the information presented in this current report covers all content of inside information mentioned above.

#### **SIGNATURES OF PERSONS REPRESENTING THE COMPANY**

<b>Date</b>	<b>Position</b>	<b>First name and surname</b>
2021-06-17	President of the Management Board	Krzysztof Kasprzycki
2021-06-17	Vice-President of the Management Board	Honorata Szlachetka