

**Current Report:** 12/2022

**Date:** 2022-05-19

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

**Title:** Concluding an annex to partial agreement with GAZ-SYSTEM

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

**Content of the Report:**

With reference to current report no. 14/2021 on concluding a partial agreement between FERRUM S.A. (Issuer, Company) and Operator Gazociągów Przesyłowych GAZ-SYSTEM S.A. (GAZ-SYSTEM, Ordering Party) on the Company's producing, selling and delivering of coated steel pipes to the Ordering Party for pipeline Gustorzyn – Wronów order 2 (Agreement), the Issuer's Management Board informs that on 19<sup>th</sup> May 2022 an annex to the Agreement was concluded.

In accordance with the annex, the Issuer's remuneration for the Agreement execution was increased to ca. EUR 41.8 mio. net, which is equivalent to ca. PLN 194.1 mio. net (i.e. ca. PLN 238.7 mio. gross) in accordance with the exchange rate of the National Bank of Poland as of the date of publication of this current report. Moreover, in accordance with the annex the execution time was extended until the end of July 2022.

Additionally the Company informs that due to concluding the aforementioned annex, the amount of guarantee issued by Sopockie Towarzystwo Ubezpieczeń Ergo Hestia S.A. described in current report mentioned above shall be increased to ca. EUR 5.1 mio.

Concluding the aforementioned annex results from force majeure related to political and economic situation resulting from Russia's aggression on Ukraine, including first of all implemented economic sanctions inter alia resulting in limitations in international turnover with entities trading with products from Russia. Therefore it was necessary to adjust the structure of deliverers to current market circumstances, which results in increased prices.

In the remaining scope the annex introduces no further substantial changes to the Agreement.

**SIGNATURES OF PERSONS REPRESENTING THE COMPANY**

<b>Date</b>	<b>Position</b>	<b>First name and surname</b>
2022-05-19	President of the Management Board	Krzysztof Kasprzycki
2022-05-19	Vice-President of the Management Board	Honorata Szlachetka