



Current report no.: 34/2022

Date: 2022-10-31

Name of the Issuer: FERRUM S.A.

Title: Conclusion of loan agreements with BNP Paribas Bank Polska S.A.

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

Content of the report:

The Management Board of FERRUM S.A. [Issuer, Company] informs on the 9th of November 2020 the Company concluded with BNP Paribas Bank Polska S.A. [Bank] a multipurpose credit line agreement [Agreement 1] and a non-revolving credit agreement [Agreement 2].

Pursuant to the provisions of Agreement 1, the Bank granted the Company a credit line limit in the amount of PLN 60 million [Limit] for:

- i] overdraft facility in the maximum amount of PLN 15 million - financing of current operations,
- ii] a revolving credit in the maximum amount of PLN 45 million - financing of purchases,
- iii] a line of letters of credit in the amount of PLN 60 million - financing of purchases.

The limit was made available to the Company for a period of 18 months from the date of signing Agreement 1.

The Limit interest rate on the overdraft and revolving credit was established in accordance with a variable base rate plus the Bank's margin, i.e. WIBOR 1M for the part of the credit used in PLN, EURIBOR 1M for the part of the credit used in EUR as well as SOFR under the overdraft facility and Term SOFR 1M under the revolving credit, which may be used in USD.

Legal security for the repayment of the Limit consists of: agreements subordinating the repayment of existing loans granted to the Company by PFR Konstrukcje Stalowe Sp. z o.o., PFR FIPP FIZAN and MM Asset Management Sp. z o.o., insurance guarantee of Korporacja Ubezpieczeń Kredytów Eksportowych S.A. [KUKE], registered pledge up to the maximum security amount of PLN 90 million on the Bender line for the production of spirally welded pipes [Subject of the Pledge], assignment of rights under the insurance policy regarding the Subject of the Pledge, the Company's statement on submission to enforcement pursuant to Art. 777 § 1 point 5 of the Code of Civil Procedure up to PLN 90 million, cumulative contractual mortgage up to PLN 60 million and cumulative contractual mortgage up to EUR 13.6 million established on five properties of the Issuer (mortgages also secure Agreement 2), assignments of rights under insurance policies, trade receivables and factoring receivables, a financial pledge on the auxiliary account with a blockade.

Pursuant to the provisions of Agreement 2, the Bank granted the Company a non-revolving loan in the amount of EUR 3 million for the purpose of refinancing the loan granted to the Company by Powszechna Kasa Oszczędności Bank Polski S.A. The loan period is 12 months from the conclusion of Agreement 2. The interest rate on the non-revolving loan was based on the variable EURIBOR 1M base rate plus the Bank's margin.



Legal collaterals for the repayment of the non-revolving loan are similar to those described above for Agreement 1, with the exception of assignment of receivables, KUKE insurance guarantee, a financial pledge on the auxiliary account with a blockade and a statement on submission to enforcement. Statement on submission to enforcement pursuant to Art. 777 § 1 point 5 of the Code of Civil Procedure will be submitted up to the amount of EUR 4.5 million.

Access to the loans granted under Agreement 1 and Agreement 2 was conditioned on the fulfillment of typical formal and legal activities for this type of agreement, such as e.g. the provision of relevant documentation and the establishment of the aforementioned collaterals for the Bank.

The remaining terms and conditions of the Agreement 1 and Agreement 2 do not differ from standard stipulations applied in this type of agreements.

SIGNATURES OF PERSONS REPRESENTING THE COMPANY

Date	Position	First name and surname
2022-10-31	President of the Management Board	Krzysztof Kasprzycki
2022-10-31	Vice President of the Management Board	Honorata Szlachetka