



Current report no.: 29/2024

Date: 2024-04-16

Name of the Issuer: FERRUM S.A.

Title: Concluding an agreement on execution and assembly of two ethylene storing tanks by subsidiary company ZKS FERRUM

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

Content of the report:

The Management Board of FERRUM S.A. (Issuer, Company) informs that on 16th April 2024 the Issuer's subsidiary company ZKS FERRUM S.A. (ZKS FERRUM, Supplier) concluded with a consortium composed of Aldesa Construcciones Polska Sp. z o.o. and China Civil Engineering Construction Corporation (jointly referred to as the Ordering Parties) a supply agreement on designing and delivering two horizontal ethylene storing tanks, due the Ordering Parties' execution of an investment task for ORLEN S.A. in Oil&Gas sector (Agreement).

The value of ZKS FERRUM's remuneration for delivering of the Agreement subject is ca. EUR 5.2 million net, which is equivalent to ca. PLN 22.2 million net.

The Agreement estimated execution date is the end of February and the first half of March 2025.

The Agreement foresees the possibility of imposing contractual penalties, inter alia due to delay in particular deliveries of the Agreement subject or failure to comply with the deadline of removal of the prospective defaults. Maximum value of penalties imposed by the Ordering Parties is limited to 30% of the remuneration, whereas the penalty for withdrawal from the Agreement by the Ordering Parties due to the Supplier's fault is 20% of the remuneration. Moreover, the Ordering Parties are entitled to claim compensation exceeding the amount of the contractual penalties up to full value of the damage suffered.

In accordance with the Agreement, ZKS FERRUM shall issue a quality guarantee with regard to physical defects for the period of 36 months counted from the date of signing by the Ordering Parties and ORLEN of the acceptance protocol within the aforementioned investment task.

Remaining terms and conditions of the Agreement, including possibility of its renouncing or terminating, do not differ from standard ones applied for this type of agreements.

SIGNATURES OF PERSONS REPRESENTING THE COMPANY

Date	Position	First name and surname
2024-04-16	President of the Management Board	Krzysztof Kasprzycki
2024-04-16	Vice-President of the Management Board	Honorata Szlachetka