



Current Report: 17/2017

Date: 2017-04-07

Name of the Issuer: FERRUM S.A.

Title: Debt restructuring proposal received from one of the creditors

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

Content of the Report:

With reference to the current reports related to the debt repayment of FERRUM S.A. (Issuer, Company) towards the financial creditors, including the current report no. 14/2017 on the subsequent change of the repayment timetable with regard to the above mentioned institutions, the Issuer's Management Board informs that on 7th April 2017 the Company received an offer from the main of the creditors i.e. CC94 Closed-end Investment Fund of Non-Public Assets (Creditor), referring to the readiness for holding talks on the fundamental restructuring of the Issuer's debt.

In accordance with the obtained proposal, with reference to the scope of indispensable reduction of the Company financial debt, required postponement of the Company debt repayment dates and needed reinforcement of the working capital, the Creditor sees the grounds for converting the claims held by the Creditor against FERRUM (and possibly part of the claims of other creditors) into the Company capital as a result of acquiring shares in the Issuer's increased equity under the issuing price PLN 4.50 per one share. The issuing price shall be paid according to the offer through the securitization of the claims payable by the Company to the Creditor, in line with the restructuring law (Art. 156 item 1 point 4 Restructuring law) and, should the need be, of the part of claims against the other creditors within the scope resulting from the prepared restructuring plan.

The offer is conditional and dependent on:

- 1) Confirming in the course of the financial analysis of the Company's ability of debt repayment being satisfactory to the creditors, as a result of executing the restructuring plan agreed with the creditors and prepared in compliance with Art. 220 of Restructuring law,
- 2) Concluding with the creditors an agreement referring to:
 - a) Acquisition of new issue shares,
 - b) Determining conditions for repayment of the remaining claims (not being the subject of securitization) pursuant to their restructuring in compliance with Art. 213 in conjunction with Art. 180 and et seq. of the Restructuring law,
 - c) Assuring supplementary financing by the creditors or agreed third parties of Ferrum S.A. working capital required for execution of the restructuring plan,
- 3) Approving the partial plan by the restructuring court, implementing the decisions of the restructuring agreement.

In accordance with the received letter, the proposal referred to hereinabove remains valid for one month since its submission. During this period the restructuring agreement should be concluded and the restructuring plan ought to be prepared and approved by the creditors. The offer is valid only in its entirety which means that selecting part of it is not possible. The proposal does not constitute an offer under the Art. 66 § 1 Commercial Code.



Moreover, the Company informs that the Management Board, having analysed the proposal in details, is about to apply to the Supervisory Board for the approval in order to undertake activities consistent with the received Creditor's proposal.

SIGNATURES OF PERSONS REPRESENTING THE COMPANY

Date	Position	First name and surname
2017-04-07	Vice-President of the Management Board	Krzysztof Kasprzycki
2017-04-07	Vice-President of the Management Board	Włodzimierz Kasztalski