



Current report no.:	67/2017
Date:	2017-12-08
Name of the Issuer:	FERRUM S.A.
Title:	Information on proposals and proceedings within the settlement with creditors
Legal basis:	Art. 17 item 1 MAR – inside information

Content of the report:

With reference to the current report no. 46/2017 on conclusion of an agreement on restructuring of respective claims of FERRUM S.A., the Management Board of FERRUM S.A. (Company, Issuer, FERRUM) hereby informs that due to obtaining obligatory administrative decisions by the creditors, on 8th December 2017 the Company decided to adopt and present the proposals of settlement with creditors referring to respective claims of the Issuer, the restructuring of which is of significant influence on the future situation of FERRUM.

The Issuer reminds that the claims covered by the proposals of settlement with creditors are claims resulting from financing of the Company's operations in form of granted credits and loans and which are simultaneously secured on the Issuer's property.

The elementary components of the prepared proposals of settlement with creditors comprise first and foremost of the following:

- a) payment in full of the principal (capital) and the costs, provisions and other incidental dues (claims subject to conversion) through conversion into the Company shares under the new issue of F series shares;
- b) redemption of interest the creditors are entitled to after the settlement date;
- c) the conversion includes claims the creditors are entitled to in the following amounts: (i) Fundusz Inwestycji Polskich Przedsiębiorstw FIZ AN (Fund) – the principal and interest in the total amount of app. PLN 29 mio., (ii) Mezzanine FIZ AN (Mezzanine FIZAN) – the principal and interest in the total amount of app. PLN 25 mio., (iii) Watchet Sp. z o.o. (Watchet) – the principal and interest in the total amount of app. PLN 72.8 mio.;
- d) acquisition through the conversion by the aforementioned creditors of 33 368 233 F series Company shares of the total nominal value of PLN 103 107 839.97, in the way that: (i) the Fund acquires 7 614 675 shares of the total nominal value of PLN 23 529 345.75, (ii) Mezzanine FIZAN acquires 6 599 186 shares of the total nominal value of PLN 20 391 484.74, whereas (iii) Watchet acquires 19 154 372 shares of the total nominal value of PLN 59 187 009.48, the nominal value of one newly issued FERRUM share amounts to PLN 3.09, and the issue price of new F series shares shall amount to PLN 3.80;
- e) increase in the Company share capital by PLN 103 107 839.97 resulting from the conversion of claims subject to the settlement;
- f) acquisition of F series shares by the aforementioned creditors shall be processed with the exclusion of the preference right of shareholders for the new F series shares in relation to the number of owned shares (preemptive right);
- g) all F series shares shall be bearer shares and shall participate in the dividend on the following terms: (i) F series shares issued before the dividend date participate in the profit beginning from the profit for the previous financial year i.e. from 1st January of the financial year immediately preceding the year in which they were issued, (ii) F series shares issued after the dividend date participate in the profit beginning from the profit for the financial year in which there were issued i.e. from 1st January of the financial year in which they were issued;



- h) F series shares shall be subject to dematerialization and admission and introduction to trading on a regulated market run by the Warsaw Stock Exchange S.A.

With reference to the planned submission of the application on the approval of the settlement proceedings comprising the above claims, the Company Management Board intends to present to the creditors and cast voting on the discussed settlement proposals, with the assumption that the planned settlement date would fall on 11th December 2017 (the creditors' rights for voting on the settlement and the results of the approved settlement are specified according to the settlement date status), whereas if the settlement proposals are effectively approved by the creditors, the Company shall file an application with the competent court for the settlement acceptance.

Due to intention of undertaking the aforementioned actions, today the Company decided to appoint Mr. Bartosz Klepacz as the settlement supervisor, who is a licensed reorganization consultant and who meets the legal requirements to perform this function, and to conclude with him the contract for the settlement supervision.

SIGNATURES OF PERSONS REPRESENTING THE COMPANY

Date	Position	First name and surname
2017-12-08	President of the Management Board	Krzysztof Kasprzycki
2017-12-08	Vice-President of the Management Board	Grzegorz Kowalik