



**Current report no.:** 15/2018

**Date:** 2018-03-05

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

**Title:** Notification on the change of share in the general number of votes in FERRUM S.A.

**Legal basis:** Art. 70 point 1 Act on Public Offering – purchase or sale of substantial package of shares

**Content of the report:**

Acting pursuant to Art. 70 point 1 Act on the Public Offering and Conditions for Introducing Financial Instruments to the Organized Trading System and Public Companies (Act), the Management Board of FERRUM S.A. (Company, Issuer) informs that on 5th March 2018 the Company received a notification on the purchase of Company shares prepared by Fundusz Inwestycji Polskich Przedsiębiorstw FIZAN submitted in line with Art. 69 of the Act, the content of which the Issuer presents as below:

„Hereby, Fundusz Inwestycji Polskich Przedsiębiorstw Closed-end Investment Fund of Non-Public Assets with its registered seat in Warsaw, Ludna 2 Street, 00-406, Warsaw, entered in the investment funds register under the number RF11168, on behalf of which PFR Towarzystwo Funduszy Inwestycyjnych S.A. acts by right (hereinafter referred to as Notifier), on the basis of Art. 69 item 1 point 1) in connection with Art. 87 item 1 point 5) Act of 29th July 2005 on the Public Offering and Conditions for Introducing Financial Instruments to the Organized Trading System and Public Companies (Journal of Law of 2016, position 1639 – consolidated text with further amendments, hereinafter referred to as Act) informs that as a result of obtainment of 7 614 675 ordinary bearer shares of the company under the business name of Ferrum Spółka Akcyjna with its registered seat in Katowice, Porcelanowa 11 Street, 40-246 Katowice, entered into the register of entrepreneurs of the National Court Register, kept by the District Court Katowice-Wschód in Katowice VIII Commercial Division of the National Register Court under the number KRS 0000063239 (hereinafter referred to as Company), the Notifier: (i) individually exceeded the 15% threshold of the general number of votes at the Company general meeting and (ii) together with the other parties to the agreement, referred to in Art. 87 item 1 point 5 of the Act, entered into by the Notifier, exceeded the 50% threshold of general number of votes at the Company general meeting, which is equivalent to the fact that its share in the total number of votes at the Company general meeting, along with other parties to the agreement, referred to in Art. 87 item 1 point 5 of the Act, changed by at least 2% of the total number of votes at the Company general meeting.

The aforementioned obtainment by the Notifier of 7 614 675 new Company ordinary bearer shares is a result of court approval of partial settlement with creditors accepted by defined Company creditors, i.e. the Notifier, Mezzanine FIZAN (defined below) and Watchet (defined below) (hereinafter jointly Creditors), which assumed conversion of the Creditors' receivables to the Company ordinary bearer shares of F series. Court decision on approval of partial settlement with creditors was issued on 29th December 2017 and became legally valid on 24th January 2018, which was stated by appropriate court on 31st January 2018. Increase of the Company share capital by issuing new bearer shares of F series was registered by appropriate court on 27th February 2018. The aforementioned registering was equivalent to the Notifier's obtainment of 7 614 675 new Company ordinary bearer shares.



1) Date and type of event causing the change of share referred to in this notification

On 27th February 2018 the District Court Katowice-Wschód in Katowice VIII Commercial Division of the National Register Court registered the increase in the Company share capital as a result of conversion of the Company liabilities into F series Company shares.

As a result of the above mentioned conversion the Fund obtained 7 614 675 Company ordinary bearer shares equivalent to ca. 13.15% of the Company share capital and entitling to 7 614 675 votes at the Company general meeting.

The Notifier is a party to the agreement, comprising apart from the Notifier, other parties such as MW Asset Management sp. z o.o. seated in Dąbrowa Górnicza, Mezzanine Closed-end Investment Fund of Non-Public Assets seated in Warsaw and Watchet Sp. z o.o. seated in Warsaw, fulfilling the conditions of the agreement referred to in Art. 87 item 1 point 5) of the Act, related to the Company shares (hereinafter referred to as Agreement).

As a result of the above mentioned conversion into Company shares, Mezzanine FIZAN obtained 6 599 186 Company ordinary bearer shares equivalent to ca. 11.40% of the Company share capital entitling to 6 599 186 votes at the Company general meeting.

As a result of the above mentioned conversion into Company shares, Watchet obtained 19 154 372 Company ordinary bearer shares equivalent to ca. 33.08% of the Company share capital entitling to 19 154 372 votes at the Company general meeting.

2) Number of shares owned prior to the share change and their percentage in the Company equity and number of share votes and their percentage in the total number of votes

Before the date of 27th February 2018, the Notifier held 2 394 226 Company ordinary bearer shares equivalent to ca. 9.76% of the Company share capital and entitling to 2 394 226 votes at the Company general meeting.

Before the date of 27th February 2018, the parties to the Agreement held jointly 4 795 435 Company ordinary bearer shares equivalent to ca. 19.54% of the Company share capital and entitling to 4 795 435 votes at the Company general meeting, including:

- (i) Mezzanine FIZAN held 2 400 209 Company ordinary bearer shares equivalent to ca. 9.78% of the Company share capital and entitling to 2 400 209 votes at the Company general meeting, which was equivalent to ca. 9.78% of the total number of votes at the Company general meeting; and
- (ii) Watchet held 1 000 Company ordinary bearer shares equivalent to under 0.01% of the Company share capital and entitling to 1 000 votes at the Company general meeting, which was equivalent to under 0.01% of the total number of votes at the Company general meeting.

3) The number of currently owned Company shares and their percentage in the Company equity and number of share votes and their percentage in the total number of votes

After obtainment of shares on 27th February 2018 by the Notifier, the Notifier held 10 008 901 Company ordinary bearer shares equivalent to ca. 17.28% of the Company share capital and entitling to 10 008 901 votes at the Company general meeting, which is equivalent to ca. 17.28% of the total number of votes at the Company general meeting.

After obtainment of shares on 27th February 2018 by the Notifier and other Company Creditors, the parties to the Agreement held jointly 38 163 668 Company ordinary bearer shares equivalent to ca. 65.90% of the Company share capital and entitling to 38 163 668 votes at the Company general meeting, which is equivalent to ca. 65.90% of the total number of votes at the Company general meeting, including:



- (i) Mezzanine FIZAN held 8 999 395 Company ordinary bearer shares equivalent to ca. 15.54% of the Company share capital and entitling to 8 999 395 votes at the Company general meeting, which was equivalent to ca. 15.54% of the total number of votes at the Company general meeting; and
- (ii) Watchet held 19 155 372 Company ordinary bearer shares equivalent to ca. 33.08% of the Company share capital and entitling to 19 155 372 votes at the Company general meeting, which was equivalent to ca. 33.08% of the total number of votes at the Company general meeting.

- 4) The Notifier subsidiaries owing the Company shares

There are no subsidiaries subject neither to the Notifier nor to any party to the Agreement, which would own the Company shares.

- 5) Information on the persons mentioned in Art. 87 item 1 point 3 letter c) of the Act

As of the date of submitting the Notification, there are no persons mentioned in Art. 87 item 1 point 3 letter c) of the Act.

- 6) Number of the Company share votes calculated as explained in Art. 69b item 2 of the Act, for the purchase of which the Notifier is entitled or obligated to as the holder of the financial instruments specified in Art. 69b item 1 point 1 of the Act, and of the financial instruments referred to in Art. 69b item 1 point 2 of the Act, that are not implemented solely by way of financial transactions, type or name of these financial instruments, their expiry date or period in which purchase of the shares is or will be executed.

N/A

- 7) Number of the Company share votes calculated as explained in Art. 69b item 3 of the Act, to which the financial instruments specified in Art. 69b item 1 point 2 of the Act refer directly or indirectly, type or name of these financial instruments and their expiry date

N/A

- 8) Total number of votes indicated in points 2, 7 and 8 and its percentage in the total number of votes

Information was presented respectively in points 2, 7 and 8 of this Notifications.”

#### **SIGNATURES OF PERSONS REPRESENTING THE COMPANY**

<b>Date</b>	<b>Position</b>	<b>First name and surname</b>
2018-03-05	President of the Management Board	Krzysztof Kasprzycki
2018-03-05	Vice-President of the Management Board	Grzegorz Kowalik