



**Current Report:** 23/2019

**Date:** 2019-06-05

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

**Title:** Conclusion of a credit agreement between ZKS FERRUM S.A. and Bank Pekao S.A.

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

**Content of the Report:**

The Management Board of FERRUM S.A. [Issuer] informs that on 5<sup>th</sup> June 2019 the Issuer's affiliated company ZKS FERRUM S.A. [ZKS FERRUM] concluded with Bank Polska Kasa Opieki S.A. [Bank] a multipurpose credit limit agreement [Agreement].

In accordance with the Agreement stipulations, the Bank granted ZKS FERRUM a multipurpose credit limit in the amount of PLN 14 mio. [Limit] designed for ZKS FERRUM's current operations financing. The Limit was granted until 30<sup>th</sup> May 2020 [Availability Period]. Within the Availability Period the Borrower shall be allowed to use the Limit in the following currencies: PLN, EUR and USD, on the following terms and conditions:

- in current account up to the total amount of PLN 6 mio., in the first place to refinance ZKS FERRUM's debt in mBank S.A. [Credit in Current Account],
- in separate credit accounts opened in the Bank, in form of short-term revolving credits up to the total amount of PLN 5 mio. [Revolving Credits], and
- in form of bank guarantees granted to the order of ZKS FERRUM up to the total amount being equivalent to PLN 5 mio. [Guarantees].

Legal securing of repayment of Credit in Current Account, Revolving Credit and future receivables being due to the Bank from ZKS FERRUM on the basis of reversible claims resulting from the granted Guarantees, are in particular:

- blank promissory note issued by ZKS FERRUM along with promissory note declaration,
- contractual mortgage up to 150% of the Limit amount, on property located in Katowice, being ZKS FERRUM's perpetual usufruct, along with transfer of rights from the property's insurance policy.

Making the Limit available was made conditional to fulfilling formal and legal actions, such as for example supplying stipulated documents, including the ones within pledging collateral in favour of the Bank.

Remaining terms and conditions of the Agreement do not differ from standard ones applied in this type of agreements.

**SIGNATURES OF PERSONS REPRESENTING THE COMPANY**

<b>Date</b>	<b>Position</b>	<b>First name and surname</b>
2019-06-05	President of the Management Board	Krzysztof Kasprzycki
2019-06-05	Vice-President of the Management Board	Honorata Szlachetka