



Current Report: 25/2019

Date: 2019-06-17

Name of the Issuer: FERRUM S.A.

Title: Information on appraisal of FERRUM's production assets

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

Content of the Report:

With reference to information included in current report no. 4/2019 on acquiring by FERRUM S.A. (Issuer, Company) of shares in Rockford Sp. z o.o. (Rockford), the Company Management Board informs that it received on 17th June 2019 an appraisal of spirally welded pipes production line (BENDER Line) being Rockford's asset, prepared by a licenced appraiser.

Market value of BENDER Line has been evaluated on the basis of income approach. The appraisal includes information on current market prices of final products, taking costs of rendering services, as well as the Line's productivity into consideration. Estimated value of BENDER Line is PLN 74.6 mio. Due to launching the Line and to obligation of its purchase or leasing, the Company standalone financial report for 2018 presents the Line as both assets in form of fixed assets and financial liabilities in amounts calculated on the basis of the agreement stipulations. The fixed asset's value as of the day of its launching has been estimated by the Issuer to be PLN 25.4 mio.

The purpose of BENDER Line's appraisal is estimating its market value due to financial security of revolving credit, which was the subject of the Company's current report no. 2/2019.

Moreover, the Company informs that in accordance with its accounting policy, the BENDER Line appraisal shall not influence particular items of the Company and FERRUM Capital Group financial reports for the reporting period.

SIGNATURES OF PERSONS REPRESENTING THE COMPANY

Date	Position	First name and surname
2019-06-17	President of the Management Board	Krzysztof Kasprzycki
2019-06-17	Vice-President of the Management Board	Honorata Szlachetka