

POLISH FINANCIAL SUPERVISION AUTHORITY
CURRENT REPORT NO 25/2021

Name of entity:

Fabryka Obrabiarek RAFAMET S.A.
in Kuźnia Raciborska

Date of submittal:

11-10-2021

Subject:

Disclosure of delayed confidential information about the receipt of a notice about the conclusion of the term sheet concerning, among others, the basic conditions of a potential transaction on the Company's shares, including a possible announcement by the Industrial Development Agency S.A. calls to subscribe for the sale of 100% of the Company's shares and publication of confidential information on the receipt of a notification on the conclusion of an agreement on the sale of shares as part of the call to subscribe for the sale of the Company's shares.

Message:

The Management Board of the company under the name Fabryka Obrabiarek RAFAMET Spółka Akcyjna with its registered office in Kuźnia Raciborska (hereinafter referred to as the "Issuer" or "Company"), hereby announces that:

- 1) acting pursuant to Art. 17 sec. 4 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6 / EC of the European Parliament and of the Council and Commission Directive 2003 / 124 / EC, 2003/125 / EC and 2004/72 / EC (hereinafter: the "MAR Regulation"), delayed the disclosure of confidential information on the notification received by the Management Board of the Company on July 13, 2021, signed by: (i) a company under the name Industrial Development Agency Spółka Akcyjna with its registered office in Warsaw (hereinafter: "ARP"), (ii) Mr. Krzysztof Jędrzejewski (hereinafter: "KJ"), (iii) a company under the name of Iskra spółka z ograniczoną odpowiedzialnością with with its registered office in Warsaw (hereinafter: "Iskra") and (iv) a company under the name of Promack spółka z ograniczoną odpowiedzialnością with its seat in Gliwice (hereinafter referred to as: "Promack"), on the basis of which the above-mentioned notification the entities notified the Management Board of the Company of the conclusion, on July 12, 2021, of a term sheet regarding a potential transaction on the Company's shares (hereinafter referred to as: "Term Sheet"), the subject of which was, in particular, the determination by the above-mentioned notifying the essential conditions of a potential transaction related to the acquisition by ARP from KJ, Iskra and Promack of all the Company's shares held by them (i.e. 32.99% of the Company's share capital), including a possible announcement by ARP of a tender offer to subscribe for the sale of 100% share. Publication of the above-mentioned inside information was delayed on July 13, 2021 pursuant to Art. 17 sec. 4 of the MAR Regulation for the period until January 12, 2022;
- 2) today, i.e. on October 11, 2021, the Company received a notification from ARP, KJ, Iskra and Promack, according to which these entities informed the Company about the conclusion on October 11, 2021 of an agreement on the sale of shares under calls to subscribe for the sale of the Company's shares.

I. Content of delayed confidential information:

"The Management Board of the company under the name Fabryka Obrabiarek RAFAMET Spółka Akcyjna with its registered office in Kuźnia Raciborska (hereinafter referred to as the "Issuer" or "Company") hereby announces that on July 13, 2021 it received a notification signed by: (i) a company under the name of the Industrial Development Agency Spółka Akcyjna with its registered office in Warsaw (hereinafter: "ARP"), (ii) Mr. Krzysztof Jędrzejewski (hereinafter: "KJ"), (iii) a company under the name of Iskra spółka z ograniczoną odpowiedzialnością with its seat in Warsaw (hereinafter referred to as as: "Iskra") and (iv) a company under the name of Promack spółka z ograniczoną odpowiedzialnością with its seat in Gliwice (hereinafter referred to as: "Promack"), on the basis of which the above-mentioned entities notified the Management Board of the Company of the conclusion on July 12, 2021 . term sheet regarding a potential transaction on the Company's shares (hereinafter referred to as: "Term Sheet"). According to the content of the notification, the subject of the Term Sheet was, in particular, the determination by the abovementioned notifiers of the basic conditions of the potential transaction related to ej with the acquisition by ARP from KJ, Iskra and Promack of all the Company's shares held by them (i.e. 32.99% of shares in the share capital of the Company), including the possible announcement by the Industrial Development Agency of a tender offer to subscribe for the sale of 100% of the shares.

Pursuant to the content of the notification received, the provisions of Term Sheet, as a rule, are not binding on its parties and do not impose any binding obligations on any of its parties (excluding, inter alia, confidentiality provisions), and express only the intention of its parties to conduct a potential transactions on the Company's shares. The transaction depends on the fulfillment of a number of conditions and circumstances specified in detail in the Term Sheet, including the negotiation of the final content of the transaction documentation. The Term Sheet was concluded by the date of concluding the transaction documentation, but not longer than for a period of 6 months from the date of its conclusion. "

In the opinion of the Management Board of the Company, the information in question concerning the notification received on July 13, 2021 by the Management Board of the Company on the conclusion of Term Sheet on July 12, 2021 (hereinafter: "Confidential Information") constitutes confidential information within the meaning of Art. 7 sec. 1 MAR. At the same time, the Company decided to delay the publication of the above-mentioned Confidential Information due to the following circumstances:

1. immediate disclosure of the Confidential Information is not necessary due to the initial stage of the process and the uncertainty as to the potential transaction in the future, including it depends on a number of circumstances and conditions indicated in the Term Sheet content, as well as negotiating the content of the final transaction documentation;
2. Immediate disclosure of Confidential Information may violate the Company's legitimate interest by possibly adversely affecting the course and result of the transaction preparation process, as well as promptly disclosing the Confidential Information to the public could result in an incorrect assessment of this information and its potential impact on the Company's value by the public; additionally, the immediate disclosure of the Confidential Information could infringe the legitimate interest of the Company due to the lack of gaining a strategic and reputable investor, which is ARP, which could positively affect the development of the Company and positively contribute to building its value; additionally, ARP, as a sole proprietorship of the State Treasury, provides a kind of

guarantee and security for the future development of the Company and strengthening its position on the domestic and foreign markets;

3. applying the procedure of delaying the publication of the Confidential Information does not pose a risk of misleading the public, as the content of the Confidential Information has not been the subject of a prior public announcement by the Company; what is more, there were no reports or rumors among market participants regarding the subject of the delayed Confidential Information that could pose a risk of misleading the public by delaying the Confidential Information;
4. The Company is able to ensure the confidentiality of Confidential Information throughout the delay period; in order to ensure the confidentiality of the Confidential Information, the Company will take all steps and provide appropriate measures.

The Issuer's Management Board decided to publish the above-mentioned delayed Confidential Information due to the fact that today, ie on October 11, 2021, the Issuer received a notification from ARP, KJ, Iskra and Promack about the conclusion on October 11, 2021 by the abovementioned entities in an agreement to sell shares as part of a tender offer to subscribe for the sale of shares (hereinafter referred to as: "SPA"). Pursuant to the content of the notification, in accordance with the SPA, ARP is obliged to announce a tender offer to subscribe for the sale of 100% of the Company's shares, and KJ, Iskra and Promack (holding a total of 1,425,135 shares of the Company, constituting approximately 32.9992% of the share capital of the Company and entitling to a total of 1,425,135 votes at the general meeting of shareholders of the Company, representing approximately 32.9992% of the total votes at the general meeting of shareholders of the Company) undertook to: (i) submit subscriptions for the sale of all Company shares held by them under the tender offer for the sale of 100% of the Company's shares to be announced by the Industrial Development Agency and (ii) for sale of the above-mentioned ARP shares on the terms and conditions described in the SPA and the content of the tender offer. The total sale price of the Company's shares by KJ, Iskra and Promack to ARP is PLN 18,371,669.35 (in words: eighteen million three hundred seventy one thousand six hundred sixty nine zlotys 35/100). Therefore, in the opinion of the Management Board of the Company, there are no grounds for further delay of this Confidential Information.

- II. The content of the confidential information regarding the receipt of the notification of the conclusion of the agreement on the sale of shares under the tender offer for the sale of the Company's shares.
The Management Board of the Company hereby informs that today, i.e. on October 11, 2021, the Company received a notification from ARP, KJ, Iskra and Promack, according to which these entities informed the Company about the conclusion of an agreement on October 11, 2021 in on the sale of shares as part of a tender offer to subscribe for the sale of shares (hereinafter referred to as: "SPA"). Pursuant to the content of the notification, in accordance with the SPA, ARP is obliged to announce a tender offer to subscribe for the sale of 100% of the Company's shares, and KJ, Iskra and Promack (holding a total of 1,425,135 shares of the Company, constituting approximately 32.9992% of the share capital of the Company and entitling to a total of 1,425,135 votes at the general meeting of shareholders of the Company, constituting approximately 32.9992% of the total votes at the general meeting of shareholders of the Company) undertook, inter alia, to: (i) submitting subscriptions for the sale of all Company shares held by them under the above-mentioned a tender offer announced by ARP and (ii) to sell the above-mentioned of the Company's shares to the Industrial Development Agency on the terms and conditions described in the SPA and the content of the tender offer.

The total sale price of the Company's shares by KJ, Iskra and Promack to ARP is PLN 18,371,669.35 (in words: eighteen million three hundred seventy one thousand six hundred sixty nine zlotys 35/100).

Legal basis:

Article 17, Item 1 MAR– confidential information.

Proxy

Vice-President

Krzysztof Tkocz

Maciej Michalik