



GRUPA PBG

**CURRENT REPORT FILED WITH
THE POLISH FINANCIAL SUPERVISION AUTHORITY**

DATE: July 1st 2016

Subject: [Annex to multi-purpose credit facility agreement with PKO BP S.A.](#)

Text of the report:

Current Report No. 20/2016

The Management Board of RAFAKO S.A. of Racibórz (**the “Company”, “RAFAKO”**) announces that on June 30th 2016 the Company and Powszechna Kasa Oszczędności Bank Polski S.A. of Warsaw (the “Bank”, “PKO BP”) signed an annex (the “Annex”) to the multi-purpose credit facility agreement, as amended (the “Agreement”), reported on in Current Reports No. 24/2014 and 14/2016.

In particular, the Annex provides for the following amendment:

- 1) Under the multi-purpose credit facility (**the “MPCF”, the “Facility”**), the Bank grants to the Company:
 - a) an overdraft facility of up to PLN 100,000,000,
 - b) a revolving working capital facility of up to PLN 50,000,000, which – under RAFAKO’s instruction – is to finance obligations under day-to-day operations;
 - c) a limit for bank guarantees available on the terms defined in the Agreement and a revolving working capital facility to finance payments (if any) under bank guarantees issued by PKO BP – up to PLN 100,000,000,

with the proviso that the total amount withdrawn under the limit may not exceed PLN 200,000,000.

The Annex specifies that the availability and repayment date of the limit is June 30th 2017.

Furthermore, under the Annex the Company agrees to change the current security on liabilities to PKO BP under the MPCF Agreement, i.e. a registered pledge over a set of movables and rights comprising the entire business of RAFAKO S.A., by extending the security onto all the liabilities which may arise under the limit.

The Company also agrees to amend the terms of the joint contractual mortgage for up to PLN 300,000,000.00, reported on in Current Report No. 34/2013, to make it an instrument securing all the liabilities which may arise under the limit, and to update the representation, in the form of a notarial deed, on submission to enforcement pursuant to Art. 777 of the Polish Code of Civil Procedure, reported on in Current Report No. 11/2015, by extending the period in which PKO BP will have the right to apply to court for issuing a writ of execution with respect to the enforced collection order until June 30th 2022.

Additionally, the Annex includes a condition that if in 2016 RAFAKO does not acquire a new order book with a net value of PLN 900,000,000, with the verification date of December 31st 2016, PKO BP will be entitled to decrease the amount of the overdraft facility of PLN 100,000,000 granted to the Company by the percentage value of the new order book which has not been acquired, rounded to the nearest million. In such a case, the planned value of the order book for the previous 12 months, i.e. from April 1st 2016 to March 31st 2017, will be reviewed as at March 31st 2017. Review of the planned value of the order book will be based on RAFAKO's representation submitted to PKO BP.

Furthermore, in the Annex PKO BP decreased the level of securities in the form of cash deposits from the sub-limit on the guarantees granted.

The other material terms and conditions of the Agreement have not been amended under the Annex.

The Agreement is considered a reportable significant agreement as its value exceeds 10% of the RAFAKO Group's revenue generated in the last four financial quarters.

Legal basis: Art. 56.1.2 of the Public Offering Act.

Agnieszka Wasilewska-Semail, President of the Management Board
Jarosław Dusiło, Vice President of the Management Board