



GRUPA PBG

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

DATE: November 3rd 2017

Subject: RAFAKO S.A. Management Board resolves to abandon public offering of Series K Shares on the basis of approved prospectus and to prepare a new issue prospectus in connection with public offering of Series K Shares and apply for its approval by Polish Financial Supervision Authority

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Current Report No. 42/2017

The Management Board of RAFAKO S.A. (the “**Company**”, “**Rafako**”) announces that on November 3rd 2017, pursuant to the authorisation given in Section 3 of Resolution No. 4 of the Company’s Extraordinary General Meeting of September 12th 2017 (the “**Issue Resolution**”), following a discussion with Powszechna Kasa Oszczędności Bank Polski S.A. Oddział-Dom Maklerski PKO Banku Polskiego w Warszawie and Trigon Dom Maklerski S.A. (“**Joint Offering Brokers**”) and upon receipt of the Joint Offering Brokers’ consent, due to formal reasons related to the requirement to update the information contained in the Company’s issue prospectus approved on October 31st 2017 by Polish Financial Supervision Authority’s decision No. DPI/WE/410/61/13/17 (the “**Prospectus**”), as announced by the Company in Current Report No. 38/2017, it has passed a resolution to abandon the public offering of 42,500,000 Series K ordinary bearer shares in the Company with a par value of PLN 2.00 per share (the “**Series K Shares**”) under the Prospectus, and not to seek the admission of all securities covered by the Prospectus, i.e. 84,931,998 individual pre-emptive rights to Series K Shares (the “**Individual Pre-Emptive Rights**”), up to 42,500,000 allotment certificates for Series K Shares (the “**Allotment Certificates**”), and up to 42,500,000 Series K Shares, to trading on the regulated market operated by the Warsaw Stock Exchange (the “**WSE**”) (the “**Offering**”) on the basis of the Prospectus.

In the resolution, the Company’s Management Board also decided to prepare a new issue prospectus in connection with a public offering of 42,500,000 Series K Shares, with the pre-emptive rights of existing shareholders retained, and the seeking of admission and introduction of 84,931,998 Individual Pre-Emptive Rights, up to 42,500,000 Allotment Certificates, and up to 42,500,000 Series K Shares to trading on the WSE, and to immediately apply to the Polish Financial Supervision Authority for approval of the new prospectus, in order to give effect to the Issue Resolution.

Pursuant to the Public Offering Act, the Prospectus expires on the date the Company submits to the PFSA a statement to the effect that it abandons the Offering under the

Prospectus and will not seek the admission of Individual Pre-Emptive Rights, Allotment Certificates, or Series K Shares to trading on the WSE on the basis of the Prospectus.

At the same time, in the performance of the Management Board's resolution, on November 3rd 2017 the Company filed with the Polish Financial Supervision Authority a new prospectus prepared in connection with the Offering and the seeking of admission and introduction of 84,931,998 Individual Pre-Emptive Rights, up to 42,500,000 Allotment Certificates, and up to 42,500,000 Series K Shares to trading on the WSE, together with an application for its approval.

Legal basis: Art. 17.1 of the Market Abuse Regulation – inside information.

Agnieszka Wasilewska-Semail, President of the Management Board

Jarosław Dusiło, Vice President of the Management Board