



**GRUPA PBG**

*(RAFAKO spółka akcyjna with its registered office at ul. Łąkowa 33, Racibórz, Poland, entered in the Business Register of the National Court Register under No. 0000034143)*

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

**DATE: November 20th 2017**

**Subject:** [Change of financial guarantess for the Jaworzno Project.](#)

### **Contents:**

Current Report No. 57/2017

Further to:

- Current Report No. 21/2014 of April 17th 2014 on execution with Tauron Wytwarzanie S.A. of contract for construction of the supercritical 910 MW power generation unit at Jaworzno III Power Plant – Power Plant II, including steam generator, turbine generator set, main building, electrical and I&C systems (the “**Contract**”),
- Current Report No. 18/2014 of April 17th 2014 on execution of a significant agreement by a subsidiary of RAFAKO S.A., and on creation of security interests in assets of RAFAKO S.A. and its subsidiary,
- Current Report No. 3/2016 of February 25th 2016 on amendment to the significant agreement executed by a subsidiary of RAFAKO S.A., and on change and creation of security interests in assets of RAFAKO S.A. and its subsidiary,
- Current Report No. 6/2017 of February 28th 2017 on decision to sign Annex 5 to the Jaworzno Project contract with Tauron Wytwarzanie S.A. (“**Annex 5**”),

the Management Board of RAFAKO S.A. of Racibórz (the “**Company**” or “**RAFAKO**”) hereby reports that on November 20th 2017 E003B7 Sp. z o.o. (the “**SPV**”), a wholly-owned subsidiary of RAFAKO, concluded with (i) Powszechny Zakład Ubezpieczeń S.A. (“**PZU**”), (ii) Powszechna Kasa Oszczędności Bank Polski S.A. (“**PKO BP**”), (iii) Bank Gospodarstwa Krajowego (“**BGK**”), and (iv) mBank S.A. (“**mBank**”, and jointly with PZU, PKO BP and BGK – the “**Guarantors**”) an annex (the “**Annex**”) to the agreement for provision of bank and insurance guarantees (the “**Agreement**”), as reported by the Company in Current Report No. 18/2014 of April 17th 2014 and Current Report No. 3/2016 of February 25th 2016.

The Annex is aimed at adjusting contents of the bank and insurance guarantees to the provisions of the Contract, as amended by Annex 5, where they extend the term of the Contract and increase of the Contract price.

Under the Agreement, as amended by the Annex:

1. PZU undertook to issue to the Employer (i) an advance payment guarantee of up to PLN 33,043,129.88 (the amount was reduced by PLN 14,956,870.12, from PLN 48,000,000.00, the amount of PZU's previous guarantee commitment), and (ii) a performance bond guarantee of up to PLN 128,517,706.56 (the amount was increased by PLN 2,184,706.56, from PLN 126,333,000.00, the amount of PZU's previous guarantee commitment);
2. PKO BP undertook to issue to the Employer (i) an advance payment guarantee of up to PLN 33,043,129.87 (the amount was reduced by PLN 14,956,870.13, from PLN 48,000,000.00, the amount of PKO BP's previous guarantee commitment), and (ii) a performance bond guarantee of up to PLN 128,518,706.57 (the amount was increased by PLN 2,184,706.57, from PLN 126,334,000.00, the amount of PKO BP's previous guarantee commitment);
3. BGK undertook to issue to the Employer (i) an advance payment guarantee of up to PLN 33,043,129.88 (the amount was reduced by PLN 14,956,870.12, from PLN 48,000,000.00, the amount of BGK's previous guarantee commitment), and (ii) a performance bond guarantee of up to PLN 128,517,706.56 (the amount was increased by PLN 2,184,706.56, from PLN 126,333,000.00, the amount of BGK's previous guarantee commitment);
4. mBank undertook to issue to the Employer (i) an advance payment guarantee of up to PLN 33,043,129.88 (the amount was reduced by PLN 14,956,870.12, from PLN 48,000,000.00, the amount of mBank's previous guarantee commitment), and (ii) a performance bond guarantee of up to PLN 128,518,706.57 (the amount was increased by PLN 2,184,706.57, from PLN 126,334,000.00, the amount of mBank's previous guarantee commitment).

The Issuer further reports that November 20th 2017, in the performance of the Annex, annexes amending the bank and insurance agreements covering advance payment guarantees and performance bonds were also executed.

Under the new annexes, the term of the advance payment guarantee agreements was extended until March 20th 2020, and the aggregate amount of the guarantees was reduced to PLN 132,172,519.50, from PLN 192,000,000.00, i.e. by PLN 59,827,480.50. Under the annexes, the beneficiary of GZZ was also changed. The new Jaworzno Group of TAURON sp. Z oo with its registered office in Jaworzno („ **Nowe Jaworzno** „) was the result of the division of Tauron Wytwarzanie SA, ie the ordering party.

Under the new annexes, the term of the performance bond guarantee agreements was extended until December 20th 2020, and the aggregate amount of the guarantees was increased by PLN 8,738,826.26, from PLN 505,334,000.00 to PLN 514,072,826.26. The annexes also changed the beneficiary of the performance bond guarantees; the new beneficiary is Nowe Jaworzno.

Following the reduction of the total amount of the advance payment and performance bond guarantees, the amount of the surety provided by RAFAKO to the Guarantors until April 17th 2028 for SPV's potential liabilities was also reduced, as were the amounts specified in RAFAKO's and SPV's representations on submission to enforcement. The other terms of the security provided by the Issuer to the Guarantors (reported in Current Report No. 18/2014 of April 17th 2014, and Current Report No. 3/2016 of February 25th 2016) were not amended.

**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