

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

DATE: February 10th 2023

Subject: [Request filed to amend arrangement made under RAFAKO restructuring procedure \[CR 11/2023\]](#)**Text of the report:**

The Management Board of RAFAKO S.A. of Racibórz (the “**Company**”) – further to the Company’s Current Report No. 10/2023 of February 9th 2023 announcing the Management Board’s decision to file a proposal of amendments to the arrangement made in the course of the Company’s restructuring procedure, originally adopted on December 10th 2020 and approved by final decision of the District Court of Gliwice, 12th Commercial Division, dated January 13th 2021, delivered in case No. XII GRz 5/20 (the “**Arrangement**”) – announces that on February 10th 2023 the Company filed a request with the District Court of Gliwice, 12th Commercial Division, to open a procedure for amendment of the Arrangement and to amend the Arrangement (the “**Request**”).

The Management Board explains that its decision to file the Request was prompted by the occurrence of circumstances which, in the opinion of the Management Board, constitute grounds for amending the arrangement pursuant to Art. 173.1 of the Restructuring Law of May 15th 2015, namely a decline of income from the Company’s business which, in the opinion of the Management Board, is of a lasting nature.

As stated in the Request, the lasting decline of income from the Company’s business results from a combination of factors beyond the Company’s control, which could not have been foreseen at the time of the restructuring procedure concluded with the execution and approval of the Arrangement. These include primarily the prevailing micro- and macroeconomic conditions, resulting from events with local or international impacts (consequences of COVID-19, high inflation, the armed conflict in Ukraine, disruption of the supply chain, unprecedented undersupply on the markets of commodities and materials, increase in day-to-day operating expenses, etc.), and – as a factor of major consequence – the prolonged time to completion and settlement of Contract No. 2013/0928/Ri for the ‘Development of new coal-fired generation capacities at TAURON Wytwarzanie S.A. – Construction of supercritical 910 MW generating unit at the Jaworzno III Power Plant – Power Plant II: Steam boiler, turbine generator set, main building, electrical and I&C systems’ (the “**Contract**”).

The final completion and settlement of the Contract have been significantly postponed, strongly affecting the Company’s ability to acquire new contracts and orders, as – having to maintain performance bonds for the Contract – the Company is significantly restricted in its ability to establish appropriate performance bonds and advance payment guarantees, which are required for most projects carried out on the markets in which the Company operates. The amended arrangement proposals covered by the Request are listed in an appendix to this current report.

Legal basis:

Article 17(1) of the Market Abuse Regulation – inside information.

Radosław Domagalski-Łabędzki – President of the Management Board
Dawid Jaworski – Vice President of the Management Board