

**CURRENT REPORT FILED WITH THE POLISH FINANCIAL SUPERVISION AUTHORITY IN WARSAW****DATE: April 20th 2023**

**Subject: Update of information on Jaworzno project – the Company’s subsidiary obtains corporate approval to enter into settlement agreement with TAURON Wytwarzanie [Current Report No. 38/2023]**

**Text of the report:**

Further to Current Report No. 27/2023 of March 31st 2023 announcing that in the course of the mediation process held before the Arbitration Court at the Office of the General Counsel to the Republic of Poland between the Company, Mostostal Warszawa S.A. of Warsaw, E003B7 Sp. z o.o. of Racibórz, which is the Company’s wholly-owned subsidiary (the “**Subsidiary**”), and TAURON Wytwarzanie S.A. of Jaworzno, a settlement agreement was signed in connection with Contract No. 2013/0928/Ri for the development of new coal-fired generation capacities at TAURON Wytwarzanie S.A. – construction of a 910 MW supercritical power generation unit at the Jaworzno III Power Plant – Power Plant II: steam boiler, turbine generator set, main building, electrical and I&C systems (the “**Settlement Agreement**”, the “**Contract**”), and with reference to an amending annex to the Contract, the Management Board of RAFAKO S.A. w restrukturyzacji (in restructuring) of Racibórz (the “**Company**”) announces that on April 20th 2023 the Supervisory Board of the Subsidiary passed a resolution granting its ex post facto consent (*zgoda następcza*) to the Settlement Agreement and the terms and conditions provided therein.

The Management Board would like to clarify that, as stated in Current Report No. 27/2023 of March 31st 2023, obtaining the Supervisory Board’s consent to the Settlement Agreement by the Subsidiary by April 20th 2023 constituted – save for the provisions which, pursuant to the Settlement Agreement, come into force regardless of the Settlement Agreement coming into force – a condition precedent to the Settlement Agreement coming into force.

The Company’s Management Board indicates that, in view of the information announced in this Current Report and in:

1. Current Report No. 28/2023 of April 11th 2023 on the receipt by the Company of consent to the Settlement Agreement and the terms and conditions provided therein from the Judicial Supervisor appointed in the proceedings to amend the arrangement made in the course of the Company’s restructuring procedure;
2. Current Report No. 29/2023 of April 13th 2023 on the grant of consent to the Settlement Agreement and the terms and conditions provided therein by the Company’s Supervisory Board;
3. Current Report No. 36/2023 of April 20th 2023 on the receipt by the Company of MS GALLEON GmbH’s declaration of its continued interest in participating in the investment process involving the Company;

the conditions precedent to the entry into force of the Settlement Agreement, which required obtaining by the Company and the Subsidiary, by April 20th 2023, of corporate approvals for the Settlement Agreement and the terms and conditions provided therein, within the meaning of the Settlement Agreement, as referred to in Section 10.i. of the Company’s Current Report

No. 27/2023 of March 31st 2023, have been satisfied but this does not mean that the Settlement Agreement has entered into force as this is conditional on the satisfaction of all conditions precedent to its entry into force, as specified in the Company's Current Report No. 27/2023 of March 31st 2023.

**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