

With reference to the current report no. 31/2018 dated December 20, 2018, the Management Board of Feerum S.A. with its registered office in Chojnów ("**Issuer**") informs that today the Issuer and Export Credit Insurance Corporation JSC ("**KUKE**") concluded a contract ("**Insurance Contract**") on insurance of receivables arising from an agreement on sale of grain silo complex entered into between the Issuer and EPICENTR K LLC with its registered office in Kiev (Ukraine) ("**Purchaser**") on November 27, 2018 ("**Sale Agreement**"). The Issuer informed about the conclusion of the Sale Agreement in the current report no. 25/2018 dated November 28, 2018.

The insurance covers receivables with deferred payment dates arising from the Sale Agreement in a total amount not exceeding EUR 11,308,823 (i.e. PLN 48,536,337.43 according to the average exchange rate of the National Bank of Poland as of November 27, 2018, the date of the Sale Agreement), i.e. the amount being a difference between the total value of the Sale Agreement amounting to EUR 13,304,497.62 (i.e. PLN 57,101,573.34 according to the average exchange rate of the National Bank of Poland as of November 27, 2018, the date of the Sale Agreement) and the down payment of EUR 1,995,674.62 (i.e. PLN 8,565,235.90 according to the average exchange rate of the National Bank of Poland as of November 27, 2018, the date of the Sale Agreement). Pursuant to the Sale Agreement, the payment of the purchase price (save for the down payment) should be made by the Purchaser in 10 equal, semiannual installments, whereby the first instalment is payable on the last day of the calendar month in which a period of 5 calendar months from the date of the latest delivery date indicated pursuant to the timetable included in the Sale Agreement elapses. According to the timetable included in the Sale Agreement, the Issuer will complete all silos deliveries within 9 months from the date of the down payment which is scheduled for June 30, 2019 at the latest.

If an event causing a damage takes place, KUKE guarantees coverage of the insured receivables in 90%.

The insurance coverage becomes effective once the down payment is made by the Purchaser and the Issuer launches silos deliveries in accordance with the Sale Agreement and elapses once the purchase price for all silos delivered under the Sale Agreement is made in full.

Pursuant to the Insurance Contract the insurance policy can be assigned to a bank purchasing receivables arising from the Sale Agreement from the Issuer. Such assignment will enable financing of the Sale Agreement through, so-called, "*supplier's credit*" scheme as referred to in the current report no. 25/2018 of November 28, 2018.

The Issuer will make, in favor of KUKE, a one-off payment of the insurance premium until June 30, 2019, but in any case no later than within 30 days from the date of the down payment. The premium rate does not differ from rates commonly offered on the insurance market.

The Insurance Contract enables reducing non-payment risks significantly.