

The Management Board of FEERUM S.A. (the “**Issuer**”) informs that on 19 July 2018 annex No. 009 to the Multiline Agreement No. K00756/15 dated 19 June 2015 (the “**Multiline Agreement**”) was concluded between the Issuer and the Issuer’s subsidiary company FEERUM YELLOW ENERGY Sp. z o.o. (the “**Subsidiary**”) and Bank Zachodni WBK S.A. with its registered seat in Wrocław (the “**Bank**”). In addition, the Issuer concluded with the Bank annex no. 003 to the investment credit agreement No. K00757/15 dated 19 June 2015 (the “**Investment Credit Agreement**”) and working capital credit agreement No. K00680/18 (the “**Working Capital Credit Agreement**”).

1. Amendment of the Multiline Agreement

The parties have amended the Multiline Agreement by adopting a new consolidated text. Under the Multiline Agreement, the Issuer may use:

1. the overdraft credit of up to PLN 10,000,000.00 was granted until 30 June 2019 to the Issuer to finance its current business activity,
2. letters of credit - the Bank is obliged to issue letters of credit amounting to PLN 6,000,000.00 in US Dollars, Euro, Polish Zloty and Chinese Yuan until 30 June 2019.
3. guarantees - the Bank is obliged to issue guarantees amounting to PLN 6,000,000.00 in US Dollar, Euro and Polish Zloty until 30 June 2019.

and the Subsidiary may use a working capital credit in the amount of PLN 11,000,000.00 to finance the working capital for the purchase, storage and drying of grain until 30 June 2019, subject that the total amount of the Bank’s financial commitment due to the abovementioned products cannot exceed PLN 17,000,000.00.

The parties modified the catalog of Issuer’s obligations. The Issuer undertook to ensure that the gross debt/EBITDA ratio will be maintained. In addition, the debt coverage ratio was canceled. The commitment to maintain the capital ratio at the level agreed upon by the parties remains unchanged.

Interest on credits is calculated at WIBOR rate plus the Bank’s margin.

The Issuer and the Subsidiary are obliged to repay the credits until 30 June 2019.

The Issuer will maintain the following collaterals established to secure the Bank’s receivables under the Multiline Agreement:

1. registered pledge on machinery/equipment,
2. assignment of receivables under the insurance of movable property referred to in item 1 above,
3. registered pledge on production materials, i.e. steel,
4. assignment of receivables under the insurance of movable property referred to in item 3 above.

The Subsidiary will maintain the following collaterals established to secure the Bank's receivables under the Multiline Agreement:

1. registered pledge on energy-saving drying stove,
2. assignment of receivables under the insurance of movable property referred to in item 1 above, amounting to at least PLN 700,000.00,
3. registered pledge on whole grain stocks,
4. assignment of receivables under the insurance of movable property referred to in item 3 above, amounting to at least PLN 7,000,000.00,
5. registered pledge on whole trade receivables.

All other provisions of the Multiline Agreement do not deviate from provisions commonly applied in agreements of this type.

2. Amendment of the Investment Credit Agreement

The parties amended the Investment Credit Agreement by modifying the Issuer's obligations catalog. The Issuer is obliged to maintain the debt service coverage ratio and the capital ratio at level agreed between the parties. The Issuer undertook to ensure that the gross debt/EBITDA ratio will be maintained. In addition, the debt coverage ratio was canceled.

The commitment to maintain the capital ratio at the level agreed upon by the parties remains unchanged.

Other amendments to the Investment Credit Agreement are of a technical nature or concern the Bank's commission.

3. Conclusion of the Working Capital Credit Agreement

Pursuant to the Working Capital Credit Agreement, the Bank granted the Issuer a working capital credit in the amount of PLN 4,000,000.00 to finance the working capital for the purpose of realization of the long-term agreements on the domestic, European Union countries, Ukrainian and Belarusian market.

Interest on credits is calculated at WIBOR rate plus the Bank's margin.

The Issuer is obliged to repay the working capital credit in monthly installments until 29 June 2021.

The Issuer established the following collaterals to secure the Bank's receivables under the Working Capital Credit Agreement:

1. registered pledge on machinery/equipment,
2. assignment of receivables under the insurance of movable property referred to in item 1 above,
3. registered pledge on production materials, i.e. steel,

4. assignment of receivables under the insurance of movable property referred to in item 3 above.

All other provisions of the Working Capital Credit Agreement do not deviate from provisions commonly applied in agreements of this type.

In addition, the Issuer submitted declaration of voluntary submission to enforcement pursuant to art. 777 § 1 point 5 of the Civil Procedure Code regarding all Bank's receivables under the Multiline Agreement, the Investment Credit Agreement and the Working Capital Credit Agreement.

The signed annexes to the credit agreements do not increase the total amount of financing granted by the Bank. The structure of debt was changed and the catalog of the Issuer's obligations was modified mainly by changing of the financial ratios.