

The Management Board of Feerum S.A. with its registered office in Chojnów ("**the Issuer**") informs that on May 21, 2020 the Issuer signed with Bank Gospodarstwa Krajowego based in Warsaw ("**the Bank**") an additional debt purchase financing agreement ("**the Agreement**") regarding cash receivables under the sale agreement grain silo complex of November 27, 2018 (as amended) ("**Sales Agreement**") concluded between EPICENTR K LLC with its registered office in Kiev (Ukraine) ("**the Purchaser**") and the Issuer, acquired by the Bank from the Issuer under a debt purchase agreement of October 16, 2019 ("**Purchase Agreement**") concluded between the Bank and the Issuer and insured by the Export Credit Insurance Corporation Joint Stock Company ("KUKI") under the insurance contract of December 20, 2018 (as amended) ("**Insurance Agreement**"). The Issuer informed about: The Sale Agreement in current reports No. 25/2018 of November 28, 2018, No. 31/2018 of December 20, 2018, No. 22/2019 of July 9, 2019 and No. 25/2019 of July 31 2019; on the Purchase Agreement in current report No. 29/2019 of October 16, 2019; and the Insurance Agreement in current reports No. 33/2018 of December 20, 2018 and No. 24/2019 of July 31, 2019.

Pursuant to the Agreement, the total price for the purchase of monetary receivables under the Sale Agreement ("**Receivables**"), purchased by the Bank from the Issuer under the Purchase Agreement, is increased by 1.215.500,00 EUR (i.e. 5.535.387,00 PLN according to the average exchange rate of the National Bank of Poland of May 20, 2020) (which is equivalent to 10% of the principal amount of the Receivable, in respect of which KUKI does not guarantee coverage under the Insurance Agreement) reduced by the discount determined at the interest rate indicated in the Agreement.

The abovementioned amount due to the Issuer due to the price increase will be paid by the Bank after establishing the collateral of the Bank's recourse claims described below.

Pursuant to the Agreement, if the Purchaser fails to pay within the time limits specified in the Sale Agreement, the Bank is entitled to recourse against the Issuer regarding the outstanding principal amount of the Receivable in the maximum amount of 1.215.500,00 EUR (i.e. 5.535.387,00 PLN according to average National Bank of Poland exchange rate of May 20, 2020) plus statutory interest for delay.

The security of the Issuer's obligations under the abovementioned recourse claims of the Bank are:

- joint contractual mortgage up to 1.823.250,00 EUR (i.e. 8.303.080,50 PLN at the average exchange rate of the National Bank of Poland of May 20, 2020) on the Issuer's real estate located in Chojnów,
- registered pledge with the highest collateral amount of 2.431.000,00 EUR (i.e. 11.070.774,00 PLN according to the average exchange rate of the National Bank of Poland of May 20, 2020) on selected production machines and equipment of the Issuer,
- registered pledge with the highest collateral amount of 2.431.000,00 EUR (i.e. 11.077.774,00 PLN according to the average exchange rate of the National Bank of Poland of May 20, 2020) on the Issuer's inventory located in specific Issuer's warehouses, where the Issuer is obliged to permanent maintenance of inventories with a minimum value of 10 million PLN.
- transfer of rights from insurance policies related to the Issuer's property encumbered with the abovementioned collateral.

Assets encumbered with the above-mentioned collateral are also the subject of collateral for repayment of loans granted to the Issuer by the Bank, about which the Issuer informed in current report No. 10/2019 of April 30, 2019, as well as recourse claims of the Bank arising from the additional financing of debt repayment of October 16, 2019, about which the Issuer informed in current report No. 31/2019 of October 16, 2019.

In addition, the Issuer is required to provide the Bank, in connection with any obligations under the Agreement:

- the Issuer's *blank promissory note* together with a promissory note declaration,

- Issuer's statement on submission to enforcement pursuant to art. 777 of the Code of Civil Procedure as regards the payment of obligations under the Agreement and the issue of items encumbered with the above pledges,
- powers of attorney to dispose of the Issuer's bank accounts kept in the Bank.