

The Management Board of Feerum S.A. based in Chojnów ("**Issuer**") informs that on June 25, 2021 it concluded with Santander Bank Polska S.A. with its registered office in Warsaw ("**Bank**") an overdraft agreement No. K01128/21 ("**Credit Agreement**").

On the basis of the Credit Agreement, the Bank granted the Issuer an overdraft in the amount of 20.000.000,00 PLN for the financing of the Issuer's current business activities (the "**Credit**").

The condition for the launch of the Credit by the Bank will be, inter alia, the repayment by the Issuer of the debt under the multiline agreement No. K00756/15 concluded between the Issuer and the Issuer's subsidiary FEERUM YELLOW ENERGY sp.z o.o. based in Chojnów ("**Subsidiary**") and the Bank on June 19, 2015 (as amended) ("**Multiline Agreement**"), the conclusion of which was announced by the Issuer in the Current Report No. 11/2015 of June 19, 2015.

Payment or disbursements of the Loan at the Issuer's request will be possible throughout the financing period, ie from the date of disbursement of the Loan to the Repayment Date (defined below in this report).

The Issuer undertook to repay the Revolving Loan by the repayment date ("**Repayment Date**") falling on June 30, 2024 (if the debt ratio is the quotient of net debt and EBITDA, calculated on the basis of the Issuer's audited and consolidated financial data for the year 2021, will be lower or equal to 3.5) or on June 30, 2022 (if the debt ratio being the quotient of net debt and EBITDA, calculated on the basis of the Issuer's audited and consolidated financial data for 2021, will be higher than 3.5).

Interest on the utilized amount of the Credit will be calculated according to the WIBOR rate for one-month interbank deposits increased by the Bank's margin. Interest will be paid on a monthly basis.

The Issuer also undertook to ensure, during the term of the Credit Agreement, maintaining, at the contractually specified levels, the debt ratio, which is the quotient of net debt and EBITDA, and the capital ratio, which is the quotient of equity and total assets, calculated on the basis of annual audited and consolidated financial data.

The Bank's receivables under the Credit Agreement are secured by:

1. a loan repayment guarantee referred to in the Regulation of the Minister of Finance of June 12, 2018 on the granting of de minimis aid by Bank Gospodarstwa Krajowego ("**BGK**") in the form of loan repayment guarantees under the Smart Growth Operational Program 2014-2020, in the amount of 24.95% of the loan amount, i.e. in the amount of 4.990.000,00 PLN, valid until September 30, 2024, granted by BGK on the basis of an application submitted by the Issuer for a loan repayment guarantee by BGK under the portfolio guarantee line of the Guarantee Fund Smart Growth Operational Program - de minimis aid and the form of information provided by the Issuer when applying for de minimis aid granted under the conditions specified in the European Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Art. 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid,
2. registered pledge on a set of specific machines and devices belonging to the Issuer,
3. assignment of claims under the movable property insurance contract, referred to above in point 2,
4. registered pledge on materials for production in the form of steel belonging to the Issuer, stored in a warehouse located at the address of the Issuer's registered office,
5. assignment of claims under the movable property insurance contract, referred to above in point 4,
6. registered pledge on the energy-saving drying room owned by the Subsidiary with accessories,
7. assignment of claims under the movable property insurance contract, referred to above in point 6
8. registered pledge on all grain stocks belonging to the Subsidiary,

9. assignment of claims under the movable property insurance contract, referred to above in point 8,
10. registered pledge on all trade receivables of the Subsidiary.

The Loan repayment guarantee referred to in point 1 above is a form of free loan repayment security offered by the Bank on the basis of an agreement signed with BGK. An additional benefit for the Issuer is also the possibility of obtaining a refund of the interest paid on the Loan from BGK (the so-called interest subsidy). The interest rate subsidy will be transferred at the Issuer's request from the funds of the Intelligent Development Operational Program. The amount of the interest rate subsidy may not exceed the maximum amounts determined on the basis of the conditions provided for using the Smart Growth Operational Program, in particular, it may not exceed the de minimis aid available to the Issuer at the time of applying for an interest subsidy.

On June 25, 2021, the Subsidiary concluded a debt accession agreement with the Bank ("**Debt Accession Agreement**") under which the Subsidiary joined the Issuer's debt under the Loan Agreement and became a joint and several debtor responsible for all monetary obligations under the Loan Agreement. Pursuant to the provisions of the Debt Accession Agreement, the Subsidiary undertook to establish for the Bank the securities referred to above in items 6-10.

Additionally, the Issuer and the Subsidiary undertook to submit declarations on submission to enforcement pursuant to Art. 777 § 1 point 5 of the Code of Civil Procedure with regard to the payment of all obligations under the Credit Agreement. The Issuer also issued and handed over to the Bank a blank promissory note together with a promissory note declaration to secure the liabilities under the Loan Agreement.

The remaining provisions of the Loan Agreement do not differ from the provisions commonly used in this type of agreements.