

POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report No.

34

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2022

Date:

November 8th 2022

Abbreviated issuer name:

FAMUR S.A.

Subject:

Execution of agreement to acquire 51% of shares in Impact Clean Power Technology S.A.

Legal basis:

Article 17(1) of MAR – Inside information

Text of the report:

The Management Board of FAMUR S.A. of Katowice (the "Company", "FAMUR") announces that on November 8th 2022 the Company executed an agreement with a natural person unrelated to the Company (the "Agreement") whereby the Company will acquire a total of 18,475,729 shares in **Impact Clean Power Technology S.A. ("IMPACT")**, representing 51% of the share capital and conferring approximately 59% of total voting rights at the general meeting of IMPACT (the "Shares"). The total price for the Shares was agreed at approximately EUR 59.12m (equivalent to PLN 277m, as translated at the mid exchange rate of EUR 1 = PLN 4.6912 quoted for December 8th 2022). The acquisition will be financed with proceeds from the issue of Green Bonds in 2021.

Impact Clean Power Technology S.A. of Warsaw is a leading manufacturer of innovative, tailor-made battery systems finding their main applications in bus transport, robotics and stationary energy storage. As at September 30th 2022, IMPACT's equity amounted to PLN 254m. Its headcount of employees (as at September 2022) was 290, including 80 engineers. The company has its own research & development centre for energy storage technologies. IMPACT's current manufacturing capacity is about 0.6 GWh per year. Its backlog for 2023 (understood as a buildup of work under orders already accepted and signed commitments from customers) was PLN 258m as at October 31st 2022.

The experience and well-established competitive position of IMPACT in the market of battery systems for transport and industrial applications, supported by the FAMUR Group's financial and operational resources, will enable rapid scaleup of IMPACT's business, building the long-term value of IMPACT and the FAMUR Group on the promising market of industrial electric mobility and energy storage solutions. The envisaged investments will increase IMPACT's annual manufacturing capacity to more than 1 GWh in 2024, and to at least 2 GWh up to 4 GWh, depending on how demand evolves, in 2027. The capacity growth expenditure in the first period is expected to amount to some PLN 120m (capex + opex), to be incurred mostly in 2023 on a new manufacturing plant (GigafactoryX). As from 2024, such expenditure is expected to decrease significantly relative to the capacity growth. IMPACT's revenue in 2022 is expected to exceed PLN 250m, and then grow to at least PLN 1bn annually within the next four to five years. Between 2023 and 2024, IMPACT's EBITDA will be negatively affected by the costs of fast expansion of its business scale, but from 2025 its expected EBITDA margin should increase to some 10-12%.

In connection with the execution of the Agreement to acquire IMPACT Shares, FAMUR acceded to the investment agreement and shareholders' agreement (the "Investment Agreement") which defines mainly the typical terms of cooperation, mutual rights and obligations and relations between IMPACT shareholders, as well as a vision of further development of IMPACT's business.

The Investment Agreement also provides for a scheme, dedicated to key persons or entities contributing to the development of IMPACT, under which they will be able to subscribe for additional IMPACT shares (the "Scheme"). Under the Scheme, the grant of rights to subscribe for additional shares at par value will depend on the achievement by IMPACT of certain KPIs defined for the Scheme, with the proviso that the total number of new shares may not exceed 10% of the company's existing share capital. The implementation of the Scheme will not dilute FAMUR's equity interest in IMPACT, as FAMUR will be entitled to subscribe for additional shares at par value so as to maintain its ownership proportion.

FAMUR Spółka Akcyjna	(full issuer name)
FAMUR S.A.	Electromechanical (ele)
(abbreviated issuer name)	(sector according to the WSE)
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(Tax Identification Number – NIP)	(Industry Identification Number – REGON)

SIGNATURES OF AUTHORISED REPRESENTATIVES

Date	Full name	Position	Signature
November 8th 2022	Mirosław Bendzera	President of the Management Board	
November 8th 2022	Beata Zawiszowska	Vice President, Chief Financial Officer	