

## POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report No.

27

/

2021

Date:

June 16th 2021

Abbreviated issuer name:

FAMUR S.A.

Subject:

**Contract with Polskie Maszyny Group sp. z o.o. of November 18th 2020 – update related to the counterparty's claims**

Legal basis:

Article 17(1) of MAR – Inside information

Text of the report:

FAMUR S.A. (the "Company" or "Supplier") announces that on June 16th 2021 it held a conference call with Polskie Maszyny Group sp. z o.o. (the "Buyer") regarding the performance of the Contract of November 18th 2020 for the delivery of mining machinery to be used in the Russian Ingalinskiy coking coal mine of OOO UK KOLMAR (the "Contract") and that on the same date the Company was notified of the Buyer's request for a refund by the Supplier of the advances paid by the Buyer under the Contract as well as payment by the Supplier of a contractual penalty (the "Request").

The total amount claimed in the Request is EUR 28.8m, i.e. approximately PLN 130.6m at the EUR/PLN mid rate of June 16th 2021, i.e. EUR 1 = PLN 4.5285, including EUR 24.5m in refund claims and EUR 4.3m in contractual penalty charges.

The Company announced the execution of the Contract in Current Report No. 28/2020 of November 18th 2020. The Contract provides for deliveries of powered roof support sections and equipment forming part of a conveyor system, including scraper conveyors, crusher, belt tailpiece, and a kit of spare parts and accessories (the "Mining Machinery").

The Buyer has made the request on the grounds of the Supplier's failure to provide a certificate or declaration of conformity with the TR-TS serial production requirements (the "Certificate").

The Company wishes to point out that all of the Mining Machinery was delivered to the Buyer on the terms of the Contract and on schedule and was assembled and installed on site at the Russian mine. For reasons beyond the Company's control, i.e. changes in the certification procedure due to the COVID-19 restrictions, which apply to the certification body and which the Buyer has been notified of, part of the certificates of conformity with the TR-TS serial production requirements to be provided on delivery of the certified product have not been provided to the Buyer yet.

According to the certification body, the certification procedure is being finalised, and the missing certificates will be issued by the end of June 2021.

In view of the foregoing, the Company cannot agree to the Buyer's Request and will seek any legal recourse available to secure its interests and effectively challenge the Buyer's claims. The Company has also entered into negotiations with the Buyer to resolve the dispute amicably.

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### SIGNATURES OF AUTHORISED REPRESENTATIVES

Date	Full name	Position	Signature
June 16th 2021	Mirosław Bendzera	President of the Management Board	
June 16th 2021	Adam Toborek	Vice President of the Management Board, Underground Export Sales	