

POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report No.

13

/

2020

Date:

April 24th 2020

Abbreviated issuer name:

FAMUR S.A.

Subject:

Decision to close down Company branch

Legal basis:

Article 17(1) of MAR – Inside information

Text of the report:

The Management Board of FAMUR S.A. (the "Company") announces that on April 24th 2020 it passed a resolution to optimise production processes by consolidating the scraper conveyors business within a single production plant and to close down, as a result, the D450 branch in Rybnik (the "Branch").

The above decision will help mitigate the adverse effects of order reductions made in the wake of the global crisis caused by the COVID-19 pandemic, prompting trading partners in Poland and abroad to refrain from purchasing mining machinery and equipment, which has had particularly severe consequences for the scraper conveyor business. The Company expects that its average monthly revenue from the sale of conveyors will drop to approximately PLN 8m in 2020, from around PLN 30m in 2019. These figures are likely to go down further as the economic crisis triggered by the COVID-19 pandemic worsens. The FAMUR S.A. Management Board is of the opinion that the situation will not improve either in the short or medium term. The market is undergoing significant changes, as also confirmed by the information received on April 23rd 2020 from Polska Grupa Górnicza concerning the need to temporarily suspend the performance of contracts for, among others, ordered machinery and equipment, including scraper conveyors, following the occurrence of a force majeure event, i.e. the spread of the SARS-CoV-2 virus. Therefore, it is necessary to adapt the organisational structure to the current market situation by consolidating the manufacture of scraper conveyors within a single branch, with the Company maintaining the technical, technological and product competencies that enable the manufacture of such conveyors and peripheral equipment according to the order pipeline.

Closing down of the Branch will involve laying off 204 employees. Accordingly, on April 24th 2020 the Company will notify its social partners of the reasons for the planned collective redundancy and will also notify the job centre of its intention to carry out collective redundancies at the Branch.

The final impact of the closing down of the Branch on the Group's financial performance will be presented in the periodic financial statements.

FAMUR Spółka Akcyjna

(full issuer name)

FAMUR S.A.

(abbreviated issuer name)

Electromechanical (ele)

(sector according to the WSE)

40-698

(postal code)

Katowice

(city/town)

Armii Krajowej (street)	51 (number)
+48 32 359 63 00 (phone)	+48 32 359 66 77 (fax)
sekretariat@famur.com.pl (email)	www.famur.com (www)
634-012-62-46 (Tax Identification Number – NIP)	270641528 (Industry Identification Number – REGON)

SIGNATURES OF AUTHORISED REPRESENTATIVES

Date	Full name	Position	Signature
April 24th 2020	Mirosław Bendzera	President of the Management Board	
April 24th 2020	Tomasz Jakubowski	Vice President, Chief Operating Officer, Underground segment	