

FINANCIAL SUPERVISION COMMISSION
CURRENT REPORT NO. 41/2025

Name of entity:

Date of preparation:

Fabryka Obrabiarek RAFAMET S.A. in restructuring

13-06-2025

Subject:

Commencement of work by the Issuer on obtaining an auditor's opinion on the consolidated financial statements of the Issuer's capital group for 2024 and the Issuer's separate financial statements for 2024. Estimation of the preliminary maximum amount of impairment of the Issuer's fixed assets and inventories, as well as adjustments to the valuation of assets under long-term contracts.

Announcement:

The Management Board of Fabryka Obrabiarek RAFAMET S.A. in restructuring (hereinafter referred to as the "Issuer" or the "Company") hereby announces that on 13 June 2025 the Issuer's Management Board commenced activities aimed at obtaining an auditor's opinion on the separate and consolidated financial statements for 2024 and adopted preliminary maximum amounts of impairment of the Issuer's fixed assets and inventories, as well as adjustments to the valuation of assets under long-term contracts.

The Issuer's Management Board indicates that these actions are related to the Issuer's annual report for 2024 and consolidated annual report for 2024 published on 30 April 2025. Both reports were prepared on the assumption that the Company will continue its operations in a substantially unchanged scope over the next 12 months from 31 December 2024. Both reports (i.e. the annual report for 2024 and the consolidated annual report for 2024) were accompanied by refusals to issue an opinion by the auditor of the financial statements of the Company and its capital group (i.e. Moore Polska Audyt sp. z o.o.), on the audit of the consolidated financial statements of the Company's capital group for 2024 and the separate financial statements of the Company for 2024. The Issuer additionally disclosed the refusal to issue an opinion by the auditor on the audit of the consolidated financial statements of the Issuer's capital group for 2024 and the separate financial statements of the Issuer for 2024 in report No. 21/2025 on 30 April 2025.

As indicated in the published annual report for 2024, the consolidated annual report for 2024 and the Issuer's report No. 21/2025 of 30 April 2025, the Issuer's Management Board adopted the above assumption of going concern, taking into account, in particular, the current status of talks with the Company's main shareholder, Agencja Rozwoju Przemysłu S.A., regarding the recapitalisation of the Company. At the same time, in its refusals to issue an opinion on the audit of the consolidated financial statements of the Company's capital group for 2024 and the separate financial statements of the Company for 2024, the auditor indicated, among other things, that during the audit, the auditor did not obtain sufficient and appropriate audit evidence to conclude whether the going concern assumption adopted by the Issuer is reasonable. Therefore, in the auditor's opinion, the degree of uncertainty related to this matter as at 30 April 2025 was such that it was not possible to confirm

whether the going concern assumption was reasonable. As indicated by the expert in his refusal to issue an opinion, as at the date of the refusal, the Company had not yet entered into binding agreements guaranteeing the financing of its operations, which, in the expert's opinion, were crucial for the implementation of the planned activities. In the refusal to issue an opinion on the audit of the consolidated financial statements of the Issuer's capital group for 2024, the auditor also indicated that the potential recapitalisation of the Issuer by Agencja Rozwoju Przemysłu S.A. would also determine the financial support of the Issuer towards its subsidiary Odlewnia Rafamet Sp. z o.o.

In his refusal to issue an opinion on the audit of the consolidated financial statements of the Company's capital group for 2024 and the separate financial statements of the Company for 2024, the auditor additionally indicated that there were indications of permanent impairment of fixed assets and inventories in the Company and in the capital group of . Due to the lack of impairment tests, the auditor did not obtain sufficient and appropriate audit evidence confirming the value of these assets. The auditor also did not obtain sufficient and appropriate audit evidence related to the change in the method of valuation of assets under long-term contracts.

The Issuer indicates that on 30 April 2025, both the Issuer's Management Board and the Issuer's Supervisory Board considered the refusal of the auditor to express an opinion on the consolidated financial statements of the Company's capital group for 2024 and the separate financial statements of the Company for 2024 to be significant. In the opinion of the Company's governing bodies expressed on 30 April 2025, the uncertainty regarding the continuation of operations resulted primarily from uncertainty as to whether the planned additional funds would be obtained. As indicated in the Company's report No. 21/2025 published on 30 April 2025. On 30 April 2025, the Company's Management Board continued talks aimed at recapitalising the Company, but as at the date of publication of this report (i.e. publication of report No. 21/2025 on 30 April 2025), the Company had not concluded any binding agreement regarding the recapitalisation of the Company. At the same time, in Resolution No. 102/XII/2025 of 30 April 2025, the Supervisory Board of the Company supported the actions of the Management Board of the Company aimed at obtaining additional financing to ensure the continuation of the Company's operations.

At the same time, the Issuer's Management Board indicates the quantitative and qualitative impact of the refusal to express an opinion on the financial statements:

1. refusal to issue an opinion due to the assumption that the Company will continue as a going concern to a significantly reduced extent within the next 12 months from 31 December 2024 – in the opinion of the Issuer's Management Board and Supervisory Board, this refusal is material to the annual report and consolidated annual report for 2024. If the going concern assumption is not accepted, the separate and consolidated financial statements for 2024 should be prepared in accordance with principles and methods other than those published in the financial statements on 30 April 2025. As at 30 April 2025 and as at the date of publication of this report, the Issuer is not able to estimate the quantitative impact of this reason for the auditor's refusal to express an opinion on the separate and consolidated report for 2024.
2. refusal to issue an opinion due to permanent impairment of fixed assets and inventories - in the opinion of the Issuer's Management Board and Supervisory Board, this refusal is material to the annual report and consolidated annual report for 2024. Due to the fact that as at 30 April 2025 the impairment tests on fixed assets and the " " method for inventories, the Issuer's estimates as at 30

April 2025 were limited in this respect to a maximum amount of PLN 9.262 thousand write-down of the value of fixed assets in relation to the annual reports published by the Company on 30 April 2025, including a maximum write-down of PLN 6.161 thousand on the value of the Company's shares in its subsidiary Odlewnia Rafamet Sp. z o.o. in relation to the annual reports published by the Company on 30 April 2025. As at 13 June 2025, the Issuer's Management Board estimates the preliminary maximum amount of impairment of the Issuer's fixed assets and inventories in the total amount of up to PLN 6,5 million in relation to the annual reports published by the Company on 30 April 2025 ;

3. refusal to issue an opinion due to a change in the method of valuation of assets under long-term contracts - in the opinion of the Issuer's Management Board and Supervisory Board, this refusal is material to the annual report and consolidated annual report for 2024. As at 30 April 2025 the Company estimated the maximum value of the adjustment to assets under long-term contracts at PLN -990 thousand. As at 13 June 2025, the Issuer's Management Board estimates the preliminary maximum amount of the adjustment to the value of assets under long-term contracts at PLN -990 thousand.

The Issuer's Management Board indicates that as at the date of publication of the annual reports (i.e. as at 30 April 2025), it was not possible for the Company to conclude binding agreements guaranteeing the financing of its operations, although as at 30 April 2025 the Company's auditors assessed the possibility of the Company concluding such binding agreements with Agencja Rozwoju Przemysłu S.A. within the next few weeks as highly probable. This assessment was based on the progress of talks between the Company and its main shareholder, as well as declarations made to the Company by representatives of Agencja Rozwoju Przemysłu S.A. The position of the Issuer's Management Board and Supervisory Board expressed on 30 April 2025 on the continuation of the process of recapitalisation of the Company by its main shareholder was to secure financial resources for the Company and its capital group, as well as to exclude the uncertainty indicated by the auditor in his refusal to issue an opinion on the validity of the Issuer's assumption in its 2024 financial statements. On the date of publication of the reports for 2024 (i.e. on 30 April 2025), the Issuer's Management Board assumed that this uncertainty in the form of the failure to conclude binding agreements would be eliminated within the next few weeks.

The Issuer's Management Board also indicates that as part of the preparation of the financial statements for 2024, work was carried out on impairment testing of fixed assets and inventories, as well as on the valuation of assets under long-term contracts. However, as at 30 April 2025, this work had not been completed. The failure to complete this work was due to delays on the part of the expert acting on behalf of the Issuer, as well as the Company's significant time commitment to the restructuring and recapitalisation process. However, the Issuer's Management Board considered completing these processes after the publication of interim reports and after concluding binding agreements with Agencja Rozwoju Przemysłu S.A. on the recapitalisation of the Company.

On 20 May 2025, the Extraordinary General Meeting of the Company adopted a resolution on increasing the Company's share capital through the issue of series I registered ordinary shares in a private placement, excluding the pre-emptive rights of existing shareholders in their entirety, and on the dematerialisation of series I shares, as well as on amending the Company's Articles of Association, as announced by the Issuer in report No. 32/2025 on 20 May 2025. Subsequently, on 27 May 2025, the Company concluded an investment agreement and a share subscription agreement () with Agencja

Rozwoju Przemysłu S.A. for the acquisition of 3.000.000 (in words: three million) series I ordinary bearer shares with a nominal value of PLN 10,00 per share, for a total issue price of PLN 30.000.000,00. The Issuer announced the conclusion of these agreements in report no. 36/2025 on 27 May 2025. In the opinion of the Issuer's Management Board, the conclusion of the investment agreement with Agencja Rozwoju Przemysłu S.A. and the agreement to acquire series I shares determines the validity of adopting the going concern principle in the financial statements of the Issuer and its capital group. At the same time, on 12 June 2025, the Issuer concluded a loan agreement with its subsidiary Odlewnia Rafamet Sp. z o.o., as announced by the Issuer in its current report No. 40/2025 on 12 June 2025. As a result of the conclusion of this loan agreement, the Issuer secured current funds for the operation of its subsidiary. In connection with the above, on 13 June 2025, the Issuer's Management Board commenced activities aimed at obtaining an opinion from a certified auditor on the separate and consolidated financial statements for 2024. To this end, the Issuer's Management Board intends to perform an impairment test on fixed assets and inventories as at 31 December 2024. As at the date of publication of this report, this process has not been completed, but the Issuer's Management Board estimates that as at 31 December 2024, the value of impairment losses on fixed assets and inventories will not exceed PLN 6,5 million in relation to the annual reports published by the Company on 30 April 2025, including the maximum write-offs of the Issuer's shares in the subsidiary Odlewnia Rafamet Sp. z o.o. in the amount of PLN 2.028 thousand, in relation to the annual reports published by the Company on 30 April 2025. The amount of these write-offs (i.e. PLN 6,5 million in maximum write-offs as at the date of publication of this report) will reduce the financial result of the Company and its capital group and reduce their equity in relation to the annual reports published by the Company on 30 April 2025. At the same time, the Issuer's Management Board intends to value the assets under long-term contracts as at 31 December 2024. As at the date of publication of this report, this process has not been completed, but the Issuer's Management Board estimates that as at 31 December 2024 the value of the revaluation of assets under long-term contracts will not exceed PLN 990 thousand – this amount will reduce the financial result of the Company and its capital group and reduce their equity in relation to the annual reports published by the Company on 30 April 2025. After completion of these asset valuation processes, the Issuer's Management Board intends to publish an amended annual report for 2024 and an amended consolidated annual report for 2024 together with the opinion of the auditor on the audit by 18 June 2025, and then intends to submit these reports for consideration and approval to the Ordinary General Meeting of the Company convened for 30 June 2025. At the same time, the Issuer's Management Board indicates that after the adjustment of the annual report for 2024 and the consolidated annual report for 2024, the Issuer will correct the interim condensed consolidated financial statements for the first quarter of 2025 published by the Issuer on 22 May 2025. The Issuer's Management Board will publish the corrected interim condensed consolidated financial statements for the first quarter of 2025 by 27 June 2025.

Legal basis:

Art. 17(1) MAR – confidential information.

President of the Management Board

Jakub Kaczmarek