



(TRANSLATION ONLY)

Current report No: 2/2021

Prepared on: 2021-01-20

Issuer's abbreviated name: TORPOL S.A.

Subject: Update on cooperation with HSBC Branch in Poland

Legal Grounds:

Article 17(1) of MAR – Confidential Information

Contents of the Report:

With reference to the current report No. 80/2019 and earlier reports concerning the cooperation with HSBC Branch in Poland, the Management Board of TORPOL S.A. [Company, Issuer] informs that on 20 January 2021 the Company concluded with HSBC Continental Europe (Joint Stock Company) Branch in Poland [formerly: HSBC France (Joint Stock Company) Branch in Poland, hereinafter referred to as the Bank] a subsequent annex to the Guarantee Facility Agreement and Sustainable Trade Facility Agreement. Under the Agreement, the availability period of the allocated limit for guarantees up to the amount of PLN 115 million has been extended until 7 January 2022, whereas the sublimit for guarantees issued for liabilities of the subsidiary Torpol Oil&Gas sp. z o.o. at the amount of up to PLN 10 million is available until 30 July 2021.

Under the agreement for the line of sustainable trade instruments, the Company will have the option to instruct the Bank to issue tender guarantees, payment guarantees and advance payment refund guarantees for the Company's liabilities as collateral for contracts implemented for PKP PLK S.A. At the same time, when applying for the issuance of a new guarantee, the Company will be obliged to document that the contract financed by the Bank is an ecological project meeting the criterion of positive impact on the environment expressed by lower CO2 emissions projected and measured for rail transport as compared to road transport. The remainder of the terms and conditions of cooperation with the Bank under the aforementioned agreement have not materially changed.

As of the day of drawing up this report, the limit in question has been utilized to the amount of PLN 32.6 million.