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Grupa Azoty S.A. Signs Amendment to Agreement with Financial Institutions, with Ongoing Implementation of Remedial Actions

Grupa Azoty S.A. has signed an Amendment to the Agreement dated February 2, 2024, with subsequent modifications, on behalf of itself and selected companies within the Grupa Azoty Capital Group. The duration of the Agreement has been extended to October 11, 2024. Simultaneously, Grupa Azoty is consistently implementing remedial actions such as optimizing sales and production projects, achieving business synergies across the Capital Group, and introducing internal savings. The Management Board is also preparing to make decisions in the coming weeks regarding the divestment of non-essential assets and the closure of long-term unprofitable installations. Additionally, intensive discussions are ongoing with Trade Unions to agree on suspending the most costly elements of the Collective Labor Agreement (ZUZP).

In recent days, Grupa Azoty has also embarked on a key project, the Strategic Business Review, aimed at developing the ultimate business model for the Capital Group's operations.

"Regardless of discussions with financial institutions and the agreements being signed, we are consistently taking actions to improve the Group's financial situation and stabilize and increase revenues. The agreements we enter into are proof that both parties are seeking solutions to create conditions for Grupa Azoty's effective long-term functioning. Besides the challenges of achieving financial stability, we must remember that we operate in a very demanding market environment. This includes increased fertilizer imports from Russia and Belarus, as well as high CO₂ emission allowance costs, compounded by fewer free allowances due to production levels being considered from a period when the Group had significantly reduced production. We are a strategic entity in the national food chain, and thus we clearly articulate these most problematic issues through European organizations of which Grupa Azoty is a member," **said Adam Leszkiewicz, President of the Management Board of Grupa Azoty S.A.**

The signing of the Amendment ensures the continued availability of limits under the Financing Agreements and prevents financial institutions from taking actions aimed at canceling or reducing the available limits of the Financing Agreements, as well as not exercising certain rights arising from the Financing Agreements due to breaches or potential breaches during the Agreement's validity. The Agreement, with the consent of the financial institutions, may be further extended.

The company emphasizes that it consistently meets all obligations regarding the servicing and repayment of liabilities under the Financing Agreements. The available limits of these agreements ensure liquidity and financial security for Grupa Azoty and its obligations to suppliers, as well as the continuity of operations.

The Amendment, effective from July 30, was signed with the following Financial Institutions: Powszechna Kasa

Oszczędności Bank Polski S.A., Bank Gospodarstwa Krajowego, ING Bank Śląski S.A., Santander Bank Polska S.A., Caixabank S.A. Branch in Poland, BNP Paribas Faktoring sp. z o.o., ING Commercial Finance Polska S.A., Pekao Faktoring sp. z o.o., BNP Paribas Bank Polska S.A., Santander Faktoring sp. z o.o., and Banco Santander S.A. Branch in Frankfurt, as well as the European Bank for Reconstruction and Development and the European Investment Bank.