



GRUPA PBG

**CURRENT REPORT FILED WITH THE POLISH FINANCIAL SUPERVISION
AUTHORITY**

DATE: May 30th 2018

Subject: Execution of gas pipeline construction contract with Operator
Gazociągów Przesyłowych GAZ-SYSTEM S.A.

Contents:

Current Report No. 20/2018

Further to Current Report No. 17/2018 of April 27th 2018, in which RAFAKO S.A. of Racibórz (the “**Company**” or “**RAFAKO**”) announced that Operator Gazociągów Przesyłowych GAZ-SYSTEM S.A. of Warsaw (the “**Employer**”) had selected the Company’s bid as the preferred bid in the tender procedure for construction work under the project to construct the Goleniów-Płoty section of the DN 700 Szczecin-Gdańsk pipeline, the Company’s Management Board announces that on May 30th 2018, the Company signed a contract with the Employer for general contractor services as part of the project to construct the Goleniów-Płoty section of the DN 700 Szczecin-Gdańsk pipeline, together with the accompanying infrastructure (the “**Contract**”).

The value of the Contract is PLN 124,892,356.00 VAT exclusive (PLN 153,617,597.88 VAT inclusive).

The time for performing the Contract is 24 months from its date.

The aggregate value of contractual penalties for any breach under the Contract is limited to 20% of the contract price (VAT exclusive).

If losses incurred by the Employer exceed the amount of contractual penalties, the Employer may seek compensation in excess of the contractual penalties in accordance with the laws of general application.

Each Party’s total liability for non-performance or improper performance of the Contract may not exceed 100% of the contract price (VAT inclusive).

The other terms and conditions of the Agreement do not differ from the terms and conditions commonly applied in contracts of this kind.

Legal basis: Art. 17.1 of the Market Abuse Regulation – Inside information

Agnieszka Wasilewska-Semail, President of the Management Board

Jarosław Dusiło, Vice President of the Management Board