

## CURRENT REPORT FILED WITH THE POLISH FINANCIAL SUPERVISION AUTHORITY

DATE: February 15th 2019

**Subject:** [Execution of contract with Operator Gazociągów Przesyłowych GAZ-SYSTEM S.A. for construction work for Kędzierzyn Compressor Station project \[Current Report No. 3/2019\].](#)

**Contents:** Current Report No. 3/2019

Further to Current Report No. 39/2018 of November 21st 2018, announcing that Operator Gazociągów Przesyłowych GAZ-SYSTEM S.A. of Warsaw (the “**Employer**”) had selected the bid submitted by RAFAKO S.A. of Racibórz (the “**Company**”, “**RAFAKO**”) as a leader of the consortium with PBG oil and gas Sp. z o.o. (consortium member) as the best bid in the tender procedure for the project to build the Kędzierzyn Compressor Station, the Management Board of the Company announces that on February 15th 2019 the Company and the Employer signed a contract for construction work under the project (the “**Contract**”).

The VAT-exclusive value of the Contract is PLN 168.7m (PLN 207.5m VAT inclusive), with the Company’s share accounting for 95% of this amount.

The time for performing the Contract is 25 months from its date.

The aggregate value of contractual penalties for any breach under the Contract is limited to 25% 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 Contract 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, Vice President of the Management Board

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