

Current report No 33/2019

Date of issue: 03/12/2019

Issuer short name: POLIMEX MOSTOSTAL

Subject: Conclusion of a significant agreement

Legal basis: Article 17(1) of the Market Abuse Regulation (MAR) – confidential information.

Content of the report:

With reference to the current report No 30/2019 of 19 November 2019, the Management Board of Polimex Mostostal S.A. with the registered office in Warsaw (the “Company”, the “Issuer”) informs about the conclusion of an Agreement between the City of Konin (the “Ordering Party”) and the consortium comprising of the Company (as the consortium leader) and Polimex Infrastruktura Sp. z o.o. with the registered office in Warsaw (the subsidiary of the Issuer, the consortium partner) (“Infrastruktura”, jointly referred to as the “Contractor”). The subject of the Agreement is the implementation of the following investment: “Construction of the connection between the Paderewski street with the Wyzwolenia street in Konin in relation to the modernization of the E-20 railway line” (the “Assignment”).

The gross remuneration for the performance of the Assignment amounts to PLN 72,440,687.64. The remuneration will be payable after the completion of contractually specified stages of the Assignment. As per the Agreement, the Contractor is obliged to complete the Assignment by 16 September 2021.

In order to cover any potential claims from the Ordering Party, the Contractor will provide security for the proper performance of the Agreement, as stipulated in the provisions of the Public Procurement Law.

The Agreement provides for contractual penalties, however the total amount of contractual penalties imposed on the Contractor for all titles outlined in the Agreement cannot exceed 40% of the gross contractual remuneration.

Pursuant to the Agreement, the Contractor will provide the Ordering Party with the quality warranty for the subject of the Agreement for the period of 10 years, excluding the green area, the thin layer horizontal markings and the thick layer horizontal markings. The Contractor has separately granted the Ordering Party with the warranty for defects. The warranty period for defects corresponds with the quality warranty period.

The Parties provided for a contractual entitlement to withdraw from the Agreement.