

Current report No 24/2020

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Issuer short name: POLIMEX MOSTOSTAL

Subject: Conclusion of a settlement regarding adjustment of the Contract Value

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

Content of the report:

With reference to the following current reports: report No 61/2017 of 29 June 2017, report No 3/2019 of 30 January 2019, report No 22/2019 of 17 July 2019 and report No 31/2019 of 20 November 2019, the Management Board of Polimex Mostostal S.A. with the registered office in Warsaw (the "Company") informs about the conclusion of a settlement (the "Settlement") in connection with the implementation of the contract of 29 June 2017 for the delivery and assembly of a gas and steam power unit at the Żerań CHP Plant in Warsaw (the "Contract") between PGNiG TERMIKA S.A. with the registered office in Warsaw (the "Ordering Party") and Mitsubishi Hitachi Power Systems Europe GmbH with the registered office in Germany, Mitsubishi Hitachi Power Systems Ltd. with the registered office in Japan, Mitsubishi Hitachi Power Systems Europe Ltd. with the registered office in London and the Company as consortium members (jointly referred to as the "Contractor"). The subject of the Settlement is an adjustment of the Contract Value in light of an increase to the costs of its implementation that was unpredictable at the time of the submission of the offer. As a result of the Settlement, the Contract Value will increase by PLN 29.2 million net. The Company's share in this increase amounts to PLN 19.6 million net. The Contractor and the Ordering Party consented that upon the conclusion of the Settlement, the protocol of the mediation procedure and the Settlement should be immediately submitted to the relevant court of law for approval by the mediator who was present during the conclusion.