



GRUPA PBG

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

DATE: September 29th 2016

**Subject: Conclusion of significant conditional agreement with JSC VILNIAUS
KOGENERACINĖ JĖGAINĖ**

Text of the report:

Current Report No. 28/2016

Further to Current Report No. 23/2016, the Management Board of RAFAKO S.A. (the "Company", "Contractor") announces that on September 29th 2016 JSC VILNIAUS KOGENERACINĖ JĖGAINĖ (the "Employer") and the Company signed a contract for construction of a biomass-fired co-generation unit composed of boilers with fluidised beds, biomass storage and feeder systems, and flue gas treatment system (the "Contract"). The project will be executed as part of the process to construct a new CHP plant in Vilnius, Lithuania. The value of the contract is EUR 149,650,000 (VAT exclusive).

The project completion deadline is 28 months as of the date of the Notice To Proceed, which will be issued no later than nine months after the Contract date. If the Contractor fails to issue the NTP within those nine months (condition), the Contract will be null and void. The aggregate value of contractual penalties is limited to 15% of the contract price (VAT exclusive), and the Contractor's total liability towards the Employer under or in connection with the Contract may not exceed 20% of the price (VAT exclusive).

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

Given its value, the Contract meets the criteria of a significant agreement.

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