

Current report 07/2021

Subject: Fulfillment of the conditions for the signing of the agreement for construction of gas and steam CHP plant in Siechnice (New Czechnica CHP plant)

The Management Board of the company Zespół Elektrociepłowni Wrocławskich KOGENERACJA S.A. („Company”), in reference to the current report 2/2021 i 6/2021 hereby informs that:

- On March 5, 2021, the Supervisory Board of the Company adopted a resolution on giving consent for the “turn key” development investment consisting of construction of CCGT combined heat and power plant for Zespół Elektrociepłowni Wrocławskich KOGENERACJA S. A. in Siechnice, as a result of which new fixed assets of the value exceeding PLN 10 000 000 will be created, provided that the President of the Energy Regulatory Office grants a co-generation individual premium to the Company for the unit New Czechnica CHP plant, on the ground of the Act of December 14, 2018 on promotion of electricity from highly-efficient co-generation and gave a positive opinion on the draft resolutions included in the agenda of the Extraordinary General Meeting of the Company, convened on April 1, 2021.
- On March 12, 2021, by the decision of the President of the Energy Regulatory Office, the Company obtained a co-generation individual premium, based on the Act of 14 December 2018 on the promotion of electricity from high-efficiency cogeneration, for the New Czechnica CHP plant,
- On April 1, 2021, the Extraordinary General Meeting adopted a resolution on giving consent to the acquisition of fixed assets within the meaning of the Act of 29 September 1994 of the value exceeding PLN 10 000 000 by giving consent for the “turn key” development investment consisting of construction of CCGT combined heat and power plant for Zespół Elektrociepłowni Wrocławskich KOGENERACJA S. A. in Siechnice, as a result of which new fixed assets of the value exceeding PLN 10 000 000 will be created, based on the agreements with the consortium of companies composed of: Polimex Mostostal S.A., al. Jana Pawła II 12, 00-124 Warszawa, NIP: 8210014509 - Consortium Leader and Polimex Energetyka Sp. o. o. , al. Jana Pawła II 12, 00-124 Warszawa, NIP: 6760101371 - Consortium Partner with the value of PLN 1 277 021 671.15 net, i.e. 1 570 736 655.52 PLN gross, including:
 - EPC Contract: 1 159 180 000.00 PLN net, i.e. 1 425 791 400. 00 PLN gross,
 - LTSA Agreement: 117 841 671. 15 PLN net, i.e. 144 945 255. 52 PLN gross

Thus, on April 1, 2021, the last condition for the approval of the selection by the Management Board of the offer by consortium consisting of Polimex Mostostal S.A. (Consortium Leader) and Polimex Energetyka sp. z o.o. (Consortium Partner) submitted in the procurement procedure titled „Turn-key construction of CCGT combined heat and power plant for Zespół

Elektrociepłowni Wrocławskich KOGENERACJA S.A. in Siechnice” and an agreement will be concluded with the above mentioned a consortium for the implementation of the New Czechnica CHP plant, about which the Company will inform in a separate report.

Legal basis: Article 17(1) MAR.