

Report's type: Current report ESPI
Number: 6/2023
Entity: LUG S.A.
Date: 21.04.2023
Time: 10:07

Subject: Conclusion of an agreement by the Issuer's subsidiary – LUG Light Factory Sp. z o.o.

Management Board of LUG S.A. („Issuer”, „LUG”) with its headquarters in Zielona Góra, with reference to current report no. 2/2023 of March 9, 2023, no. 4/2023 of April 3, 2023 and no. 5/2023 of April 19, 2023, informs that on April 21, 2023, the Issuer's subsidiary - LUG Light Factory sp. z o. o. („Company”) concluded an agreement for „Delivery of new LED lighting luminaires" (ZDM/UM/DZP/101/PN/ 22/22) for the Capital City of Warsaw („Ordering Party”).

According to the content of the submitted offer, LUG Light Factory sp. z o.o. will be responsible for the implementation of the project, i.e. for:

- development and delivery of lighting luminaires projects,
- delivery of certificates (ENEC oraz ENEC+) for luminaires approved by the Ordering Party,
- development and delivery of photometric projects,
- delivery of new luminaires based on designs approved by the Ordering Party,
- concluding necessary trainings for the Ordering Party's Staff.

Nearly 35.3 thousand of street luminaires will be replaced with luminaires made by LUG Light Factory Sp. z o. o. in accordance with an individual project developed specifically for Warsaw as a part of the ZDM/UM/DZP/61/PN/53/20 proceeding.

The total value of the offer of LUG Light Factory sp. z o.o. is PLN 39,440,925.87 gross. In addition, the Ordering Party will be entitled to options right, which will cover the delivery of additional LED luminaires with a total value of up to PLN 5,000,000 gross. The Ordering Party may decide to exercise the option right by December 16, 2024.

The final deadline for the completion of the subject of the agreement was set at 18 months from the date of its signing. Payments under the agreement will be made in accordance

with the schedule specified in the agreement, and the basis for issuing each invoices will be a partial acceptance protocol for individual batches of luminaires. Payments to the Company will be made in a similar way, if the Ordering Party exercises its right to the delivery option of additional lighting luminaires.

In order to secure the proper performance of the obligations arising from the agreement, the Company provided a performance bond in the amount of 5% of the total gross remuneration in the form of a bank guarantee.

The detailed terms and conditions of the agreement and the risks associated with it, do not differ from the terms and conditions commonly used on the market for this type of agreement.

Legal basis: Art. 17 para. 1 MAR – confidential information.

Company's Representative:

Ryszard Wtorkowski – CEO of the Board