Press Release

Zielona Góra, December 22nd, 2020

**LUG to light up Warsaw**

The largest lighting replacement project in Poland and one of the largest in Europe

* **LUG will replace 38,5 thousand of street luminaires**
* **Luminaires will be delivered for 12 months**
* **Total contract value: PLN 32.08 mln gross**
* **Luminaires are an original project developed especially for the city of Warsaw. The company will implement the project comprehensively: from the concept of the prototype, through designs, to the delivery of luminaires to the capital**
* **The luminaires will be equipped with a remote control system for the functioning and inventory of street lighting infrastructure. The solution will be provided by BIOT - a company belonging to the LUG S.A. Capital Group**

**The National Board of Appeal fully rejected the appeal of Signify in the tender procedure for the "Supply of new lighting fittings in LED technology" for the Capital City of Warsaw, which means that the selection of the best offer is final. The winner of the tender procedure is the Polish lighting manufacturer LUG Light Factory operating on international markets, a subsidiary of LUG S.A. The company will provide Warsaw with more than 38.5 thousand luminaires. Six companies, with some of the largest international corporations among them, took part in the bidding procedure, but it was LUG's bid that was assessed to be the best. As per the Employer's specification, the new lamps will be installed in stages, and the last batch should appear on the streets of the city in December 2022.**  **The total value of the bid is PLN 32.08 million gross. The Employer (the Capital City of Warsaw) is also entitled to the so-called “option”, which means that it can increase the number of LED luminaires to a number corresponding to an additional PLN 5 million gross without any additional bidding procedure.**

**One of a kind**

The street luminaires will be custom-made for the capital city of Warsaw. This means that they will be designed and manufactured from scratch by LUG Light Factory Sp. z o.o. designers, as per the guidelines of the Public Road Administration.

- It is a great honour to be able to prepare an original lighting project for the capital city. The new LED luminaires will be one of a kind. Thanks to their unique shape that comes in two sizes, Warsaw will be illuminated with stylistic coherence and the highest parameters of light efficiency will be maintained. Luminaires will be equipped with Zhaga sockets, where controllers for a lighting management system can be installed in the future - says **Ryszard Wtorkowski, President of the Management Board of LUG S.A. and LUG Light Factory Sp. z o.o.** – The project will be implemented in a comprehensive manner. BIOT sp. z o.o., a member of our Capital Group, will be responsible for the implementation of the remote control system and for the infrastructure inventory.

**Additional PLN 16 million in the Warsaw budget**

This investment of the Capital City Hall will result in a three-fold reduction in electricity costs. The savings resulting from lower energy consumption will amount to approx. 38 GWh (gigawatt-hours) per year, reducing electricity bills by approx. PLN 16 million. As a result, a return on the investment is expected within three years.

Thanks to the tool-free mounting system, the luminaires will also be easier to mount and use. Luminaire components, as well as all electrical connections, have been designed in such a way that maintenance is quick and easy, and consequently also cheaper. This approach, as well as the aluminium alloys used to construct the luminaires mean they will last several decades and meet the requirements of the “right to repair” Directive, which will come into force in April 2021.

In the future, lower operating costs will also be influenced by the use of a lighting management system, thanks to which information about the failure of any of the luminaires will be sent directly to the Public Road Administration, without the need to send maintenance personnel to the site. This is a matter of future decisions, but LUG luminaires will already be equipped with Zhaga sockets that will enable integration with such a system.

**One of the largest lighting investment projects in Europe**

The concluded bidding procedure concerns the replacement of lighting on the main streets of Warsaw. There are also plans to replace the lighting on high posts at road junctions and on historic streets. This means that the total quantity of replaced lighting will increase to 43 thousand luminaires. The planned retrofitting in Warsaw will be the largest project of this type in Poland, as well as one of the largest in Europe. From 2017-2020, 56 thousand luminaires were replaced in Manchester and 12 thousand in London. Santander, Spain, has recently completed the replacement of 23 thousand luminaires and Vienna is currently replacing 60 thousand luminaires.

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LUG S.A. is a holding company of the LUG S.A. Capital Group - one of the leading European producers of professional lighting solutions. The Group sells its products in Poland and in several dozen countries around the world. The company with 30 years of experience based in Zielona Góra, has been operating as a Capital Group since 2008. It consists of: LUG S.A., LUG Light Factory Sp. z o.o., LUG GmbH, LUG do Brasil Ltda, LUG Lighting UK Ltd., TOW LUG Ukraina, BIOT Sp. z o.o., LUG Argentina SA, LUG Turkey, ESCOLIGHT Sp. z o.o., LUG Services Sp. z o.o. and LUG West Africa Ltd. LUG S.A. since November 2007 it has been listed on the NewConnect market managed by the Warsaw Stock Exchange. More information: www.lug.com.pl

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