

Current Report No. 23/2017

Date prepared: 2017-07-21  
Short name of the issuer: ELEKTROTIM S.A.  
Subject: Appointing the Audit Committee  
Legal grounds: Article 17, section 1 of MAR - Confidential Information

Content of the Report:

Acting pursuant to Articles 128 and 129 of the Act of 11.05.2017 on auditors, audit firms, and public supervision (Dz.U. of 2017, item 1089) and paragraph 19 section 8 of the Articles of Association of ELEKTROTIM S.A., the Supervisory Board of the Company appointed on 20.07.2017 the Audit Committee comprising:

1. Wojciech Heydel - Chairperson of the Audit Committee, independent member,
2. Mateusz Rodzynkiewicz - Member of the Audit Committee, independent member,
3. Mirosław Nowakowski - Member of the Audit Committee, dependent member.

Up to now the Supervisory Board has performed the function of an audit committee.

The term of office of the Audit Committee shall expire as of the day of the Ordinary General Meeting of Shareholders of ELEKTROTIM S.A. endorsing the Financial Statements for 2017.

ELEKTROTIM S.A. informs that the Committee of the presented composition fulfils the independence criterion and other requirements set forth in Article 129, sections 1, 3, 5, and 6 of the Act on auditors, audit firms, and public supervision, i.e.:

- a) at least one member of the audit committee possesses knowledge and skills in the scope of bookkeeping or examining Financial Statements,
- b) at least one member of the audit committee possesses knowledge and skills in the scope of the Company's sector,
- c) the majority of the members of the audit committee, including the Chairperson, is independent of the Company.

The Company informs that pursuant to the detailed regulation II.Z.8 of the "Good Practices of WSE Listed Companies 2016", the Chairperson of the Audit Committee fulfils the independence criterion included in the Annexe no. 2 to the Commission Recommendations 2005/162/CE of 15 February 2005 regarding the role of the non-executive Directors or being members of the supervisory board of the listed companies and (supervisory) board commission.