

Current Report No. 34/2019

Date prepared: 2019-10-30

Short name of the issuer: ELEKTROTIM S.A.

Subject: Changing the Composition of the Audit Committee of ELEKTROTIM S.A.

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 2019, item 1421, as amended) and paragraph 19 section 8 of the Articles of Association of ELEKTROTIM S.A., due to the change in the personal composition of the Supervisory Board and appointing on 08.10.2019 by the Extraordinary General Meeting of Shareholders of ELEKTROTIM S.A. two new members of the Supervisory Board, the Supervisory Board of the Company has appointed Krzysztof Kaczmarek as the Member of the Audit Committee.

Given the above, the Audit Committee of ELEKTROTIM S.A., from 30.10.2019, comprises the following Members:

1. Wojciech Gąsior - Chairperson of the Audit Committee, independent member,
2. Mirosław Nowakowski - Member of the Audit Committee, independent member,
3. Krzysztof Kaczmarek - Member of the Audit Committee, independent member.

The term of office of the Audit Committee commenced on 09.07.2019 and shall expire as of the day of the Ordinary General Meeting of Shareholders of ELEKTROTIM S.A. endorsing the Financial Statements for 2019.

ELEKTROTIM S.A. informs that the Committee of the presented composition, according to the submitted representations, fulfil 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) three members of the Audit Committee: Wojciech Gąsior, Mirosław Nowakowski, and Krzysztof Kaczmarek - possess knowledge and skills in the scope of bookkeeping or auditing Financial Statements,
- b) two members of the Audit Committee: Mirosław Nowakowski and Krzysztof Kaczmarek - possess knowledge and skills in the scope of the sector the Company operates in,
- c) two members of the Audit Committee: Wojciech Gąsior (Chairperson of the Committee) and Krzysztof Kaczmarek - are 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 - Mr Wojciech Gąsior - fulfils the independence criterion included in the Annex 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.

