

POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report No. 12/2020

Date prepared: 2020-06-02

Short name of the issuer: ELEKTROTIM S.A.

Subject Information on entering a settlement with PORR S.A. resulting in terminating the write-down and terminating reserves for losses for CH SOLARIS project in Opole

Legal grounds Article 17, section 1 of MAR - Confidential Information

Content of the Report:

Information on entering a settlement with PORR S.A. resulting in terminating the write-down and terminating reserves for losses for CH SOLARIS project in Opole.

The Board of ELEKTROTIM S.A. ("the Company") informs that on 02.06.2020 it received a settlement signed by PORR S.A. with its seat in Warszawa (date of the settlement: 28.05.2020) which subject is settling all claims of ELEKTROTIM S.A. against PORR S.A. resulting from a Contract of 14.11.2017 on executing telecommunication and electric works in CH "SOLARIS" in Opole ("the Contract").

Pursuant to the above-mentioned Settlement it has been agreed that a total amount of the salary of ELEKTROTIM S.A. for performance of the Contract and additional works shall amount to PLN 11,325,803.85 and its payment satisfies all mutual claims of the Parties.

The Board of ELEKTROTIM S.A. informed about the above-mentioned project CH Solaris in Opole in the annual Report of the Board regarding the operations of ELEKTROTIM S.A. in 2019 with the assessment of factors and unusual events having an impact on the result of operations in 2019.

In 2019 a write-down was concluded of the value of receivables for the overdue receivables related to the CH Solaris project in Opole and reserves were established for the expected losses.

Terminating the write-down for the overdue receivables and terminating reserves for losses shall have a positive impact on the individual and consolidated financial result of ELEKTROTIM S.A. and ELEKTROTIM Group of Companies for the first six months of 2020 in the amount of PLN 1.3 million (estimation).

In the forecast financial result of ELEKTROTIM S.A. for 2020 which was published on 04.02.2020 in a Current Report no. 4/2020, the Board of ELEKTROTIM S.A. did not include potential termination of the wrote-down and termination of reserves related to the said Contract.