

POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report No. 48/2015

Date prepared: 11.08.2015
Short name of the issuer: ELEKTROTIM S.A.
Subject: Information on concluding a reference contract with the KGHM Polska Miedź S.A.
Legal grounds: Article 56, section 1, subsection 2 of the Public Offering Act – current and periodical information

Content of the Report:

Pursuant to Article 5, section 1, subsection 3) of the Ordinance of the Minister of Finance of 19.02.2009 on current and periodical information provided by securities issuers and conditions for recognising as equivalent the information required by law of a non-Member State, ELEKTROTIM S.A. notifies that on 10.08.2015 it concluded a contract with KGHM Polska Miedź S.A. with its seat in Lubin, the Ore Enrichment Plant (Contract date 05.08.2015).

The subject of the Contract is substituting the R-1.13 500 V switchgear as part of the following project: "Substitution of the MV and HV switching station in the Ore Enrichment Plant Rudna".

The value of the Contract shall be PLN 1,686,705.85 net (say: one million, six hundred eighty six thousand, seven hundred five zlotys, 85/100).

The Parties agreed that the subject of the Contract shall be executed within 50 weeks from the date of signing the Contract.

Thus, the above-mentioned Contract is another contract with the same Ordering Party concluded within last 12 months for the total amount exceeding 10% of equity capital of ELEKTROTIM S.A. (the total value of the contracts jointly with the Current Report shall be PLN 8.459.305,85 net).

Pursuant to Article 9, subsection 8) of the Ordinance of the Minister of Finance of 19.02.2009 on current and periodical information, the Board of ELEKTROTIM S.A. provides information set forth in Article 9, section 5, including contractual penalties - in connection to the contract of the highest value, i.e. the Contract concluded on 16.12.2014 with KGHM Polska Miedź S.A., the Ore Enrichment Plant Legnica, for the net amount of PLN 2,945,000.00 for the execution of the following task: "Substitution of the over-exploited switchgear OPT – 6/6 kV".

The Ordering Party shall be entitled to impose the contractual penalties onto the Contractor for:

1. withdrawal from executing the subject of the Contract by the Ordering Party due to reasons attributable to the Contract in the amount of 15% of the contractual remuneration,
2. delay in execution of the scope of works specified in the Contract - in the amount of 0.5% of the value of remuneration per each day of delay started, from the day set forth in the Contract,
3. delay in repairing faults discovered during the commissioning or within the warranty and statutory warranty period in the amount of 0.2% of the contractual remuneration per each day of delay started, from the day set forth for the repair of the fault.
4. delay in delivering the subject of the Contract free of faults discovered during the commissioning or within the warranty and statutory warranty period in the amount of 0.2% of the contractual remuneration, per each day of delay started, from the day set forth for the delivery of the subject free of any faults.

The Contractor shall be entitled to charge the Ordering Party with the contractual penalty for withdrawing from the Contract by the Contractor due to reasons attributable to the Ordering Party, in the amount of 15% of the contractual remuneration reduced by the carried out works, used materials, and materials purchased for the execution of the subject of the Contract re-purchased from the Contractor.

The Parties may seek supplementary compensation under the general provisions in case the loss exceeds the agreed contractual penalties.

The above-mentioned Contract shall be considered as reference contract if the total value of all contracts concluded with KGHM Polska Miedź S.A. within last 12 months exceeds 10% of equity capital of ELEKTROTIM S.A.