

POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report No. 38/2016

Date prepared: 2016-09-21
Short name of the issuer: ELEKTROTIM S.A.
Subject: Information on concluding a contract with Polskie Sieci Elektroenergetyczne S.A. regarding the Branch Office of PSE in Poznań
Legal grounds: Article 17, section 1 of MAR - Confidential Information

Content of the Report:

ELEKTROTIM S.A. informs that on 21.09.2016 it concluded Contracts on behalf of the Consortium of Companies: Elektroenergetycznymi S.A. (Consortium Leader) and Zakład Wykonawstwa Sieci Elektrycznych MEGA-POL S.A. with its seat in Bydgoszcz (Consortium Participant) with Polskie Sieci Elektroenergetyczne S.A. with its seat in Konstancin-Jeziorna (date of the Contract: 20.09.2016).

The Company informed about the selection of the offer by ELEKTROTIM S.A. as the most favourable in the proceeding carried out by Polskie Sieci Elektroenergetyczne S.A. as an open tender for: "Rendering exploitation at the electrical power engineering PSE S.A. (area managed operationally by Branches of PSE S.A. in Katowice, Poznań, and Bydgoszcz), with the amount of PLN 22,860,498.00 for Packages from 1 to 13 and from 15 to 17" in Current Report No. 35/2016 of 05.08.2016.

The Company informed about concluding first seven contracts on executing works for PSE S.A. - Branch Office in Katowice, in Current Report No. 37/2016.

The Subject of the subsequent five contracts (package 12-13 and 15-17) is carrying out by the Consortium for PSE S.A. maintenance works on line facilities of the HV transmission network owned by PSE S.A., located in the area managed by the Branch Office of PSE S.A. in Poznań.

The total value of the above-mentioned Contracts shall amount to PLN 6,867,105.00.

The Contracts include provisions regarding the character of the services covered by the subject of the Contracts, which means that the total estimated remuneration net within the period of the Contract shall not exceed the amount of PLN 6,867,105.00. Exceeding the above-mentioned amount shall not cause in termination of the Contract - however, in such case PSE S.A. shall be entitled to terminate the Contracts with 60-day notice.

The remuneration comprises:

- a) total remuneration for the execution of the inspection of the single-track lines and double-track lines for the planned number of operations, which amounts to PLN 2,033,180.
- b) total remuneration for the execution of maintenance works for the planned number of operations, which amounts to PLN 2,544,890.
- c) remuneration for execution of maintenance operations settled by calculation or post-completion estimation, which amounts to PLN 2,289,053.

Completion date for the Contracts shall be 31.12.2019.

Other terms and conditions of the Contracts, including provisions regarding contractual penalties do not diverge from the commonly applicable terms and conditions of this kind of Contracts.

According to Report No. 37/2016 and this Report the Company has so far concluded contracts for the total estimated remuneration net in the amount of PLN 16,398,939.

The last package of contracts that is to be reported shall refer to the area managed by the Branch Office of PSE S.A. in Bydgoszcz.

The Company publishes the Report due to the fact that the Company qualifies concluding the subject Contracts as confidential information in conformity with the definition set forth in Article 7 of MAR Ordination.