

POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report No. 16/2019

Date prepared: 2019-08-08

Short name of the issuer ELEKTROTIM S.A.

Subject Information regarding the conclusion of contracts with TAURON Dystrybucja S.A., Branch Office in Wrocław and Branch Office in Legnica

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

Content of the Report:

ELEKTROTIM S.A. informs that on 08.08.2019 it received two contracts concluded with the following Branch Offices of TAURON Dystrybucja S.A.: Branch Office in Wrocław (date of contract: 08.08.2019) and Branch Office in Legnica (date of contract: 08.08.2019).

The subject of each of the above-mentioned contracts is the execution for the particular Branch Offices of TAURON Dystrybucja S.A. (hereinafter referred to as the Ordering Party) the following task: expansion of the technical infrastructure of the Dispatching Communication Centre within the territory of TAURON Dystrybucja S.A. Branch in Wrocław and Branch Office in Legnica. The execution of each of the Contracts includes developing complete detailed, technical and legal documentation (design documentation) based on the technical assumptions of the investment specified in the Contract, as well as building or/and modernising and commissioning to the Ordering Party, the Ordering Party's location (facility), in accordance with the design documentation approved by the Ordering Party.

The final term for each of the Contracts has been set for 30.11.2020.

For the execution of the Contract ELEKTROTIM S.A. shall receive remuneration in the amount of PLN 5,230,000 net (Branch Office in Wrocław) and PLN 7,450,000 net (Branch Office in Legnica). In total PLN 12,680,000 net.

The warranty period for the executed subject of the Contract shall be 60 months for each Contract and includes the design documentation and the facility.

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

ELEKTROTIM S.A. informed about the selection of the offer submitted by the Company as the most favourable offer in the Current Report no. 13/2019 of 02.08.2019 and no. 14/2019 of 05.08.2019.

Taking into account the current portfolio of orders of ELEKTROTIM S.A., as well as estimated risk of the Company in the context of, among others, risk of becoming dependant of receivers-customers, the Company publishes the fact of concluding the above-mentioned Contracts due to their significance for the incomes of ELEKTROTIM S.A. in the future.