

## FINANCIAL SUPERVISION AUTHORITY

Current report No. 32/2022

Date: December 12, 2022

Short name of the issuer: ELEKTROTIM S.A.

Topic: Disclosure of delayed confidential information on the commencement of sales negotiations by ELEKTROTIM S.A. for the sale of shares in the subsidiary PROCOM SYSTEM S.A. z/s in Wrocław.

Legal basis: Art. 17 sec. 1 of MAR - notice of delayed disclosure of confidential information.

Report content:

Acting on the basis of art. 17 sec. 1 and 4 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directive 2003/124/EC, 2003/125/EC and 2004/72/EC („MAR Regulation”) ELEKTROTIM S.A. z/s in Wrocław („Company”, „Issuer”) - in connection with the cessation of the reasons for the delay in confidential information - provides the following confidential information regarding the sale by ELEKTROTIM S.A. of shares of a subsidiary from the Capital Group, i.e. PROCOM SYSTEM Spółka Akcyjna with its seat in Wrocław („Confidential Information”), the disclosure of which was delayed from August 12, 2022.

Content of Confidential Information delayed on August 12, 2022 pursuant to art. 17 sec. 4 of MAR:

The company informs that on August 12, 2022, it started negotiations with Mr. Artur Wójcikowski and Mr. Bogdan Doliński regarding the sale of 3,000,000 shares of PROCOM SYSTEM S.A. with its registered office in Wrocław (the „Subsidiary”), owned by the Company, constituting 90.91% of the share capital of the Subsidiary, entitling to 3,000,000 votes at the General Meeting of the Subsidiary, constituting 90.91% of the total number of votes at the General Meeting of the Subsidiary.

In the opinion of the Management Board of ELEKTROTIM S.A. information about the commencement of negotiations is confidential information within the meaning of Art. 7 of the MAR Regulation, as the potential transaction will have a significant impact on the financial results of the Company and the ELEKTROTIM Capital Group.

### **Reasons justifying the delay in providing Confidential Information:**

The Company's Management Board decided to delay the disclosure of the above Confidential Information because, in its opinion, its immediate disclosure could have an adverse effect on the course and outcome of the negotiation process, and thus on the

Company's ability to sell the Subsidiary's shares. In addition, the immediate disclosure of Confidential Information to the public on August 12, 2022 regarding the commencement of the extended negotiation process, including in particular the data of potential investors and the subject of negotiations, could result in a potentially incorrect assessment of the information and the Issuer's situation by the public, including current and potential shareholders of the Issuer and could cause unjustified changes in the price of the Issuer's shares and lead to the risk of considering the publication as actions aimed at manipulating the price, as well as affect the outcome of the negotiations.

Page 1 of 2

In addition, the Management Board of the Company decided that disclosing Confidential Information concerning one of the stages of the strategic options review to the public could negate the effects of this process and mislead as to the importance of this stage and could result in an incorrect assessment of the commenced negotiations and, consequently, effect on the value of the Company. In view of the above, in the opinion of the Company's Management Board, immediate disclosure of information about the commencement of negotiations could violate the legitimate interests of both the Company and its current shareholders, therefore the Issuer's decision to delay disclosure of confidential information to the public was in the legitimate interest of the Issuer and its shareholders.

In addition, the probability of an actual positive conclusion of the negotiation process resulting in the conclusion of contracts for the purchase of PROCOM SYSTEM S.A. shares in the future was unknown at the time the Issuer's Management Board made the decision to delay. From the Issuer's point of view, a positive conclusion of the negotiation process is crucial due to its impact on the Issuer's long-term development prospects.

In the Issuer's opinion, the delay in publishing the Confidential Information did not mislead the public opinion, because the content of the Confidential Information at an early stage of the negotiation process would not indicate whether the said negotiations would be successful. In the opinion of the Management Board, the delay of the Confidential Information did not mislead the public, due to the lack of previous public announcements by the Company regarding the matter to which the confidential information relates. In view of the above, there was no reason to believe that the Confidential Information contrasts with market expectations, based on the communication conducted so far by the Company. In view of the above, in the opinion of the Company, the delayed Confidential Information did not contrast with market expectations and was not contradictory to the information message known to market participants at that time, and thus there were no grounds to believe that the delay in disclosing the Confidential Information to the public could mislead the public opinion.

In addition, the Issuer assures that it has implemented procedures and ensured the confidentiality of all information related to Confidential Information. At the same time, access to the delayed information was granted by the Company only to persons whose access to this information was necessary to perform their professional duties. In addition, all

the above persons have been entered on the list of persons having access to Confidential Information, instructed on the rules of keeping Confidential Information and on administrative and criminal sanctions related to the unlawful use or disclosure of this information.

The Confidential Information was delayed for the duration of the process leading to the finalization of the transaction (acceptance of the offer, negotiation of the offer, sale of shares).

Considering the legitimate interest of ELEKTROTIM S.A. and its shareholders, as well as meeting the legal requirements of the MAR Regulation, the Company will provide information on the possible positive conclusion of negotiations and commencement of the transaction, if such information is considered confidential, in a separate report

On December 12, 2022, the Issuer decided to publish delayed confidential information of August 12, 2022, due to the cessation of reasons for further delay of information on December 12, 2022, i.e. in connection with the sale of shares of the Subsidiary PROCOM SYSTEM S.A. on December 12, 2022 r.