

Current Report no. 6/2017 of 09.05.2017

Subject:

Entering into a material agreement by the Issuer's subsidiary

Legal basis:

Article 17(1) 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 Directives 2003/124/EC, 2003/125/EC and 2004/72/EC

Content of the report:

The Management Board of Elektrociepłownia "Będzin" S.A. (the "Company", the "Issuer") informs that today, i.e. on 9 May 2017, it was notified by the Issuer's subsidiary – Elektrociepłownia BĘDZIN Sp. z o.o. with the registered office in Będzin (the "Subsidiary") that the Subsidiary had entered on 9 May 2017 into an agreement with a consortium composed of:

IP PROINSTAL Sp. z o.o. with the registered office in Zabrze (41-807), ul. Szczęście Ludwika 1 – the Consortium Leader, PROXIMA Sp. z o.o. with the registered office in Zabrze (41-807), ul. Adama Mickiewicza 64 – Consortium Member 1, KOMOBEX-INEL Sp. z o.o. with the registered office in Częstochowa (42-200), ul. Dekabrystów 41 – Consortium Member 2 (the "Contractor") for Modernisation of Water Treatment Plant at Elektrociepłownia BĘDZIN Sp. z o.o. (the "Agreement").

The value of the aforementioned Agreement amounts to PLN 4,717,398.00 (say: four million seven hundred seventeen thousand three hundred and ninety eight zlotys 00/100). The Agreement has been concluded for a definite period, with the completion deadline of 10 November 2017. The Agreement contains provisions on contractual penalties used in this type of agreements. The other provisions of the Agreement do not differ from those commonly used in the market in this type of agreements.

The Issuer's Management Board decided to publish the aforementioned information due to the subject of the concluded agreement being of material significance to the Issuer's Group. The planned modernisation of the Water Treatment Plant will significantly reduce the operating costs due to the use of river (decarbonised) water as feed water for the Water Treatment Plant, thus affecting future results of the Issuer.

Signatures:

Krzysztof Kwiatkowski - President of the Management Board