

Date of issue: 19 October 2016

Current report no 24/2016

Addressing a request for payment and request for cessation of further violations against the Issuer to ENERGA – OPERATOR S.A.

Legal basis: Art. 17.1 of the Market Abuse Regulation

Content of the report:

The Management Board of **ARCUS S.A.** (hereinafter “**the Issuer**”, or “**the Company**”) hereby discloses the information that has addressed a request (hereinafter “**the Request**”) to ENERGA-OPERATOR S.A. with its registered office in Gdańsk (“**Energa-Operator**”) as regards the assessment of the actions and omissions of Energa-Operator associated with implementation agreements for the delivery and setting up of meter infrastructure (agreement no ZP/62AZU/2011 of 9 September 2011, no ZP/63/AZU/2011 of 26 August 2011, no ZP/64/AZU/2011 of 26 August 2011, no W/1/AZU/00071/12 of 1 February 2013), as well implementation agreements for the development of the PLC-based intermediate infrastructure in the assembly area, no ZP/66/AZU/2011 and ZP/67/AZU/2011 of 25 October 2011 (hereinafter “**the Implementation Agreements**”) concluded by the Issuer and T-matic Systems S.A. with its registered office in Warsaw (“**T-matic**”).

The subject of the Request is demand addressed to Energa-Operator for (i) payment of the total amount of PLN 174,111,458.96 as a compensation for the damage caused to the Issuer and (ii) immediate cessation of unauthorized actions and omissions of Energa-Operator in terms of Implementation Agreements, as well as dispute between the Parties which would increase the damage of the Company and T-matic (iii) or would lead to the infringements of personal rights and interests of the Issuer and T-Matic.

In accordance with the Request, the culpable and unlawful conduct of Energa-Operator consists particularly in a defective configuration of public contract on the basis of which the Agreements being the subject of dispute were concluded as well as in failure of Energa-Operator to undertake steps aiming at settlement of this dispute. Furthermore, Energa-Operator, in a groundless and unlawful way, led to charging the contractual penalties and is responsible for the lack of payment for additional works. These actions and omissions had a negative effect on the process of conducting the Company's business, translating into a specific value of the profit lost by the Company. The foregoing is the basis of Energa-Operator liability for the damage suffered by the Issuer and with regard to which the Company addressed the Request as referred to in this report.

SIGNATURES OF PERSONS REPRESENTING THE COMPANY:

Michał Czeredys – President of the Management Board

Rafał Czeredys – Member of the Management Board