



**Current Report No. 25/2022**

Date of preparation: 28 November 2022

**Subject: Execution of an annex to the agreement with Grupa Azoty Zakłady Azotowe "Puławy" S.A.**

*General legal basis: Article 17(1) of MAR – confidential information*

*Content:*

The Management Board of LW "Bogdanka" S.A. with its registered office in Bogdanka ("Company") hereby reports that on 28 November 2022 an Annex to the Multi-Year Steam Coal Sales Agreement dated 8 January 2009 was signed between the Company and Grupa Azoty Zakłady Azotowe "Puławy" S.A. with its registered office in Puławy.

The Multi-Year Agreement was covered by current reports published in the period from 2009 to 2021, with the latest information on its amendments published in reports no.: 26/2019 dated 20 November 2019, 34/2020 dated 18 November 2020 and 26/2021 dated 29 November 2021.

The subject of the Agreement is the sale of steam coal to Grupa Azoty Zakłady Azotowe "Puławy" S.A.

As a result of the execution of the annex, the price of deliveries in the period November-December 2022 and in 2023 was agreed upon, and the terms of steam coal deliveries were updated, including an optional increase in the quantities of deliveries in the remaining years of the term of the agreement (starting from 2024). In addition, due to the occurrence of circumstances, fulfilling the characteristics of force majeure resulting in restrictions on deliveries, as announced by the Company in current report No. 19/2022 dated 14 September 2022, the Parties decided in the Annex to postpone the execution of deliveries not realized in 2022 and 2023. The outstanding volume will be delivered to Grupa Azoty Zakłady Azotowe "Puławy" S.A. no later than in 2024 and 2025.

As a result of the conclusion of this annex, the estimated value of the Agreement from its conclusion until 31 December 2027 will total (without taking into account increases, deviations and tolerances, if any) PLN 2,887 million net (i.e. 35.3% more than the value from Report No. 26/2021 dated 29 November 2021), of which the planned value in 2023-2027 will be 1,400 million net.

The remaining terms of the agreement remain unchanged and do not deviate from the market standards used in agreements of this type.

The Management Board considers the above information material due to changes in the parameters of the Agreement with one of the Company's key customers.