

Current Report No. 29/2018

Date of preparation: 19 November 2018

Subject: Concluding an annex to the agreement with Zakłady Azotowe Puławy S.A.

General legal basis: Article 17.1 of the MAR Regulation - Inside Information

Content:

The Management Board of LW Bogdanka S.A. with registered office in Bogdanka ("Company") hereby announces that on 19 November 2018 an Annex was signed to the Long-Term Agreement on the Sale of Thermal Coal of 8 January 2009, concluded between the Company and Grupa Azoty Zakłady Azotowe Puławy S.A. with registered office in Puławy.

The Agreement was referred to in Current Reports Nos. 29/2009 of 25 November 2009, 26/2011 of 5 December 2011, 55/2012 of 28 December 2012, 21/2013 of 10 June 2013, 20/2014 of 17 December 2014, 48/2015 of 25 November 2015, 40/2016 of 6 December 2016, 24/2017 of 10 October 2017 and 6/2018 of 26 February 2018.

The subject matter of the Agreement is the supply and sale of thermal coal to Zakłady Azotowe Puławy S.A.

As a result of the Annex, the price of supplies for 2019 has been agreed upon, and the term of the Agreement has been extended until 31 December 2023.

As a result of concluding the Annex, the estimated value of the Agreement from the moment it has been concluded until 31 December 2023 (without regard to possible increases, deviations and tolerance) will amount to PLN 1,534 million net (i.e. 14.6% more than specified in Report No. 6/2018 of 26 February 2018), out of which the anticipated value for the period 2019-2023 will amount to PLN 666 million net.

Other terms and conditions of the Agreement remain unchanged and do not differ from market standards applied in such agreements.

The criterion for deeming the Agreement material is the increase in its value and the extension of cooperation with one of the Company's key customers.