

Current Report No. 6/2019

Date of preparation: 24 April 2019

Subject: Release of provision for claims of the Social Insurance Institution (ZUS) in respect of occupational injury contributions and update of information on preliminary Q1 2019 financial results

Legal basis: Article 17.1 MAR – Inside Information

Content:

The Management Board of LW Bogdanka S.A. (“the Company”) hereby announces that on 24 April 2019 it was informed of the judgement of the Supreme Court of 4 April 2019 regarding the cassation appeal made by the Social Insurance Institution (ZUS), Lublin branch, on the matter of the Company's appeal against ZUS' decision on determining the interest rate of the contribution for occupational injury insurance.

The Supreme Court dismissed the cassation appeal, therefore the Court of Appeal's decision of 21 November 2017, favourable to the Company, has become legally binding and the claim has been finally rejected. The Company reported on the ongoing case in its interim reports.

On that basis and following a determination of the impact and nature of the aforesaid event, after the balance-sheet date for the interim consolidated financial statements of the Group, the Management Board decided to release the provision entirely, i.e. in the amount of PLN 22.7 million (PLN 16.4 – principal amount, PLN 6.3 million – interest).

In connection with the above, the preliminary financial results of the LW Bogdanka Group for Q1 2019, published in current report number 5/2019 of 16 April 2019, have been updated.

Updated consolidated financial results of the LW Bogdanka Group for Q1 2019:

Net revenue from sales: PLN 540.8 million

EBITDA: PLN 222.9 million

EBIT: PLN 128.0 million

Net profit: PLN 110.0 million

The results in their final version will be presented in the Consolidated Quarterly Report of the LW Bogdanka Group for the first quarter of 2019, to be published on 23 May 2019.