

Current Report No. 8/2019

Date of preparation: 14 May 2019

Subject: Recommendation of the Management Board regarding the payment of dividend from the 2018 net profit

Legal Basis: Article 17.1 of the Market Abuse Regulation (MAR) – Inside Information

Content:

The Management Board of Lubelski Węgiel Bogdanka S.A. (“Company”), with registered office in Bogdanka, hereby announces that on 14 May 2019 it adopted a resolution on a motion to the General Shareholders Meeting regarding distribution of net profit for the financial year 2018 and the payment of dividend to the Company’s shareholders.

The Management Board proposes to distribute the net profit generated by the Company in 2018 in the amount of PLN 51,596,697.12 (fifty-one million five hundred and ninety-six thousand six hundred and ninety-seven zlotys 12/100) as follows:

- to allocate PLN 25,510,192.50 (twenty-five million five hundred and ten thousand one hundred and ninety-two zlotys 50/100) for dividend payments, i.e. PLN 0.75 per share.
- The remaining amount, i.e. PLN 26,086,504.62 (twenty-six million eighty-six thousand five hundred and four zloty 62/100), to be transferred to the Company’s reserve capital.

The above proposal is in line with the dividend policy as announced by the Company in the Development Strategy of LW Bogdanka S.A. Mining Area of the Enea Group until 2025 (under the 2030 framework).

The Management Board submitted the motion to the Company’s Supervisory Board for opinion.

A final decision regarding the distribution of the 2018 profit will be made by the Annual General Shareholders Meeting of Lubelski Węgiel Bogdanka S.A.

The Management Board’s motion along with substantiation is attached to this Current Report.