

Current Report No. 9/2019

Date of preparation: 15 May 2019

Subject: Supervisory Board's assessment of the motion submitted by the Management Board of Lubelski Węgiel Bogdanka S.A. regarding the distribution of net profit for 2018

Legal basis: Article 17.1 of the MAR Regulation - Inside Information

Content:

The Management Board of Lubelski Węgiel Bogdanka S.A. (“Company”) with registered office in Bogdanka, informs you that on 15 May 2019 it positively evaluated the motion of the Management Board to the Annual General Shareholders Meeting regarding distribution of net profit for the financial year 2018.

Pursuant to the motion in question, 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:

- 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. 0.75 per share.
- The remaining amount, i.e. PLN 26,086,504.62 (twenty-six million eighty-six thousand five hundred and four zlotys 62/100) – 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 proposes to set the dividend date for 9 July 2019, and the dividend payment date for 23 July 2019.

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.