

## **Current Report No. 16/2020**

Date of preparation: 15 July 2020

### **Subject: Information on preliminary H1 2020 financial results**

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

#### Content:

The Management Board of Lubelski Węgiel Bogdanka S.A. announces that on 15 July 2020 it was informed of the Group's preliminary financial results for the first half of 2020 (H1 2020) and decided to make them public:

Consolidated financial results of the LW Bogdanka Group for H1 2020:

Net revenue from sales: PLN 849,011,000

EBITDA: PLN 221,108,000

EBIT: PLN 49,900,000

Net profit: PLN 36,669,000

The production of commercial coal in the period under discussion amounted to 3,697,000 tonnes (compared to 4,825,000 tonnes in H1 2019), and sales – 3,522,000 tonnes (4,770,000 tonnes in H1 2019).

The lower operating results of the Company for H1 2020 were mainly influenced by decreased demand for power coal by commercial power plants and the heating sector. In Q1 it stemmed from warm and windy winter, and in Q2 from the decreased demand for power in Poland due to the restrictions implemented in connection with the coronavirus pandemic, which resulted in an economic slowdown.

The Management Board anticipates that in the entire 2020 the production of commercial coal will amount to approximately 8.2 million tonnes.

In the second quarter there were no one-off events which would have a material impact on the presented results. The Group retained liquidity of operations in all areas by introducing appropriate safety procedures related to the coronavirus threat.

The final results will be presented in detail in the Consolidated Interim Report of the LW Bogdanka Group for the first half of 2020, which is to be published on 3 September 2020.