

Current Report No. 32/2019

Date of preparation: 31 December 2019

Subject: Concluding an Annex with Enea Elektrownia Połaniec S.A.

General legal basis: Article 17.1 MAR – Inside Information.

Content:

The Management Board of LW Bogdanka S.A. with registered office in Bogdanka (the “Company”, the “Seller”) hereby announces that on 31 December 2019 it concluded an Annex to Agreement No. 3/W/2012 on the sale of thermal coal (the “Agreement”) between the Company and Enea Elektrownia Połaniec S.A. (the “Buyer”) with registered office in Zawada 26, 28-230 Połaniec. The Long-Term Agreement was addressed in the following Current Reports: No. 41/2012 of 12 July 2012, No. 31/2013 of 30 August 2013, No. 38/2013 of 31 October 2013, 40/2013 of 18 November 2013, No. 21/2014 of 17 December 2014, No. 50/2015 of 7 December 2015, No. 35/2016 of 30 August 2016, No. 37/2016 of 30 September 2016, and No. 30/2018 of 19 December 2018, and 7/2019 of 30 April 2019.

The Agreement currently covers thermal coal supplies in 2013-2021. The Annex defines the price of coal for deliveries made in 2020.

The estimated value of the entire Agreement in the years 2013-2021 after the conclusion of the aforementioned Annex amounts to PLN 3,581 million net and is 0.5% higher than the amount published in Report No. 30/2018 of 10 December 2018. The amount specified in the previous sentence includes additional volume options of about PLN 147 million to be used by the Parties between 2020 and 2021.

In the years 2020-2021 alone the Agreement has a net value of PLN 1,079 million, including the abovementioned additional options.

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

The Management Board treats the above information as significant given the changes to the parameters of the Agreement affecting one of the Company’s key clients.