

Current Report No. 8/2022

Date of preparation: 27 May 2022

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 2021

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 27 May 2022 it positively evaluated the motion of the Management Board to the Annual General Shareholders Meeting regarding distribution of net profit for the financial year 2021.

Pursuant to the motion in question, the Management Board proposes to distribute the net profit generated by the Company in 2021 in the amount of PLN **291,594,627.51** (two hundred ninety-one million five hundred ninety-four thousand six hundred and twenty-seven zlotys 51/100) as follows:

- to allocate **PLN 85,033,975.00** (eighty-five million thirty-three thousand and nine hundred seventy-five zlotys 00/100) for dividend payments, i.e. PLN 2.5 per share
- the remaining amount, i.e. **PLN 206,560,652.51** (two hundred six million five hundred sixty thousand six hundred and fifty-two zloty 51/100), 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 2030 (under the 2040 framework) adopted in December 2020.

A final decision regarding the distribution of the 2021 profit will be made by the Annual General Shareholders Meeting of Lubelski Węgiel Bogdanka S.A.