

Current Report 11/2022

Date of preparation: 15 June 2022

Subject: Conclusion of Annexes to the Multi-Year Agreement with ENEA Wytwarzanie Sp. z o.o.

General legal basis: Article 17(1) of MAR – confidential information

Content:

The Management Board of Lubelski Węgiel Bogdanka S.A. (hereinafter referred to as the “Company” or “Party”) hereby reports that on 15 June 2022 it concluded with ENEA Wytwarzanie Sp. z o.o. (hereinafter referred to as the “Buyer” or “Party”) with its registered office in Świerże Górne, Annexes to the Multi-Year Agreement No. UW/LW/01/2012 (hereinafter referred to as the “Multi-Year Agreement”).

The Multi-Year Agreement was the subject of current reports published in the period from 2012 to 2021. The most recent information on amendments to the agreement was made public by Reports No. 7/2021, 10/2021, 19/2021, 23/2021 and 28/2021 published on 19 February 2021, 30 April 2021, 09 July 2021, 04 October 2021 and 16 December 2021, respectively.

As a result of the conclusion of the Annexes, the terms and conditions of steam coal deliveries (including prices) in 2022 executed for the Buyer have been updated, effective as of the date of their conclusion.

The signing of the Annexes is due to significant changes occurring in the market and the macroeconomic environment of the Company which took place in the first quarter of 2022, and which the Parties could not have foreseen at the time of establishing the terms of delivery for 2022, communicated through Current Report No. 28/2021 dated 16 December 2021.

As a result of the conclusion of the Annexes, the value of the entire Multi-Year Agreement in effect from 2017 to 2036 will be PLN 18,869 million net, with the value of the Multi-Year Agreement from 2022 to 2036 being PLN 14,198 million net, which is higher by PLN 881 million, i.e. 6.6% more than the value reported in Report No. 28/2021 for this period.

The remaining terms of the Multi-Year Agreement remain unchanged and do not deviate from the market standards used in agreements of this type.

The Management Board considers the above information important due to the dominant share of the customer in the Company's delivery portfolio.