



## **Current Report No. 6/2024**

Date of preparation: 28 March 2024

### **Subject: Receipt of a notice from a key business partner on reduction of demand for coal in 2024**

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

#### Content:

The Management Board of Lubelski Węgiel Bogdanka S.A. (hereinafter referred to as "Company") hereby reports that on 28 March 2024 it received from Enea Trading sp. z o.o., acting as a proxy (hereinafter referred to as "Proxy") of Enea Wytwarzanie sp. z o.o. and Enea Elektrownia Połaniec S.A., a letter with information on the reduction of demand for coal from the power plants belonging to the Enea Group by approx. 934 thousand tons in relation to the values resulting from the minimum volumes in force for the current year, established on the basis of annexes to multi-year agreements, the conclusion of which (annexes) was reported by the Company in Current Reports No. 27/2023 and No. 28/2023 dated 29 December 2023.

In the letter in question, the Proxy refers to production reductions introduced by the Transmission System Operator - PSE S.A., which are independent of the ENEA Group's generating units, resulting from a drop in demand from the National Power System among other things, for energy produced from coal.

The Company hereby reports that it will take steps to sell coal volumes derived from a reduction in coal offtake by Enea Group's generating units, on the domestic and foreign markets to existing and new coal buyers. At the same time, it is important to keep in mind both the unfavorable market conditions currently occurring due to the oversupply of fine steam coal in Poland and the war situation in the Ukrainian market, which directly affects Ukraine's critical infrastructure and the stability of supply for that market.

The Company reports that the reduction in the volume of coal deliveries to Enea Group companies may affect the 2024 production plan in effect, which the Company announced in Current Report No. 1/2024 dated 22 January 2024. At the same time, the Company reports that it has the flexibility to shape the current year's production plan taking into account the demand of its major customers, including having the ability to increase the production level in case of an increase in this demand.