

- 1. Last year, the State Treasury announced a call for Bogdanka shares at PLN 45. Enea S.A., as the main shareholder of the Company, determined the value of Bogdanka at PLN 72.28 based on the professional valuation prepared on 11 September 2023 by Pekao Investment Banking. In addition, according to the report for Q2 2024, Bogdanka S.A. held cash of PLN 982,371 thousand, which at the moment exceeds the value of the capitalisation of the entire Company at the stock exchange by almost 40%!**

Considering the very low valuation of Bogdanka S.A., i.e. approx. PLN 20.50 per share, which is less than 30% of the valuation indicated by the main shareholder, is the Management Board of the Company not interested in announcing a share buy-back programme? A bizarre situation occurs where an entire profitable company is worth less than the cash it holds in its accounts. Why does the Management Board accept this situation, or perhaps manipulation? Isn't the Management Board's lack of response detrimental to Bogdanka S.A. shareholders?

Share buy-back programmes for the purpose of redemption at times of strong discounts are common on Western stock exchanges (as I am sure you are aware), and support and stabilise the value of the Company.

At present, the Management Board has no plans to announce a share buyback programme. At the same time, we would like to inform that various options are being analysed and assessed. If the decision is taken to launch the share buy-back programme, such information will be communicated to the market through the current report.

- 2. In spring this year, the Management Board of Bogdanka announced the reduction in coal production due to overall high coal stocks in Poland. I do not understand why Poland's most efficient mine is limiting output instead of unprofitable Silesian mines. Has the Management Board of Bogdanka considered increasing coal production and offering it at prices lower than the competition and still profitable for the Company, which is a standard competition in the capitalist economy?**

At present, the Company is operating in a dynamically changing market environment. At the end of 2023, we rebuilt the capacity of the mine so that we were able to adopt a production plan of 9 million tonnes of commercial coal, as announced in the current report no. 1/2024 of 22 January 2024. Unfortunately, this happened at a time when large stocks of coal were available on the market due to the mild winter and significant renewable energy generation during this period. On 28 March 2024, we received the notification from our largest customer concerning the reduction in coal demand by almost 1 million tonnes of coal, as announced by the company in the current report no. 6/2024 of 28 March 2024. This information, combined with the temporary loss of the prospect of exporting coal to Ukraine, which occurred as a result of damage to the energy infrastructure of our potential customers, led us to announcing on 3 April 2024, in the current report no. 7/2024, that we had revised our production target and adopted it at a level of 7-8 million tonnes of coal. LW Bogdanka S.A. is the most efficient mine in Poland, with the lowest production costs; it is also the only mine that does not benefit from government subsidies for production activity, competing on price with imported coal. The Company actively cooperates with coal customers both in the country and abroad to ensure coal sales in the long term. At the same time, the Company conducts further optimisation activities to exploit its competitive advantages, also taking into account the decreasing supply of domestic coal and thus maximising production within its current production capacity.

- 3. For several years Bogdanka has been operating in an unfair market. The unprofitable Silesian mines receive huge subsidies from the state budget, while Bogdanka S.A. extracts the same commodity without receiving any subsidies. Does the Management Board intend to defend the Company's interest in this striking example of unequal treatment? Why should the shareholders of Bogdanka S.A. directly and the shareholders of Enea S.A. indirectly as well as the employees of Bogdanka S.A. suffer from this situation? Does any free market and free competition in the coal trade exist in Poland? Does the policy of the Silesian mines lobby effectively impede the development of Poland's most efficient and profitable mine?**

Considering this unequal treatment by the Government of the Republic of Poland, i.e. huge subsidies for unprofitable Silesian mines and no subsidies for Bogdanka S.A., and thus destroying the market for the extraction and sale of coal by eliminating the basic principle of the free market and competition, does the Government of the Republic of Poland not violate Article 32 of the Polish Constitution?

To quote Article 32 of the Polish Constitution:

1. Everyone is equal before the law. Everyone has the right to equal treatment by public authorities.

2. No one may be discriminated against in political, social or economic life for any reason.

LW Bogdanka S.A. was the only company in the thermal coal mining industry excluded from the "Support Scheme", as this would have involved a declaration to cease mining operations, while there are currently no such plans. LW Bogdanka S.A., being the most efficient hard coal mine in Poland with the lowest mining costs, can effectively compete not only with domestic coal, but also with imported coal. The Management Board is looking after the Company's interests by implementing further optimisation measures and seeking new coal customers. In the event that the Company is unable to continue the competition with subsidised coal, it will consider a scenario that includes joining the "Support Scheme" which would, however, involve setting a date for decommissioning of the mine and abandoning the development and transformation activities.