



Current Report No. 6/2025

Date of preparation: 14 February 2025

Subject: Information on the recognition of the results of the asset impairment test in the 2024 financial statements

Legal basis: Article 17(1) MAR - confidential information

Content:

The Management Board of Lubelski Węgiel Bogdanka S.A. (hereinafter "the Company") announces that, following the completion of the work related to the asset impairment test in compliance with the requirements of IAS 36 *Impairment of Assets*, on 14 February 2025, a decision was made to write down the carrying amount of the assets.

The results of the test performed indicate the need to apply a write-down of the carrying value of assets in the amount of PLN 1,249 million. The value of the asset impairment charge will be recognised in the operating result, whereas it will have no impact on EBITDA.

At the same time, the Company emphasises that the above operations are of accounting nature and do not affect its liquidity position.

The asset impairment test was carried out as new indications of potential impairment of non-current assets were identified at the end of 2024, including the strong likelihood of the need to adapt the scope of operations to the new market environment. In particular, this risk is indicated by the strategies adopted and presented to the market by Polish energy groups, which assume the development of new low-emission /zero-emission generation sources and the increasingly rapid replacement of coal-based generation capacity.

The market situation described above has contributed to the need to perform asset impairment tests to ensure that asset valuation reflects current market conditions and future outlook for the coal sector.

Irrespective of the foregoing, 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 optimisation activities to exploit its competitive advantages while taking into account the declining supply of domestic coal.