

BEDZIN

 adjusted

POLISH FINANCIAL SUPERVISION AUTHORITY

SA-Q Quarterly Report - 1Q2019

(pursuant to § 60 (1) (1) of the Ordinance on Current and Periodic Information)

(for the Issuers of securities operating in the manufacturing, construction, trade or service industry)
for the 1st quarter of 2019 financial year for the period from 1st Jan 2019 to 31st March 2019transmitted on: 30th May 2019

ELEKTROCIEPŁOWNIA BĘDZIN SPÓŁKA AKCYJNA		(issuer's full name)	
BEDZIN	Energy sector (ene)	(sector based on the classification of Warsaw Stock Exchange/industry)	
(issuer's abbreviated name)	Poznań	(place)	
61-144	Bolesława Krzywoustego	7	(number)
(post code)	(street)		
(+48) 61 227 57 10-11	(+48) 61 227 57 12		
(phone)	(fax)		
ecbedzin@ecb.com.pl	ecbedzin.pl		
(e-mail)	(www)		
625-000-76-15	271740563		
(NIP - Tax Identification No.)	(REGON)		

SELECTED FINANCIAL FIGURES	in PLN 000's		in PLN 000's EUR	
	1Q('s) to date/ 2019, period from 1 st Jan 2019 to 31 st March 2019	1Q('s) to date/2018 – period from 1 st Jan 2018 to 31 st March 2018	1Q('s) to date/ 2019, period from 1 st Jan 2019 to 31 st March 2019	1Q('s) to date/2018 – period from 1 st Jan 2018 to 31 st March 2018
I. Net proceeds from sales of products, goods and materials	698	588	102	100
II. Profit (loss) on operating activities	428	274	100	66
III. Gross profit (loss)	-264	-480	-61	-115
IV. Net profit (loss)	-214	-441	-50	-106
V. Net cash flows from operating activities	899	1 579	209	378
VI. Net cash flows from investing activities	0	0	0	0
VII. Net cash flows from financing activities	-919	-960	-214	-230
VIII. Net cash flows, total	-20	619	-5	148
IX. Assets, total (end of the current quarter and end of the previous financial year)	153 549	153 932	35 698	35 798
X. Liabilities and provisions for liabilities (end of the current quarter and end of the previous financial year)	61 093	61 262	14 203	14 247
XI. Long-term liabilities (end of the current quarter and end of the previous financial year)	11 640	12 355	2 706	2 873
XII. Short-term liabilities (end of the current quarter and end of the previous financial year)	48 959	48 433	11 382	11 263
XIII. Shareholders' equity (end of the current quarter and end of the previous financial year)	92 456	92 670	21 495	21 551
XIV. Share capital (end of the current quarter and end of the previous financial year)	15 746	15 746	3 662	3 662
XV. Number of shares (items) (end of the current quarter and end of the previous financial year)	3,149,200	3,149,200	3,149,200	3,149,200
XVI. Profit (loss) per one ordinary share (in PLN/EUR)	-0.07	-0.14	-0.02	-0.03
XVII. Diluted profit (loss) per one ordinary share (in PLN/EUR)	-0.07	-0.14	-0.02	-0.03
XVIII. Carrying value per one share (in PLN/EUR) (end of the current quarter and end of the previous financial year)	29.36	29.43	6.83	6.84
XIX. Diluted carrying value per one share (in PLN/EUR) (end of the current quarter and end of the previous financial year)	29.36	29.43	6.83	6.84
Dividend per one share (in PLN/EUR) - declared or paid out				

This report should be transmitted to the Polish Financial Supervision Authority, to the company operating the regulated market and should be made public through an information agency in accordance with the law.

ABRIDGED FINANCIAL STATEMENTS

BALANCE SHEET

	in PLN 000's			
	as at 31 st March 2019, end quarter/2019	end of the previous quarter/	as at 31 st March 2018, end of the previous year/2018	as at 31 st March 2018, end quarter/2018
ASSETS				
I. Fixed assets	150 401		150 856	152 600
1 Intangible assets, including:			5	20
2 Tangible assets	554		554	555
3 Long-term receivables	18 539		19 072	20 140
3.1 From other undertakings	18 539		19 072	20 140
4 Long-term investments	130 588		130 588	130 588
4.1 Long-term financial assets	130 588		130 588	130 588
a) in affiliated undertakings, including:	130 588		130 588	130 588
5 Long-term prepayments and accrued income	720		637	1 297
5.1 Deferred income tax assets	720		637	1 297
II. Current assets	3 148		3 076	4 046
1 Short-term receivables	2 093		2 022	1 817
1.1 From other undertakings	2 093		2 022	1 817
2 Short-term investments	1 023		1 043	2 199
2.1 Short-term financial assets	1 023		1 043	2 199
a) cash and cash equivalents	1 023		1 043	2 199
3 Short-term prepayments and accrued income	32		11	30
Assets total	153 549		153 932	156 646
SHAREHOLDERS' EQUITY AND LIABILITIES				
I. Shareholders' equity	92 456		92 670	92 111
1 Share capital	15 746		15 746	15 746
2 Supplementary capital	61 545		61 545	60 815
3 Other reserves	15 261		15 261	15 261
4 Net profit (loss) brought forward	118			
5 Net profit (loss)	-214		118	-441
II. Liabilities and provisions for liabilities	61 093		61 262	64 535
1. Provisions for liabilities	480		460	
1.1. Deferred income tax provision	436		402	288
1.2. Old-age pension and other benefits provision	28		26	1
a) long-term	1		1	1
b short-term	25		25	
1.3. Other provisions:	18		32	88
a) short-term	18		32	88
2. Long-term liabilities	11 640		12 355	47 142
2.1. To other undertakings	11 640		12 355	47 142
2.2 a) credits and loans	11 270		11 960	13 980
2.3 b) debt securities				30 362
2.4 c) other financial liabilities	370		395	
2.5 d) other				2 800
3. Short-term liabilities	48 959		48 433	17 002
3.1. To affiliated undertakings	5 801		5 801	5 230
3.2. a) other	5 801		5 801	5 230
3.3. To other undertakings	43 155		42 629	11 769
3.4 a) credits and loans	2 701		2 680	2 580
3.5 b) debt securities	30 365		29 910	
3.6 c) other financial liabilities	96		94	
3.7 d) trade payables	25		9	28
3.8 e) taxes, customs duties, social security and other levies	115		92	115
3.9 f) salaries	15		15	17
3.10 g) other	9 629		9 629	9 029
3.11 Special funds	3		3	3
4. Prepayments and accrued income	14		14	14
4.1. Other long-term prepayments and accrued income	14		14	14
a) long-term	14		14	14
Shareholders' Equity and Liabilities total	153 549		153 932	156 646

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Carrying value	92 456		92 670	92 111
Number of shares (Items)	3,149,200		3,149,200	3,149,200
Carrying value per one share (In PLN)	29,36		29,43	29,25
Diluted number of shares (Items)	3,149,200		3,149,200	3,149,200
Diluted carrying value per one share (In PLN)	29,36		29,43	29,25

IMPORTANT NOTE. For the reports covering 1Q of a given financial year, please complete only the first (end 1Q of the current financial year), third (end of the previous financial year) and the fourth (end 1Q of the previous financial year) column.

PROFIT AND LOSS ACCOUNT

	in PLN 000's			
	1Q/2019 period from 1 st Jan 2019 to 31 st March 2019	quarters to date / period from to	1Q/2018 period from 1 st Jan 2018 to 31 st March 2018	quarters to date / period from to
I. Net proceeds from sales of products, goods and materials, including:	698		568	
- from affiliated undertakings	224		59	
1. Net proceeds from sales of products	698		568	
II. Operating expenses	250		291	
III. Depreciation/amortisation	6		6	
IV. Consumption of materials and energy			3	
V. Third party services	84		111	
VI. Taxes and charges, including:	7		7	
VII. Remuneration	133		127	
VIII. Social security and other benefits	13		22	
IX. Other sundry expenses	7		15	
X. Profit (loss) on sales	448		277	
XI. Remaining operating income	8		0	
1. Other operating income	8		0	
XII. Remaining operating expenses	28		3	
1. Other operating expenses	28		3	
XIII. Profit (loss) on operating activities	428		274	
XIV. Financial income	0		0	
XV. Financial expenses	692		754	
1. Interest, including:	692		754	
- To affiliated undertakings	38		39	
IX. Gross profit (loss)	-264		-460	
XVII. Income tax	-50		-39	
a) the deferred portion	-50		-39	
XVIII. Net profit (loss)	-214		-441	
Net profit (loss)(on annual basis)	346		-626	
Weighted average number of ordinary shares (items)	3,149,200		3,149,200	
Profit (loss) per one ordinary share (in PLN)	-0.07		-0.14	

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	in PLN 000's			
	1Q/2019, period from 1 st Jan 2019 to 31 st March 2019	quarters to date / period from to	2018, period from 1 st Jan 2018 to 31 st Dec 2018	1Q('s) to date/2018, period from 1 st Jan 2018 to 31 st March 2018
I. Opening balance of shareholders' equity	92 670		92 552	92 552
I.a. Opening balance of shareholders' equity reconciled with comparable figures	92 670		92 552	92 552
1. Opening balance of the share capital	15 746		15 764	15 764
1.1. Closing balance of the share capital	15,746		15 764	15 764
2. Opening balance of the supplementary capital	61 545		60 815	60 815
2.1. Changes in the supplementary capital	0		730	0
a) additions (as a result of)			730	0
- (statutory) profit distribution			730	
2.2. Closing balance of the supplementary capital	61 545		61 545	60 815
3. Opening balance of other reserves	15 261		15 261	15 261
3.1. Closing balance of other reserves	15 261		15 261	15 261
4. Opening balance of retained earnings (losses)	118		730	730
4.1. Opening balance of retained earnings	118		730	730
4.2. Opening balance of retained earnings reconciled with comparable figures	118		730	730
a) reductions (as a result of)	0		730	0
- profit distribution			730	
4.3 Closing balance of retained earnings	118		0	730
4.4 Closing balance of retained earnings (losses)	118		0	730
5. Net result	-214		118	-441
a) net profit			118	
b) net loss	214			441
II. Closing balance of shareholders' equity	92 456		92 670	92 111
III. Shareholders' equity after proposed profit distribution (loss coverage)	92 456		92 670	92 111

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CASH FLOW STATEMENT

	in PLN 000's			
	1Q/2019, period from 1 st Jan 2019 to 31 st March 2019	quarters to date / period from to	1Q/2018, period from 1 st Jan 2018 to 31 st March 2018	quarters to date / period from to
A. Cash flows from operating activities				
I. Net profit (loss)	-214		-441	
II. Total adjustments	1 113		2 020	
1. Depreciation/amortisation	6		6	
2. Interest and share in profits (dividends)	691		754	
3. Change in provisions	20		42	
4. Change in receivables	463		424	
5. Change in short-term payables, save for credits and loans	39		896	
6. Change in prepayments and accruals	-106		-102	
III. Net cash flows from operating activities (I+/-II)- indirect method	699		1 579	
B. Cash flows from investing activities				
I. Receipts	0		0	
II. Payments	0		0	
III. Net cash flows from Investing activities (I-II)	0		0	
C. Cash flows from financing activities				
I. Receipts	0		0	
II. Payments	919		960	
1. Repayment of credits and loans	660		630	
2. Finance lease payments	23			
3. Interest	236		330	
III. Net cash flows from financing activities (I-II)	-919		-960	
D. Net cash flows, total (A.III +/- B.III +/- C.III)	-20		619	
E. Balance sheet change in cash and cash equivalents, including:	-20		619	
F. Opening balance of cash and cash equivalents:	1 043		1 580	
G. Closing balance of cash and cash equivalents (F +/- D), including:	1 023		2 199	
- with limited disposability	928		1 866	

NOTES

File	Description
Notes SA-Q I 2019.pdf	

OTHER INFORMATION

File	Description
Other information SA-Q I 2019.pdf	

SIGNATURES OF THE COMPANY REPRESENTATIVES

Date	Name and surname	Position/Function	Signature
30 th May 2019	Krzysztof Kwiatkowski	President of the Management Board	

Additional Information

Additional information, presenting the accounting policies adopted in the preparation of the report, data on changes in applied accounting principles, information on adjustments in provisions, deferred tax liabilities and assets, and revaluation write-downs on assets.

Principles for drawing up the report

Elektrociepłownia "Będzin" S.A. presents its financial statement for the period commencing 1st January 2019 and ending on 31st March 2019, as well as, comparable financial data for the period from 1st January 2018 to 31st March 2018 and as at 31st December 2018.

The financial statements were produced at the going concern assumption whereby the Company will continue its business operations throughout the foreseeable future encompassing period not shorter than that on the year as of the balance sheet date, and the scope of said activity will not be significantly reduced. There are no circumstances whatsoever posing a threat to such continuity.

When preparing the report for the period from 1st January 2019 to 31st March 2019, the accounting policies described in the annual financial statements for 2018 were applied.

Changes in accounting policies

Elektrociepłownia "Będzin" S.A. has not changed its accounting policy.

Factors and events that, in the opinion of the issuer, had an impact on the reported financial results

The Company's current business profile is holding, together with renting and leasing of fixed assets.

Information on the seasonality or the cyclical nature of the Company's operations

There is no seasonality nor any cyclical nature in the Company's operations.

Write-offs of receivable amounts

Write-offs of property, plants and equipment are made, inter alia, as a result of permanent impairment which, according to Art. 28, sec. 7 of the Polish Accounting Act, occurs when there is a high probability that an asset controlled by the Company will not generate significant future economic benefits in the future.

As of 31st March 2019, write-offs relating to short-term receivables amounted to PLN 8,000.00, including: write-offs of trade and service receivables: PLN 8,000.00.

As of 31st March 2019, write-offs relating to inventories and fixed assets amounted to PLN 14,000.00, including: write-offs of fixed assets: PLN 14,000.00.

The value of revaluation write-offs has not changed compared to the balance as at 31st December 2018.

Provisions

Provisions for liabilities are measured at least as at the balance sheet date, at justified, duly estimated value. The company raises provisions for certain or very likely future liabilities the amount of which can be reliably estimated, in particular for costs of services related to a particular reporting period, such services delivered during the next reporting periods and for long-term and short-term employee benefits. The financial implications of raised provisions are taken to operating costs, other operating costs or financial costs, as appropriate, depending on the type of operation triggering the future liabilities.

Valuation of provisions for service anniversary awards, retirement severance payments, disability severance payments, death benefits and unused holiday allowances, is based on the actuarial valuation made by a professional entered to the list of actuaries, member of the Polish Association of Actuaries.

Below are tables on changes in long-term and short-term provisions.

Status change of short-term provisions for retirement and similar benefits (by entitlements in PLNk)	31/03/2019	31/03/2018
a) opening balance	25	-
b) closing balance	25	-

Status change of long-term provisions for retirement and similar benefits (by entitlements in PLNk)	31/03/2019	31/03/2018
a) opening balance	1	1
b) closing balance	1	1

Status change of other short-term provisions (by entitlements in PLNk)	31/03/2019	31/03/2018
a) opening balance	32	88
b) increases (due to)	-	-
c) utilization (due to)	14	-
balance sheet examination	14	-
d) closing balance	88	88

Deferred tax assets and provisions

Deferred income tax provisions are raised in the amount of the future due amount arising from positive temporary differences. Deferred income tax provisions are raised with the consideration of tax rates applicable in the year when tax duty arises.

Deferred income tax assets are raised in the amount of the future tax return amount arising from negative temporary differences which, in the future, will reduce the basis for the calculation of the income tax and following deductible tax loss; all determined using the precautionary principle. The amount of deferred tax assets is determined taking into account the income tax rates applicable in the year in which the tax duty arises.

Assets from deferred income tax (in PLNk)	31/03/2019	31/03/2018
provisions for liabilities	185	183
tax loss	535	1 114
TOTAL	720	1 297

Provisions from deferred income tax (in PLNk)	31/03/2019	31/03/2018
difference in the balance sheet value and tax value of fixed assets covered by lease agreement	436	288
TOTAL	436	288

Information on important acquisitions and disposals of tangible fixed assets

In the period from 1st January 2019 to 31st March 2019, the Company has not made any important acquisitions and disposals of tangible fixed assets.

Information about material settlements in court cases

There are currently no proceedings pending against Elektrociepłownia "Będzin" SA, or issued by the Company.

Errors of previous periods

The financial statements as at 31st March 2019 do not contain errors of previous periods.

Information on changes in the economic situation and the Company's operating conditions

According to the Company, there were no changes in the economic situation and operating conditions that would affect the value of its financial assets and liabilities.

Information on sureties, loans and guarantees

The Company has established a registered pledge on 768,700 shares in the capital of Elektrociepłownia BĘDZIN Sp. z o.o., which represents 100% of the company's share capital. Pledges were established to secure the Bank Polska Kasa Opieki S.A. claims under the loan agreement of 16th December 2014, under which the Bank pledged to grant the Company's subsidiary, Energetyczne Towarzystwo Finansowo-Leasingowe Energo-Utech S.A. under the terms of a loan agreement with an investment credit up to a maximum of PLN 94,491.83k. and a VAT credit up to a maximum of PLN 4,000.00k.

The registered pledge was established as collateral for the repayment of the loan agreement, up to the maximum amount of the collateral, i.e. PLN 196,983.65k. At the same time, the Company, as collateral for the repayment of loan agreements, undertook that after acquiring or acquiring new shares, it would establish a registered pledge and a financial pledge with the highest priority of satisfaction on new shares to the Bank. Under these pledges, the Company has transferred the rights to dividends and other payments to the Bank.

On 15th February 2016, Elektrociepłownia "Będzin" S.A. and ING Bank Śląski S.A. entered into a corporate PLN loan agreement on financing an investment and refinancing of incurred capital expenditures of PLN 21,640k. The interest rate on the loan is determined based on the variable interest rate established by the Bank, based on the WIBOR rate for one-month interbank deposits with an added bank's margin. Total debt is to be repaid in 84 monthly installments. Loan security includes, among others: registered pledge on machinery and equipment being the subject of investment, assignment of receivables from the lease of machinery and equipment, assignment of rights from the insurance policy of machinery and equipment, blank bill of exchange and declaration of submission to enforcement.

Transactions with related parties

The Company did not enter into transactions with related parties on conditions other than market conditions.

Financial instruments

The Company did not change the method of valuation of their financial instruments. The Company has not changed its classification of financial assets.

Information on the issue, redemption and repayment of debt and equity securities

Long-term liabilities due to debt securities refer to PLN 30,365k for the issue of bonds, which was carried out in order to finance the purchase of the shares of Energetyczne Towarzystwo Finansowo-Leasingowe Energo Utech S.A. The issue took place on 13th April 2015 and its total nominal value was PLN 30,000k. The bonds bear interest with WIBOR 6M reference rate and a margin of 4.5 pp. At the end of 2015, the Capital Group purchased own bonds with a value of PLN 500k for redemption. With reference to the current report No. 6/2018 dated 13th March 2018, their redemption will take place on 10th April 2019.

The Company does not hold nor did it issue any other debt or equity securities.

The Company plans to repay the liabilities due to debt securities with dividend from subsidiaries from share in profit retained in previous years.

Information on paid (declared) dividends

In the period from 1st January 2019 to 31st March 2019 the Company did not pay any dividends.

Events occurring after the balance sheet data

On 10th April 2019 the dominant company received a dividend from Elektrociepłownia BĘDZIN sp. o.o subsidiary in the amount of PLN 14,000k. The dividend was designated for the purchase of bonds in the amount of PLN 13,300k. On 10th April 2019, the conditions of issue of A series bonds amounting to PLN 16,2m were changed so that the issue period was extended to 10th April 2022.

Contingent liabilities and assets

On 22nd July 2016, the Company accessed the debt of Energetyczne Towarzystwo Finansowo-Leasingowe Energo-Utech S.A. resulting from the factoring agreements concluded on 22nd July 2016, with respect to the purchase and financing of lease receivables (agreements no. 879/07/2016, 880/07/2016 and 881/07/2016), on the basis of which PKO BP Faktoring S.A., with its registered office in Warsaw, gave the Debtor a funding limit in the total amount of PLN 20,000,000.00 (twenty million Polish Zloty) until 21st July 2021. Under this agreement, the responsibility of the Debt Accessor and the Debtor is a joint and several liability, and the Factor may request all or part of the benefit of both parties jointly liable or separately from each.

Other important information facilitating the Company's assessment

In the reporting period, there were no other additional events that could affect the assessment of the Company's financial position, financial standing and results.

Krzysztof Kwiatkowski – President of the Management Board

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Poznań, 30th May 2019

Other Information

Description of the organization of the issuer's capital group

Being the parent entity of the Capital Group, Elektrociepłownia "Będzin" S.A. produces consolidated financial statement of the last 3 months 2019 according to International Financial Reporting Standards.

The subsidiaries are:

- Elektrociepłownia BĘDZIN spółka z o.o., with its registered office in Będzin (42-500) at Małobądzka 141, in which the Company holds 100% of shares,
- Energetyczne Towarzystwo Finansowo-Leasingowe Energo-Utech S.A., with its registered office in Poznań (61-144) at Bolesława Krzywoustego 7, in which the Company holds 100% of shares.

Energo-Biomasa spółka z o.o., is a jointly controlled entity in which Energetyczne Towarzystwo Finansowo-Leasingowe Energo-Utech S.A. holds 19.99% of shares.

Indication of the effects of changes in the structure of the Company

On 4th August 2014, the Company, with its subsidiary Elektrociepłownia BĘDZIN Sp. z o.o., concluded an agreement transferring the ownership of the enterprise on the basis of which the Company was transferred to its subsidiary, i.e. Elektrociepłownia BĘDZIN Sp. z o.o., within the meaning of Article 55¹ of the Polish CC.

Elektrociepłownia "Będzin" S.A. in exchange for the contribution of an organized part of the company, took up 100% of the shares in the subsidiary, i.e. Elektrociepłownia BĘDZIN Sp. z o.o., with a nominal value of PLN 76,820k. The value of the shares is based on the net book value of the contributed assets and as of 31st March 2019 amounts to PLN 80,987k.

On 15th April 2015 the ownership rights of Energetyczne Towarzystwo Finansowo-Leasingowe Energo-Utech S.A. were transferred to Elektrociepłownia "Będzin" S.A..

As a result of the aforementioned transaction the Company holds 100% of shares (i.e. 2,240 units) of Energetyczne Towarzystwo Finansowo-Leasingowe Energo-Utech S.A.

The purchase of shares was financed with own funds derived from the issue of bonds and the Company's own funds, and the last tranche of payment for shares in the amount of PLN 11,819k. in accordance with the concluded agreements will be paid by 31st March 2020. The main reasons for the purchase of shares of Energetyczne Towarzystwo Finansowo-Leasingowe Energo-Utech S.A. were the formation of the Capital Group in accordance with the adopted strategic assumptions and the diversification revenue sources.

As a result of the above transactions the Company changed its subject of activity. The Company is a holding company, and develops the business of renting and leasing fixed assets, and providing financial services.

Manufacturing activities in the field of heat and power generation in cogeneration are carried out at a subsidiary – Elektrociepłownia BĘDZIN Sp. z o.o. and in the field of biomass pellet production - in Energo-Biomasa Sp. z o.o.

Financial services, primarily leasing services, are carried out at a subsidiary - Energetyczne Towarzystwo Finansowo-Leasingowe Energo-Utech S.A..

Description of significant achievements or failures of the issuer in the period covered by the report along with the list of the most important events related to them

In the opinion of the Management Board of Elektrociepłownia "Będzin" S.A. there were no threats and risk of continuing operations in the remaining months of the financial year.

Position of the board regarding the possibility of fulfilling previously published forecasts for a given year

Elektrociepłownia "Będzin" S.A. has not published any forecasts of results for the current financial year, and therefore does not present to the Management Board its position on the feasibility of their fulfillment.

Ownership and changes in the shareholding of majority shareholders.

According to the information available to Elektrociepłownia “Będzin” S.A. the shareholders holding over 5% of share capital and holding the same % of votes at the annual general meeting are as follows:

Specification	As at 25 April 2019 **				As at 30 May 2019 ***				Change	
	shares	votes	shares [%]	votes [%]	shares	votes	shares [%]	votes [%]	purchase	sale
Krzysztof Kwiatkowski*	1 033 499	1 033 499	32,82	32,82	1 033 499	1 033 499	32,82	32,82	-	-
Agio Funds TFI S.A.	334 747	334 747	10,63	10,63	334 747	334 747	10,63	10,63	-	-
Bank Gospodarstwa Krajowego	311 355	311 355	9,89	9,89	311 355	311 355	9,89	9,89	-	-
Familiar S.A. SICAV - SIR	271 526	271 526	8,62	8,62	271 526	271 526	8,62	8,62	-	-
Waldemar Organista	173 146	173 146	5,50	5,50	173 146	173 146	5,50	5,50	-	-
Zolkiewicz & Partners	157 740	157 740	5,01	5,01	157 740	157 740	5,01	5,01	-	-
State Treasury	157 466	157 466	5,00	5,00	157 466	157 466	5,00	5,00	-	-
Summary	2 439 479	2 439 479	77,46	77,46	2 439 479	2 439 479	77,46	77,46	-	-

* with subsidiaries

** Information as at the date of issuing the report for the year 2018.

*** Information as at the date of issuing the report for Q1 2019.

Ownership and changes in the shareholding of persons holding managerial and supervisory positions.

The persons managing and supervising Elektrociepłownia “Będzin” S.A. hold the following shares of the Company or rights thereto:

Specification	As at 25 April 2019 **				As at 30 May 2019 ***				Change	
	shares	votes	shares [%]	votes [%]	shares	votes	shares [%]	votes [%]	purchase	sale
Krzysztof Kwiatkowski*	1 033 499	1 033 499	32,82	32,82	1 033 499	1 033 499	32,82	32,82	-	-
Waldemar Organista	173 146	173 146	5,50	5,50	173 146	173 146	5,50	5,50	-	-
Summary	1 206 645	1 206 645	38,32	38,32	1 206 645	1 206 645	38,32	38,32	-	-

* with subsidiaries

** Information as at the date of issuing the report for the year 2018.

*** Information as at the date of issuing the report for Q1 2019.

Major court proceedings

There are currently no proceedings pending against Elektrociepłownia “Będzin” SA, or issued by the Company.

Information on related party transactions

Elektrociepłownia “Będzin” S.A. has not entered into transactions with related parties on conditions other than market conditions.

Information on sureties, loans and guarantees

Elektrociepłownia “Będzin” S.A. has not provided any sureties, loans or guarantees.

Shares and shares of subsidiaries of Elektrociepłownia “Będzin” S.A. provide collateral for the obtained financing granted to the Company in the form of registered pledges.

On 22nd July 2016, the Company accessed the debt of Energetyczne Towarzystwo Finansowo-Leasingowego Energo-Utech S.A. resulting from the factoring agreements concluded on 22nd July 2016, with respect to the purchase and financing of lease receivables (agreements no. 879/07/2016, 880/07/2016 and 881/07/2016), on the basis of which PKO BP Faktoring S.A., with its registered office in Warsaw, gave the Debtor a funding limit in the total amount of PLN 20,000,000.00 (twenty million Polish Zloty) until 21st July 2021. Under this agreement, the responsibility of the Debtor Accessor and the Debtor is a joint and several liability, and the Factor may request all or part of the benefit of both parties jointly liable or separately from each.

Factors that will have an impact on the achieved results in the future reporting periods, in the issuer's opinion

Elektrociepłownia “Będzin” S.A. is the beneficiary of the income from its holdings and its shares in subsidiaries, and the amount of said benefits depends on the financial performance of these companies.

Additional information

Balance sheet data in EUR was calculated according to the average National Bank of Poland exchange rate of 29th March 2019 amounting to PLN 4.3013. The income statement in EUR for the three months of 2019 has been cumulatively calculated at the arithmetic mean of the average exchange rates published by the National Bank of Poland for the last day of each of the 3 months of 2019. i.e. PLN 4.2978.

Balance sheet data for the comparable period of the previous year in EUR was calculated according to the average National Bank of Poland exchange rate of 31st December 2018 amounting to PLN 4.3000. The income statement in EUR for the three months of 2018 has been cumulatively calculated at the arithmetic mean of the average exchange rates published by the National Bank of Poland for the last day of each of the 3 months of 2018 i.e. PLN 4.1784.