

**Resolution No. 9/X/2021
of the Supervisory Board of the Elektrociepłownia "Będzin" S.A. Company
of 30 April 2021**

***on the adoption of the Company Supervisory Board report on the results of the 2020 assessment
and other required statements of the Supervisory Board***

The Supervisory Board of Elektrociepłownia „Będzin” S.A. hereby resolves as follows:

1. Acting pursuant to Art. 382 par. 3 of the Commercial Companies Code and par. 17 sec. 2 point 12 of the Company's Articles of Association, the Supervisory Board accepts the Company Supervisory Board report on the results of the assessment of 2020 financial statements, Management Board's motion to cover losses, consolidated financial statements of the Elektrociepłownia "Będzin" S.A. Capital Group, as well as Management Board Report on the activities of the Elektrociepłownia "Będzin" S.A. Group of Companies in 2020, (taking into account the disclosure requirements for the Management Board's report on the operation of the Parent Company for the aforementioned period), which is attached hereto.
2. Pursuant to Art. 70 sec. 1 point 8 and Art. 71 sec. 1 point 8 of the Regulation of the Minister of Finance of 29 March 2018 on current and interim information delivered by issuers of securities and the conditions for recognising as equivalent the information required by the laws of a non-member state, the Supervisory Board of the Elektrociepłownia "Będzin" S.A. Company declares that the Company:
 - 1) complies with the rules regarding the establishment, composition and functioning of the audit committee, including those related to the fulfilment of independence criteria by its members, as well as requirements pertaining to possessing knowledge and skills related to the industry in which the issuer operates, and to accounting or auditing,
 - 2) The Audit Committee performed tasks provided for in the applicable regulations.
3. Pursuant to Art. 70 sec. 1 point 13 of the Regulation of the Minister of Finance of 29 March 2018 on current and interim information delivered by issuers of securities and the conditions for recognising as equivalent the information required by the laws of a non-member state, the Supervisory Board of the Elektrociepłownia "Będzin" S.A. Company reviewed the letter from Deloitte Sp. z o.o. sp.k. and familiarised itself with the Statement of the Company Management Board that presented the following account:
 - the difficult situation of the subsidiary company ETFL ENERGO – UTECH S.A. in bankruptcy (no arrangement with creditors has been approved yet),
 - the fact that the Management Board of Elektrociepłownia BĘDZIN Sp. z o.o. held discussions with industry entities (Counterparties) on concluding purchase transactions for the required EUAs by the end of the 2020 CO2 emission allowance redemption period (unprecedented situation in the CO2 market)
 - the fact that the audit report on the consolidated and separate annual financial statements for 2020 prepared by the audit firm was not received by the Company by the deadline indicated in the agreement.

The Management Board's Statement includes information required by law. The Supervisory Board agrees with the Management Board's statements, with the latter taking all possible and legally required actions in this situation, particularly including negotiations on the rules of settling the EUAs with the appropriate public administration authorities, as well as with the audit firm to receive the required auditor's reports as soon as possible.

4. Pursuant to Art. 71 sec. 1 point 11 of the Regulation of the Minister of Finance of 29 March 2018 on current and interim information delivered by issuers of securities and the conditions for recognising as equivalent the information required by the laws of a non-member state, the Supervisory Board of the Elektrociepłownia "Będzin" S.A. Company reviewed the letter from Deloitte Sp. z o.o. sp.k. and familiarised itself with the Statement of the Company Management Board that presented the following account:
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- the difficult situation of the subsidiary company ETFL ENERGO – UTECH S.A. in bankruptcy (no arrangement with creditors has been approved yet),
- the fact that the Management Board of Elektrociepłownia BĘDZIN Sp. z o.o. held discussions with industry entities (Counterparties) on concluding purchase transactions for the required EUAs by the end of the 2020 CO2 emission allowance redemption period (unprecedented situation in the CO2 market)
- the fact that the audit report on the consolidated and separate annual financial statements for 2020 prepared by the audit firm was not received by the Company by the deadline indicated in the agreement.

The Management Board's Statement includes information required by law. The Supervisory Board agrees with the Management Board's statements, with the latter taking all possible and legally required actions in this situation, particularly including negotiations on the rules of settling the EUAs with the appropriate public administration authorities, as well as with the audit firm to receive the required auditor's reports as soon as possible. The Supervisory Board emphasizes the significant uncertainty in terms of Elektrociepłownia Będzin S.A. Capital Group's capacity to continue its business, with the Group's 2020 consolidated financial statements having been prepared based on the assumption that it can do so. This is due to numerous factors, including ones that the Company has limited influence on, in particular, the success of the accelerated composition proceedings of Energo-Utech S.A. and the circumstances in the energy and coal sectors, which also affect the situation of Elektrociepłownia Będzin Sp. z o.o.

5. Pursuant to Art. 70 sec. 1 point 7 and Art. 71 sec. 1 point 7 of the Regulation of the Minister of Finance of 29 March 2018 on current and interim information delivered by issuers of securities and the conditions for recognising as equivalent the information required by the laws of a non-member state, the Supervisory Board of Elektrociepłownia "Będzin" S.A. declares that to the best of its knowledge:
 - the audit firm conducting the audit of the separate annual financial statements of Elektrociepłownia "Będzin" S.A. and the Consolidated Financial Statements of the Elektrociepłownia "Będzin" S.A. Group of Companies was selected in accordance with the provisions of law, including those concerning the selection of audit firms, as well as audit firm selection procedures,
 - the audit firm and the members of the audit team fulfilled the conditions for the preparation of an unbiased and independent audit report on the separate annual financial statements of Elektrociepłownia "Będzin" S.A. and the Consolidated Financial Statements of the Elektrociepłownia "Będzin" S.A. Group of Companies, per the applicable laws and regulations, as well as professional standards and ethics principles,
 - the applicable rules relating to the rotation of the audit firm and the key statutory auditor and the mandatory grace periods are complied with,
 - The Issuer has a policy regarding the selection of the audit firm and a policy regarding the provision of additional non-audit services to the Issuer by the audit firm, an affiliate of the audit firm or a member of its network, including services conditionally exempt from the audit firm's prohibition.
6. The Supervisory Board authorises the Chairman of the Supervisory Board to sign the documents referred to in items 1-5.
7. The Resolution shall enter into force on the date of its adoption.

Number of Board members who voted:5.....
Number of votes "for" the Resolution:4.....
Number of votes "against" the Resolution:
Number of "abstained" votes1.....

Signatures of the Members of the Supervisory Board of Elektrociepłownia "Będzin" S.A:



Written vote of the Supervisory Board, 30 April 2021

1. Krzysztof Kwiatkowski – Chairman of the Supervisory Board
 2. Waldemar Organista – Vice Chairman of the Supervisory Board
 3. Marcin Śledzikowski – Member of the Supervisory Board
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 4. Waldemar Witkowski – Member of the Supervisory Board
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 5. Sebastian Chęciński – Member of the Supervisory Board
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Appendix to Supervisory Board Resolution No. 9/X/2021

**Report of the Supervisory Board
of Elektrociepłownia "Będzin" S.A. on assessment results of the following:**

- 1. 2020 financial statements of the Elektrociepłownia "Będzin" S.A. Company**
- 2. 2020 Consolidated Financial Statements of the Elektrociepłownia "Będzin" S.A. Group of Companies**
- 3. Report of the Parent Company Management Board on operations of the Elektrociepłownia "Będzin" S.A. Group of Companies in 2020, (taking into account the requirements regarding the disclosure for the report of the Management Board on the operation of the parent company for the aforementioned period),**
- 4. Motion of Elektrociepłownia "Będzin" S.A. Management Board on covering the loss for the year 2020.**

Re 1.

The Supervisory Board of Elektrociepłownia „Będzin” S.A. reviewed the financial statements of the Elektrociepłownia "Będzin" S.A. Company for the year 2020, which includes:

- 1) a balance sheet prepared as of 31 December 2020, with total assets and liabilities amounting to **PLN 35,199,000** (say: thirty-five million one hundred ninety-nine thousand zlotys);
- 2) a profit and loss account for the period from 1 January 2020 to 31 December 2020, showing a net loss of **PLN 32,343,000**. (say: thirty-two million three hundred forty-three thousand zlotys);
- 3) additional information;
- 4) a statement of changes in equity for the period from 1 January 2020 to 31 December 2020, showing an equity decrease of **PLN 32,343,000** (say: thirty-two million three hundred forty-three thousand zlotys);
- 5) a cash flow statement for the fiscal year from 1 January 2020 to 31 December 2020, showing an increase in cash by the amount of **PLN 272,000** (say: two hundred and seventy-two thousand zlotys).

The Supervisory Board assessed the report on the FY 2020 financial statements in terms of its conformity with the books, documents, and the factual circumstances based on its knowledge of the Company and its operations, as well as actions taken in connection with report preparation, audit, and assessment, particularly based on the analysis of the following:

- 1) contents of the aforementioned report submitted by the Company's Management Board,
 - 2) documents, accounting books, and information provided by the Company's Management Board,
 - 3) results of additional verification of selected financial and operational areas,
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- 4) information and recommendations of the Audit Committee on the conduct, results and significance of the audit to the integrity of the Company's financial reporting and the Committee's role in evaluating the financial statements.

The Supervisory Board's assessment took into account the results of the Audit Committee's meetings with the representatives of Deloitte Audyt Spółka z ograniczoną odpowiedzialnością Spółka komandytowa, with its registered office in Warsaw, including the key certified auditor, as well as the content of the Committee's resolutions; among others, its assessment stated the following: the financial statements:

- 1) give a true and fair view of the Company's asset and financial position as of 31 December 2020 and its financial performance and cash flow for the year ending on that day, per the provisions of the Act of 29 September 1994 on Accounting ("Accounting Act" – Dz. U. /Journal of Laws/ of 2019, item 351, as amended) and the adopted accounting principles (policy);
- 2) are compliant in form and content with the provisions of law applicable to the Company and its Articles of Association;
- 3) were drawn up based on properly maintained accounting records in accordance with the provisions of chapter 2 of the Accounting Act.

The Supervisory Board reviewed the Audit Committee's recommendation and verified whether the Company's 2020 financial statements are in line with the books, documents and factual circumstances, without raising any objections in this respect. The Supervisory Board adopted Resolution No. 6/X/2021 of 30 April 2021 on the assessment of the financial statements of Elektrociepłownia "Będzin" S.A. and the report of the Parent Company Management Board on operations of the Elektrociepłownia "Będzin" S.A. Group of Companies in 2020, (taking into account the requirements regarding the disclosure for the report of the Management Board on the operation of the parent company for the aforementioned period).

Re 2 and 3.

The Supervisory Board has reviewed the Parent Company Management Board's Report on activities of the Elektrociepłownia "Będzin" S.A. Group of Companies in 2020, (taking into account the requirements regarding the disclosure for the report of the Management Board on the operation of the parent company for the aforementioned period), along with the Company's 2020 consolidated financial statements, which include:

- 1) Consolidated financial statements as of 31 December 2020, showing total assets and liabilities amounting to **PLN 359,509,000** (say: three hundred fifty-nine million five hundred nine thousand zlotys);
 - 2) Consolidated statement of profit and loss and other total income as of 31 December 2020, showing a net loss of **PLN 69,612,000** (say: sixty-nine million six hundred and twelve thousand zlotys);
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- 3) Consolidated statement of changes in equity for the period from 1 January to 31 December 2020, showing an equity decrease of **PLN 69,581,000** (say: sixty-nine million five hundred eighty-one thousand zlotys);
- 4) Consolidated statement of cash flow for the period from 1 January 2020 to 31 December 2020, showing an increase in cash by the amount of **PLN 19,339,000** (say: nineteen million three hundred and thirty-nine thousand zlotys);
- 5) Notes to the Group's 2020 Consolidated Financial Statements.

The Supervisory Board of Elektrociepłownia „Będzin” S.A. reviewed the report of the Parent Company Management Board on operations of the Elektrociepłownia "Będzin" S.A. Group of Companies in 2020, (taking into account the requirements regarding the disclosure for the report of the Management Board on the operation of the Parent Company for the aforementioned period) and the 2020 financial statements in terms of their conformity with the books, documents, and the factual circumstances based on its knowledge of the Company and its operations, as well as actions taken in connection with report preparation, audit, and assessment, particularly based on the analysis of the following:

- 1) contents of the aforementioned reports submitted by the Company's Management Board,
- 2) documents, accounting books, and information provided by the Company's Management Board,
- 3) results of additional verification of selected financial and operational areas,
- 4) information and recommendations of the Audit Committee on the conduct, results and significance of the audit to the integrity of the Company's financial reporting and the Committee's role in evaluating the financial statements and Parent Company Management Board's report on the operations of the Elektrociepłownia "Będzin" S.A. Group of Companies in 2020, (taking into account the requirements regarding the disclosure for the report of the Management Board on the operation of the Parent Company for the aforementioned period).

Report of the Parent Company Management Board on operations of the Elektrociepłownia "Będzin" S.A. Group of Companies in 2020, (taking into account the requirements regarding the disclosure for the report of the Management Board on the operation of the parent company for the aforementioned period) was drawn up in accordance with Art. 49 of the Accounting Act and Articles 70 and 71 of the Regulation of the Minister of Finance of 29 March 2018. on current and interim information delivered by issuers of securities and the conditions for recognising as equivalent the information required by the laws of a non-member state ("Current information regulation" – Dz. U. /Journal of Laws/ of 2018, item 757) and is consistent with the information contained in the financial statements.

The Supervisory Board's assessment took into account the results of the Audit Committee's meetings with the representatives of Deloitte Audyt Spółka z ograniczoną odpowiedzialnością Spółka komandytowa, with its registered office in Warsaw, including the key certified auditor, and the Audit Committee's recommendation on the

Elektrociepłownia "Będzin" S.A. Group of Companies consolidated financial statement for the year 2020.

The Supervisory Board emphasizes the significant uncertainty in terms of Elektrociepłownia Będzin S.A. Capital Group's capacity to continue its business, with the financial statements having been prepared with the assumption that it can do so. This is due to numerous factors, including ones that the Company has limited influence on, in particular, the success of the accelerated composition proceedings of Energo-Utech S.A. and the circumstances in the energy and coal sectors, which also affect the situation of Elektrociepłownia Będzin Sp. z o.o.

The Supervisory Board reviewed the Audit Committee's recommendation and assessed the Parent Company Management Board's report on the operations of the Elektrociepłownia "Będzin" S.A. Capital Group in 2020, (taking into account the requirements regarding the disclosure for the report of the Management Board on the operation of the parent company for the aforementioned period), as well as the 2020 Consolidated Financial Statements, in terms of their conformity with the books, documents and factual circumstances, without raising any objections in this respect. The Supervisory Board adopted Resolution No. 6/X/2021 of 30 April 2021 on the assessment of the financial statements of Elektrociepłownia "Będzin" S.A. and the report of the Parent Company Management Board on operations of the Elektrociepłownia "Będzin" S.A. Group of Companies in 2020, (taking into account the requirements regarding the disclosure for the report of the Management Board on the operation of the parent company for the aforementioned period) and Resolution No. 7/X/2021 on the evaluation of the consolidated financial statements and the report on the operations of the Elektrociepłownia "Będzin" S.A. Capital Group.

Re 4.

The Supervisory Board has reviewed the Elektrociepłownia "Będzin" S.A. Management Board Resolution No. 10/2021 of 29 April 2021 regarding the Company Management Board's proposal to the Supervisory Board to cover the Company's loss for 2020, amounting to **PLN 32,343,000** (say: thirty-two million three hundred forty-three thousand zlotys), using future profits. Considering the Company's current situation, the Supervisory Board has approved this motion. The Supervisory Board adopted Resolution No. 6/X/2021 of 30 April 2021 on issuing an opinion on the Management Board's motion to cover the loss for 2020.
