

Polish Oil and Gas Company (PGNiG SA)
Head Office

Warsaw, May 2nd 2019

Current Report No. 16/2019

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Award issued by the Arbitration Court at the National Chamber of Commerce concerning Abener Energia S.A.'s claims against Elektrociepłownia Stalowa Wola S.A.

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The Management Board of Polskie Górnictwo Naftowe i Gazownictwo S.A. ("PGNiG", the "Company") announces that it was notified that on April 25th 2019 the Arbitration Court at the National Chamber of Commerce of Warsaw (the "Arbitration Court") issued an award in a case brought by Abener Energía S.A. of Campus Palmas Altas, Sevilla ("Abener Energia") against Elektrociepłownia Stalowa Wola S.A. of Stalowa Wola ("ECSW"), in which PGNiG holds, indirectly through the subsidiary PGNiG TERMIKA S.A., 50% of the share capital.

The proceedings before the Arbitration Court concerned a claim for payment, determination of a legal relationship and obligation to make a statement of will in connection with the terminated contract between Abener Energia (general contractor) and ECSW (principal) for the construction of an approximately 400 MW CCGT unit with a heating unit at Elektrociepłownia Stalowa S.A.

Based on the Arbitration Court's award ECSW has been obliged to pay 333 793 359.31 zloty to Abener Energia with statutory interests for the delay and costs of arbitration proceedings.

The Arbitration Court's award may be appealed against by filing with a court of general jurisdiction a request to revoke an arbitral award. ECSW is undergoing an analysis of the award and its justification in order to lodge a complaint for its revocation.