

Polish Oil and Gas Company (PGNiG SA)
Head Office

Warsaw, August 2nd 2021

Current Report No. 34/2021

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Letter of Intent signed regarding Elektrociepłownia Stalowa Wola S.A.

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The Management Board of Polskie Górnictwo Naftowe i Gazownictwo SA (“PGNiG”, the “Company”) announces that on August 2nd 2021 a Letter of Intent was signed between PGNiG, PGNiG TERMIKA S.A. (member of the PGNiG Group), Tauron Polska Energia S.A. („Tauron”), TAURON Wytwarzanie S.A. (member of the Tauron Group) regarding a potential sale by Tauron Group to PGNiG of the Tauron’s equity interest in Elektrociepłownia Stalowa Wola S.A. („ECSW”) and of receivables under loans advanced to ECSW by Tauron Group (the “Potential Transaction”).

The Letter of Intent is not a binding commitment to enter into the Potential Transaction. The decision to execute the Potential Transaction will depend on the results of negotiations related to the matter and will be subject to the satisfaction of other requirements under applicable laws and corporate regulations.

PGNiG holds, indirectly through the subsidiary PGNiG TERMIKA S.A., 50% of the share capital in Elektrociepłownia Stalowa Wola S.A. Growth in the area of power and heat generation is an important element of the PGNiG Group Strategy for 2017–2022 (with an outlook until 2026), as announced in Current Report No. 19/2017 of March 13th 2017.