

Polish Oil and Gas Company (PGNiG SA)  
Head Office

Warsaw, December 13th 2021

### **Current Report No. 47/2021**

Warsaw, December 13th 2021

Intention to obtain additional short-term financing

Current Report No. 47/2021

The Management Board of Polskie Górnictwo Naftowe i Gazownictwo SA (“PGNiG” or the “Company”) announces that on December 13th 2021 the Company obtained consent of the Supervisory Board for entering into 3 new overdraft facility agreements (the “Additional Agreements”), increasing the Company’s ability to access additional short-term finance over a period of up to 9 months from the date of the Additional Agreements by a total of PLN 2.7 billion.

In the opinion of the PGNiG Management Board, the access to external source of finance provided under the Additional Agreements will enable the PGNiG Group (the “PGNiG Group”) to maintain flexibility in its day-to-day operations while gas fuel prices remain high on power exchanges, including the Polish Power Exchange, Title Transfer Facility in the Netherlands and Trading Hub Europe in Germany, where the prices still continue to exceed the level of EUR 70 per megawatt hour throughout the fourth quarter of 2021, both in the intra-day/day-ahead markets and futures for the coming months. The high gas price environment is causing cash requirements of the PGNiG Group companies to rise as a result of a temporary increase in receivables and liabilities under gas purchases, high gas stock levels in underground gas storage facilities, and increased margin requirements for gas trading exchange and financial transactions.

As a result of conclusion of the Additional Agreements, PGNiG will have access to external sources of finance in the form of bank facilities under a revolving syndicated credit facility agreement signed on June 24th 2019, as announced by the Company in Current Report No. 27/2019 of June 24th 2019, increased to the total amount of PLN 12.7 billion in the period of 9 months from the date of conclusion of mentioned above Additional Agreements.

The Company is monitoring the price and regulatory environment and – in the event of long-term persistence of high gas prices or their significant growth on power exchanges – will take further steps to increase availability of short-term financing sources and to potentially limit investment expenditures in order to ensure adequate financial liquidity of the PGNiG Group.

PGNiG will inform in a separate current report on conclusion of mentioned above Additional Agreements.

