

Current report 23/2017

Subject: Appointment of an entity authorised to audit financial statements

The Management Board of Zespół Elektrociepłowni Wrocławskich KOGENERACJA S.A. hereby gives notice that on 20 October 2017, the Supervisory Board, acting pursuant to § 17 section 2 paragraph 4 of the Company's Statute and in accordance with other binding provisions, passed a resolution concerning the appointment of **Ernst & Young Audyt Polska Sp. z o.o. Sp. k. with its head office in Warszawa Rondo ONZ 1, 00-124 Warszawa, registered in the District Court for Warsaw City, XII Commercial Division of the National Court Register under the number KRS 0000481039**, entered into the register of entities authorised to audit financial statements maintained by the National Council of Statutory Auditors under No. 130, as a statutory auditor authorised to audit financial statements for the financial year 2017 and 2018, in order:

- to audit separate financial statement of KOGENERACJA S.A. for the financial years: 2017 and 2018
- to audit consolidated financial statement of KOGENERACJA Group for the financial years: 2017 and 2018
- to audit consolidated financial statement for the dominant shareholder Capital Group in accordance with the International Financial Reporting Standards
- to review separate and consolidated interim financial statement for the first half year of 2018
- to audit financial statement prepared in accordance with the article 44 of the Energy Act

In addition, **Ernst & Young Audyt Polska Sp. o.o. Sp. k.**, with its head office in Warsaw, will audit the opening balance sheet as at the closing date of the sale transaction (or another date that will be determined as the acquisition date in accordance with IFRS 3) and verification of investment expenditure eligible for balancing of projected emission allowances for investment projects included in the National Investment Plan in 2018.

The Company has not used Ernst & Young's auditing services for the last 10 years.

The Resolution of the Supervisory Board shall come into force provided that the Company receives written statements (i.e. copies to be certified as true to the original by legal counsels or attorneys at law), to be made by or on behalf of the following EDF Polska S.A. shareholders: (i) EDF International SAS and (ii) EDF Investment II BV, transferring ownership of all registered shares that they hold in EDF Polska S.A. and confirming the provision of registered share documents to PGE Polska Grupa Energetyczna S.A. This condition shall be deemed to be met as of the date that the last of the aforementioned statements is received by the Company. The company will inform about the fulfilment of the condition in a separate report.

The Supervisory Board has taken its decision concerning selection of the entity entitled to audit financial statements in accordance with binding regulations and professional standards.

Legal basis: section 56 subsection 1 paragraph 2 of the Public Offer of Financial Instruments Act (unified text: Dz. U. [Journal of Laws] from 2016 r. item 1639 with later amendments), section 5 subsection 1 paragraph 19 and 25 of the Ordinance of the Minister of Finance of 19 February 2009 on Current and Interim Information Communicated by Issuers of Securities and on the Conditions for Regarding as Equivalent the Information Required by the Provisions of Law in Force in a Non-Member State (unified text: Dz. U. [Journal of Laws] from 2014 item 133 with later amendments)