

Current Report 31/2014

Subject: establishment of ordinary pledges

The Management Board of Zespół Elektrociepłowni Wrocławskich KOGENERACJA S.A. with its registered office in Wrocław hereby reports that on 6 August 2014, ordinary pledges were established on shares of Elektrociepłownia "Zielona Góra" S.A. between KOGENERACJA S.A. and EDF INVESTISSEMENTS GROUPE SA in relation to entering into and securing the loan agreement reported by the Issuer in the Current Report 30/2014 on 1 August 2014.

1. The ordinary pledges were established on 6 August 2014 on the assets of the Issuer Zespół Elektrociepłowni Wrocławskich KOGENERACJA S.A. with its registered office in Wrocław (the Pledger) for EDF INVESTISSEMENTS GROUPE SA, a Belgian law company with its registered office in Brussels (the Pledgee).
2. The subject of the ordinary pledges are 413,177 (say: four hundred thirteen one hundred seventy seven thousand) not dematerialised registered shares of a subsidiary Elektrociepłownia "Zielona Góra" S.A., i.e.:
 - A series – numbers 000 000 001-000 109 356
 - A series – numbers 000 109 357-000 148 500
 - A series – numbers 000 148 501-000 148 540
 - A series – numbers 000 148 547- 000 148 819
 - A series – numbers 000 148 841-000 151 035
 - A series – numbers 000 151 051-000 153 800
 - A series – numbers 000 153 851-000 154 000
 - A series – numbers 000 154 051-000 157 400
 - A series – numbers 000 157 501-000 165 990
 - A series – numbers 000 166 001-000 166 995
 - A series – numbers 000 167 001-000 167 500
 - A series – numbers 000 167 601-000 174 960
 - A series – numbers 000 175 081-000 178 320
 - A series – numbers 000 178 381-000 178 800
 - A series – numbers 000 178 921-000 187 360
 - A series – numbers 000 187 501-000 198 000
 - B series – numbers 000 000 001-000 016 400
 - C series – numbers 000 000 001-000 181 596
 - D series – numbers 000 000 001-000 017 978

with the highest priority of satisfaction on the above-mentioned shares in the share capital of the company, owned by the Pledger, with the face value of PLN 25 (say: PLN twenty five) each, which at the date of the above-mentioned ordinary pledge agreement represent 74.56% of the share capital and 74.56% of votes at the General Meeting of Elektrociepłownia "Zielona Góra" S.A.

3. The book value of the above-mentioned shares of Elektrociepłownia “Zielona Góra” S.A. in the Issuer’s books of account is PLN 128,142,714.78. The above-mentioned ordinary pledges secure the liability related to the investment loan of PLN 122,192,430 (say: PLN one hundred twenty two million one hundred ninety two thousand four hundred thirty), which was reported by the Issuer in the Current Report 30/2014 on 1 August 2014.
4. The ordinary pledges shall expire on the expiry date of the security period, i.e. upon full repayment of the loan.
5. The shares of EC “Zielona Góra” S.A. are a long-term capital investment for the Issuer.
6. There are no relationships between the management and supervisory staff of the Issuer and EDF INVESTISSEMENTS GROUPE SA.
7. The relationships between the Issuer and EDF INVESTISSEMENTS GROUPE SA are as follows:
 - a. EDFI SAS holds directly and indirectly (and EDF S.A. indirectly) 7,450,001 shares representing 50% of shares plus one share in the share capital of the Issuer and as far as votes at the General Meeting of the Issuer are concerned:
 - held directly by EDFI SAS and indirectly by EDF – 2,483,830 shares, representing 16.67% of the total number of shares in the share capital and votes at the General Meeting,
 - held indirectly by EDFI SAS and indirectly by EDF – 2,642,869 shares, representing approximately 17.74% of the total number of shares in the share capital and votes at the General Meeting, held by EDF Polska SA,
 - held indirectly by EDFI SAS and indirectly by EDF – 2,323,302 shares, representing 15.59% of the total number of shares in the share capital and votes at the General Meeting, held by EDF Investment III, a subsidiary of EDFI SAS (and indirectly also of EDF).

EDF S.A. holds directly 100% of shares of EDFI SAS.

- b. EDF S.A. holds directly 100% of shares of SOCIÉTÉ C3 S.A.S. SOCIÉTÉ C3 S.A.S. holds 95.51% of shares of EDF INVESTISSEMENTS GROUPE SA (indirectly EDF S.A. holds 95.51% of shares of EDF INVESTISSEMENTS GROUPE SA).
8. The value of the pledged assets exceeds 10% of the value of the Issuer’s equity.

Legal basis: Article 56 section 1 item 2 of the Public Offering Act – current and interim information, and § 5 section 1 item 1 and § 7 of the Ordinance by 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 the law in force in a non-Member State (Dz. U. [Journal of Laws] No. 33 item 259 as amended).