

Current Report 21/2019

Subject: Change in the estimation of selected financial and operating data for the period from 1 January to 30 June 2019

Acting as the persons authorised to represent Zespół Elektrociepłowni Wrocławskich KOGENERACJA S.A. (hereinafter "Parent Company," "Company"), in connection with the Current Report 20/2019, we hereby publish the estimated consolidated net profit for the period from 1 January to 30 June 2019, updated as at 7 August 2019, attributable to shareholders of the Parent Company.

Estimated consolidated net profit attributable to shareholders of the Parent Company amounts to approximately PLN 51.6 million (PLN 3.46 per share) and is lower by a total of PLN 98.1 million compared to the consolidated net profit attributable to shareholders of the Parent Company published on 31 July 2019 at PLN 149.7 million (i.e. PLN 10.05 per share).

The change in the estimation of consolidated net profit attributable to shareholders of the Parent Company results from the following:

1. Changes in the valuation of free CO₂ emissions allowances in the reporting period (decrease in the result by PLN 87.1 million).

In connection with the inability to apply the valuation to the market value (in accordance with IAS 2) of CO₂ emission allowances received free of charge in April 2019 which were held for sale (market value as at 30 June 2019: PLN 108.5 millions), the valuation was applied in the purchase value, i.e. PLN 0.

The result on the sale of the aforementioned allowances will be recognised in the statement of total income in 2020, on the transaction execution date.

2. From the correction of disclosure of underestimation of deferred tax under LTCs in the income tax item in the consolidated statement of comprehensive income for the first half of 2019 (decrease in result by PLN 11.0 million).

The other preliminary estimates published on 31 July 2019 remain unchanged:

- Electricity sales after 6 months of 2019 amounted to 1,297 GWh (including Parent Company 630 GWh);
- Heat sales after 6 months of 2019 amounted to 6,167 TJ (including Parent Company 5,467 TJ);
- Consolidated operating result plus depreciation (EBITDA) after 6 months of 2019 amounted to approximately PLN 134.6 million;

- Consolidated net cash flows after 6 months amounted to approximately PLN 180.5 million;
- Investment outlays amounted to approximately PLN 34.3 million.

The Company reserves the right to make estimates of the values presented above and to change them. The final values will be presented in the consolidated report for the first half of 2019, which is planned to be published on 12 August 2019.

Legal basis: Article 17 section 1 of MAR