

Będzin, 21 October 2021

Mr Krzysztof
Kwiatkowski
Chairman of the Supervisory Board

**Resignation from the position of the Member of the Management Board
of Elektrociepłownia "Będzin" S.A.**

I hereby resign from the position of the Member of the Management Board of Elektrociepłownia "Będzin" S.A. Given that I have recently acted as a Member of the Management Board on my own, to maintain the continuity of the Management Board and to enable the Supervisory Board to make appropriate corporate decisions related to formation of a new Management Board, I hereby resign from my function in the Management Board of Elektrociepłownia "Będzin" S.A. effective 31 October 2021.

At the same time, I would like to point out that during my term as a Member of the Management Board of the Company, in addition to numerous actions aimed at optimising the costs of the Company's operations, the following actions and business objectives aimed at improving the condition of the Company and the Corporate Group have been accomplished:

- In mid-2020, a court action was pending against EC Będzin S.A. for payment of the remainder of the price for purchase of fixed assets, brought by BH Steel-Energia Sp. z o.o. In proceedings by writ of payment, the court issued a payment order, under which a bailiff secured the claim, among others, against the Company's bank accounts. In order to manage the situation, the Management Board terminated lease agreements for machinery and equipment entered into with Tameh Polska sp. z o. o. by concluding on 30 July 2020 an agreement for sale of the leased fixed assets to Alior Leasing sp. z o.o. and Tameh Polska sp. z o.o. The funds obtained from this sale made it possible to settle the liabilities and on 5 September 2020 the bank transferred to the bailiff's bank account the full amount under the security, thus ending the debt collection proceedings.
- Furthermore, during my activity in the Management Board of EC Będzin S.A., a crisis situation stemming from an overdue liability towards one of the Company's significant lenders was brought under control. On 19 August 2021, Elektrociepłownia "Będzin" S.A. concluded an annex to the agreement, pursuant to which a new schedule of repayment of overdue instalments was established, and once the Company fulfilled the aforementioned provisions of the annex, the Parties decided to additionally reduce the late interest for delays in repayment of the loan, which eliminated the possibility of the lenders filing subsequent lawsuits against the Company or a potential petition to declare the Company's bankruptcy. At the same time, I would like to inform that should the Company fail to settle its liabilities towards this specific lender, it risks potential insolvency, which requires the new Management Board to take appropriate remedial actions.
- In recent days, the Management Board of the Company, to eliminate the risk of bond default, has requested that the bondholders and the Supervisory Board adopt the following actions: change in the bond maturity date (extension of the repayment date), temporary conversion of bonds into shares in Energo- Utech S.A. under restructuring and recapitalisation of the Company. As stressed in the auditor report for the first half of 2021, *"an obligation to settle the Company's liabilities stemming from bonds in accordance with Terms and Conditions of Issue in force as at the date of this Report could significantly threaten the Company's liquidity, and thus pose a significant risk for the Company's ability to continue as a going concern."* However, the actions taken by the Management Board require appropriate owners' decisions, including decisions related to recapitalisation of the Company.

- The Management Board has pursued an active policy of seeking a financial investor for the Company, which has led to advanced talks with one of the investors from the waste management industry. Recent weeks have brought significant resolutions, which are the subject of a term sheet for a potential transaction and joint venture that is currently being agreed upon.
- Since ETFL Energo-Utech S.A. has entered into a formal restructuring process, the Management Board of Elektrociepłownia "Będzin" S.A. has pursued a proactive policy of seeking a financial investor for ETFL Energo-Utech S.A. under restructuring, which has led to sale of a controlling block of shares and provided an opportunity to establish a basis for making an arrangement with its creditors. It should be noted here that following the sale of the controlling block of shares, the entity responsible for preparing the arrangement with creditors was ETFL Energo-Utech S.A. under restructuring.

However, the aforementioned actions in the context of ETFL Energo-Utech S.A. under restructuring proved insufficient due to an external factor beyond the control of the Management Board of the Company. According to information received today by Elektrociepłownia "Będzin" S.A. from ETFL Energo-Utech S.A. under restructuring, on 20 October 2021 (yesterday), the District Court for Poznań Stare Miasto in Poznań, XI Bankruptcy and Restructuring Division, has in the case no. XI Grp 6/20 issued a decision to refuse to approve the arrangement with creditors of ETFL Energo-Utech S.A. under restructuring.

At this stage, any actions taken by the Management Board without proper recapitalisation of the Company, i.e. without appropriate owners' decisions at the shareholder level, cannot improve the financial situation of the Company. In view of the above, given that there are no more feasible scenarios, based on the tools available to the Management Board, I hereby **tender my resignation from the position of the Member of the Management Board of Elektrociepłownia "Będzin" S.A.** At the same time, to maintain the continuity of the Company's operations, I would like to point out that the date of resignation falls on **31 October 2021**, which ensures that the relevant corporate bodies of the Company have the opportunity to react in order to appoint a new Management Board for the Company.

At the same time, I would like to assure you of my readiness to relay any matters to the newly appointed Management Board and point out that as at the date of this resignation, the Company is not insolvent.

Thank you for your cooperation and trust up to this point.

Kamil Kamiński 21.10.2021 r.