

## **Announcement of the cancellation of the Annual Shareholder's Meeting of CIECH S.A.**

The Management Board of CIECH S.A. with its registered office in Warsaw (the „Company”), entered into the register of entrepreneurs by the District Court for the Capital City of Warsaw, XII Commercial Division of the National Court Register, under the registry number (KRS): 0000011687, holder of tax identification number (NIP): 1180019377, whose share capital (fully paid) amounts to PLN 263,500,965, with reference to the resolution No. 144 / 2019 of the Management Board of Ciech S.A. dated 27 June 2019, **decides to cancel** the Annual Shareholder's Meeting of the Company scheduled for 28 June 2019, at. 11:00 a.m., at the Company's premises at the address 62 Wspólna Street, 00-684 Warsaw.

Cancellation of the Annual Shareholder's Meeting of the Company is caused by the necessity to create in the Consolidated Financial Statements of CIECH Group for the year 2018 and in the Report of the Management Board on Ciech S.A. and CIECH Group activity for the year 2018 (jointly referred to as the „Consolidated Statement of CIECH Group”) a provision for income tax and the write-off for deferred tax asset in the total amount of approximately PLN 65,000,000 and to recognise a provision for late payment interest, which as at the balance sheet date, i.e. as at 31 December 2018, amounted to approximately PLN 6,000,000, due to the assessment made by the Management Board of CIECH S.A. that information obtained after the date of the publication of the Consolidated Statement of CIECH Group as a result of the receipt, on 6 June 2019, by the subsidiaries of CIECH S.A. - CIECH Soda Polska S.A., CIECH Cargo sp. z o.o., CIECH Pianki sp. z o.o. (jointly the „Subsidiaries”) of decisions of the Head of the Kujawsko-Pomorskie Tax Office in Bydgoszcz of 23 May 2019, issued in tax proceedings regarding the control of corporate income tax for the year 2015 conducted against the Subsidiaries, in which the Head of Tax Office questioned the right of each of the Subsidiaries to settle a tax loss from participation in partnership being the Company's indirect subsidiary, which resulted in the necessity of creating provisions as at the day of 31 December 2018.

With reference to the abovementioned necessity of creating the provisions and the write-off for deferred tax asset in the Consolidated Statement of CIECH Group, the Management Board of the Company shall be obliged to make a material correction (amendment) to the statement. Taking into account the above, the Management Board of the Company came to the conclusion that the approval of the Consolidated Statement of CIECH Group by the Annual Shareholder's Meeting of the Company would not be possible. Moreover, based on its own analysis of the time necessary to prepare the corrected Consolidated Statement of CIECH Group and the consultation with the auditor, the Management Board of the Company assessed that announcing a brake in the Meeting would not be a sufficient solution. In particular, the

duration of the brake (a maximum of 30 days) might not be sufficient for the shareholders to get acquainted with the content of the corrected Statements in due advance of the Meeting being resumed.

For the above reasons, the Management Board of the Company has decided to cancel the Annual Shareholder's Meeting.

**THE MANAGEMENT BOARD OF CIECH S.A.**