

15 October 2018

Energa SA
al. Grunwaldzka 472
80 – 309 Gdańsk
Poland

Attn: Members of the Management Board

Alicja Barbara Klimiuk
Jacek Kościelniak
Grzegorz Ksepko

Members of the Supervisory Board

Paula Ziemiecka-Księżak
Zbigniew Wtulich
Agnieszka Terlikowska-Kulesza
Maciej Żółtkiewicz
Marek Szczepaniec
Andrzej Powałowski

Investor relations

Aleksander Korsak (aleksander.korsak@energa.pl, investor.relations@energa.pl)

Via registered mail and email

Dear Sir or Madam,

OSTROŁĘKA C: REPORTED COMMENCEMENT OF CONSTRUCTION

1. We refer to our letter of 19 September 2018 and media reports from earlier today that stated that construction of Ostrołęka C is to commence tomorrow 16 October 2018.¹
2. In our view, commencing construction at the present time is plainly reckless and in breach of Energa's Management Board and Supervisory Board members' fiduciary duties of due diligence and to act in the best interests of the company and its shareholders. It also appears to lack the necessary corporate approvals.

¹ Tomasz Elźbieciak, Ostrołęka - startują prace budowlane, 15 October 2018, <https://www.wnp.pl/wiadomosci/ostroleka-startuja-prace-budowlane.332409.html>; BiznesAlert, Jutro rusza uroczyście rozbudowa Elektrowni Ostrołęka, 15 October 2018, <http://biznesalert.pl/elektrownia-ostroleka-c-rozpoczecie-prac/>.

3. Please urgently:

- a. confirm whether Energa's Supervisory Board has adopted a resolution approving the granting of consent to issue a Notice to Proceed ("NTP");
- b. confirm whether an NTP has been issued; and
- c. provide the assurances and information sought in our letter of 19 September 2018.

Breach of fiduciary duties

4. In our view, proceeding to the construction stage of Ostrołęka C would breach Energa's Management Board and Supervisory Board members' duties of due diligence and to act in the best interests of the company and its shareholders for the reasons set out in our letter of 19 September 2018.
5. It would be particularly reckless for Energa to proceed to the construction stage at the present time – i.e. before the capacity market auction and before third-party financing is secured – in light of Fitch's specific statement on 21 March 2018 that this might lead to negative rating action.² Fitch recently restated this warning in respect of Energa's joint venture partner, Enea.³

Corporate consents

6. Energa stated in a stock exchange report of 7 August 2018 that *"the issuance of the Notice to Proceed shall require in particular: ... 2) consent of the Supervisory Board of ENERGA SA and the Supervisory Board of ENEA S.A. to issue the Notice to Proceed to the General Contractor."*⁴
7. As at the time of sending this letter, Energa has not disclosed the consent of the Supervisory Board to the effect stated above.
8. One of the other stated prerequisites for an NTP to be issued is a resolution of Energa's joint venture partner Enea's general meeting expressing consent to commence the construction phase of Ostrołęka C.⁵ Enea sought to pass such a resolution at its extraordinary general meeting of 24 September 2018 (the "Enea Resolution").
9. Energa should not rely upon the Enea Resolution. Enea's Management Board proposed the Resolution on notice by [redacted] that its doing so was clearly and obviously harmful to the interests of Enea and its shareholders and contrary to good customs. [redacted] submitted an objection to the Resolution and Enea has stated that other shareholders voting against the

² Fitch Ratings, Fitch Affirms Poland's Energa at 'BBB'; Outlook Stable, 21 March 2018, <https://www.fitchratings.com/site/pr/10024448>.

³ Fitch Ratings, Fitch affirms ENEA at 'BBB'; Outlook Stable, 1 October 2018, https://www.investors.enea.pl/file/attachment/1325055/67/press_release_fitch_affirms_enea_at_bb_b_outlook_stable.pdf.

⁴ Energa, Current Report No. 39/2018, 7 August 2018, <https://ir.energa.pl/en/pr/398857/current-report-no-39-2018>.

⁵ Energa, Current Report No. 39/2018, 7 August 2018, <https://ir.energa.pl/en/pr/398857/current-report-no-39-2018>.

[REDACTED]

Resolution have also submitted objections to it.⁶ The period for such shareholders to bring an action for revoking the Resolution has not yet elapsed.⁷ The legal status of the Resolution remains uncertain.

10. It therefore appears that construction is commencing without the necessary corporate approvals.
11. We request your urgent consideration of the matters above. [REDACTED] reserves all of its rights and remedies.

Yours faithfully

[REDACTED]

⁶ Enea, Current Report No. 50/2018, 24 September 2018, <https://www.investors.enea.pl/en/pr/403832/contents-of-the-resolutions-adopted-by-the-extraordinary-general-meetj>.

⁷ See Commercial Companies Code, article 424.