



ASSESSMENT BY THE SUPERVISORY BOARD OF CIECH S.A. OF THE MANAGEMENT BOARD REPORT ON ACTIVITIES OF THE CIECH GROUP AND CIECH S.A. IN 2018, THE FINANCIAL STATEMENTS OF CIECH S.A. FOR 2018 AND THE CONSOLIDATED FINANCIAL STATEMENTS OF THE CIECH GROUP FOR 2018

I. SUBJECT MATTER OF THE ASSESSMENT

The subject matter of this assessment includes:

1. Management Board Report on activities of the CIECH Group and CIECH S.A. in 2018;
2. Financial Statements of CIECH S.A. for 2018 prepared in accordance with the International Financial Reporting Standards;
3. Consolidated Financial Statements of the CIECH Group for 2018 prepared in accordance with the International Financial Reporting Standards.

II. ASSESSMENT OF THE MANAGEMENT BOARD REPORTS AND FINANCIAL STATEMENTS

Assessment of the Management Board Report on activities of the CIECH Group and CIECH S.A. in 2018

The Supervisory Board of CIECH S.A. assessed the Management Board Report on activities of the CIECH Group and CIECH S.A. for 2018 and reviewed the results of the audit presented by CIECH S.A.'s auditor (PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt sp.k.), the auditor report and the report for the Audit Committee and based on information and materials received from the Auditor, the Management Board and representatives of the Company, concluded that the report:

- was prepared in accordance with Article 49 of the Accounting Act of 29 September 1994 (Journal of Laws of 2019, item 351) and § 70 and § 71 of the Regulation of the Minister of Finance of 29 March 2018 on current and periodical information submitted by issuers of securities and on conditions for deeming equivalent information required by the law of a Non-Member State;
- is consistent with the information contained in the Financial statements of CIECH S.A. for 2018 and Consolidated financial statements of the CIECH Group for 2018.

The Supervisory Board of CIECH S.A. on the basis of information and materials received from the Auditor, the Management Board and representatives of the Company concludes that the Management Board Report on activities of the CIECH Group and CIECH S.A. for 2018 contains a description of all material events that may have an influence on the CIECH Group's and CIECH S.A.'s financial position and performance over the upcoming quarters as well as a description of material risks.

Further to the foregoing, the Supervisory Board of CIECH S.A. expresses a positive assessment of the Management Board Report on activities of the CIECH Group and CIECH S.A. for 2018.

Assessment of the Financial statements of CIECH S.A. for 2018

The Supervisory Board of CIECH S.A. concludes that on 13 May 2019 assessed the Financial statements of CIECH S.A. for 2018, comprising:

- a) a statement of profit or loss for the period from 1 January to 31 December 2018, showing a net profit of PLN 270,612 thousand,
- b) a statement of other comprehensive income for the period from 1 January to 31 December 2018, showing total comprehensive income of PLN 266,104 thousand,
- c) a statement of financial position as at 31 December 2018, showing both total assets and total equity and liabilities of PLN 3,927,454 thousand,
- d) a statement of changes in equity, showing a decrease in equity as at 31 December 2018 by PLN 146,327 thousand,
- e) a statement of cash flows for the period from 1 January to 31 December 2018, showing a decrease in cash by PLN 320,620 thousand,
- f) explanatory notes to the Financial statements of CIECH S.A. for 2018,



and reviewed the results of the audit presented by CIECH S.A.'s auditor (PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt sp.k.).

The Supervisory Board of CIECH S.A. on the basis of information and materials received from the Auditor, the Management Board and representatives of the Company, concludes in the Representation from 13 May 2019, that the Financial statements of CIECH S.A. for 2018 were prepared in accordance with the International Financial Reporting Standards and are consistent with ledgers and documents, and with the factual state.

Further to the foregoing, the Supervisory Board of CIECH S.A. upholds a positive assessment of the Financial statements of CIECH S.A. for 2018.

Assessment of the Consolidated financial statements of the CIECH Group for 2018

The Supervisory Board of CIECH S.A. assessed the Consolidated financial statements of the CIECH Group, comprising:

- a) a consolidated statement of profit or loss for the period from 1 January to 31 December 2018, showing a consolidated net profit of PLN 112,503 thousand,
- b) a consolidated statement of other comprehensive income for the period from 1 January to 31 December 2018, showing total comprehensive income of PLN 113,367 thousand,
- c) a consolidated statement of financial position as at 31 December 2018, showing both total assets and total equity and liabilities of PLN 4,822,132 thousand,
- d) a consolidated statement of changes in equity, showing a decrease in equity as at 31 December 2018 by PLN 285,518 thousand,
- e) a consolidated statement of cash flows for the period from 1 January to 31 December 2018, showing a decrease in cash by PLN 297,832 thousand,
- f) explanatory notes to the Consolidated financial statements of the CIECH Group for 2018,

and reviewed the results of the audit presented by CIECH S.A.'s auditor (PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt sp.k.).

The Supervisory Board of CIECH S.A. on the basis of information and materials received from the Auditor, the Management Board and representatives of the Company concludes that the Consolidated financial statements of the CIECH Group for 2018 were prepared in accordance with the International Financial Reporting Standards and are consistent with ledgers and documents, and with the factual state.

Further to the foregoing, the Supervisory Board of CIECH S.A. expresses a positive assessment of the Consolidated financial statements of the CIECH Group for 2018.

Warsaw, 25 July 2019

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Sebastian Kulczyk – Chairman of the Supervisory Board of CIECH Spółka Akcyjna

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Tomasz Mikołajczak – Vice Chairman of the Supervisory Board of CIECH Spółka Akcyjna

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Piotr Augustyniak – Member of the Supervisory Board of CIECH Spółka Akcyjna

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Mariusz Nowak – Member of the Supervisory Board of CIECH Spółka Akcyjna

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Marek Koźnik – Member of the Supervisory Board of CIECH Spółka Akcyjna

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Artur Olech – Member of the Supervisory Board of CIECH Spółka Akcyjna