



Business restructuring and postponement of Financial Reports publication dates

Current report no. 17/2019

Date 28 October, 2019

The Board of Directors of Coal Energy S.A. (the "Company") hereby reports that for further development of the business under the ongoing military conflict in eastern Ukraine, the Management decided to **restructure the business**. As previously reported, the assets of the Company located in the territory which is not controlled by the Ukrainian authorities were idled and have not been working since 2017, generating loss.

Despite political negotiations and initiatives (Minsk Agreements), a steady breakthrough in conflict resolution has not been achieved. To date, the Company has completely lost control over these enterprises and in this regard, **Management took the decision to alienate assets located in the military conflict zone** in the territory which is not controlled by the Ukrainian authorities. Management expects that this decision will have a positive effect on the operating results, cash flow and financial results of the Company. Meanwhile Management will focus efforts on the coal mining assets located in territory which is under control of the Ukrainian authorities - CwAL LE "Mine St.Matrona Moskovskaya" and Tekhinovatsiya LLC.

The restructuring process started in FY2019, so these changes in the structure of the Company should be reflected in the annual financial report for FY2019. Whereas it is necessary to complete the restructuring and reflect it in the annual financial report for FY2019, **the Company postpones the publication date of the annual financial report for FY2019 to 30.12.19** and, accordingly, the date of publication of the financial report for **1Q FY2020 to 30.01.2020**.

The company will properly inform the capital market participants about any changes, events and decisions regarding this issue.

Signatures of individuals authorized to represent the Company:

Elena Belousova

Legal grounds: Art.3 to 5 of the Luxembourg Law of 11 January 2008 relating to the transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, and Art. 56 of the Act of 29 July 2005 on the public offering, conditions governing the introduction of financial instruments to organised trading system and on public companies.