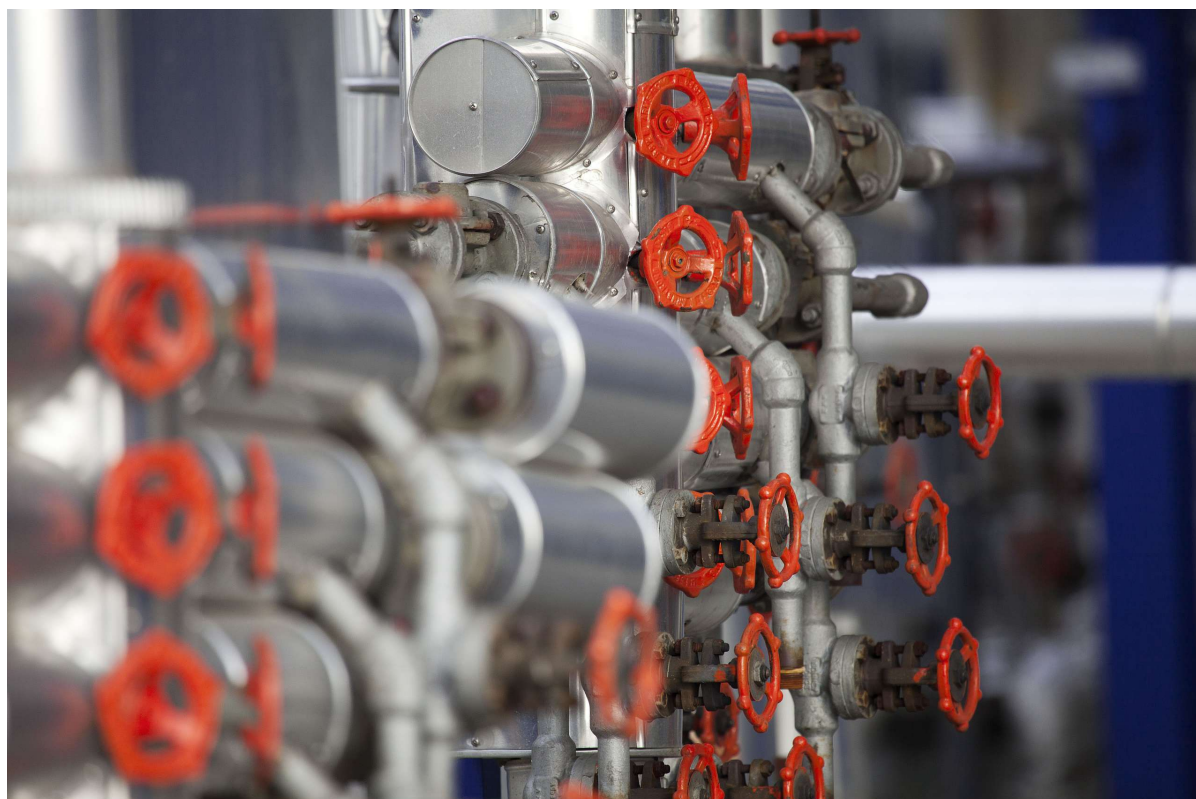


Favourable pricing conditions and fewer restrictions

In July 2019, the LOTOS Group and a syndicate of eight financial institutions signed new credit facility agreements to refinance the credit facilities contracted for the 10+ Programme. In addition to optimising the structure and repayment terms of the financial liabilities, the signed documents will also result in the release of security interests in the Company's assets.



The new credit facility agreements were signed with a bank syndicate comprising: ING Bank Śląski S.A., PEKAO S.A., PKO BP S.A., Sumitomo Mitsui Banking Corporation Bank EU AG, Intesa Sanpaolo S.p.A, Caixabank S.A. (Spółka Akcyjna), Industrial and Commercial Bank of China (Europe) S.A. and Erste Group Bank AG.

They provide for a credit facility of USD 0.5bn, including a term facility of USD 400m (approximately PLN 1.5bn, as translated at the mid rates quoted by the National Bank of Poland for July 2nd 2019) and a working capital facility of USD 100m (approximately PLN 376m, as translated at the mid rates quoted by the National Bank of Poland for July 2nd 2019), with USD as the base currency and an option of making drawdowns in USD, EUR or PLN.

The repayment date is five years from the disbursement. The main security for the credit facilities is the Company's representation on submission to enforcement made in favour of the lenders. The other terms and conditions of the agreements do not differ from standard terms commonly used in agreements of this type.

Having secured the new credit facilities, Grupa LOTOS will be able to repay the funds borrowed under the agreements of June 2008, when the Management Board of Grupa LOTOS signed the 10+ Programme credit facility agreement for a total

amount of USD 1.75bn. The term of the facility was 12.5 years, i.e. until the beginning of 2021. Importantly, in addition to optimising the structure and term of the financial liabilities related to the 10+ Programme, the refinancing has also resulted in the release of security interests in Grupa LOTOS' assets created under the previous agreement. Those assets included mainly property, plant and equipment of the Gdańsk refinery and Grupa LOTOS' cash flows.