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Decision of the Management Board and Supervisory Board on the conclusion of Annex No. 3

Management Board and Supervisory Board of Grupa Azoty Polyolefins S.A. passed resolutions on the conditional conclusion of an annex to the contract with Hyundai Engineering, the General Contractor of the Polimery Police project.

On January 25, 2022, the Management Board of Grupa Azoty Polyolefins S.A. adopted a resolution on the conditional conclusion of an annex to the contract with Hyundai Engineering, the General Contractor of the Polimery Police project. Today's decision of the Management Board ends a multi-stage process that requires formal and content-related evaluation and negotiations. Annex 3 finally approves:

- increasing the contractor's remuneration by EUR 72.48 million,
- extension of the project implementation schedule by 6 months
- changes in the technical area.

The negotiated conditions were also positively assessed by financing entities, institutions and their advisers.

- This decisions bring us closer to the end of the difficult negotiation process and the formal confirmation of the reached agreement. The proposed changes submitted by the general contractor showed how demanding was 2021. In this context, we are pleased with the material progress achieved in 2021, which reached 83% - says Andrzej Niewiński, Phd, President of the Management Board of Grupa Azoty Polyolefins S.A.

The conditional consent to the conclusion of Annex 3 is the consequence of the proposed changes submitted by the General Contractor for the extension of the EPC contract by 196 days, additional remuneration in the amount of EUR 150 million and changes in the technical area of the project. The proposed changes were mainly caused by the impact of the COVID-19 pandemic on the implementation of the Polimery Police project.

To conclude Annex No. 3. the decision of the Extraordinary General Meeting of Shareholders is required.