



Postponing of the audit procedure for financial year 2018 (“FY2018”)

Current report no. 16/2018

Dated September 6, 2018

The Board of Directors of Coal Energy S.A. (the "Company") hereby informs that the Company has to postpone the audit procedure for FY2018 due to the continued military unrests in the region where the major assets are located (East of Ukraine).

As informed previously the Company has postponed the annual audit procedure for FY2014 - FY2017 until the armed unrests in the region of Company's operations are resolved and access to assets as well as to documentation is safe. As year went by we regret to inform that despite the political negotiations the circumstances preventing initiation of the audit procedure continued their negative influence as situation developed rather in the mode of the "frozen conflict" with occasional military clashes and shelling in the region.

Thus having in mind safety of people and being not able to provide the auditors with necessary access to the assets and documentation and other logistical obstacles (including hostilities, limited entry through the military checkpoints to the zone of conflict, etc.) the Company, took the decision to postpone the annual audit procedure also for FY2018 until the military unrests are resolved and political negotiations on peaceful initiatives would be implemented.

The Company expects to publish *unaudited* consolidated financial statements for the FY2018 as scheduled previously on October, 31, 2018.

The Company will duly inform the capital market participants about any developments and decisions regarding this matter.

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.