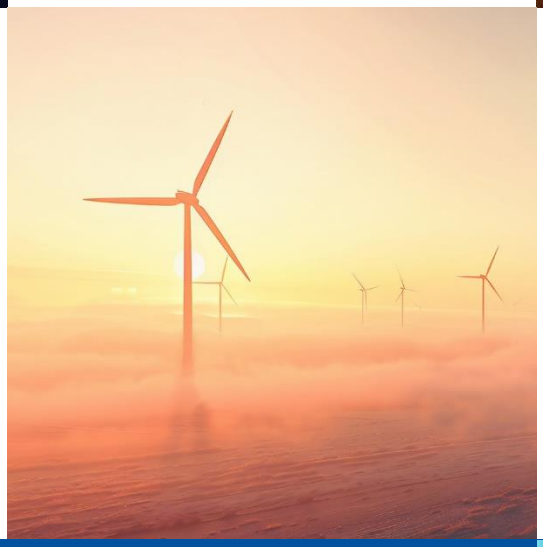

Additional information to the Extended Consolidated Report of ENEA S.A. for Q3 2024

Poznań, 20 November 2024

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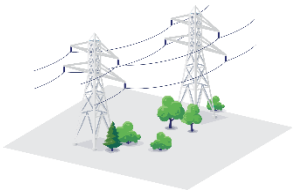
1. Operating summary of three quarters of 2024

ENEA Group in numbers

ENEA has 18.0 thousand employees



MINING	GENERATION	DISTRIBUTION	TRADING
27.0%	**6.2 GW**	**2.8 million**	**2.7 million**
share in the steam coal market in Poland	total installed capacity	users of distribution services	customers
18.2%	**490 MW**	**125.1 thousand km**	**18.6 TWh**
share in the hard coal market in Poland	installed RES capacity	distribution lines, including connections	sales of electricity and gaseous fuel to retail customers in Q1-Q3 2024
5.4 million ton	**14.7 TWh**	**14.9 TWh**	**33**
net coal production in Q1-Q3 2024	net energy production in Q1-Q3 2024	electricity supplied in Q1-Q3 2024	Customer Service Offices (including 32 stationary offices and 1 mobile office)

In Q1-Q3 2024, the ENEA Group generated EBITDA of PLN 5,333.1 million (up by PLN 1,893.2 million y/y).

The Generation Area posted EBITDA of PLN 2,665.5 million (up by PLN 925.6 million y/y). The System Power Plants Segment saw an improvement in EBITDA, driven primarily by an increase in the trading margin, greater revenues from the Capacity Market and the Balancing Capacity, while the result of the generation concession declined. The RES Segment saw a decrease in EBITDA due to the realization of a lower margin on the Green Unit (mainly as a result of lower electricity prices, with a decrease in the unit cost of biomass). The Heat Segment saw a decline in EBITDA, which was influenced by, among other things, a decline in the unit margin on heat, while fixed costs increased. In the Generation Area, the effect of the base of the corresponding period of the previous year relating to the costs incurred for the charge for the Price Difference Fund is significant.

The Mining Area generated EBITDA of PLN 555.9 million (down by PLN 118.4 million y/y). The lower EBITDA in the Mining Area resulted from a decrease in revenue from sales of coal. Despite the increase in coal sales volume, a lower sales price was realized.

The Distribution Area posted EBITDA of PLN 1,746.2 million (up by PLN 437.1 million y/y). The improvement in EBITDA was driven by the higher margin realized on the concession business. At the same time, operating expenses went up.

The Trading Area posted EBITDA of PLN 232.1 million (up by PLN 299.3 million y/y). The higher EBITDA was largely due to an increase in the margin on the retail market. At the same time, there was a decline in recognized compensation income.

- Capital expenditures totaled **PLN 2,060 million**
- Production of commercial coal was **5.4 million tons**
- Sales of commercial coal were **5.7 million tons**
- The Group produced over **14.7 TWh** of electricity.
- Sales of heat in the Generation segment totaled **4.0 PJ**
- Sales of distribution services to end users totaled **14.9 TWh**
- Sales of electricity to retail customers totaled **18.6 TWh**

+	-
• Lower costs of purchase of electricity and gas	• Lower revenue from sales of electricity
• Lower costs of consumption of materials and supplies	• Lower compensation revenue
• No contribution to the Price Difference Fund	• Higher employee benefit costs
• Higher revenue from sales of goods and materials	• Lower revenue from sales of gas
• Increase of revenue from the Capacity Market	
• Higher revenue from sales of coal	
• Higher revenue from sales of heat	

2. Organization and activity of the ENEA Group

2.1. Events during the reporting period up to the date of the report

January

On 10 January 2024, an increase was registered in the share capital of Polimex Mostostal S.A. by PLN 1,000,000.00, that is from PLN 484,737,604.00 to PLN 485,737,604.00, by floating 500,000 series S ordinary bearer shares with a par value of PLN 2.00 each. ENEA S.A.'s stake in the company's share capital diminished from 16.22% to 16.19%. On 23 January 2024, as a result of the exercise of call option 11 (acquisition of shares), ENEA S.A.'s stake in the company's share capital increased from 16.19% to 16.24% and the number of shares held increased by 125,000, that is from 39,312,524 shares to 39,437,524 shares.

On 26 January 2024, a conditional agreement was entered into between ENEA S.A. and ENERGA S.A. providing for the sale by ENEA S.A. of 9,124,822 shares in Elektrownia Ostrołęka sp. z o.o., constituting 50% of the share capital of Elektrownia Ostrołęka sp. z o.o., to ENERGA S.A. for PLN 42,000,000.00 on the condition precedent that the National Support Center for Agriculture (KOWR) refrains from exercising its preemptive right to purchase shares in Elektrownia Ostrołęka sp. z o.o., vested under Article 3a(1)(1) of the Act of 11 April 2003 on the Formation of the Agricultural System within the time limit specified in Article 3a(4) thereof. As the above condition precedent was fulfilled, on 4 April 2024 ENEA S.A. and ENERGA S.A. signed the Agreement on the Transfer of Shares in Elektrownia Ostrołęka Sp. z o.o. (Transfer Agreement), under which the legal title to the Transfer Shares was transferred from the seller, i.e. ENEA S.A., to the buyer, i.e. ENERGA S.A., upon execution of the Transfer Agreement.

February

On 14 February 2024, ENEA Operator sold 18,312 shares in Sfinks Polska S.A. Thus, ENEA Operator is no longer a shareholder of this company.

On 14 and 26 February 2024, ENEA Operator sold 55,046 shares in Zakład Budowy Maszyn ZREMB-CHOJNICE S.A. Thus, ENEA Operator is no longer a shareholder of this company.

On 29 February 2024, an increase in the share capital of PAD RES Genowefa. (currently PV Genowefa) was registered in accordance with a resolution of the Extraordinary General Meeting of PAD RES Genowefa adopted on 12 December 2023, by PLN 2,500,000.00 to PLN 2,505,000.00 through the creation of new 50,000 shares with a par value of PLN 50.00 each and a total par value of PLN 2,500,000.00. All shares in the Company's increased share capital were subscribed for by ENEA S.A. and covered by a cash contribution in the total amount of PLN 2,500,000.00.

March

On 19 March 2024, the Extraordinary General Meeting of PV Genowefa adopted a resolution to make additional cash contributions to the company's share capital, in accordance with which ENEA S.A., as the sole shareholder, was required to make additional contributions of PLN 75.00 per share, or PLN 3,757,500.00 in total, to the company's bank account. The cash contributions were subsequently made.

April

On 17 April 2024, an increase was registered in the share capital of Polimex Mostostal S.A. by PLN 1,500,000.00, that is from PLN 485,737,604.00 to PLN 487,237,604.00, by floating 750,000 series S ordinary bearer shares with a par value of PLN 2.00 each. ENEA S.A.'s stake in the company's share capital diminished from 16.24% to 16.19%. On 30 April 2024, as a result of the exercise of call option 12 (acquisition of shares), ENEA S.A.'s stake in the company's share capital increased from 16.19% to 16.26% and the number of shares held increased by 187,500, that is from 39,437,524 shares to 39,625,024 shares.

May

On 16 May 2024, an increase in the share capital of ENEA ELKOGAZ by PLN 15,000,000.00, that is from PLN 39,000,000.00 to PLN 54,000,000.00, was registered by the National Court Register.

June

On 5 June 2024, ENEA Nowa Energia sp. z o.o. with its registered office in Radom acquired a 100% stake in WMC SPV 4 sp. z o.o. with its registered office in Warsaw. On 24 June 2024, it acquired a 100% stake in WMC SPV 2 sp. z o.o. with its registered office in Warsaw. Both companies acquired by ENEA Nowa Energia sp. z o.o. operate photovoltaic farms.

July

On 22 July 2024, an increase was registered in the share capital of Polimex Mostostal S.A. by PLN 1,000,000.00, that is from PLN 487,237,604.00 to PLN 488,237,604.00, by floating 500,000 series S ordinary bearer shares with a par value of PLN 2.00 each. ENEA S.A.'s stake in the company's share capital diminished from 16.26% to 16.23%. On 5 August 2024, as a result of the exercise of call option 13 (acquisition of shares), ENEA S.A.'s stake in the company's share capital increased from 16.23% to 16.28% and the number of shares held increased by 125,000, that is from 39,625,024 shares to 39,750,024 shares.

On 23 July 2024, the Extraordinary General Meeting of ENEA Innowacje sp. z o.o., by Resolution No. 1, decided to dissolve ENEA Innowacje sp. z o.o. with its registered office in Warsaw following a liquidation process.

August

On 7 August 2024, ENEA S.A. established a company ENEA Eko sp. z o.o. with its registered office in Warsaw. The company's share capital is PLN 11,000,000.00. ENEA S.A. subscribed for 100% shares in the company. On 12 August 2024, ENEA Eko sp. z o.o. was entered in the Register of Commercial Undertakings kept by the National Court Register.

September

On 12 September 2024, the Extraordinary General Meeting of ENEBIOGAZ 1 passed a resolution to increase the company's share capital by PLN 50,000.00 (i.e. to PLN 80,000.00) by creating 1,000 new shares with a par value of PLN 50.00 each and a total value of PLN 50,000.00. The shares were fully subscribed by ENEA Nowa Energia sp. z o.o. and covered by a cash contribution in the amount of PLN 50,000.00. Registration of the capital increase in the KRS is pending.

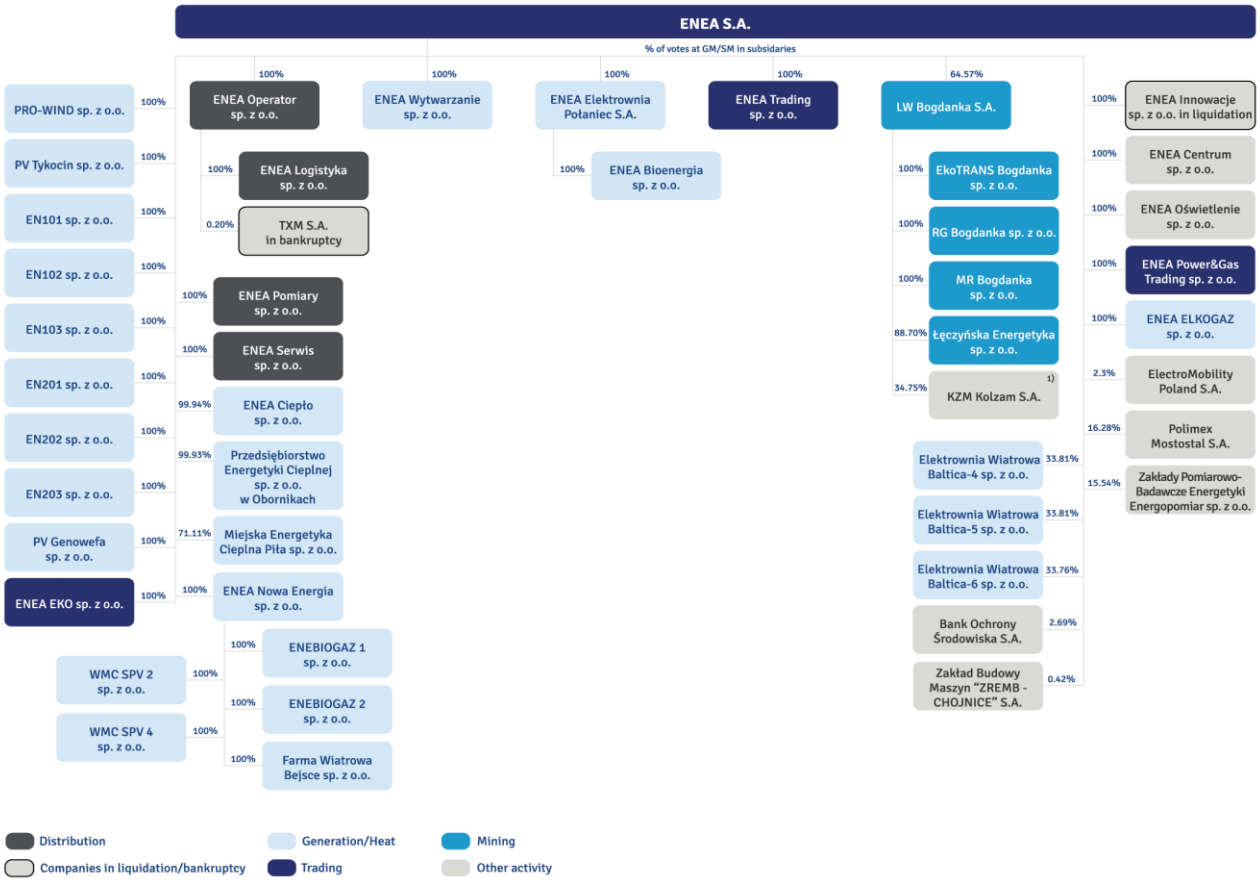
On 12 September 2024, the Extraordinary General Meeting of ENEBIOGAZ 2 sp. z o.o. passed a resolution to increase the company's share capital by PLN 35,000.00 (i.e. up to PLN 65,000.00), by creating 700 new shares with a par value of PLN 50.00 each and a total value of PLN 35,000.00. The shares were fully subscribed by ENEA Nowa Energia sp. z o.o. and covered by a cash contribution in the amount of PLN 35,000.00. Registration of the capital increase in the KRS is pending.

October

On 10 October 2024, an increase was registered in the share capital of Polimex Mostostal S.A. by PLN 7,500,000.00, that is from PLN 488,237,604.00 to PLN 495,737,604.00, by floating 3,750,000 series S ordinary bearer shares with a par value of PLN 2.00 each. ENEA S.A.'s stake in the company's share capital diminished from 16.28% to 16.04%. On 21 October 2024, as a result of the exercise of call option 14 (acquisition of shares), ENEA S.A.'s stake in the company's share capital increased from 16.04% to 16.41% and the number of shares held increased by 937,500, that is from 39,750,024 shares to 40,687,524 shares. As a result of the sale of a total of 212,500 Polimex Mostostal S.A. shares in October 2024, as at 28 October 2024 ENEA S.A. held 40,475,024 shares, and ENEA S.A.'s stake in the share capital of Polimex Mostostal S.A. was 16.33%.

On 16 October 2024, ENEA S.A. executed a share sale agreement with ENEA Nowa Energia sp. z o.o., pursuant to which ENEA Nowa Energia sp. z o.o. acquired from ENEA S.A. 100% of the shares in the companies: EN101 sp. z o.o., EN102 sp. z o.o., EN103 sp. z o.o., EN201 sp. z o.o., EN202 sp. z o.o., EN203 sp. z o.o.

2.2. Structure of the ENEA Group as at 30 September 2024



[1] Ruling on discontinuation of the bankruptcy proceedings / the company does not conduct any business activity.

There are 8 leading entities in the ENEA Group, namely ENEA S.A. (trading in electricity), ENEA Operator sp. z o.o. (distribution of electricity), ENEA Wytwarzanie sp. z o.o., ENEA Elektrownia Połaniec S.A. and ENEA Nowa Energia sp. z o.o. (generation and sales of electricity), ENEA Trading sp. z o.o. and ENEA Power&Gas Trading sp. z o.o. (wholesale of electricity) and LW Bogdanka S.A. (coal mining). The Group's structure also includes other companies which are direct and indirect subsidiaries of ENEA S.A. and companies in which ENEA S.A. holds minority shares.[2]

[2] Hereinafter, the names of the companies may be presented without the abbreviation of their legal form. Whenever the terms "Company" or "Issuer" are mentioned, this means ENEA S.A.

Major changes in the ENEA Group's structure and organization

In Q1-Q3 2024, the ENEA Group's structure and organization underwent the following changes:

– liquidation of ENEA Innowacje – the ENEA Group is changing its model of conducting innovation projects with a view to increasing their efficiency. Competences in this area will be allocated to business areas that serve as competence centers for the Group, providing optimal resources for innovation development. The process will be coordinated at the Group level. The Group will roll out technologies that are new but have already been proven,

– putting in order the previously dispersed RES area by relocating the necessary resources to ENEA Nowa Energia. ENEA Nowa Energia will seek to further improve the quality and competence in the area of RES, thereby providing a solid foundation for the pursuit of the Group's ambitious RES asset development strategy.

Major changes in the ENEA S.A.'s structure and organization

The Company's organizational structure has been considerably streamlined, including through the establishment of new units intended to pursue new tasks in the areas of ESG, energy transition, occupational safety and others. ENEA S.A.'s new organizational framework will translate into more efficient management and will improve the daily operation of the Company and the whole Group by creating conditions for organizational development in various business areas. In the Management Board's opinion, this is a necessary step to prepare the ENEA Group to face the market challenges expected to transpire in the coming years, thereby enabling the organization to make spot-on decisions at every management level and thus support the achievement of our objectives and the fulfillment of our commitments to customers and shareholders.

Accordingly, amendments were made to the Rules and Regulations of ENEA S.A.'s Organizational Units – with effect from 1 September 2024, existing structures and processes aimed at improving strategic and operational efficiency were updated. The amendments include (without limitation): (i) establishment of a Transition Department responsible for the effective use and energy transition of the Group's assets, (ii) establishment of an ESG Department responsible for the deployment of responsible business standards and sustainable development of the organization, (iii) establishment of an IT Department responsible for the Group's digital transition, (iv) establishment of an Occupational Health, Safety and Environment Department responsible for protecting the environment and improving occupational safety in the Company. In parallel, the Rules and Regulations of the ENEA S.A. Management Board were amended to reflect the reduced number of Management Board Members from 6 to 4, and a new division of powers between Management Board Members was introduced to optimize management.

Capital investments

In Q1-Q3 2024, the following events took place:

- On 5 June 2024 and 24 June 2024, ENEA Nowa Energia acquired a 100% stake in WMC SPV 4 sp. z o.o. and WMC SPV 2 sp. z o.o., respectively.

- On 7 August 2024, ENEA S.A. established a company ENEA Eko sp. z o.o. Considering the ongoing energy transition process, ENEA S.A. intends to develop its competences in energy efficiency. ENEA Eko will play a key role in managing a portfolio of new energy transition products and services for end users in the business segment. Also, the company, by developing relationships with ENEA's customers, will create and integrate business and organizational processes in the areas of end user power generation and renewable energy trading. In parallel, the company will pursue the task of developing and maintaining the Group's energy management system and provide such services to industrial customers.

The remaining description of processes related to capital investments is included in the "*Condensed interim consolidated financial statements of the ENEA Group for the period from 1 January to 30 September 2024.*"

2.3. ENEA Group's business areas

2.4. Growth strategy

ENEA S.A. is nearing the completion of advanced work on updating the ENEA Group's growth strategy. The modified strategy will set new directions for the ENEA Group's growth corresponding to market challenges and define its ambitions and aspirations in the long term.

2.5. Financing

2.5.1. External financing – security issues, bonds, loans

ENEA S.A. finances the investment program using financial surpluses from its business activities and external debt. The ENEA Group pursues an investment financing model whereby ENEA S.A. acquires funds from external sources and distributes them to its subsidiaries. Going forward, ENEA S.A. will focus on ensuring appropriate diversification of external funding sources for its intended investments.

During the 9-month period ended 30 September 2024, ENEA S.A. did not enter into any new program agreements providing for the issuance of bonds. On 18 April 2024, the ENEA S.A. Management Board adopted a resolution on its intention to issue bonds under the *Bond Issuance Program Agreement up to a maximum amount of PLN 5,000,000,000 (Bond Issuance Program Agreement)* with a total value of up to PLN 2,000 million in Q2 2024, as disclosed by the Company in Current Report No. 18/2024. Then, on 10 May 2024, the Management Board decided to issue two series of bonds under the *Bond Issuance Program Agreement*, each with a value of PLN 1,000 million, maturing in May 2027 and May 2030. The securities bear interest at a floating interest rate equal to the sum of WIBOR for 6-month deposits and a margin.

On 21 May 2024, the Company completed the repurchase of ENEA0624 series bonds ("Bonds"), entered in the Central Securities Depository (KDPW S.A.) under registration no. ISIN PLENEA000096, from their holders. The Company purchased 8,276 Bonds with a par value of PLN 0.1 million each and a total par value of PLN 827.6 million. The Bonds were purchased for redemption in accordance with Article 76(1) of the Bond Act of 15 January 2015. Detailed information on this matter was disclosed by the Company in Current Report No. 24/2024.

As at 30 September 2024, ENEA S.A.'s nominal debt on account of bonds and loans aimed at financing the investment program totaled PLN 6,076 million, of which PLN 3,448 million under long-term loans and PLN 2,628 million under bonds issued.

Some ENEA Group companies entered into external financing agreements. As at 30 September 2024, the total nominal amount of such companies' external debt under the loans and borrowings (without ENEA S.A.) was PLN 17 million. In September, PV Genowefa Ltd. made an early repayment of external debt in the amount of nearly PLN 86 million.

In the 9-month period ended 30 September 2024, ENEA Group companies did not terminate any loan or borrowing agreements.

2.5.2. Sureties and guarantees granted

In Q1-Q3 2024, ENEA S.A. extended two types of security interest in the form of corporate sureties and guarantees.

On 29 April 2024, ENEA S.A. entered into a surety agreement with Polskie Sieci Elektroenergetyczne S.A. ("PSE") for the liabilities of its subsidiary ENEA Elektrownia Połaniec S.A. ("ENEA Połaniec") up to PLN 20,000 thousand. The liabilities include PSE's receivables from ENEA Połaniec for the due performance of an agreement involving settlements for energy on the Balancing Market. The surety covers ENEA Połaniec's liabilities to PSE until 31 December 2025.

On 26 June 2024, ENEA S.A. issued a corporate guarantee to Shell Energy Europe B.V. for the liabilities of its subsidiary ENEA Trading sp. z o.o. (ENEA Trading) arising from the *ISDA 2002 Master Agreement* along with the *Schedule to the ISDA 2002 Master Agreement and the Credit Support Annex to the Schedule to the ISDA Master Agreement*, up to a maximum amount of EUR 70,000 thousand, for an indefinite term with a termination option at ENEA S.A.'s discretion with a 30-day notice. The liabilities include receivables of Shell Energy Europe B.V. from ENEA Trading for forward transactions related to CO_2 emission allowances executed by ENEA Trading.

On 30 September 2024, ENEA S.A. signed a surety agreement with Bank Pekao S.A. (the "Bank") to secure obligations of ENEA S.A.'s subsidiary, ENEA Trading sp. z o.o. (the "Subsidiary"), up to the amount of PLN 1,320,000 thousand. The liabilities include amounts due to the Bank from the Subsidiary under the master agreement on cooperation in the financial market signed by the Bank and the Subsidiary, including under foreign exchange hedging transactions and commodity price hedging transactions, in particular forward transactions related to CO_2 emission allowances concluded by the Subsidiary. The surety covers the Subsidiary's liabilities towards the Bank existing as at the date of the surety agreement and those that may arise in the future, and is due to expire on 31 December 2031 or on the date when the Subsidiary ceases to be a member of the Issuer's corporate group as a result of a spin-off of the group's selected assets.

As at 30 September 2024, the total value of the off-balance sheet items on account of suretyships and corporate guarantees extended by ENEA S.A. was PLN 10,175,725 thousand.

As at 30 September 2024, the total value of the bank guarantees extended upon orders from ENEA S.A. was PLN 79,785 thousand.

The table below presents the largest bank guarantees extended upon orders from ENEA S.A. in three quarters of 2024 under the concluded bank guarantee agreements (size threshold > PLN 1 million):

Security granting date	Security validity date	Secured entity	Purpose of the agreement	Security form	Security amount [PLN 000s]
1 January 2024	31 January 2025	State Treasury – Military Infrastructure Management.	Proper performance bond	under a guarantee facility of up to PLN 110,000 thousand	2,913
9 July 2024	11 October 2024	Zakład Wodociągów i Kanalizacji sp. z o.o.	Tender Guarantee	under a guarantee facility of up to PLN 110,000 thousand	1,000
10 September 2024	17 January 2025	City of Warsaw	Tender Guarantee	under a guarantee facility of up to PLN 110,000 thousand	1,000

2.5.3. Intra-group financing – bonds

Currently, in the Distribution area, ENEA S.A. has intra-group bond issue programs in place with a total initial par value of PLN 2,371 million. These programs have been fully utilized and are redeemed in installments. As at 30 September 2024, the total nominal exposure arising from intra-Group bonds held by ENEA S.A. was PLN 1,148 million.

During the 9-month period ended 30 September 2024, ENEA S.A. did not enter into any new intra-Group program agreements providing for the issuance of bonds to finance ENEA Group companies.

2.5.4. Intra-group financing – loans

During the reporting period ended 30 September 2024, ENEA Nowa Energia drew down two tranches of the PLN 200 million loan extended in 2023, for a total of PLN 150 million, thereby utilizing the entire available loan amount. PRO-WIND, under the loan agreement entered into in 2023 for PLN 17.5 million, released one tranche of the loan in the amount of PLN 0.8 million, thus utilizing the entire available loan amount. On 24 July 2024, ENEA S.A. entered into Annex 1 to the loan agreement with PRO-WIND Sp. z o.o. for up to PLN 17.5 million, amending the loan repayment schedule, whereas the final loan repayment date remained unchanged.

In September 2024, ENEA S.A. executed two new loan agreements with PV Genowefa Sp. z o.o. and ENEA Operator sp. z o.o. in the amounts of PLN 95 million and PLN 2,000 million, respectively. The loan granted to PV Genowefa Sp. z o.o. has been fully disbursed, while ENEA Operator sp. z o.o. has disbursed one tranche of the loan in the amount of PLN 350 million.

As at 30 September 2024, the nominal debt of the companies under the loans granted to them by ENEA S.A. totaled PLN 7,407 million. Detailed information on the loan agreements signed by ENEA S.A. and active in the period of 9 months ended on 30 September 2024 and their utilization is presented in the table below.

Starting date	Ending date	Company	Value of agreements PLN million	Loan amount taken out in Q1-Q3 2024 PLN million	Interest rate	Loan debt as at 30 September 2024 PLN million
March 2020	January 2044	ENEA Operator	6,849	350	Base rate + margin/fixed	4,759
January 2020	December 2026	ENEA Wytwarzanie	2,200	0	Base rate + margin	1,782
February 2020	December 2026	ENEA Elektrownia Połaniec	500	0	base rate + margin	500
June 2021	December 2031	Miejska Energetyka Cieplna Piła	15	0	Base rate + margin	7
July 2023	June 2028	ENEA ELKOGAZ	20	0	Base rate + margin	20
August 2023	June 2039	PRO-WIND	20	1	Base rate + margin, fixed	19
September 2023	June 2030	PV Genowefa	120	95	Base rate + margin/fixed	120
December 2023	December 2034	ENEA Nowa Energia	200	150	Base rate + margin	200
August 2023	December 2024	ENEA Trading	100[1]	367[1]	Base rate + margin	57[1]

[1] Loan granted in EUR. The balance presented in the table above is also shown in EUR. In the reporting period ended 30 September 2024, under the loan agreement entered into in August 2023 between ENEA S.A. and ENEA Trading sp. z o.o. for EUR 100 million, ENEA Trading sp. z o.o. drew down loan tranches in the total amount of EUR 367.4 million and in parallel repaid EUR 309.6 million. The loan balance as at 30 September 2024 was 57.8.

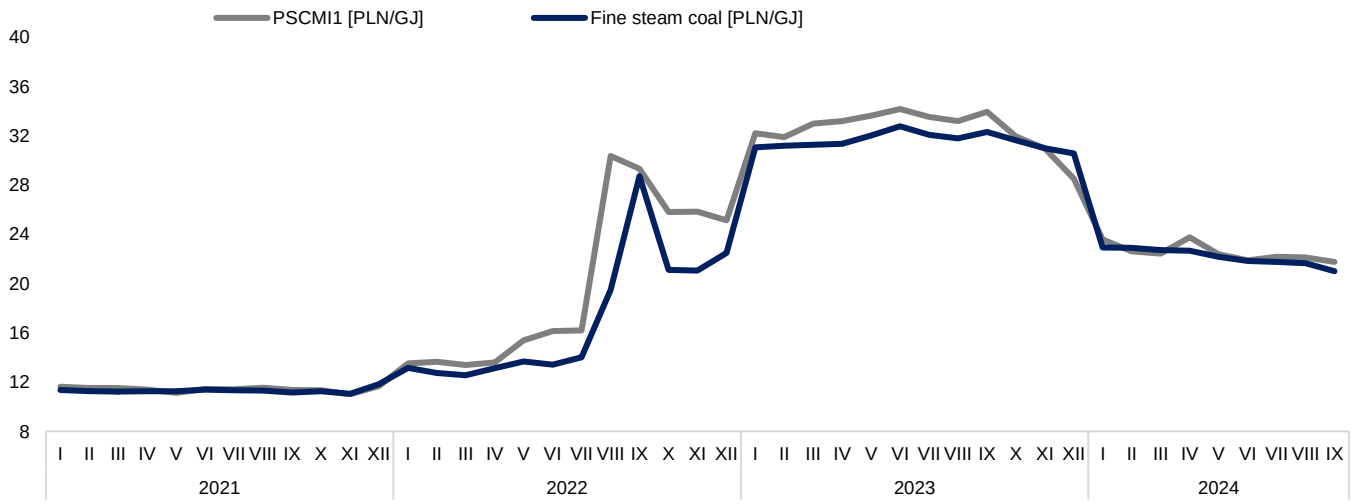
The amounts presented in the table above in the columns "*Value of agreements in PLN million" and "Loan debt as at 30 September 2024 in PLN million*" refer to total values of all the signed agreements between ENEA S.A. and the respective company and the total value of the respective company's debt to ENEA as at 30 September 2024.

2.5.5. Transactions with related parties

In the 9-month period ended 30 September 2024, ENEA S.A. and its subsidiaries did not enter into any related-party transactions on a non-arm's length basis. Information on transactions with related parties entered into by ENEA S.A. or its subsidiaries is provided in note 23 to the *Condensed Interim Consolidated Financial Statements of the ENEA Group for the period from 1 January to 30 September 2024.*

3. Market environment

3.1. Prices of bituminous coal in the Polish market



Data: Industrial Development Agency

PSCMI1: In Q1-Q3 2024, the average price quoted through the Polish Steam Coal Market Index (PSCMI1) was PLN was PLN 22.53 per GJ, or 32.1% lower than the average price quoted in the corresponding period the year before.

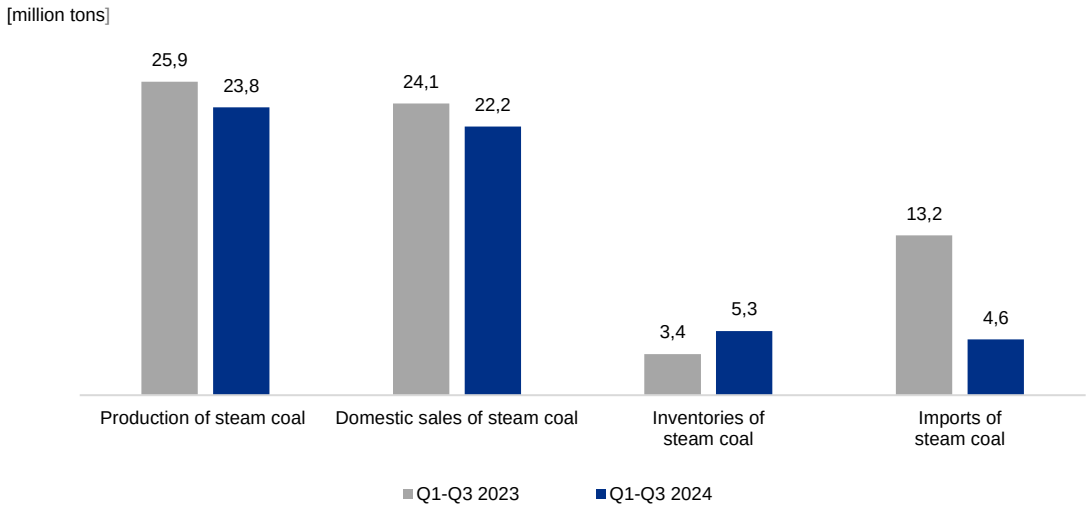
In Q3 2024, the average price of steam coal was PLN 22.02 per GJ compared to PLN 33.56 per GJ in Q3 2023, down 34.4% y/y.

Fine coal fractions: The average price of fine steam coal sold to commercial power plants in Q1-Q3 2024 was PLN 22.19 per GJ, down 30.1% from the average price quoted in the corresponding period the year before.

At the end of September 2024, the cost of purchasing 1 ton of fine steam coal was PLN 21.48 per GJ, down 33.0% y/y.

The trend followed by coal and fine steam coal prices in Q1-Q3 2024 remained stable with prices hovering in the range of PLN 21-23 per GJ, down by PLN 10 per GJ on average compared to the corresponding period of 2023.

3.2. Steam coal market



Data: Industrial Development Agency

Mining, sales, inventories and imports of steam coal

The volume of steam coal mined in Q1-Q3 2024 was 23.8 million tons, compared to 25.9 million tons in Q1-Q3 2023. Steam coal sales stood at 22.2 million tons vis-à-vis 24.1 million tons the year before. Mining and sales of domestic steam coal declined by 8.1% y/y and 7.9% y/y.

At the end of September 2024, steam coal inventories held by domestic producers stood at 5.3 million tons, compared to 3.4 million tons the year before, up nearly 55.9% y/y.

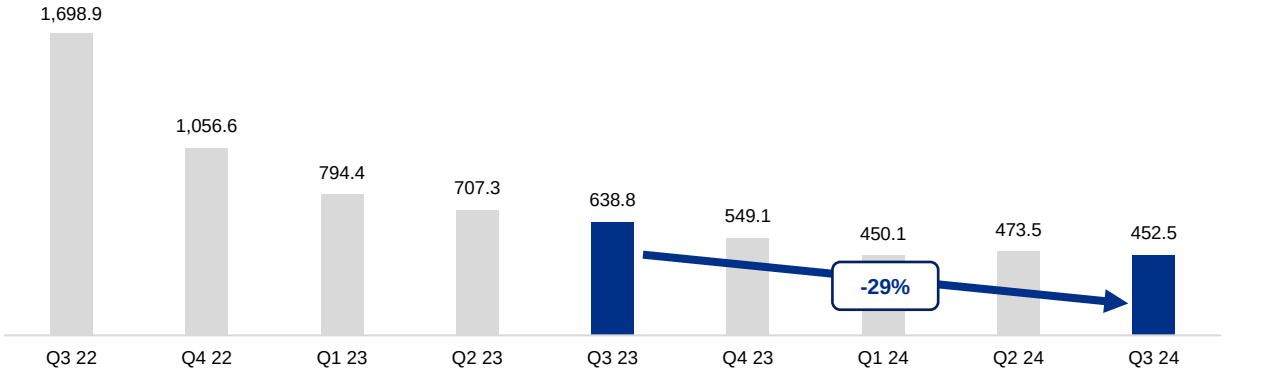
In Q1-Q3 2024, imports of steam coal to Poland reached 4.6 million tons compared to 13.2 million tons the year before, down by approx. 65.2% y/y.

Situation in the domestic hard coal mining sector

The situation of the Polish mining sector is challenged by the EU's ambitious climate policy aiming to decarbonize and reduce greenhouse gas emissions in the power sector. With demand for coal gradually declining due to increasing reliance on renewable energy sources and the enforcement of stricter environmental regulations, Poland will cope with the need to fill the coal gap and rearrange employment in the sector over the next decade. Currently, of crucial significance for the shape of the Polish coal market in the coming years is an update of many important strategic documents on energy and climate, such as PEP 2040 and the National Energy and Climate Plan, and the final wording of the social contract between the government and miners, which will be followed by corresponding decisions, capital expenditures and regulations.

3.3. Energy prices in the Polish market

BASE_Y_23/24/25 (PLN/MWh)



Source: Own study based on publicly available stock market data.

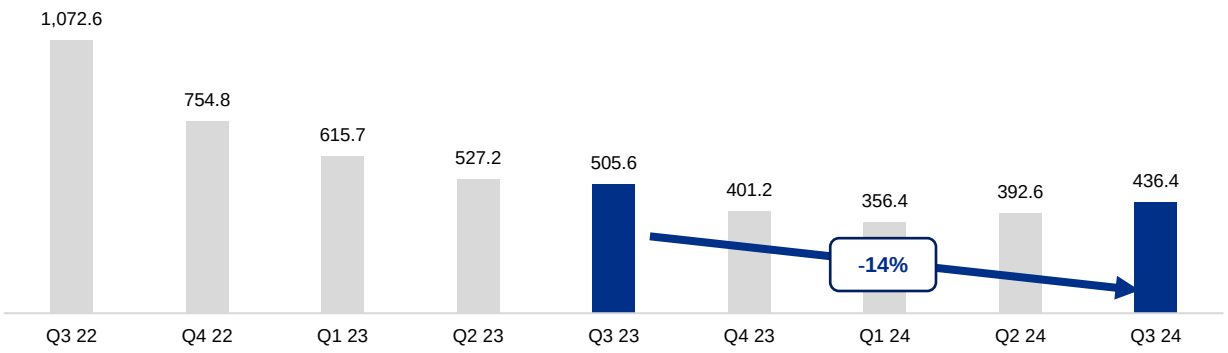
On the wholesale electricity forward market, in Q3 2024 the price of the BASE Y-25 product declined by 29% to an average level of PLN 452.50 per MWh, compared to the corresponding product (i.e. BASE Y-24) in Q3 2023.

In Q3 2024, the market price of BASE Y-25 was marked by relatively moderate volatility. At the beginning of July, the price was around PLN 475.05 per MWh, then began to decrease (with one rebound in mid-August) reaching PLN 436.45 per MWh at the end of September.

The factors that affected the evolution of the BASE Y-25 price in Q3 2024 included price changes in the fuel and CO_2 emission allowance markets.

In Q3 2024, the volume of trading in the annual frontal product BASE Y-25 totaled 1,182 MW, which was comparable with Q3 2023 volume, when transactions for a total of 1,198 MW were executed under BASE Y-24 contracting. The average per-session volume contracted in Q3 2023 was 18.7 MW and rose to 18.2 MW in Q3 2024.

RDN BASE (PLN/MWh)



Source: Own study based on publicly available stock market data.

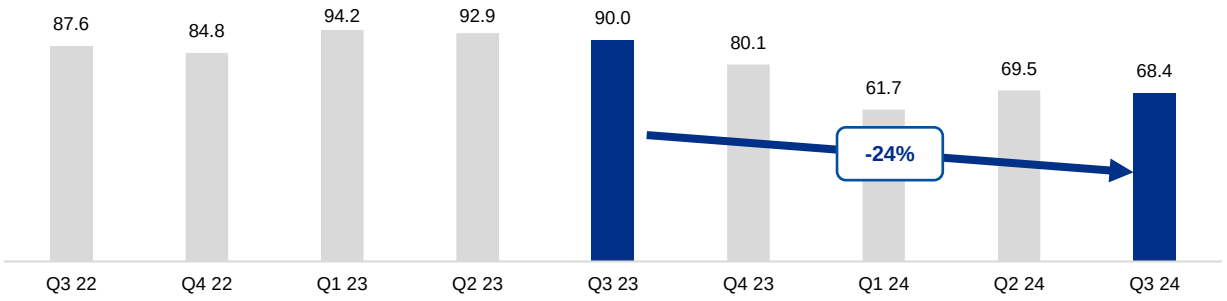
The average price of electricity on the spot market in Q3 2024 was PLN 436.42 per MWh, or 14% less than in the corresponding period of 2023.

The level of electricity prices on the spot market in Q3 2024 was affected, inter alia, by:

- changes in the Balancing Market, among others, abolishing the so-called CWmax price, which due to the method of its determination limited price levels on the balancing market and, consequently, also on the DAM,
- high RES generation volume from PV plants (price-suppressing effect),
- high average air temperatures (price-increasing effect),
- low levels of CO_2 emission allowances (price-suppressing effect).

3.4. Prices of CO_2 emission allowances and "green" property rights

CO_2 emission allowances (DEC-24) (EUR/t)



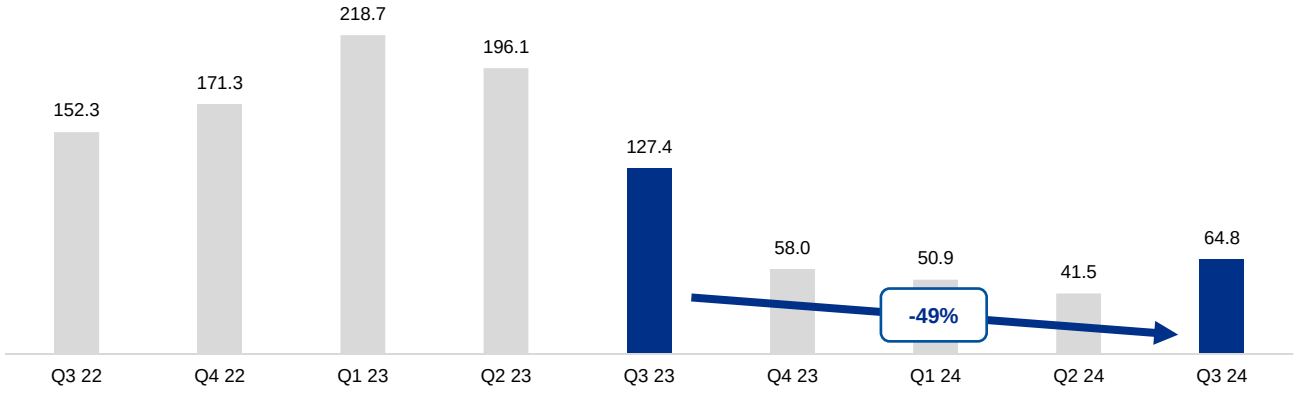
Source: Own study based on publicly available stock market data.

The first session of Q3 2024 closed at EUR 68.05 per ton. Until 16 July 2024, the DEC-24 closing prices were in the range of EUR 67.64-70.76 per ton. On 17 July 2024, the closing price was EUR 66.54 per ton; at the following sessions, it fell below EUR 65 per ton, to the lowest closing price in July: EUR 64.72 per ton on 22 July 2024. An important factor conducive to a decrease for the price of allowances was a strong correlation with gas prices. As of 23 July 2024, the price of CO_2 emission allowances rose steadily to post EUR 69.21 per ton in the last session of July, and the reason for the increase was again the correlation between allowance prices and gas prices. The first session in August closed at the price of EUR 71.18 per ton, with a high trading volume. From the second August session to 5 August 2024, there was a short period of declines, and then, starting from 6 August 2024 DEC-24 prices started to rise and were in the range of EUR 69.96-73.14 per ton until 20 August 2024, when the session closed with the price of EUR 73.07 per ton, marking the beginning of a period of declines with minor adjustments. The last session in August closed at the level of EUR 70.30 per ton. After the first session in September the prices began to fall, with slight adjustments, down to the lowest price in Q3 on 19 September 2024 which was EUR 62.82 per ton. The last session of the quarter closed at the price of EUR 65.56 per ton.

The average DEC-24 price in Q3 2024 was 24% lower than its counterpart in the corresponding period of 2023.

Significant factors that influenced the prices of CO2 emission allowances include the poor economic condition of European Union countries, high generation of energy from RES sources in Europe, a relatively high auction supply of EUAs related to the implementation of the REPowerEU program, the postponement of the EUA redemption obligation from April 30 to September 30, and the correlation with natural gas prices.

Prices of "green" property rights (PMOZE_A) (PLN/MWh)



Source: Own study based on publicly available stock market data.

In Q3 2024, green property rights, at the POLPX session market, were traded at significantly lower prices than in 2023, which was directly related to the Regulation of the Ministry of Climate and Environment setting a low 5% RES obligation for 2024. The weighted average price of PMOZE_A at the first session in January was PLN 70.03 per MWh.

The first July session ended with the average daily price of PLN 44.70 per MWh. The highest value in Q3 recorded on 30 July was 82.87 PLN per MWh, while the lowest value for the period was PLN 39.50 PLN per MWh, recorded on September 10.

The average price in Q3 2024 was 49% lower than its counterpart in the corresponding period of 2023.

In Q3 2024, 4 TWh of property rights were issued and 0.06 TWh of green certificates of origin were redeemed, leaving 15 TWh of active rights in the register as at the end of September of this year (which is less by 2 TWh than at the end of Q2 2023).

At the end of July, the Polish Government Legislation Center published on its website “Draft Regulation of the Minister of Climate and Environment on the change of the quantity share of the total electricity resulting from the redeemed certificates of origin confirming the production of electricity from renewable energy sources in 2025-2027”, which defined the obligation for RES in 2025, 2026 and 2027 as percentages of 12.5%, 12% and 11.5%, respectively. In line with the final version of the regulation, the percentage of green certificate redemption obligation was set at 8.5% and only for 2025. No obligation level was indicated for 2026-2027.

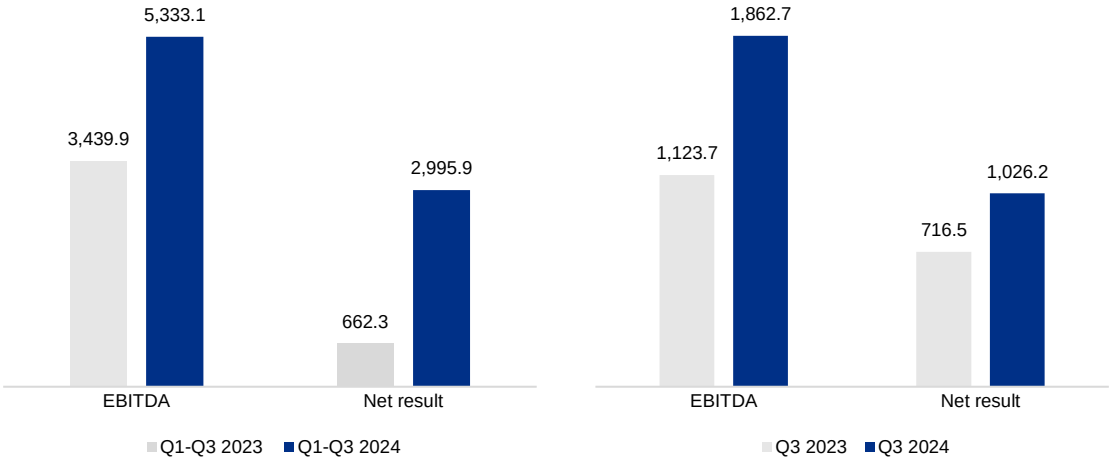
4. Operating and financial performance

4.1. Financial highlights of the ENEA Group

[PLN 000s]	Q1-Q3 2023	Q1-Q3 2024	Change	% change	Q3 2023	Q3 2024	Change	% change
Revenue from sales and other income	35,902,788	24,161,342	-11,741,446	-32.7%	11,881,205	8,019,341	-3,861,864	-32.5%
Operating profit / (loss)	1,426,271	4,221,727	2,795,456	196.0%	702,644	1,477,691	775,047	110.3%
Profit / (loss) before tax	775,512	3,752,013	2,976,501	383.8%	899,077	1,319,915	420,838	46.8%
Net profit / (loss) for the reporting period	662,310	2,995,862	2,333,552	352.3%	716,459	1,026,165	309,706	43.2%
EBITDA	**3,439,856**	**5,333,075**	**1,893,219**	**55.0%**	**1,123,660**	**1,862,654**	**738,994**	**65.8%**
CAPEX	2,324,335	2,060,451	-263,884	-11.4%	857,748	728,214	-129,534	-15.1%
Net debt	1,732,921	194,267	-1,538,654	-88.8%	1,732,921	194,267	-1,538,654	-88.8%
Economic net debt[1]	6,078,968	4,242,313	-1,836,655	-30.2%	6,078,968	4,242,313	-1,836,655	-30.2%
Net profit / (loss) attributable to shareholders of the parent company	558,438	3,251,515	2,693,077	482.3%	702,690	970,789	268,099	38.2%
Weighted average number of shares	529,731,093	529,731,093	-	-	529,731,093	529,731,093	-	-
Net earnings / (loss) per share [PLN]	1.05	6.14	5.09	484.8%	1.33	1.83	0.50	37.6%
Diluted earnings / (loss) per share [PLN]	1.05	6.14	5.09	484.8%	1.33	1.83	0.50	37.6%

[1] Debt adjusted for future payments and CO2 settlements

PLN million



[PLN 000s]	31 December 2023	30 September 2024	Change	% change
Total assets	39,110,745	38,428,458	-682,287	-1.7%
Total liabilities	23,671,146	20,031,899	-3,639,247	-15.4%
Non-current liabilities	8,703,088	9,531,091	828,003	9.5%
Current liabilities	14,968,058	10,500,808	-4,467,250	-29.8%
Equity	15,439,599	18,396,559	2,956,960	19.2%
Share capital	676,306	676,306	-	-
Book value per share [PLN]	29.15	34.73	5.58	19.1%
Diluted book value per share [PLN]	29.15	34.73	5.58	19.1%

4.2. Consolidated statement of profit and loss

Consolidated statement of profit and loss in Q1-Q3 2024

[PLN 000s]	Q1-Q3 2023	Q1-Q3 2024	Change	% change
Revenue from sales of electricity	27,551,879	17,188,050	-10,363,829	-37.6%
Revenue from sales of heat	406,675	457,153	50,478	12.4%
Revenue from sales of gas	92,131	166	-91,965	-99.8%
Revenue from sales of distribution services	3,452,317	3,468,762	16,445	0.5%
Revenue from connection fees	102,689	132,944	30,255	29.5%
Revenue from certificates of origin	14,987	7,523	-7,464	-49.8%
Revenue from sales of goods and materials	137,856	299,906	162,050	117.6%
Revenue from sales of other products and services	129,859	136,058	6,199	4.8%
Revenue from sales of coal	278,802	370,309	91,507	32.8%
Revenue from the Capacity Market	713,769	816,929	103,160	14.5%
Net revenue from sales	**32,880,964**	**22,877,800**	**-10,003,164**	**-30.4%**
Compensation	3,010,233	1,270,064	-1,740,169	-57.8%
Revenue from leases and operating subleases	11,591	13,478	1,887	16.3%
Revenue from sales and other income	**35,902,788**	**24,161,342**	**-11,741,446**	**-32.7%**
Amortization and depreciation	1,225,501	1,127,967	-97,534	-8.0%
Employee benefit costs	2,250,703	2,500,692	249,989	11.1%
Consumption of materials and supplies and cost of goods sold	11,097,180	7,295,396	-3,801,784	-34.3%
Purchase of energy and gas for subsequent sale	15,131,886	7,265,970	-7,865,916	-52.0%
Transmission services	500,885	469,866	-31,019	-6.2%
Other third-party services	883,212	883,126	-86	-
Taxes and charges	2,579,916	409,058	-2,170,858	-84.1%
Tax-deductible expenses	**33,669,283**	**19,952,075**	**-13,717,208**	**-40.7%**
Other operating revenue	249,807	154,513	-95,294	-38.1%
Other operating expenses	237,034	139,326	-97,708	-41.2%
Change in provision related to onerous contracts	12,223	20,682	8,459	69.2%
Profit/(loss) on change, sale and liquidation of property, plant and equipment and right-of-use assets	(44,146)	(40,028)	4,118	9.3%
Recognition / (reversal) of an impairment loss for non-financial non-current assets	788,084	(16,619)	-804,703	-102.1%
Operating profit / (loss)	**1,426,271**	**4,221,727**	**2,795,456**	**196.0%**
Finance costs	377,841	399,133	21,292	5.6%
Finance income	148,536	204,940	56,404	38.0%
Profit / (loss) on FX derivatives not used for hedge accounting purposes	(423,127)	(234,942)	188,185	44.5%
Dividend income	93	14	-79	-84.9%
Share in the results of associates and jointly controlled entities	5,901	-40,593	-46,494	-787.9%
Recognition/(reversal) of impairment loss on investments in associates and jointly controlled entities	4,321	0	-4,321	-100.0%
Profit / (loss) before tax	**775,512**	**3,752,013**	**2,976,501**	**383.8%**
Income tax	113,202	756,151	642,949	568.0%
Net profit / (loss) for the reporting period	**662,310**	**2,995,862**	**2,333,552**	**352.3%**
EBITDA	**3,439,856**	**5,333,075**	**1,893,219**	**55.0%**

Key drivers of the change in the ENEA Group's EBITDA in Q1-Q3 2024 (up by PLN 1,893.2 million):

(-) decrease in revenue from sales of electricity by PLN 10,363.8 million, caused mainly by a drop in the average sales price and a concurrent decrease in sales volume

(+) increase in revenue from sales of heat by PLN 50.5 million, driven mainly by an increase in the average sales price and a concurrent decline in sales volume

(-) decrease in revenue from sales of natural gas by PLN 92.0 million, caused by a lower sales volume (temporary discontinuation of gaseous fuel sales in 2024)

(+) increase in revenue from sales of distribution services by PLN 16.4 million, mostly as a result of higher transferred fee rates coupled with a lower volume of distributed energy

(+) revenue from grid connection fees up by PLN 30.3 million, mainly due to a greater number of DSOns and RES connected in Connection Group II, and buyers in Group III

(+) increase in revenue from sales of goods and materials by PLN 162.1 million, driven largely by a greater sales volume of combustion byproducts

(+) increase in revenue from sales of coal by PLN 91.5 million, driven chiefly by a greater sales volume of coal with a concurrent lower average sales price

(+) revenue from the Capacity Market up by PLN 103.2 million, mainly due to the update of the price of the capacity obligation

(-) compensation revenue down by PLN 1,740.2 million – in accordance with the provisions of the Act of 7 October 2022 on Special Solutions for Protecting Electricity Buyers in 2023 and 2024 in Connection with the Situation on the Electricity Market [Consumption Limits Act] and the Act of 27 October 2022 on Emergency Measures to Reduce Electricity Prices and Support Certain Consumers in 2023 and 2024 [Price Limits Act], and for gaseous fuel in accordance with the provisions of the Act of 9 March 2023 amending the Act on Administrative Enforcement Proceedings:

- (-) in Q1-Q3 2023, the value of electricity price compensation in the amount of PLN 3,010.2 million was recognized in revenue
- (+) in Q1-Q3 2024, the value of electricity price compensation in the amount of PLN 1,257.3 million was recognized in revenue
- (+) in Q1-Q3 2024, the value of compensation related to electricity distribution services in the amount of PLN 12.2 million was recognized in revenue
- (+) in Q1-Q3 2024, the value of compensation related to gaseous fuel in the amount of PLN 0.5 million was recognized in revenue

(-) employee benefit costs up by PLN 250.0 million, driven mainly by higher payroll costs and payroll-related charges coupled with a greater average headcount

(+) decrease in the cost of consumption of materials and supplies and cost of goods sold by PLN 3,801.8 million, mainly due to lower costs of CO_2 emission allowances, coal consumption costs and costs of biomass consumption for the whole Generation Area

(+) decrease in the cost of purchasing electricity and gas by PLN 7,865.9 million, mainly due to lower average purchase prices and a lower volume of purchases

(+) costs of transmission services down by PLN 31.0 million, predominantly due to lower costs of settlements with prosumers

(+) decrease in the cost of taxes and charges by PLN 2,170.9 million, largely caused by the absence of a recognized charge for the Price Difference Fund in 2024

(+) impact of movement in provisions related to onerous contracts by PLN 8.5 million:

- (+) in Q1-Q3 2023, a provision of PLN 264.0 million was recognized in expenses for the loss on Tariff G resulting from lost revenues caused by the entry into force of the Regulation of the Minister of Climate and the Environment of 9 September 2023 introducing a mechanism for reducing the amounts payable by households to electricity trading companies for 2023
- (+) in Q1-Q3 2024, partial utilization of the provision of PLN 20.7 million was recognized in costs in December 2023 for the loss arising from the distribution fee rebate which was settled by ENEA S.A. acting as the offtaker of last resort in relation to electricity supplied to the grid by prosumers
- (-) in Q1-Q3 2023, revenues included a partial utilization of the provision of PLN 276.2 million recognized in costs in December 2022 for a loss on Tariff G resulting from the fact that the Tariff of 17 December 2022 approved by the ERO President did not take into account the incurred electricity purchase costs and from the application of the Act of 7 October 2022 on Special Solutions for Protecting Electricity Buyers in 2023 in Connection with the Situation on the Electricity Market in the amount of PLN 368.3 million

(+) result on other operating activities up by PLN 6.5 million:

- (+) provisions for potential claims down by PLN 28.4 million
- (+) decrease in provisions for non-contractual use of transmission corridors by PLN 25.5 million
- (+) increase in the result on CO_2 contracts and revaluation by PLN 7.8 million
- (-) fixed assets accepted free of charge down by PLN 27.2 million
- (-) decrease in revenues from compensation, penalties and fines by PLN 13.9 million
- (-) change in impairment losses for overdue receivables and uncollectible receivables by PLN 11.1 million

Material changes affecting net result:

(+) impairment losses for non-financial non-current assets down by PLN 804.7 million; this change resulted in an increase in the net result by PLN 651.8 million – impact of the impairment loss recognized in the Mining segment in Q1-Q3 2023

(+) movement in the result on currency derivatives not used in hedge accounting by PLN 188.2 million resulting from changes in the valuation of currency contracts and realized foreign exchange differences related to these contracts

(-) movement in the share in the earnings of associates and jointly controlled entities by PLN 46.5 million

Consolidated statement of profit and loss in Q3 2024

[PLN 000s]	Q3 2023	Q3 2024	Change	% change
Revenue from sales of electricity	9,280,187	5,745,498	-3,534,689	-38.1%
Revenue from sales of heat	87,189	97,682	10,493	12.0%
Revenue from sales of gas	16,892	-5	-16,897	-100.0%
Revenue from sales of distribution services	1,134,827	1,195,110	60,283	5.3%
Revenue from connection fees	38,240	62,292	24,052	62.9%
Revenue from certificates of origin	592	781	189	31.9%
Revenue from sales of goods and materials	49,668	129,147	79,479	160.0%
Revenue from sales of other products and services	45,693	34,448	-11,245	-24.6%
Revenue from sales of coal	87,675	100,893	13,218	15.1%
Revenue from the Capacity Market	241,131	276,835	35,704	14.8%
Net revenue from sales	**10,982,094**	**7,642,681**	**-3,339,413**	**-30.4%**
Compensation	895,293	372,315	-522,978	-58.4%
Revenue from leases and operating subleases	3,818	4,345	527	13.8%
Revenue from sales and other income	**11,881,205**	**8,019,341**	**-3,861,864**	**-32.5%**
Amortization and depreciation	425,241	384,963	-40,278	-9.5%
Employee benefit costs	775,556	798,339	22,783	2.9%
Consumption of materials and supplies and cost of goods sold	3,589,102	2,352,943	-1,236,159	-34.4%
Purchase of energy and gas for subsequent sale	4,985,905	2,437,201	-2,548,704	-51.1%
Transmission services	165,399	156,816	-8,583	-5.2%
Other third-party services	340,408	280,281	-60,127	-17.7%
Taxes and charges	743,635	134,935	-608,700	-81.9%
Tax-deductible expenses	**11,025,246**	**6,545,478**	**-4,479,768**	**-40.6%**
Other operating revenue	116,749	35,008	-81,741	-70.0%
Other operating expenses	95,880	41,231	-54,649	-57.0%
Change in provision related to onerous contracts	-171,925	15,737	187,662	109.2%
Profit/(loss) on change, sale and liquidation of property, plant and equipment and right-of-use assets	(6,484)	(5,686)	798	12.3%
Recognition / (reversal) of an impairment loss for non-financial non-current assets	(4,225)	0	4,225	100.0%
Operating profit / (loss)	**702,644**	**1,477,691**	**775,047**	**110.3%**
Finance costs	110,856	143,940	33,084	29.8%
Finance income	71,629	95,392	23,763	33.2%
Profit / (loss) on FX derivatives not used for hedge accounting purposes	234,473	(99,226)	-333,699	-142.3%
Share in the results of associates and jointly controlled entities	1,187	-10,002	-11,189	-942.6%
Profit / (loss) before tax	**899,077**	**1,319,915**	**420,838**	**46.8%**
Income tax	182,618	293,750	111,132	60.9%
Net profit / (loss) for the reporting period	**716,459**	**1,026,165**	**309,706**	**43.2%**
EBITDA	**1,123,660**	**1,862,654**	**738,994**	**65.8%**

Key drivers of the change in the ENEA Group's EBITDA in Q3 2024 (up by PLN 739.0 million):

(-) decrease in revenue from sales of electricity by PLN 3,534.7 million, caused mainly by a drop in the average sales price and a concurrent decrease in sales volume

(+) increase in revenue from sales of heat by PLN 10.5 million, driven mainly by an increase in the average sales price and a concurrent decline in sales volume

(-) decrease in revenue from sales of natural gas by PLN 16.9 million, caused mainly by a lower sales volume (temporary discontinuation of gaseous fuel sales in 2024)

(+) increase in revenue from sales of distribution services by PLN 60.3 million, mostly as a result of higher transferred fee rates coupled with a greater volume of distributed energy

(+) revenue from grid connection fees up by PLN 24.1 million, mainly due to a greater number of buyers connected in Group III and RES in Groups II and III

(+) increase in revenue from sales of goods and materials by PLN 79.5 million, driven largely by a greater sales volume of combustion byproducts

(-) decrease in revenue from sales of other products and services by PLN 11.2 million, resulting primarily from weaker demand for goods from external buyers

(+) increase in revenue from sales of coal by PLN 13.2 million, driven chiefly by a greater sales volume of coal with a concurrent lower average sales price

(+) revenue from the Capacity Market up by PLN 35.7 million, mainly due to the update of the price of the capacity obligation

(-) compensation revenue down by PLN 523.0 million – in accordance with the provisions of the Act of 7 October 2022 on Special Solutions for Protecting Electricity Buyers in 2023 and 2024 in Connection with the Situation on the Electricity Market [Consumption Limits Act] and the Act of 27 October 2022 on Emergency Measures to Reduce Electricity Prices and Support Certain Consumers in 2023 and 2024 [Price Limits Act], and for gaseous fuel in accordance with the provisions of the Act of 9 March 2023 amending the Act on Administrative Enforcement Proceedings:

- (-) in Q3 2023, the value of electricity price compensation in the amount of PLN 895.3 million was recognized in revenue
- (+) in Q3 2024, the value of electricity price compensation in the amount of PLN 359.8 million was recognized in revenue
- (+) in Q3 2024, the value of compensation related to electricity distribution services in the amount of PLN 12.2 million was recognized in revenue
- (+) in Q3 2024, the value of compensation related to gaseous fuel in the amount of PLN 0.5 million was recognized in revenue

(-) increase in employee benefit costs by PLN 22.8 million driven mainly by higher payroll costs and payroll-related charges

(+) decrease in the cost of consumption of materials and supplies and cost of goods sold by PLN 1,236.2 million, mainly due to lower costs of CO_2 emission allowances, coal consumption costs and costs of biomass consumption for the whole Generation Area

(+) decrease in the cost of purchasing electricity and gas by PLN 2,548.7 million, mainly due to lower average purchase prices and a lower volume of purchases

(-) increase in the cost of third-party services by PLN 60.1 million, mainly due to an increase in the costs of tasks outsourced to external companies at variable rates for such services

(+) decrease in the cost of taxes and charges by PLN 608.7 million, largely caused by the absence of a recognized charge for the Price Difference Fund in 2024

(+) impact of movement in provisions related to onerous contracts by PLN 187.7 million:

- (+) in Q3 2023, a provision of PLN 264.0 million was recognized in expenses for the loss on Tariff G resulting from lost revenues caused by the entry into force of the Regulation of the Minister of Climate and the Environment of 9 September 2023 introducing a mechanism for reducing the amounts payable by households to electricity trading companies for 2023
- (+) in Q3 2024, partial utilization of the provision was recognized in costs in December 2023 for the loss arising from the distribution fee rebate which was settled by ENEA S.A. acting as the offtaker of last resort in relation to electricity supplied to the grid by prosumers, in the amount of PLN 15.8 million
- (-) in Q3 2023, revenues included a partial utilization of the provision of PLN 92.1 million recognized in costs in December 2022 for a loss on Tariff G resulting from the fact that the Tariff of 17 December 2022 approved by the ERO President did not take into account the incurred electricity purchase costs and from the application of the Act of 7 October 2022 on Special Solutions for Protecting Electricity Buyers in 2023 in Connection with the Situation on the Electricity Market in the amount of PLN 368.3 million

(-) result on other operating activities down by PLN 26.3 million:

(-) decrease in the valuation of forward transactions for energy and gas by PLN 52.8 million

(-) fixed assets accepted free of charge down by PLN 23.8 million

(+) increase in the result on CO_2 contracts and revaluation by PLN 37.2 million

(+) provisions for potential claims down by PLN 17.4 million

Material changes affecting net result:

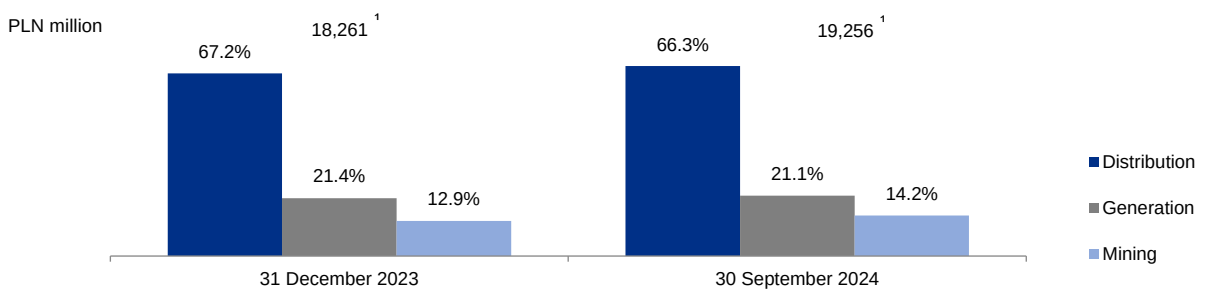
(-) movement in the result on currency derivatives not used in hedge accounting by PLN 333.7 million resulting from changes in the valuation of currency contracts and realized foreign exchange differences related to these contracts

(-) movement in the share in the earnings of associates and jointly controlled entities by PLN 11.2 million

4.3. Financial position – structure of assets and liabilities

Assets [PLN 000s]	As at			
	31 December 2023	30 September 2024	Change	% change
Non-current assets	**21,636,978**	**23,462,701**	**1,825,723**	**8.4%**
Property, plant and equipment	18,261,023	19,255,645	994,622	5.4%
Right-of-use asset	840,307	852,105	11,798	1.4%
Intangible assets	337,662	301,045	-36,617	-10.8%
Investment properties	21,279	20,884	-395	-1.9%
Investments in associates and jointly controlled entities	216,140	136,939	-79,201	-36.6%
Deferred tax assets	1,703,670	2,311,422	607,752	35.7%
Financial assets measured at fair value	75,032	63,359	-11,673	-15.6%
Trade and other receivables	6,647	338,644	331,997	4,994.7%
Costs related to the execution of contracts	8,991	11,941	2,950	32.8%
Receivables under leases and finance subleases	979	1,245	266	27.2%
Cash in the Mine Closure Fund	165,248	169,472	4,224	2.6%
Current assets	**17,473,767**	**14,965,757**	**-2,508,010**	**-14.4%**
CO_2 emission allowances	3,731,418	250,272	-3,481,146	-93.3%
Inventories	1,954,315	1,374,876	-579,439	-29.6%
Trade and other receivables	6,776,525	5,389,687	-1,386,838	-20.5%
Costs related to the execution of contracts	15,762	14,995	-767	-4.9%
Assets arising from contracts with customers	528,106	447,393	-80,713	-15.3%
Receivables under leases and finance subleases	1,303	1,834	531	40.8%
Current income tax receivables	1,295,694	35,251	-1,260,443	-97.3%
Financial assets measured at fair value	144,511	65,184	-79,327	-54.9%
Cash and cash equivalents	3,026,133	7,386,265	4,360,132	144.1%
Total Assets	**39,110,745**	**38,428,458**	**-682,287**	**-1.7%**

Structure property, plant and equipment



[1] including elimination

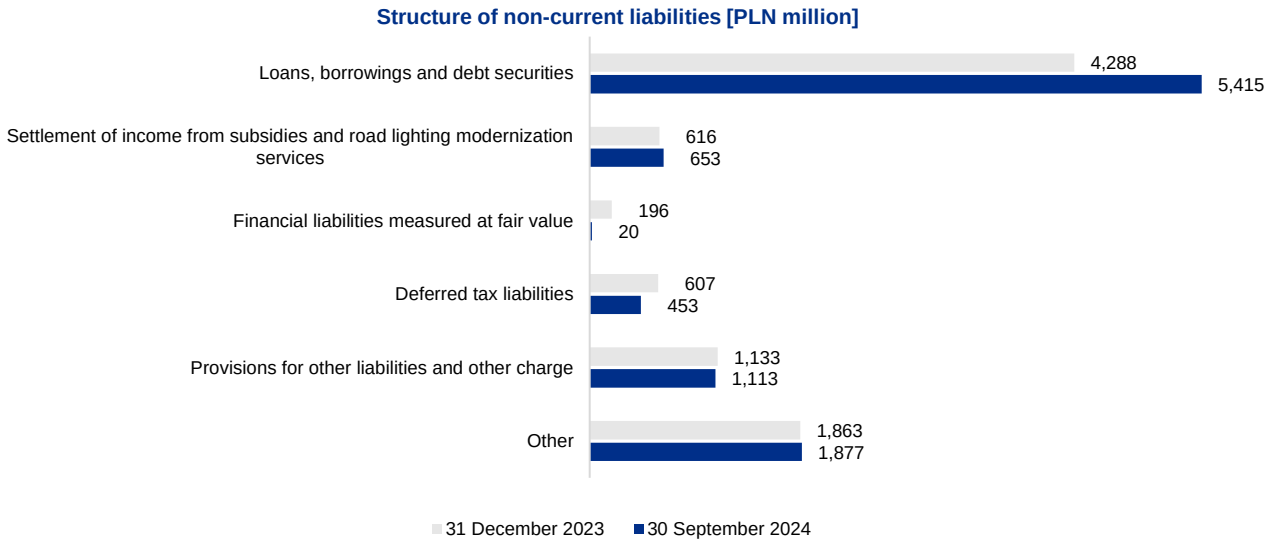
Key drivers of non-current assets (up by PLN 1,825.7 million):

- PLN 994.6 million increase in property, plant and equipment, of which: PLN 1,612 million increase in fixed assets with a concurrent 618 million increase in accumulated depreciation and impairments
- PLN 607.8 million increase in deferred tax assets – mainly the effect of the movement in provisions for CO_2 emission allowances, the contribution to the Price Difference Fund and measurement of currency instruments not used for hedge accounting purposes
- PLN 332.0 million increase in trade and other receivables – mainly in the value of collateral margins securing futures for the purchase of CO_2 emission allowances
- PLN 79.2 million decrease in investments in associates and jointly controlled entities - mainly a change in share in the results of associates and jointly controlled entities
- PLN 36.6 million decrease in intangible assets – including mainly a PLN 42 million increase in accumulated depreciation and impairments

Key drivers of current assets (down by PLN 2,508.0 million):

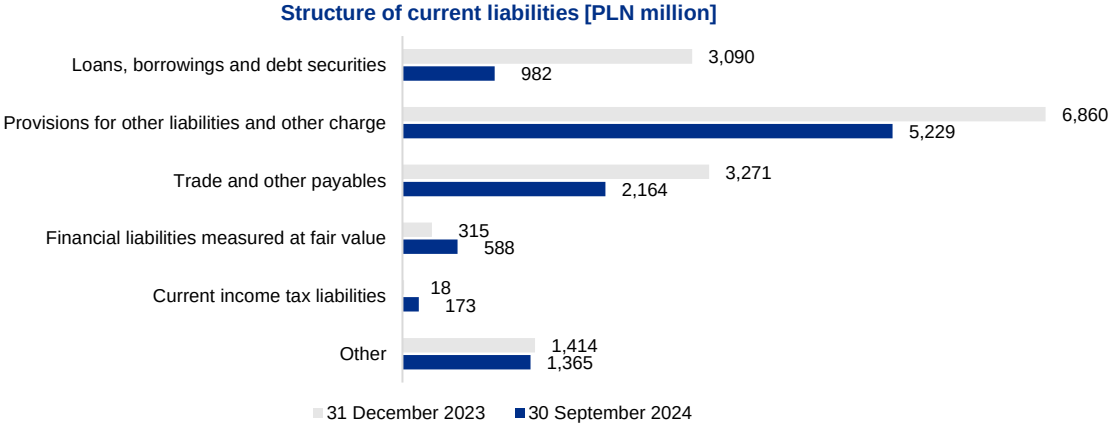
- PLN 3,481.1 million decrease in the value of CO_2 emission allowances, including: PLN 2,987.2 million purchase of allowances in 2024, PLN -6,468.3 million redemption of rights
- PLN 1,386.8 million decrease in trade and other receivables – mainly a drop in tax receivables (excluding income tax), lower trade receivables and lower receivables from compensation payments
- PLN 1,260.4 million decrease in current income tax receivables – change in the settlements of current income tax (refund)
- PLN 579.4 million decrease in the value of inventories – including a decrease in inventories of coal, biomass and energy origin certificates
- PLN 80.7 million decrease in assets arising from contracts with customers – largely due to a shift in the volume of unbilled electricity sales
- PLN 79.3 million decrease in financial assets measured at fair value – mainly due to an update in the valuation of transactions hedging interest rate risk
- PLN 4,360.1 million increase in cash and cash equivalents – mainly an increase in funds on the current account and the impact of electricity price compensation received on the basis of the Pricing Act, with a simultaneous change in the balance on VAT account, a decrease in collateral margins securing IRGiT's clearing operations and a change in special-purpose funds for trading CO_2 emission allowances

Equity and liabilities [PLN 000s]	As at			
	31 December 2023	30 September 2024	Change	% change
Total equity	**15,439,599**	**18,396,559**	**2,956,960**	**19.2%**
Share capital	676,306	676,306	-	-
Share premium	3,348,670	3,348,670	-	-
Revaluation reserve – measurement of hedging instruments	55,249	13,080	-42,169	-76.3%
Retained earnings	9,858,705	13,149,776	3,291,071	33.4%
Non-controlling interests	1,500,669	1,208,727	-291,942	-19.5%
Total liabilities	**23,671,146**	**20,031,899**	**-3,639,247**	**-15.4%**
Non-current liabilities	8,703,088	9,531,091	828,003	9.5%
Current liabilities	14,968,058	10,500,808	-4,467,250	-29.8%
Total equity and liabilities	**39,110,745**	**38,428,458**	**-682,287**	**-1.7%**



Key drivers of non-current liabilities (up by PLN 828.0 million)

- PLN 1,127.1 million increase in loans, borrowings and other debt securities – mainly bond issues and raising additional financing in the form of a loan, with a simultaneous repayment of a syndicated loan tranche and reclassification of a portion of non-current liabilities to current liabilities
- PLN 37.0 million increase in settlement of income from grants and road lighting modernization services
- PLN 176.3 million decrease in financial liabilities measured at fair value – mainly due to a change in the valuation of FX forward contracts
- PLN 154.0 million decrease in deferred tax liabilities



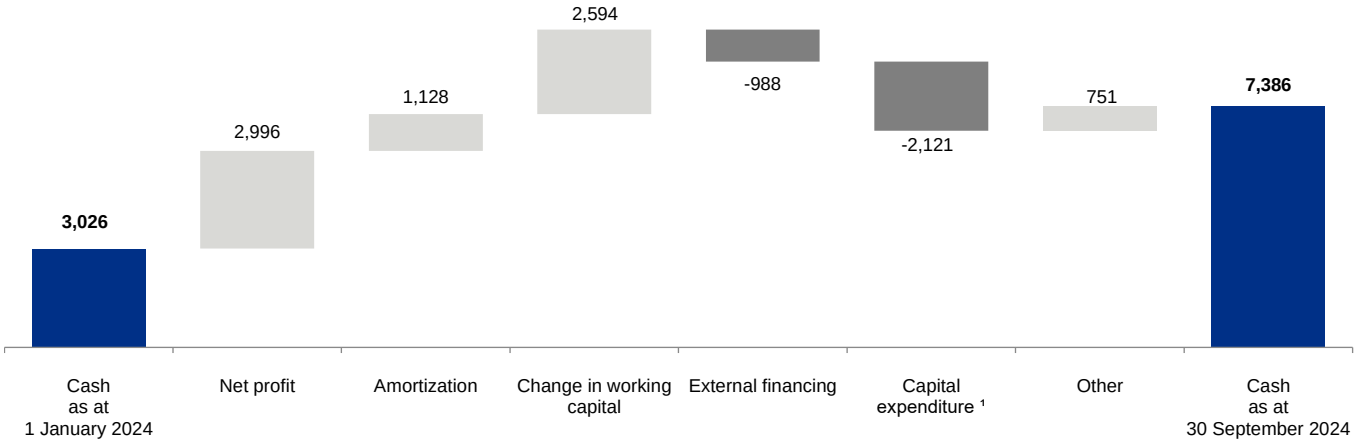
Key change drivers for current liabilities (down by PLN 4,467.3 million)

- PLN 2,108.1 million decrease in loans, borrowings and other debt securities – mainly due to redemption of bonds, repayment of loan installments, with a concurrent reclassification of a portion of non-current liabilities to current liabilities
- PLN 1,631.3 million decrease in provisions for liabilities and other charges – including a decrease in provisions for the purchase of CO_2 emission allowances and a decrease in provisions for energy origin certificates
- PLN 1,106.6 million decrease in trade and other payables – a decrease in trade liabilities and in investment liabilities with a concurrent increase in tax liabilities
- PLN 273.4 million increase in financial liabilities measured at fair value – mainly due to a change in the valuation of FX forward contracts
- PLN 154.6 million increase in current income tax liabilities – change in the settlements of current income tax

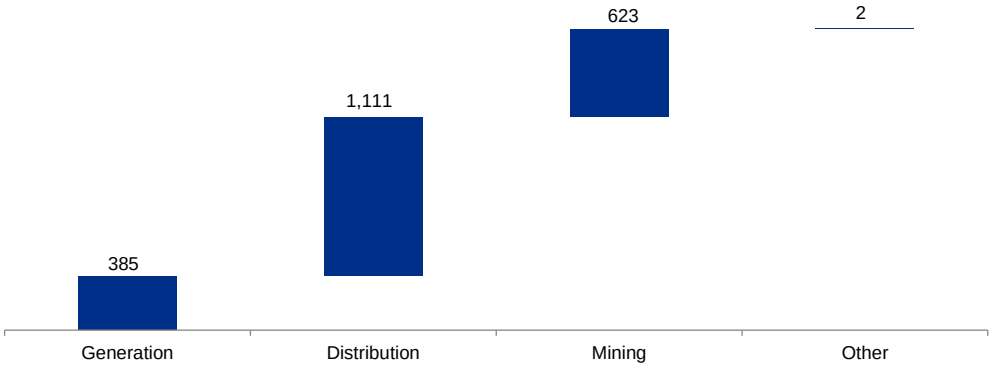
4.4. Cash position

Statement of cash flows [PLN 000s]	Q1-Q3 2023	Q1-Q3 2024	Change	% change
Net cash flows from operating activities	5,010,803	7,781,706	2,770,903	55.3%
Net cash flows from investing activities	(1,920,454)	(2,059,515)	-139,061	-7.2%
Net cash flows from financing activities	560,034	(1,362,059)	-1,922,093	-343.2%
Increase / (decrease) in net cash	3,650,383	4,360,132	709,749	19.4%
Cash at the beginning of reporting period	1,563,716	3,026,133	1,462,417	93.5%
Cash at the end of reporting period	**5,214,099**	**7,386,265**	**2,172,166**	**41.7%**

Cash flows in Q1-Q3 2024 [PLN million]



Capital expenditures¹ of the ENEA Group in Q1-Q3 2024 r. [PLN million]



¹ Purchase/disposal of property, plant and equipment and intangible assets and purchase/disposal of subsidiaries, associates and jointly controlled entities

4.5. Ratio analysis

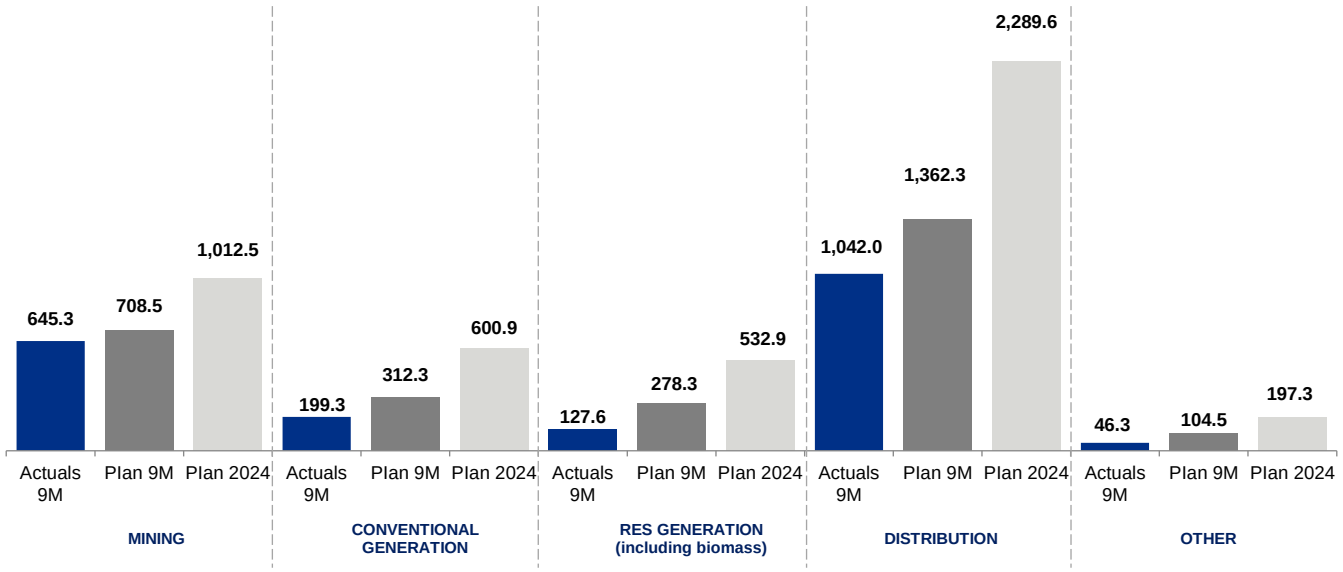
Definitions of the ratios are presented in section 9 “Glossary of terms and abbreviations”

	Q1-Q3 2023	Q1-Q3 2024	Q3 2023	Q3 2024
Profitability ratios				
ROE – return on equity [1]	5.3%	21.7%	17.3%	22.3%
ROA – return on assets [1]	2.3%	10.4%	7.5%	10.7%
Net profitability	1.8%	12.4%	6.0%	12.8%
Operating profitability	4.0%	17.5%	5.9%	18.4%
EBITDA profitability	9.6%	22.1%	9.5%	23.2%
Liquidity and financial structure ratios				
Current liquidity ratio	1.0	1.4	1.0	1.4
Coverage of non-current assets with equity	68.4%	78.4%	68.4%	78.4%
Total debt ratio	56.7%	52.1%	56.7%	52.1%
Net debt/EBITDA LTM	0.48	0.02	0.48	0.02
Economic activity ratios				
Current receivables turnover in days [2]	44	69	44	70
Trade and other payables turnover in days [3]	36	54	37	55
Inventory turnover in days	14	27	15	27

[1] The ratio numerator, i.e. net profit / (loss) for the reporting period, is annualized.
[2] Trade receivables – trade receivables, assets arising from contracts with customers and contract preparation expenses
[3] Trade payables – trade payables, liabilities under contracts with customers

4.6. Capital expenditures (CAPEX) of the ENEA Group

PLN million



Capital expenditures (CAPEX) [PLN million]	Q3 2023	Q3 2024	Actuals Q3 2024/ Plan Q3 2024	Q1-Q3 2023	Q1-Q3 2024	Actuals Q1-Q3 2024/ Plan Q1-Q3 2024	Plan 2024	Actuals Q1-Q3 2024/ Plan 2024
Mining	212.6	168.8	73.6%	557.5	645.3	91.1%	1,012.5	63.7%
Generation	124.9	146.8	64.0%	329.4	326.9	55.4%	1,133.8	28.8%
Distribution	446.1	396.2	70.3%	1,127.4	1,042.0	76.5%	2,289.6	45.5%
Other	74.1	16.4	40.1%	310.0	46.3	44.3%	197.3	23.5%
Total	**857.7**	**728.2**	**68.5%**	**2,324.3**	**2,060.5**	**74.5%**	**4,633.2**	**44.5%**

Environmental investment projects

Description [PLN million]	Q3 2024	Q1-Q3 2024
Lubelski Węgiel Bogdanka Group – environmental investments	9.6	25.3
ENEA ELKOGAZ – construction of CCPU1	2.3	11.0
ENEA Ciepło – Modernization of coal-fired boilers in the Zachód Heat Plant to adapt them to the environmental requirements – STAGE II	4.0	5.0
Adaptation of the Połaniec Power Plant to Capacity Market requirements after 1 July 2025	2.3	3.7
Replacement of SCR modules at the Połaniec Power Plant	0.0	3.7
Other	1.1	3.5
Total investments related to environmental protection	**19.3**	**52.2**

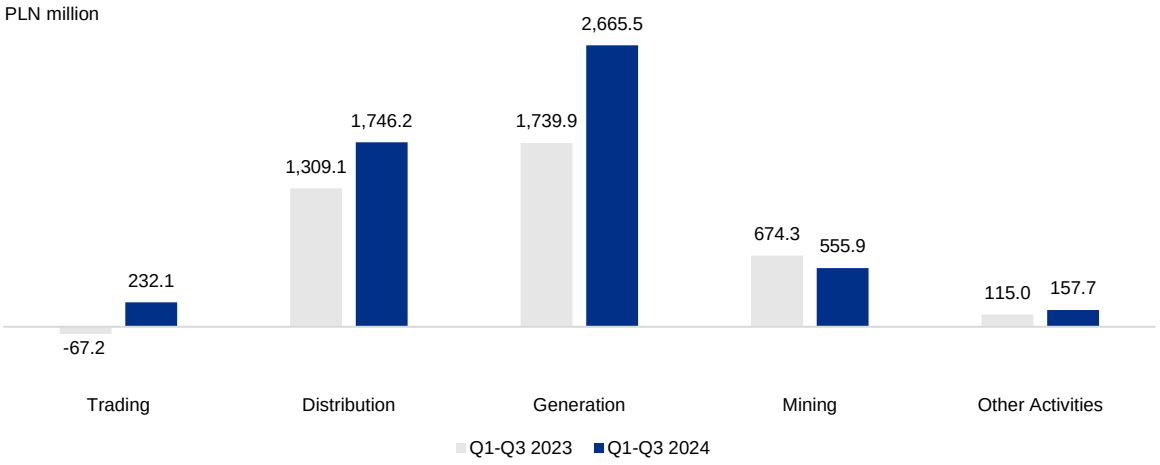
Execution of key investment projects in Q1-Q3 2024

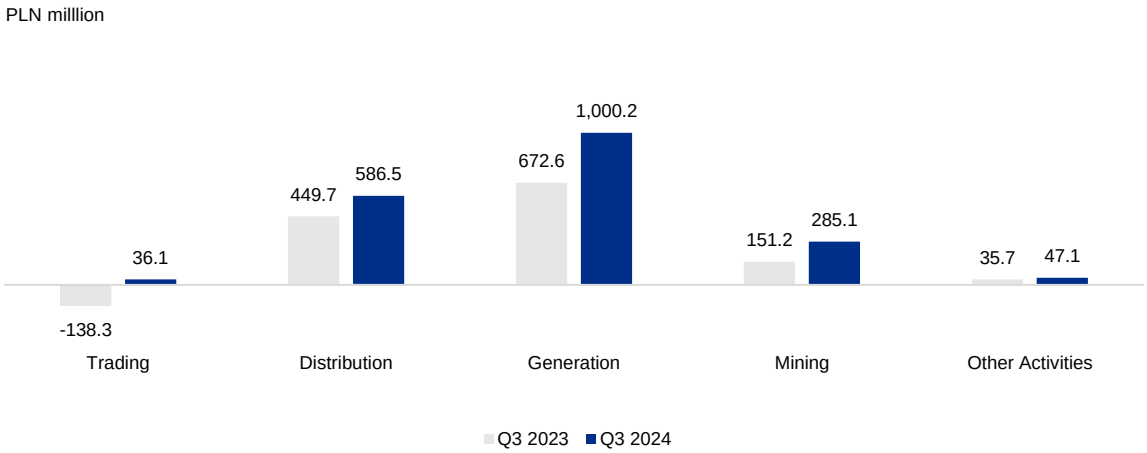
- Connection of new consumers and new sources: PLN 579.9 million (ENEA Operator)
- Modernization and replacement of assets: PLN 328.9 million (ENEA Operator)
- Purchase of a shearer miner: PLN 168.7 million (LWB)
- Construction of the 20 MW Bejsce Wind Farm: PLN 101.1 million (SPV)
- Modernization of Units 1, 5 and 11: PLN 53.7 million (Kozienice Power Plant)

4.7. Operational and financial data and implementation of key investment projects, by area of ENEA Group's activity

4.7.1. Financial performance by area

EBITDA [PLN 000s]	Q1-Q3 2023	Q1-Q3 2024	Change	% change	Q3 2023	Q3 2024	Change	% change
Trading	-67,240	232,050	299,290	445.1%	-138,318	36,122	174,440	126.1%
Distribution	1,309,129	1,746,185	437,056	33.4%	449,731	586,491	136,760	30.4%
Generation	1,739,949	2,665,537	925,588	53.2%	672,591	1,000,228	327,637	48.7%
Mining	674,295	555,851	-118,444	-17.6%	151,233	285,050	133,817	88.5%
Other activities	115,017	157,697	42,680	37.1%	35,742	47,131	11,389	31.9%
Unassigned items and exclusions	-331,294	-24,245	307,049	92.7%	-47,319	-92,368	-45,049	-95.2%
Total EBITDA	**3,439,856**	**5,333,075**	**1,893,219**	**55.0%**	**1,123,660**	**1,862,654**	**738,994**	**65.8%**





As at 30 September 2024, the ENEA Group companies employed in total 18,027 staff under employment contracts, of which 398 staff were employed by ENEA S.A. The following table presents headcount data in the ENEA Group, including employees with a temporary suspension of employment, i.e. on parental leaves, unpaid leaves above 30 days and those receiving rehabilitation benefits.

Persons	As at 31 December 2023	As at 30 September 2024	Change
Trading	589	524	-65
Distribution	5,439	5,384	-55
Generation	4,191	4,135	-56
Mining	6,160	6,195	35
Other activities	1,848	1,789	-59
Total	**18,227**	**18,027**	**-200**

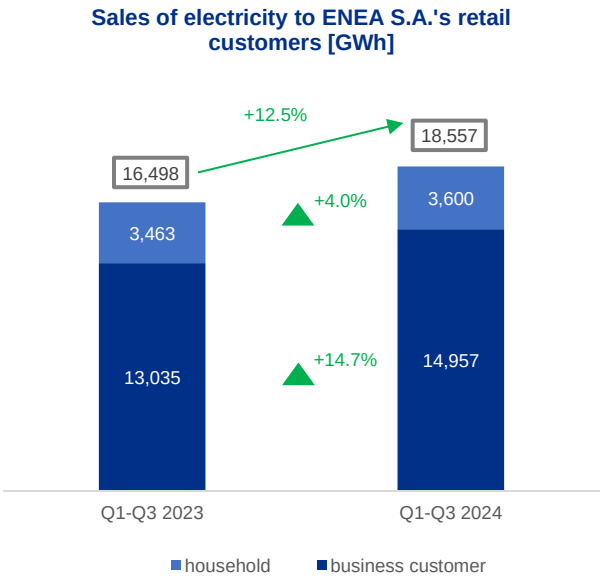
4.7.2. Trading Area

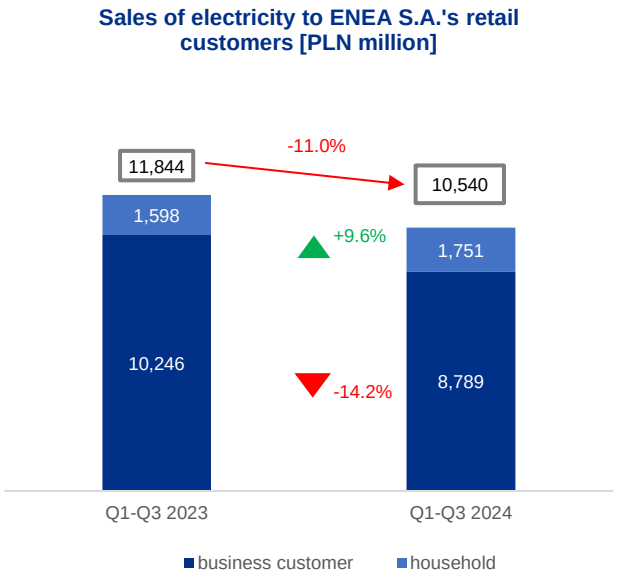
Retail sales of electricity are carried out by ENEA S.A.

Moreover, the presentation of the Trading area contains financial data of ENEA Trading and ENEA Power&Gas Trading (on 3 April 2023, a demerger was effected through a spin-off and transfer of a portion of ENEA Trading business in the form of an organized part of an enterprise to ENEA Power&Gas Trading).

Operational data

	Q1-Q3 2023	Q1-Q3 2024	Change	% change	Q3 2023	Q3 2024	Change	% change
Sales of electricity and gaseous fuel to retail customers [GWh]	16,973	18,558	1,585	9.3%	5,422	6,063	641	11.8%
Number of customers (Power Delivery Points) (at the end of the reporting period) [000s]	2,715	2,746	31	1.1%	2,715	2,746	31	1.1%





In Q1-Q3 2024, as compared to Q1-Q3 2023, the total sales volume of electricity and gaseous fuel increased by 1,585 GWh, or 9.3%. The increase was caused by a change in the customer portfolio.

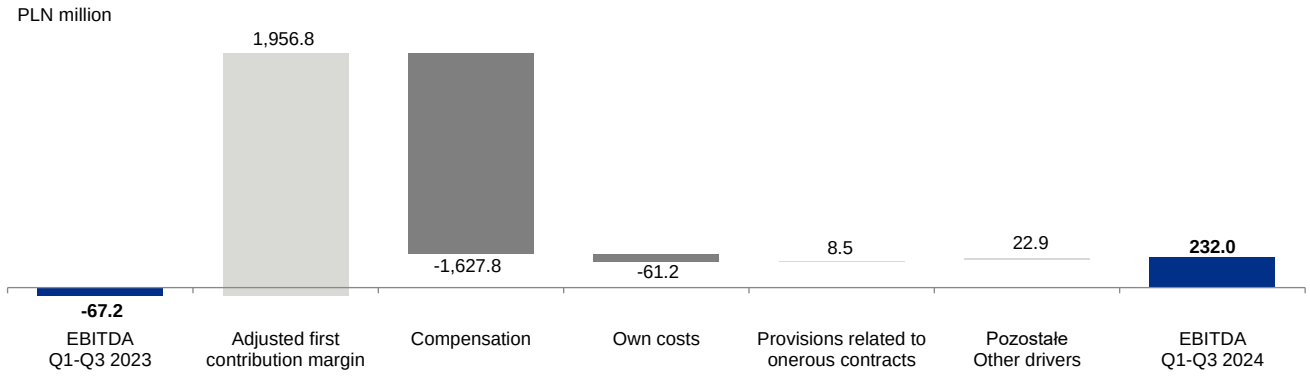
In the business customer segment, the sales volume of electricity fuel increased by 1,922 GWh, or 14.7%, with a concurrent increase in the sales volume in the household segment by 137 GWh, or 4.0%. The volume of gaseous fuel sales decreased by 474 GWh, or 99.8%, compared to the corresponding period the year before, due to the discontinuation of comprehensive service to end users consuming gaseous fuel for household and small business purposes in 2024.

Total revenue from sales of electricity and gaseous fuel decreased in Q1-Q3 2024 by PLN 1,423 million, or 11.9%, as compared to Q1-Q3 2023, reflecting the electricity and gaseous fuel price decreases in the wholesale market.

Financial data

[PLN 000s]	Q1-Q3 2023	Q1-Q3 2024	Change	% change	Q3 2023	Q3 2024	Change	% change
Net revenue from sales	15,657,581	17,722,794	2,065,213	13.2%	4,741,985	4,522,688	-219,297	-4.6%
Compensation	2,688,185	1,072,629	-1,615,556	-60.1%	795,852	372,513	-423,339	-53.2%
Revenue from sales and other income	18,345,766	18,795,423	449,657	2.5%	5,537,837	4,895,201	-642,636	-11.6%
EBIT	-68,834	229,751	298,585	433.8%	-138,837	35,315	174,152	125.4%
Amortization and depreciation	1,594	2,299	705	44.2%	519	807	288	55.5%
EBITDA	**-67,240**	**232,050**	**299,290**	**445.1%**	**-138,318**	**36,122**	**174,440**	**126.1%**
EBITDA margin	-0.4%	1.2%	1.6 p.p.	-	-2.5%	0.7%	3.2 p.p.	-
CAPEX [1]	62	0	-62	-100.0%	36	0	-36	-100.0%
Area's revenue from sales as % of the Group's revenue from sales	41.0%	47.1%	6.1 p.p.	-	38.4%	41.3%	2.9 p.p.	-

[1] without ENEA S.A.'s equity investments



Key EBITDA drivers in Q1-Q3 2024 (up by PLN 299.3 million):

Adjusted first contribution margin (up by PLN 1,956.8 million)

(+) average energy purchase price down by 30.3%

(+) energy sales volume up by 12.5%

(+) costs of environmental obligations down by 71.1%

(+) temporary discontinuation of gaseous fuel sales in 2024

(-) average energy sales price down by 20.9%

(+) remeasurement of CO_2 contracts, forward transactions for energy and gas

Electricity and gaseous fuel price compensations (down by PLN 1,627.8 million)

in accordance with the provisions of the Act of 7 October 2022 on Special Solutions for Protecting Electricity Buyers in 2023 and 2024 in Connection with the Situation on the Electricity Market [Article 12 of the Consumption Limits Act] and the Act of 27 October 2022 on Emergency Measures to Reduce Electricity Prices and Support Certain Consumers in 2023 and 2024 [Article 8 of the Price Limits Act], and for gaseous fuel in accordance with the provisions of the Act of 9 March 2023 amending the Act on Administrative Enforcement Proceedings

(-) in Q1-Q3 2023, the value of electricity price compensation in the amount of PLN 2,688.2 million was recognized in revenue

(+) in Q1-Q3 2024, the value of electricity price compensation in the amount of PLN 1,059.9 million was recognized in revenue

(+) in Q1-Q3 2024, the value of compensation related to gaseous fuel in the amount of PLN 0.5 million was recognized in revenue

Own costs (up by PLN 61.2 million)

(-) direct selling costs up by PLN 51.8 million

(-) costs of shared services up by PLN 5.7 million

(-) general and administrative expenses up by PLN 3.7 million

Provisions related to onerous contracts (down by PLN 8.5 million)

(+) in Q1-Q3 2023, a provision of PLN 264.0 million was recognized in expenses for the loss on Tariff G resulting from lost revenues caused by the entry into force of the Regulation of the Minister of Climate and the Environment of 9 September 2023 introducing a mechanism for reducing the amounts payable by households to electricity trading companies for 2023

(+) in Q1-Q3 2024, partial utilization of the provision was recognized in costs in December 2023 for the loss arising from the distribution fee rebate which was settled by ENEA S.A. acting as the offtaker of last resort in relation to electricity supplied to the grid by prosumers, in the amount of PLN 20.7 million

(-) in Q1-Q3 2023, revenues included a partial utilization of the provision of PLN 276.2 million recognized in costs in December 2022 for a loss on Tariff G resulting from the fact that the Tariff of 17 December 2022 approved by the ERO President did not take into account the incurred electricity purchase costs and from the application of the Act of 7 October 2022 on Special Solutions for Protecting Electricity Buyers in 2023 in Connection with the Situation on the Electricity Market in the amount of PLN 368.3 million

Other factors (up by PLN 22.9 million)

(+) donation costs down by PLN 12.5 million

(+) costs of distribution services related to the existing model of settlements with prosumers down by PLN 10.8 million

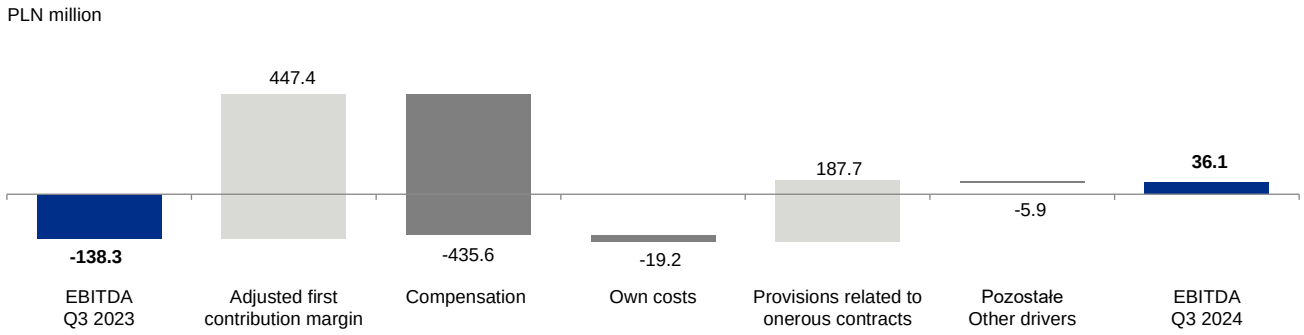
(+) revenue from sales of services up by PLN 7.8 million

(+) costs of provisions for anticipated losses and potential claims down by PLN 3.7 million

(-) written-off receivables recognized in expenses up by PLN 4.6 million

(-) gain on the sale of perpetual usufruct of land, sale of premises and other fixed assets down by PLN 4.3 million

(-) litigation costs up by PLN 2.6 million



Key EBITDA drivers in Q3 2024 (up by PLN 174.4 million):

Adjusted first contribution margin (up by PLN 447.4 million)

(+) average energy purchase price down by 26.3%

(+) energy sales volume up by 14.0%

(+) costs of environmental obligations down by 62.6%

(-) average energy sales price down by 18.8%

(-) temporary discontinuation of gaseous fuel sales in 2024

(-) remeasurement of CO_2 contracts, forward transactions for energy and gas

Electricity and gaseous fuel price compensations (down by PLN 435.6 million)

in accordance with the provisions of the Act of 7 October 2022 on Special Solutions for Protecting Electricity Buyers in 2023 and 2024 in Connection with the Situation on the Electricity Market [Article 12 of the Consumption Limits Act] and the Act of 27 October 2022 on Emergency Measures to Reduce Electricity Prices and Support Certain Consumers in 2023 and 2024 [Article 8 of the Price Limits Act], and for gaseous fuel in accordance with the provisions of the Act of 9 March 2023 amending the Act on Administrative Enforcement Proceedings

(-) in Q3 2023, the value of electricity price compensation in the amount of PLN 795.9 million was recognized in revenue

(+) in Q3 2024, the value of electricity price compensation in the amount of PLN 359.8 million was recognized in revenue

(+) in Q3 2024, the value of compensation related to gaseous fuel in the amount of PLN 0.5 million was recognized in revenue

Own costs (up by PLN 19.2 million)

(-) direct selling costs up by PLN 16.7 million

(-) costs of shared services up by PLN 3.0 million

Provisions related to onerous contracts (down by PLN 187.7 million)

(+) in Q3 2023, a provision of PLN 264.0 million was recognized in expenses for the loss on Tariff G resulting from lost revenues caused by the entry into force of the Regulation of the Minister of Climate and the Environment of 9 September 2023 introducing a mechanism for reducing the amounts payable by households to electricity trading companies for 2023

(+) in Q3 2024, partial utilization of the provision was recognized in costs in December 2023 for the loss arising from the distribution fee rebate which was settled by ENEA S.A. acting as the offtaker of last resort in relation to electricity supplied to the grid by prosumers, in the amount of PLN 15.8 million

(-) in Q3 2023, revenues included a partial utilization of the provision of PLN 92.1 million recognized in costs in December 2022 for a loss on Tariff G resulting from the fact that the Tariff of 17 December 2022 approved by the ERO President did not take into account the incurred electricity purchase costs and from the application of the Act of 7 October 2022 on Special Solutions for Protecting Electricity Buyers in 2023 in Connection with the Situation on the Electricity Market in the amount of PLN 368.3 million

Other factors (down by PLN 5.9 million)

(-) costs of distribution services related to the existing model of settlements with prosumers up by PLN 20.1 million

(+) donation costs down by PLN 8.0 million

(+) costs of provisions for anticipated losses and potential claims down by PLN 3.0 million

(+) revenue from sales of services up by PLN 2.6 million

Key projects:

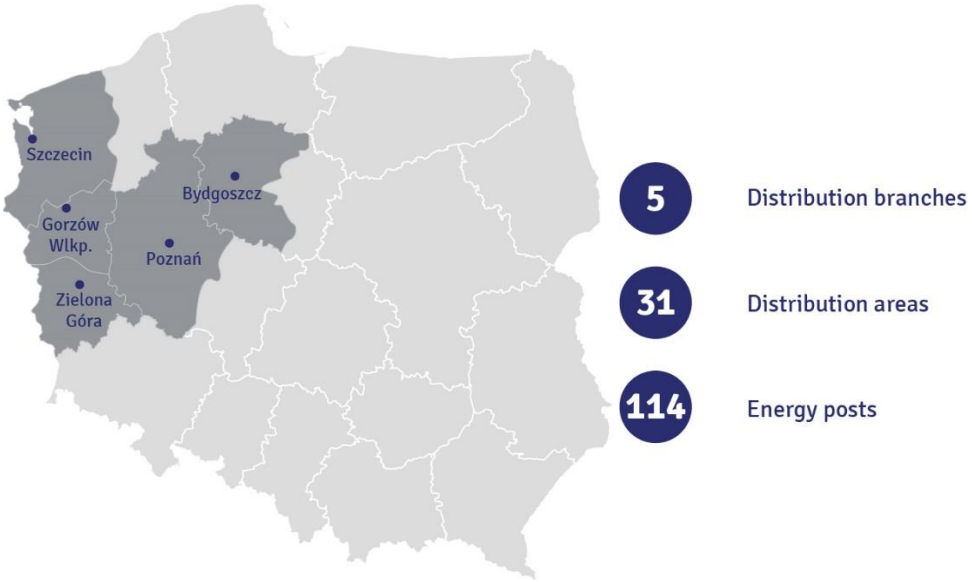
Retail and Customer Service Areas

- Activities within the project entitled "*Adjustment of customer service systems of the ENEA Group to changes in the Central Energy Market Information System (CSIRE).*" The purpose of the CSIRE is simplify the information exchange between energy market participants. The ENEA Group is required to adapt its organization, processes and IT systems to the CSIRE by the statutory time limit,
- Work on the implementation of solutions for communication with the National e-Invoicing System (KSeF) for ENEA's billing systems. ENEA is required to implement the solution by February 2026,
- Work on the adaptation of billing systems to apartment-based prosumers, energy-generating cooperatives, net-billing prosumers on the basis of market electricity prices and dynamic pricing contracts,
- Implementation and launch of the Mobile App for ENEA S.A. customers,
- Continuation of work on introducing automation processes in the customer service area through, e.g., robotic process automation,
- Reinstatement of gaseous fuel offering for large business clients.

Wholesale Area

- Continuation of the project entitled "*Adaptation of ENEA Group companies to changes in the operation of the Balancing Market in Poland,*"
- Project entitled *"Development of biomass trading activity by ENEA Trading sp. z o.o."* – currently under revision due to changes in assumptions.

4.7.3. Distribution Area



ENEA Operator is responsible for the distribution of electricity to 2.8 million Customers – in western and north-western Poland in the area of 58.2 thousand km^2. The key task of ENEA Operator is to provide energy in a continuous and reliable manner, while maintaining appropriate quality parameters.

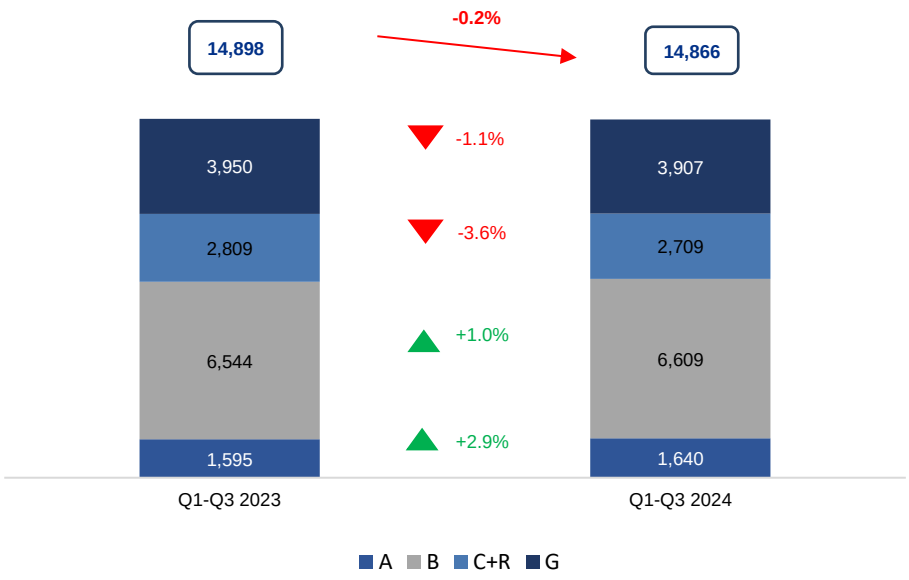
In the Distribution Area, financial data of the following companies are presented: ENEA Operator, ENEA Serwis, ENEA Pomiary and ENEA Logistyka.

Operational data

	Q1-Q3 2023	Q1-Q3 2024	Change	% change	Q3 2023	Q3 2024	Change	% change
Sales of distribution services to end users [GWh]	14,898 [1]	14,866	-32	-0.2%	4,832 [1]	4,877	45	0.9%
Number of customers (at the end of the reporting period) [000s]	2,781	2,816	35	1.3%	2,781	2,816	35	1.3%

[1] Presentation change

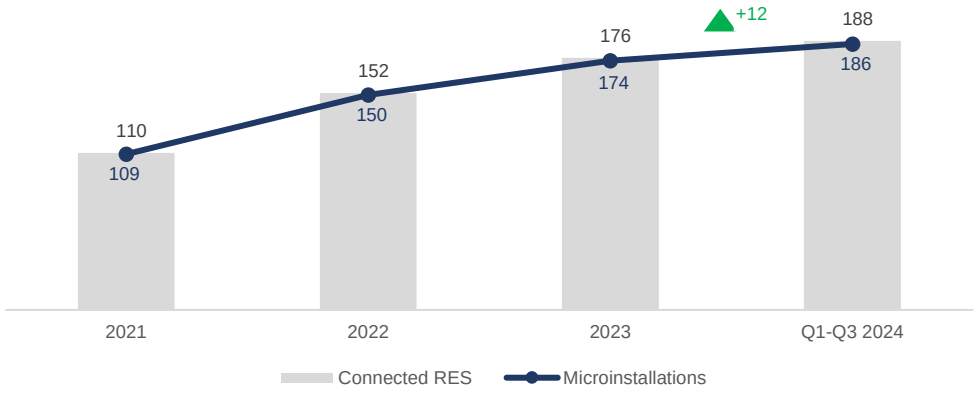
Sales of distribution services [GWh]



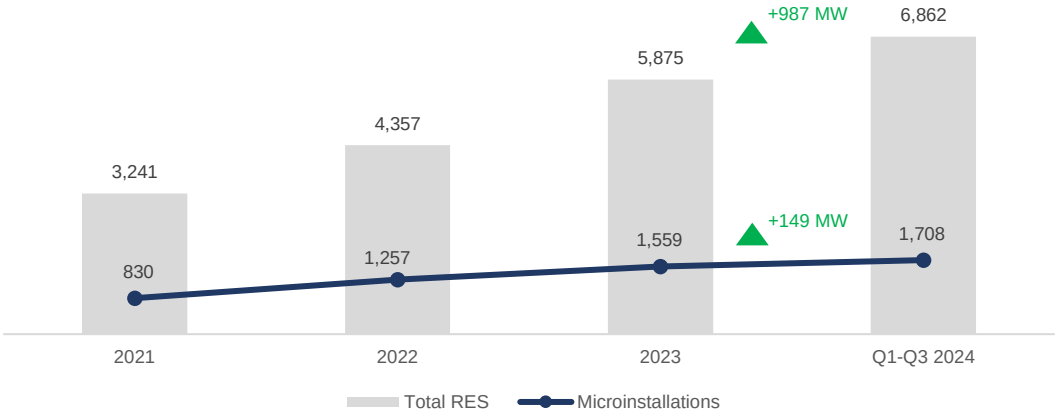
Connected RES in the operating area of ENEA Operator in 2020 – Q1-Q3 2024

	Number of connected RES (without microinstallations), cumulative	Number of connected micro-installations, based on the submitted reports and requests, cumulative	Total number of connected RES, cumulative	Total connected RES capacity (without microinstallations), cumulative [MW]	Total capacity of connected micro-installations, based on the submitted reports and requests, cumulative [MW]	Total connected RES capacity, cumulative [MW]
2020	586	61,990	62,576	1,896	435	2,331
2021	840	108,873	109,713	2,411	830	3,241
2022	1,274	150,283	151,557	3,100	1,257	4,357
2023	1,808	174,278	176,086	4,316	1,559	5,875
Q1-Q3 2024	**2,126**	**185,874**	**188,000**	**5,154**	**1,708**	**6,862**

Number of connected RES, including microinstallations cumulative [000s]



Capacity of connected RES, including microinstallations cumulative [MW]



Number and length of connections

Description	2023		Q1-Q3 2024	
	Quantity	Length [km]	Quantity	Length [km]
Overhead	353,263	6,965	364,298	6,940
Cable	704,581	6,612	738,644	6,624
Total	**1,057,844**	**13,577**	**1,102,942**	**13,564**

Number of electrical substations

Description	2023	Q1-Q3 2024
110 kV	258	259
MV	39,639	39,953
Total	**39,897**	**40,212**

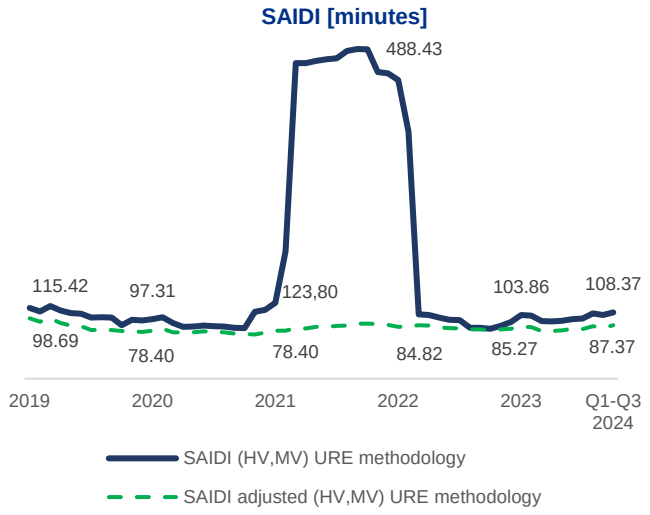
Length of lines [km]

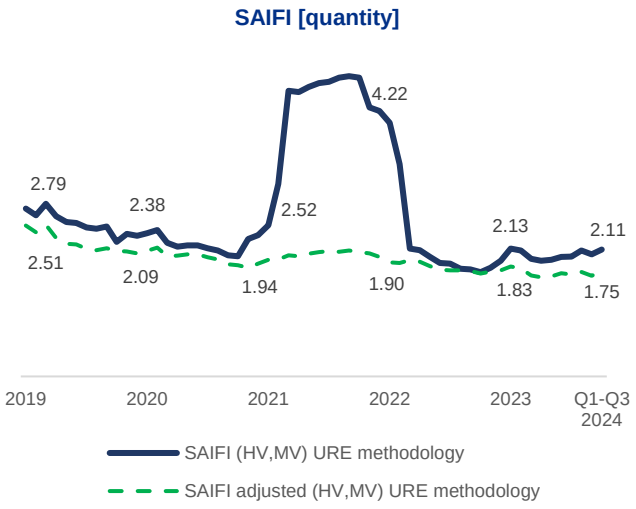
Length of lines per track [km]	2023			Q1-Q3 2024		
	HV	MV	LV[1]	HV	MV	LV[1]
overhead lines	5,440	32,675	26,898	5,430	32,572	26,830
underground cable	74	14,237	31,434	74	14,610	32,044
Total	**5,514**	**46,912**	**58,332**	**5,504**	**47,182**	**58,874**

[1] without connections

The total regulatory asset base (RAB) included in the tariff calculation for 2023 (which also includes WRA_AMI) was PLN 10,009,381 thousand.

System Average Interruption Duration Index (SAIDI) and System Average Interruption Frequency Index (SAIFI)





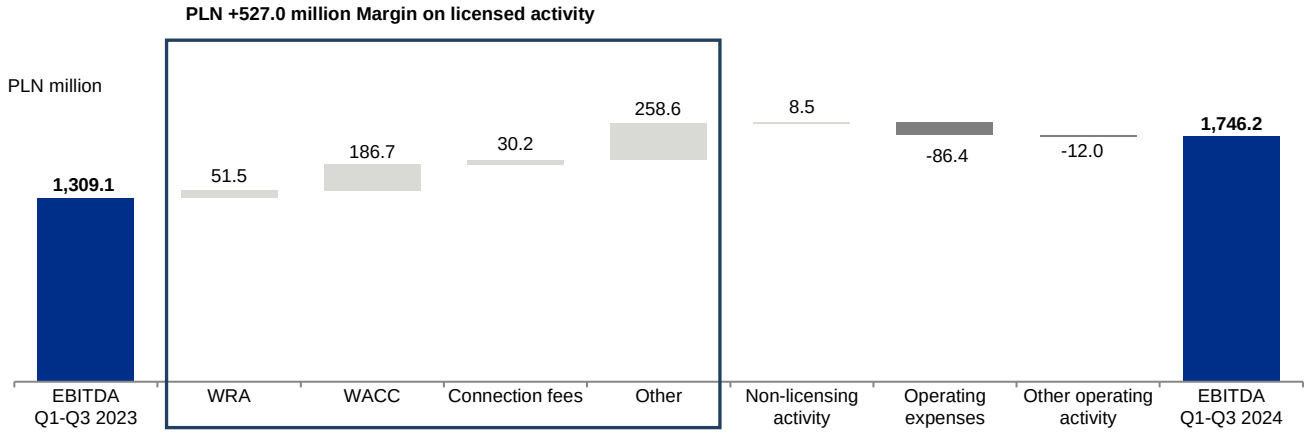
SAIDI and SAIFI calculated in accordance with the methodology set forth in the Energy Regulatory Office's document entitled *Quality Regulation in 2016-2020 for Distribution System Operators (who have unbundled their operations as of 1 July 2007)* in comparison with the adjusted SAIDI and SAIFI representing the value of area-based adjusted indices aggregated to the company level for duration and frequency of interruptions in electricity supply (CTP - duration of interruptions and CP - frequency of interruptions determined for areas: Village, City, City with county rights) calculated in accordance with the methodology set forth in the Energy Regulatory Office's document entitled *Quality Regulation in 2018-2022 for Distribution System Operators (who have unbundled their operations as of 1 July 2007)*. The adjusted indices are calculated for grids at high and medium voltage levels (they do not include interruptions of low voltage networks).

The combined SAIDI and SAIFI indices calculated in accordance with the ERO's methodology are the sum of the indicator for unscheduled interruptions, including catastrophic interruptions and scheduled interruptions in high and medium voltage grids.

The values of the indicators for Q1-Q3 2024 were calculated on the basis of the last 12 months.

Financial data

[PLN 000s]	Q1-Q3 2023	Q1-Q3 2024	Change	% change	Q3 2023	Q3 2024	Change	% change
Net revenue from sales	3,665,615	3,707,734	42,119	1.1%	1,212,774	1,291,615	78,841	6.5%
distribution services to end users	3,351,707	3,408,015	56,308	1.7%	1,101,175	1,172,532	71,357	6.5%
grid connection fees	102,222	132,427	30,205	29.5%	38,157	62,112	23,955	62.8%
other	211,686	167,292	-44,394	-21.0%	73,442	56,971	-16,471	-22.4%
Compensation	322,048	197,435	-124,613	-38.7%	99,441	-198	-99,639	-100.2%
Revenue from sales and other income	3,987,663	3,905,169	-82,494	-2.1%	1,312,215	1,291,417	-20,798	-1.6%
EBIT	761,562	1,148,841	387,279	50.9%	261,586	384,378	122,792	46.9%
Amortization and depreciation	547,567	597,344	49,777	9.1%	188,145	202,113	13,968	7.4%
EBITDA	**1,309,129**	**1,746,185**	**437,056**	**33.4%**	**449,731**	**586,491**	**136,760**	**30.4%**
EBITDA margin	32.8%	44.7%	11.9 p.p.	-	34.3%	45.4%	11.1 p.p.	-
CAPEX	1,127,364	1,041,962	-85,402	-7.6%	446,130	396,222	-49,908	-11.2%
Area's revenue from sales as % of the Group's revenue from sales	8.9%	9.8%	0.9 p.p.	-	9.1%	10.9%	1.8 p.p.	-



Key EBITDA drivers in Q1-Q3 2024 (up by PLN 437.1 million):

Margin on licensed activity (up by PLN 527.0 million)

(+) impact of a higher RAB: PLN +51.5 million

(+) impact of a change in WACC: PLN +186.7 million

(+) revenue from grid connection fees up by PLN 30.2 million

(+) other drivers up by PLN 258.6 million, mostly lower costs of electricity purchased to cover the balancing difference and own needs, and a lower impact of the regulatory account settlement

Operating expenses (up by PLN 86.4 million)

(-) costs of third-party services up by PLN 49.6 million

(-) employee benefit costs up by PLN 31.7 million

(-) costs of taxes and charges up by PLN 17.7 million

(+) other drivers up by PLN 12.6 million

Other operating activity (down by PLN 12.0 million)

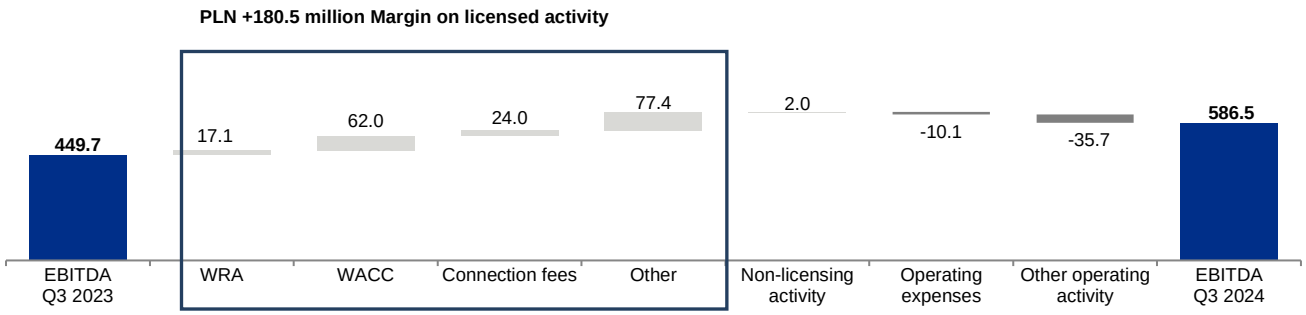
(-) revenues from the removal of infrastructure collisions down by PLN 35.5 million

(+) change in provisions related to grid assets by PLN 15.0 million

(+) revenue from subsidy settlement up by PLN 7.0 million

(+) other drivers up by PLN 1.5 million

PLN million



Key EBITDA drivers in Q3 2024 (up by PLN 136.8 million):

Margin on licensed activity (up by PLN 180.5 million)

(+) impact of a higher RAB: PLN +17.1 million

(+) impact of a change in WACC: PLN +62.0 million

(+) revenue from grid connection fees up by PLN 24.0 million

(+) other drivers up by PLN 77.4 million, mostly lower costs of electricity purchased to cover the balancing difference and own needs, and a lower impact of the regulatory account settlement

Operating expenses (up by PLN 10.1 million)

(-) costs of third-party services up by PLN 16.2 million

(-) costs of taxes and charges up by PLN 6.3 million

(+) employee benefit costs down by PLN 8.6 million

(+) other drivers up by PLN 3.8 million

Other operating activity (down by PLN 35.7 million)

(-) revenues from the removal of infrastructure collisions down by PLN 27.6 million

(-) change in impairment allowances by PLN 4.8 million

(-) change in provisions concerning grid assets by PLN 2.1 million

(-) other drivers down by PLN 1.2 million

CAPEX - Execution of key projects [PLN million]

Description	Q1-Q3 2024	Plan Q1-Q3 2024	Plan 2024
ENEA Operator	**1,038.1**	**1,353.4**	**2,269.9**
modernization and replacement of assets	328.9	517.4	982.4
connection of new consumers, sources and DSOs	579.9	655.5	912.9
meters and metering systems	45.3	48.9	156.7
ITC	42.7	87.6	137.5
other	41.2	44.3	80.4

In Q1-Q3 2024, ENEA Operator implemented a number of projects and activities, which are key to ensuring the effective operation of the DSO. Among them, the following deserve a mention:

1. Project entitled *Adaptation of IT systems and business processes for cooperation with the Central Energy Market Information System*, which refers to ENEA Operator's preparation for the implementation of the Central Energy Market Information System by PSE S.A. acting in the capacity of the Energy Market Information Operator. In Q1-Q3 2024, ENEA Operator carried out the following activities:
   • with regard to the metering system – a tender procedure was carried out with the contractor, a contract for the execution of the works was executed and the first and second stages of the works were accepted,

• with regard to the balancing system – a tender procedure for the implementation of changes in the system was launched, and the contractor selection stage is currently being finalized,

• with regard to the billing system – intense work was performed to prepare the tender procedure for obtaining the permits for the work and to decide on the financing of this project; currently, the bidding procedure is in progress and negotiations with the contractor are underway.

ENEA Operator has ordered relevant tools to support the process of data migration to CSIRE and has started the test phase of the data migration process. The organization process is an important element of ENEA Operator's preparation for the implementation of CSIRE. It involves organizational changes, changes in its structure, procedures and rules in effect in the company, as well as cooperation with external entities. This is an ongoing process that will be implemented last until the launch of CSIRE in Poland.

2. On 29 December 2023, ENEA Operator launched, in accordance with the *Public Procurement Act*, a three-stage innovation partnership proceedings entitled *Designing, manufacturing and supplying direct 1- and 3-phase remote electricity meters with remote reading function, with 2G/LTE/CAT-M1/NB2/ e-SIM and W-Mbus (HAN) modules.* The procedure provides for the supply of 3 million remote reading meters of direct metering systems in the period from 2025 to 2030. The proceedings are conducted in order to implement the amendment of the *Energy Law of 10 April 1997*, which imposed an obligation on distribution network operators to install remote reading meters communicated with a remote reading system at energy supply points to final consumers. The Law requires the installation of remote reading meters by 31 December 2028 for at least 80% energy supply points and by 4 July 2031 for 100% supply points connected to the ENEA Operator's network.
   Nine contractors requested to be admitted to the procedure. During the proceedings the applications were reviewed and assessed and four contractors were ultimately selected for the next phase. The proceedings are currently in the second stage, the phase of contract negotiations with the contractors that qualified for this stage.
3. In the area of grid infrastructure, ENEA Operator has started launching numerous new projects and preparing for the implementation of many investments with an outlook to be implemented by 2028 and beyond. At present, new EU programs for the new financial perspective are being launched, which will determine the implementation of tasks in the period 2024-2028. Additionally, in December 2023, the ERO President consulted the Development Plan with regard to the satisfaction of current and future demand for electricity in 2023-2028 (for 2024-2028). As a result, many projects with smaller individual budgets are implemented in 2024. The draft Material and Financial Plan: Investment Plan for 2024-2025 contains a number of key tasks that require significant expenditures, but which are only at the beginning or in the process of implementation, there may be partial payments in 2024, and they will continue in subsequent years. Among the key network infrastructure tasks, before the end of Q3 2024, the upgrade of the 110/MV Sieraków substation and the reconstruction of the 110/15 Chociwel substation for connection to the PV Bród grid were completed.

The company's intended activities for Q4 2024 are as follows:

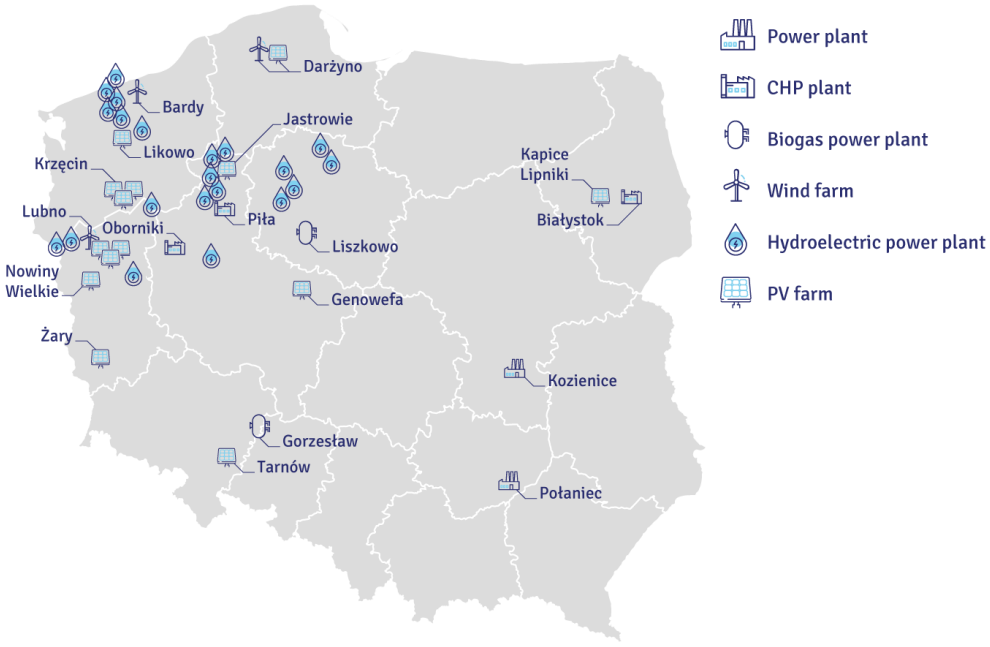
1. In the project entitled *Adaptation of IT systems and business processes for cooperation with the Central Energy Market Information System*, the following is expected in the coming months:
   • entering into agreements to implement changes in the billing system and in the balancing system, and commencing these changes in these IT systems,
   • accepting another stage of work related to the adaptation of the metering system,
   • implementing the initial migration to CSIRE, and continuing the process of reconciliation of data in the company's IT systems.
   • continuing the work related to organizational matters.
2. As part of the procedure entitled *Designing, manufacturing and supplying direct 1- and 3-phase remote electricity meters with remote reading function, with 2G/LTE/CAT-M1/NB2/ e-SIM and W-Mbus (HAN) modules*, it is expected that the third stage will be carried out, involving an invitation to submit final bids from qualified contractors and the signing of contracts.
3. Launching, in accordance with the Public Procurement Act, a three-stage innovation partnership procedure entitled *Designing, manufacturing and supplying transformer remote electricity meters with a power quality analyzer function with 2G/LTE/CAT-M1/NB2/ e-SIM modules.* The procedure provides for the supply of special (transformer) class C electricity meters in the years from 2025 to 2030. The procedure will be conducted in order to implement the amendment of the *Energy Law of 10 April 1997*, which imposed an obligation on distribution network operators to install meters at 100% of customers with semi-direct and indirect systems meeting the requirements set forth in the *Regulation of the Ministry of Economy*, by 4 July 2031.
4. There are 5 major tasks that will be implemented in the network infrastructure area, which are scheduled for completion in H2 2024:
   • construction of 110 kV outputs from the newly built 400/110 kV Baczyna substation and modernization of lines connected to the substation,
   • construction of the 110/15 kV Borek Wlkp. substation along with the feeder line and MV leads,
   • reconstruction of the 110/15 kV substation in Mostkowo,
   • reconstruction of the 110 kV line to operating parameters of 240 mm^2 and 80^oC on the following sections: Kruszwica – Karczyn, Kruszwica – Mątwy, Marulewska – Mątwy.

It should be noted, however, that the tasks scheduled for completion in 2024 are subject to significant risks and their final completion dates may change.

4.7.4. Generation Area

The financial data of the Generation Area is comprised of: ENEA Wytwarzanie, ENEA Elektrownia Połaniec, ENEA Nowa Energia, ENEA Ciepło, MEC Piła, PEC Oborniki, ENEA ELKOGAZ, ENEA Bioenergia, PV Genowefa, PRO-WIND, PV-Tykocin, Bejsce Wind Farm, WMC SPV 2 and WMC SPV 4.

Operational data



Area	Description	Installed electricity generation capacity [MW_e]	Maximum capacity [MW_e]	Installed heat generation capacity [MW_t]	Installed capacity in RES [MW_e]
Conventional power plants	Kozienice Power Plant	4,071.8	4,004.0	125.4	-
Conventional power plants	Połaniec Power Plant	1,679.0	1,674.0	130.0	230.0
Wind farms	Bardy, Darżyno and Baczyna (Lubno I and Lubno II)	71.6	70.1	-	71.6
Photovoltaic power plants	PV Jastrowie I, PV Likowo, PV Lubno I, PV Lubno II, PV Krzęcin 1, 2 and 7, PV WF Lubno I, PV Tarnów, PV Kapice Lipniki, PV Genowefa, PV Nowiny Wielkie, PV Żary, PV Darżyno[1]	71.0	71.0	-	71.0
Biogas plants	Liszkowo and Gorzesław biogas plants	3.8	3.8	3.1	3.8
Hydro power plants	Hydro power plants	58.8	55.8	-	58.8
Combined heat and power plants	MEC Piła	20.4	18.4	130.9	-
Combined heat and power plants	PEC Oborniki	-	-	27.4	-
Combined heat and power plants	ENEA Ciepło (Białystok CHP Plant, "Zachód" Heat Plant)	203.5	156.6	602.1 [2,3]	55.0
Total		**6,179.9**	**6,053.7**	**1,018.9**	**490.2**

[1] PV Darżyno with a capacity of 2 MW is at present at the stage of technological commissioning and, after obtaining a concession, the total installed capacity in the PV farm area will be 73 MW_e

[2] By a decision of 14 August 2024 handed down by the Energy Regulatory Office, the heat generation license No. WCC/68/165/U/2/98/RS was amended, in which, among other things, the installed thermal capacity of the Zachód Heat Plant was reduced from 185.0 MW to 103.0 MW - coal-fired boilers K4 and K5 were deregistered with the Office of Technical Inspection and transferred for disassembly

[3] Including the Heat Recovery System with a capacity of 18.7 MW_t located at the Białystok CHP Plant

Kozienice Power Plant

Unit	U1	U2	U3	U4	U5	U6	U7	U8	U9	U10	U11
Installed electricity generation capacity [MW]	230	230	230	230	230	230	230	230	560	560	1,112
Planned last year of production [1]	2030	2030	2029	2029	2031	2031	2032	2032	2040	2041	2047

[1] It is assumed that the shutdown date will be 31 December of the indicated year.

Połaniec Power Plant

Unit [1]	U2	U3	U4	U5	U6	U7	GU (U9)
Installed electricity generation capacity [MW]	242	242	242	242	242	239	230
Planned last year of production [2]	2033	2033	2033	2033	2033	2033	2042

[1] Since 1 January 2024, Unit 1 has been shut down.

[2] It is assumed that the shutdown date will be 31 December of the indicated year.

ENEA Ciepło

Unit	U1	U2	U3	U4 [1]
Installed electricity generation capacity [MW]	55	55	70	23.5
Thermal capacity [MW_t]	98.4	108	108	0
Planned last year of production [2]	2038	2055	2065	2065

Water boilers [3]	B1	B2	B3
Installed heat generation capacity [MW_t]	33	35	35
Thermal capacity [MW_t]	33	35	35

[1] Condensing turbine unit powered by discharges from units U1, U2 and U3 (before 1 January 2024, turbine TZ4 [unit U4] was fed with steam only from biomass unit U1. At the end of 2023, the technological layout of the CHP plant was rearranged to enable the feeding of steam to TZ4 from all [biomass and coal-fired] units, namely U1, U2 and U3)

[2] It is assumed that the shutdown date will be 31 December of the indicated year. In connection with the suspension of the project entitled *Construction of a biomass cogeneration unit at Enea Ciepło sp. z o.o. Białystok CHP Plant Division,* the operating periods for each of the generating units have been extended. Capital expenditures are intended with a view to enabling the use of each unit in the decarbonization process.

[3] By a decision of 14 August 2024 handed down by the Energy Regulatory Office, the heat generation license No. WCC/68/165/U/2/98/RS was amended, in which, among other things, the installed thermal capacity of the Zachód Heat Plant was reduced from 185.0 MW to 103.0 MW - coal-fired boilers K4 and K5 were deregistered with the Office of Technical Inspection and transferred for disassembly

Production and sales of electricity and heat

	Q1-Q3 2023	Q1-Q3 2024	Change	% change	Q3 2023	Q3 2024	Change	% change
Total electricity generation (net) [GWh], of which:	15,954	14,726	-1,228	-7.7%	5,441	4,972	-469	-8.6%
from conventional sources	14,317	13,132	-1,185	-8.3%	4,884	4,420	-464	-9.5%
ENEA Wytwarzanie	10,455	9,609	-846	-8.1%	3,594	3,249	-345	-9.6%
ENEA Elektrownia Połaniec	3,700	3,309	-391	-10.6%	1,272	1,132	-139	-11.0%
ENEA Ciepło	88	141	53	60.2%	2	26	24	1,294.1%
MEC Piła	74	72	-2	-2.7%	16	13	-4	-21.4%
from biomass co-firing	166	264	98	59.0%	65	119	54	83.8%
ENEA Elektrownia Połaniec	166	264	98	59.0%	65	119	54	83.8%
from biomass	1,266	1,031	-235	-18.6%	440	347	-93	-21.0%
ENEA Elektrownia Połaniec	1,101	967	-134	-12.2%	379	347	-32	-8.3%
ENEA Ciepło	165	64	-101	-61.2%	61	0	-61	-99.7%
from renewable sources	205	299	94	45.9%	52	86	33	63.1%
hydro power plants	77	116	39	50.6%	18	26	7	40.6%
wind farms	117	116	-1	-0.9%	29	31	3	9.8%
biogas plants	5	7	2	40.0%	2	1	-1	-39.6%
PV farms	7	61	54	771.4%	4	27	24	647.7%
Gross heat generation [TJ]	5,016	4,419	-597	-11.9%	986	819	-167	-16.9%
ENEA Wytwarzanie	348	251	-97	-27.9%	28	15	-13	-45.3%
ENEA Elektrownia Połaniec	1,691	1,275	-416	-24.6%	530	390	-140	-26.5%
ENEA Ciepło	2,424	2,383	-41	-1.7%	364	352	-11	-3.1%
PEC Oborniki	77	69	-8	-10.4%	8	8	0	2.1%
MEC Piła	475	440	-35	-7.4%	56	53	-3	-4.8%
Sales of electricity [GWh], including:	18,629	18,311	-318	-1.7%	6,789	5,817	-972	-14.3%
from production	15,954	14,726	-1,228	-7.7%	5,441	4,972	-469	-8.6%
from purchase	2,675	3,584	909	34.0%	1,348	845	-503	-37.3%
Sales of heat [TJ]	4,489	3,973	-516	-11.5%	838	688	-150	-17.9%

CO_2 emissions, allocation of free CO_2 emission allowances, costs of allowances

		CO_2 emissions[1] [t]	Allocation of free CO_2 emission allowances [t]	Costs of allowances [PLN thousand]
Kozienice Power Plant	Q1-Q3 2023	9,629,670	5,002 [2,4]	4,115,884
	Q1-Q3 2024	8,865,374	5,232 [3]	3,977,340
MEC Piła	Q1-Q3 2023	32,605	6,010 [2,4]	10,770
	Q1-Q3 2024	23,693	4,893 [3]	5,910
Białystok - CHP plant	Q1-Q3 2023	140,899	43,244 [2]	43,642
	Q1-Q3 2024	240,353	42,073 [3]	86,620
Białystok – "Zachód" Heat Plant	Q1-Q3 2023	9,401	2,379 [2,4]	2,672
	Q1-Q3 2024	7,231	2,064 [3]	2,532
Połaniec Power Plant	Q1-Q3 2023	3,374,925	85,334 [2]	1,582,726
	Q1-Q3 2024	3,470,050	83,022 [3]	1,471,181
Łęczyńska Energetyka[5]	Q1-Q3 2023	27,523	12,806 [2,4]	5,966
	Q1-Q3 2024	26,298	11,150 [3]	6,935
Total Q1-Q3 2023		**13,215,023**	**154,775**	**5,761,660**
Total Q1-Q3 2024		**12,632,999**	**148,434**	**5,550,518**

[1] Emissions are given jointly for the production of electricity and the production of heat

[2] Gratuitous allowances granted for 2023.

[3] Gratuitous allowances granted for 2024.

[4] Change in the level of annual allowances granted for 2023 after verification by the National Center for Emissions Management (KOBiZE)

[5] Entity in the LW Bogdanka Group holding CO_2 emission allowances

Fuel supply

The main fuel used in the Kozienice Power Plant to generate electricity is pulverized bituminous coal. The Połaniec Power Plant and the Białystok CHP Plant additionally use biomass. At the "Zachód" Heat Plant, fine coal and natural gas are used for production.

Coal deliveries

	Kozienice Power Plant	Połaniec Power Plant	ENEA Ciepło
Coal suppliers in Q1-Q3 2024	LW Bogdanka (approx. 94%) PGG (approx. 6%)	LW Bogdanka (approx. 55%) PGG (approx. 40%) PG Silesia (approx. 3%) Others (approx.) 2%)	LW Bogdanka (approx. 83%) Węglokoks Kraj (approx. 17%)
Main operators effecting deliveries in Q1-Q3 2024	PKP CARGO (approx. 62%) Freightliner PL (approx. 32%) CD Cargo Poland (approx. 6%)	PKP Cargo (approx. 60%) CD Cargo Poland (approx. 21%) LW Bogdanka (approx. 18%) other (approx. 1%)	LW Bogdanka (approx. 83%) PKP Cargo (approx. 17%)

Purchase of fuel

Fuel type	Generation Area			
	Q1-Q3 2023		Q1-Q3 2024	
	Quantity [thousand tons]	Cost [PLN million]	Quantity [thousand tons]	Cost [PLN million]
Bituminous coal	7,328	5,798	5,982	2,781
Biomass	1,523	958	1,137	439
(Heavy) fuel oil [1]	10	26	15	37
(Light) fuel oil [2]	7	32	6	25
Natural gas [thousand m^3] [3 4]	18,829	44	18,524	61
Total		**6,858**		**3,343**

[1] Light-up fuel in U1-10 of the Kozienice Power Plant and U1-7 of the Połaniec Power Plant

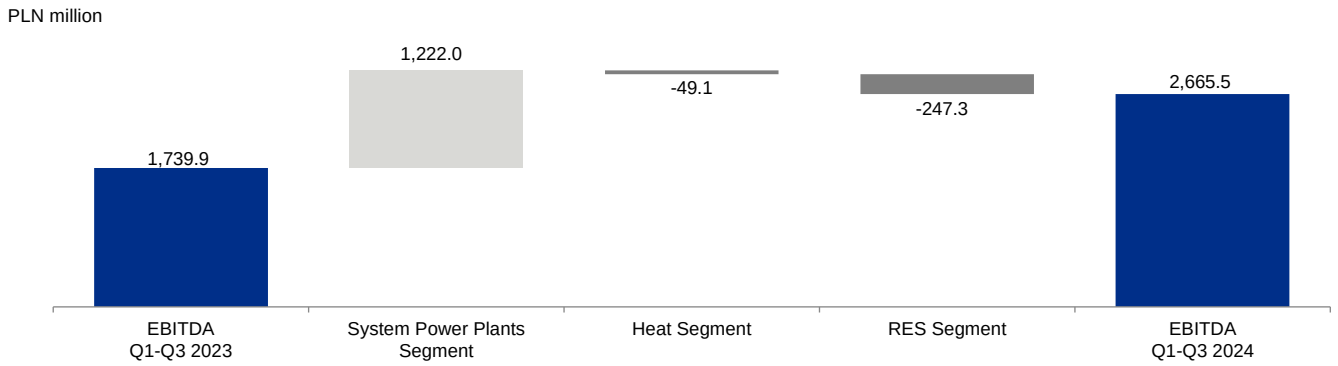
[2] Light-up fuel in U11 of the Kozienice Power Plant, U9 of the Połaniec Power Plant, MEC Piła (boiler house of KO Staszyce, which may be gaseous fuel or oil-fired), Białystok CHP Plant

[3] Used for generation of electricity and heat in MEC Piła

[4] Used for generation of heat in the "Zachód" Heat Plant; gas volume unit: thousand Nm^3

Financial data

[PLN 000s]	Q1-Q3 2023	Q1-Q3 2024	Change	% change	Q3 2023	Q3 2024	Change	% change
Net revenue from sales	19,281,205	14,013,295	-5,267,910	-27.3%	6,556,959	4,550,333	-2,006,626	-30.6%
electricity	17,805,842	12,488,189	-5,317,653	-29.9%	6,132,137	4,074,444	-2,057,693	-33.6%
Capacity Market	713,769	816,929	103,160	14.5%	241,131	276,835	35,704	14.8%
certificates of origin	303,961	63,709	-240,252	-79.0%	79,452	23,003	-56,449	-71.0%
heat	395,438	446,529	51,091	12.9%	85,121	96,397	11,276	13.2%
other	62,195	197,939	135,744	218.3%	19,118	79,654	60,536	316.6%
Revenue from leases and operating subleases	733	871	138	18.8%	248	264	16	6.5%
Revenue from sales and other income	19,281,938	14,014,166	-5,267,772	-27.3%	6,557,207	4,550,597	-2,006,610	-30.6%
EBIT	1,388,359	2,457,165	1,068,806	77.0%	551,600	923,552	371,952	67.4%
Amortization and depreciation	352,724	225,063	-127,661	-36.2%	120,991	76,676	-44,315	-36.6%
Recognition / (reversal) of the impairment loss for non-financial non-current assets	(1,134)	(16,691)	-15,557	-1371.9%	-	-	-	-
EBITDA	**1,739,949**	**2,665,537**	**925,588**	**53.2%**	**672,591**	**1,000,228**	**327,637**	**48.7%**
EBITDA margin	9.0%	19.0%	10,0 p.p.	-	10.3%	22.0%	11.7 p.p.	-
CAPEX	329,361	326,898	-2,463	-0.7%	124,878	146,821	21,943	17.6%
Area's revenue from sales as % of the Group's revenue from sales	43.0%	35.1%	-7.9 p.p.	-	45.4%	38.4%	-7.0 p.p.	-



Key EBITDA drivers in Q1-Q3 2024 (up by PLN 925.6 million):

System Power Plants Segment – up by PLN 1,222.0 million

(+) margin on trading up by PLN 774.5 million (including: cost of the charge for the Price Difference Fund of PLN 86.3 million in Q1-Q3 2023)

(+) other drivers up by PLN 697.0 million, mostly remeasurement of CO_2 contracts

(+) revenue from Balancing Capacities up by PLN 247.8 million

(+) revenue from the Capacity Market up by PLN 99.4 million

(-) result on electricity generation concessions down by PLN 555.5 million (including: cost of the charge for the Price Difference Fund of PLN 1,894.0 million in Q1-Q3 2023)

(-) revenue from Regulatory System Services down by PLN 41.2 million

Heat Segment – down by PLN 49.1 million

(-) first contribution margin down by PLN 41.9 million

(-) fixed costs up by PLN 24.5 million

(+) cost of the charge for the Price Difference Fund of PLN 13.3 million in Q1-Q3 2023

(+) other drivers up by PLN 2.4 million

(+) revenue from the Capacity Market up by PLN 1.6 million

RES Segment – down by PLN 247.3 million

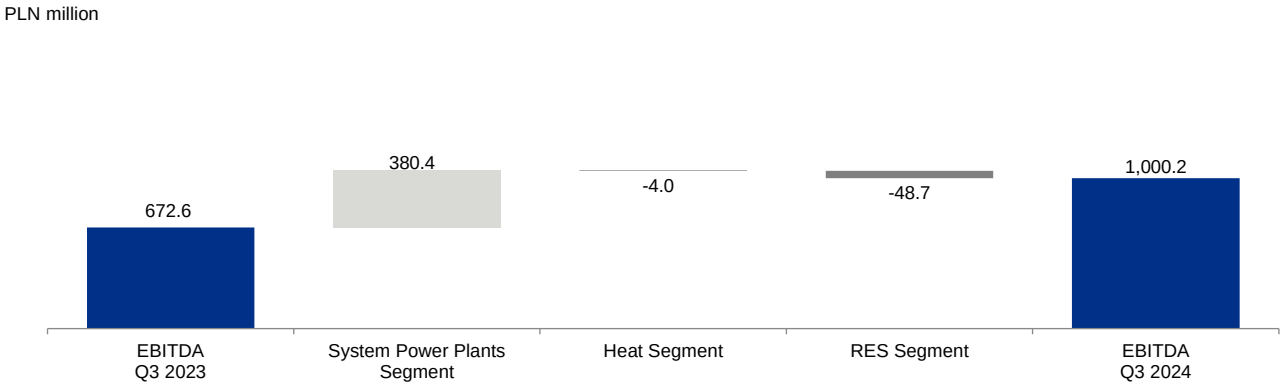
(-) Biomass – Green Unit Area: (PLN -327.1 million, of which PLN +0.6 million in ENEA Bioenergia): margin on renewable energy generation down by PLN -383.4 million, fixed costs up by PLN -19.7 million, Green Unit's margin on sales of green certificates down by PLN -12.2 million, cost of the charge for the Price Difference Fund in Q1-Q3 2023 of PLN +71.0 million, revenue from sales of guarantees of origin up by PLN +11.8 million

(+) Hydro Area (PLN +52.3 million): PLN +66.0 million cost of the charge for the Price Difference Fund in Q1-Q3 2023, PLN +1.9 million increase in revenue from the Capacity Market, PLN -13.7 million decrease in revenue from sales of energy

(+) Photovoltaics Area (PLN +19.1 million): mainly the base effect related to the corresponding period of the previous year, since there was no production and no sales of energy from new PV sources acquired after H1 2023

(+) Wind Area (PLN +5.2 million): cost of charge for the Price Difference Fund in Q1-Q3 2023 up by PLN +71.3 million, revenue from sales of energy down by PLN -46.5 million, revenue from sales of certificates of origin down by PLN -18.9 million

(+) Biogas Area (PLN +0.4 million)



Key EBITDA drivers in Q3 2024 (up by PLN 327.6 million):

System Power Plants Segment – up by PLN 380.4 million

(+) other drivers up by PLN 256.5 million, mostly remeasurement of CO_2 contracts

(+) revenue from Balancing Capacities up by PLN 167.6 million

(+) trading margin up by PLN 139.7 million

(+) revenue from the Capacity Market up by PLN 33.7 million

(-) result on electricity generation concessions down by PLN 171.8 million (including: cost of the charge for the Price Difference Fund of PLN 573.0 million in Q3 2023)

(-) revenue from Regulatory System Services down by PLN 45.3 million

Heat Segment – down by PLN 4.0 million

(-) fixed costs up by PLN 5.8 million

(-) first contribution margin down by PLN 1.7 million

(+) other drivers up by PLN 1.4 million

(+) revenue from the Capacity Market up by PLN 1.1 million

(+) cost of the charge for the Price Difference Fund of PLN 1.0 million in Q3 2023

RES Segment – down by PLN 48.7 million

(-) Biomass – Green Unit Area: (PLN -80.8 million, of which PLN +0.9 million in ENEA Bioenergia): margin on renewable energy generation down by PLN -86.1 million, Green Unit's margin on sales of green certificates down by PLN -7.2 million, cost of the charge for the Price Difference Fund in Q3 2023 up by PLN +11.8 million, revenues from sales of guarantees of origin up by PLN +4.3 million

(+) Hydro Area (PLN +14.7 million): PLN +16.5 million cost of the charge for the Price Difference Fund in Q3 2023, PLN +0.8 million increase in revenue from the Capacity Market, PLN -2.5 million decrease in revenue from sales of energy

(+) Photovoltaics Area (PLN +10.0 million): mainly the base effect related to the corresponding period of the previous year, since there was no production and no sales of energy from new PV sources acquired after H1 2023

(+) Wind Area (PLN +4.8 million): cost of charge for the Price Difference Fund in Q3 2023 up by PLN +18.6 million, revenue from sales of energy down by PLN -10.7 million, revenue from sales of certificates of origin down by PLN -3.0 million

(-) Biogas Area (PLN -0.4 million):

CAPEX - Execution of key projects [PLN million]

Description		Q1-Q3 2024	Plan Q1-Q3 2024	Plan 2024
Generation		**326.9**	**590.6**	**1,133.8**
Conventional generation		144.2	212.5	453.1
ENEA Wytwarzanie	unit modernization and overhauls	60.2	76.2	98.0
	modernization and overhauls of other infrastructure	50.9	66.6	145.4
	other	0.9	1.6	4.1
ENEA Elektrownia Połaniec	unit modernization and overhauls	14.8	15.8	60.7
	modernization and overhauls of other infrastructure	3.7	11.8	34.7
	"green development" (adaptation to the Capacity Market after 1 July 2025)	3.7	16.1	36.6
	other	1.5	6.2	8.8
ENEA Elkogaz	construction of a CCGT unit in Kozienice	11.0	17.9	64.4
	other	-2.5	0.4	0.4
Heat		55.0	99.8	147.8
ENEA Ciepło	modernization and overhauls of sources and other infrastructure	27.4	49.0	83.4
	modernization of heating networks	8.3	10.3	11.3
	connection of customers	11.6	10.7	15.3
	other	4.4	8.1	12.4
MEC Piła, PEC Oborniki	modernizations and overhauls of heating assets	3.4	21.7	25.4
RES		127.6	278.3	532.9
ENEA Nowa Energia	new renewable energy sources	16.0 [1]	106.7	161.6
	modernizations and overhauls of RES infrastructure	6.8	20.4	32.6
	other	0.1	0.8	4.2
Other RES companies	FW Bejsce (20 MW) - construction through an SPV	101.1	140.3	187.0
	development, execution and support for RES projects	2.9	9.0	143.8
ENEA Elektrownia Połaniec (biomass)	biomass unit modernizations and overhauls	0.8	1.0	3.8

[1] does not include expenditures of PLN 42.1 million related to the subrogation of loans in the acquired companies.

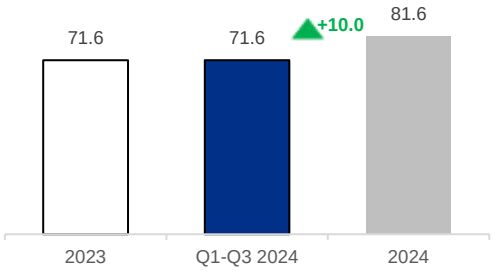
In the Generation segment, a significant part of the investment plan in 2024 (about 53%) involves capital expenditures for modernizations and overhauls of conventional electricity and heat generation assets. The key project in this area is *Adaptation of ENEA Elektrownia Połaniec S.A. to the requirements of the Capacity Market after 1 July 2025*, which consists in the adaptation of coal-fired Units 2-7 at the Połaniec Power Plant to increased co-firing of biomass in amounts that will allow to meet the CO_2 emission requirements required by the Capacity Market after 1 July 2025 and taking advantage of the support provided. We are also executing a project to build 2x700 MW CCGT units in Kozienice.

Capital expenditures for RES planned for 2024 reached 47% of all expenditures in the Generation segment, of which more than 90% is directed towards the construction of new capacity. Construction work on new RES generation facilities with a total capacity of 41.6 MW is currently underway, and we are also working on developing a portfolio of our own photovoltaic and wind projects, which are at various stages of completion (we currently estimate the total capacity of the portfolio at about 850 MW).

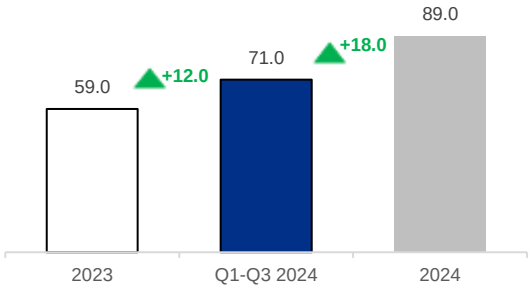
RES currently under construction in Q1-Q3 2024 and construction progress

Project name and description		Capacity [MW]	Progress	Year of completion
Bejsce Wind Farm	acquisition of an SPV with a wind farm under construction	20.0	50%	10 MW - 2024 10 MW - 2025
PV Żary and PV Nowiny Wielkie	acquisition of SPVs with completed facilities	12.0	95%	2024
PV Darżyno I	construction of a plant (greenfield) connected to the existing Darżyno wind farm (6.3 MW) using the cable pooling formula	2.0	99%	2024
PV Dygowo I	construction of a plant (greenfield)	8.0	95%	2024
PV Jastrowie II	construction of a plant (greenfield)	8.0	80%	2024
PV Krzęcin	construction of a plant as a continuation of the acquisition project with all necessary permits	6.6	85%	3 MW - 2023 3.6 MW - 2025

Capacity in wind farms [MW]



Capacity in PV farms [MW]



Expenditures for RES projects

Description	Capacity [MW]	Q1-Q3 2024 [PLN million]	
		expenditures	debt
PV currently under construction	21.6	9.5	-
WF currently under construction	20.0	101.1	-
PV acquisitions	12.0	3.6	42.1
Modernizations and overhauls of RES infrastructure and development of new source projects	-	13.5	-
Total	**53.6**	**127.6**	**42.1**
		169.7	

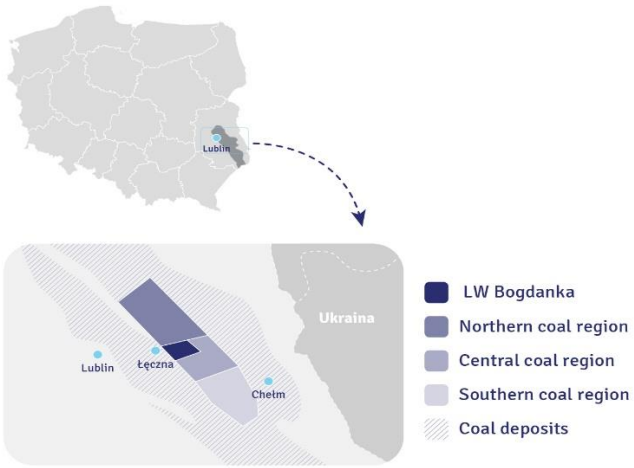
Implementation of a Gas-Fired Project at ENEA ELKOGAZ

In Q3 2024, ENEA ELKOGAZ obtained approvals for the continuation of the greenfield gas-fired project, which involves the construction of two combined cycle power units (CCPU1 and CCPU2) of the 650-750 MW power range in the vicinity of the Kozienice Power Plant. On 5 July 2024, ENEA ELKOGAZ announced an open tender for the selection of a contractor for the project entitled *Construction of a CCGT unit and provision of maintenance services* – construction of CCPU1. The tender procedure provides for the possibility of awarding a contract for CCPU2 with parameters similar to CCPU1 on a sole-source basis with the CCPU1 contractor. On 30 October 2024, the company canceled the tender procedure for CCPU1 due to the absence of bids. On 4 November 2024, ENEA ELKOGAZ obtained approvals to launch another tender procedure under the Public Procurement Law on a sole-source basis. A market survey of potential bidders is currently underway, one of which will be invited to enter into negotiations.

4.7.5. Mining Area

In the ENEA Group, the subsidiary involved in the mining business is LW Bogdanka, which is a leader on the bituminous coal market in Poland, standing out in comparison with its peers in terms of financial results, mining efficiency and investment plans including access to new deposits. The main buyers of LW Bogdanka's products mainly are commercial and industrial energy sectors. The bituminous coal sold by LW Bogdanka is used predominantly for the production of electricity, heat and cement.

The Mining Area presents the financial results of the LW Bogdanka Group with the parent company – Lubelski Węgiel "Bogdanka" S.A. and its subsidiaries.

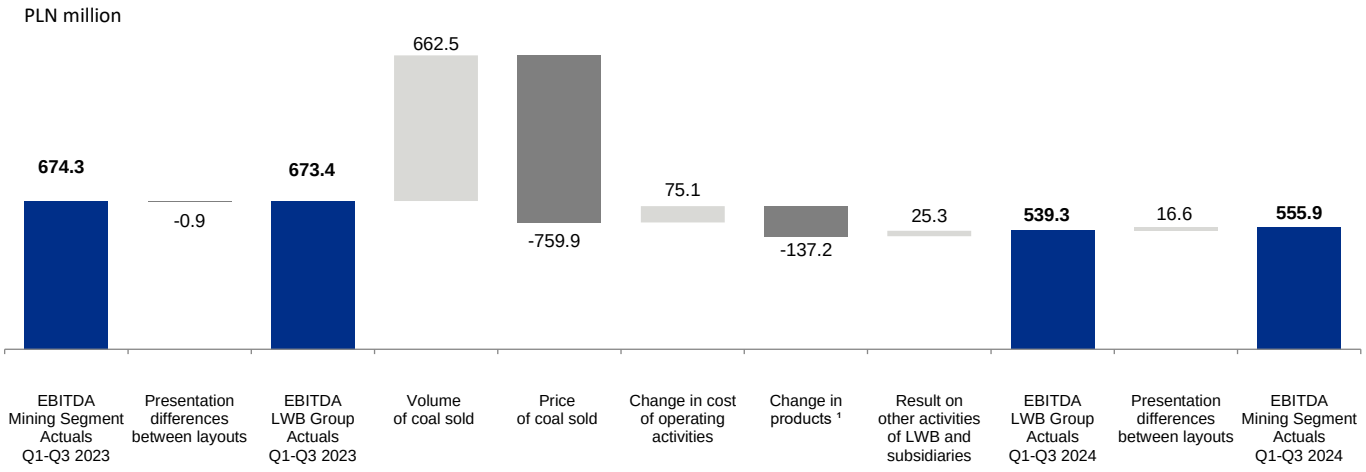


Operational data

	Q1-Q3 2023	Q1-Q3 2024	Change	% change	Q3 2023	Q3 2024	Change	% change
Net production [000s tons]	4,557	5,370	813	17.8%	1,291	1,873	582	45.1%
Sales of coal [000s tons]	4,561	5,705	1,144	25.1%	1,499	2,077	578	38.6%
Inventories (at the end of the period) [000s tons]	18	36	18	100.0%	18	36	18	100.0%
Excavation works [km]	22.77	16.40	-6.37	-28.0%	6.11	4.70	-1.41	-23.1%

Financial data

[PLN 000s]	Q1-Q3 2023	Q1-Q3 2024	Change	% change	Q3 2023	Q3 2024	Change	% change
Net revenue from sales	2,680,748	2,592,098	-88,650	-3.3%	861,028	926,804	65,776	7.6%
coal	2,629,815	2,537,055	-92,760	-3.5%	848,822	910,590	61,768	7.3%
other products and services	42,149	41,921	-228	-0.5%	10,145	11,357	1,212	11.9%
goods and materials	8,784	13,122	4,338	49.4%	2,061	4,857	2,796	135.7%
Revenue from leases and operating subleases	8,127	8,014	-113	-1.4%	2,800	2,727	-73	-2.6%
Revenue from sales and other income	2,688,875	2,600,112	-88,763	-3.3%	863,828	929,531	65,703	7.6%
EBIT	-400,831	287,242	688,073	171.7%	52,818	191,518	138,700	262.6%
Amortization and depreciation	285,908	268,537	-17,371	-6.1%	102,640	93,532	-9,108	-8.9%
Recognition / (reversal) of the impairment loss for non-financial non-current assets	789,218	72	-789,146	-100.0%	-4,225	0	4,225	100.0%
EBITDA	**674,295**	**555,851**	**-118,444**	**-17.6%**	**151,233**	**285,050**	**133,817**	**88.5%**
EBITDA margin	25.1%	21.4%	-3.7 p.p.	-	17.5%	30.7%	13.2 p.p.	-
CAPEX	557,485	645,261	87,776	15.7%	212,604	168,823	-43,781	-20.6%
Area's revenue from sales as % of the Group's revenue from sales	6.0%	6.5%	0.5 p.p.	-	6.0%	7.8%	1.8 p.p.	-



¹ impact on presented costs = technical coal production cost allocated according to the current structure * change of coal inventory volume in the analyzed period

Key EBITDA drivers in Q1-Q3 2024 (down by PLN 118.4 million):

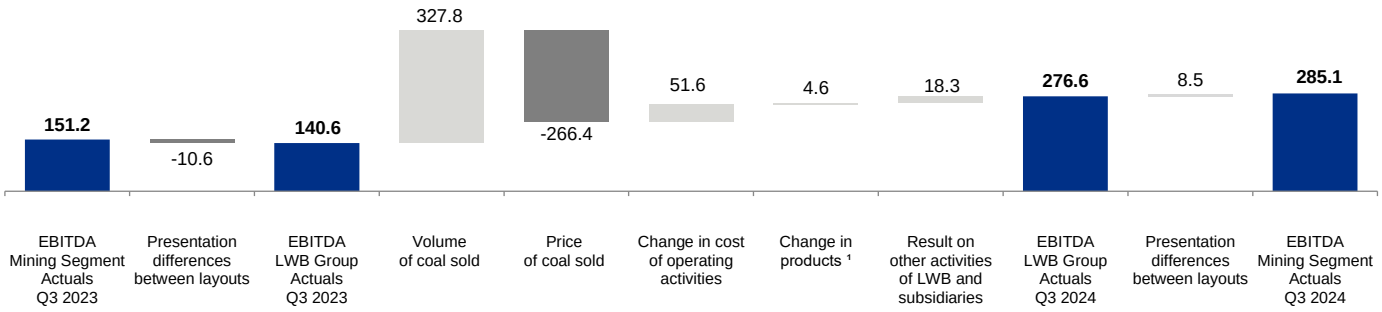
(-) lower revenue from sales of coal: higher volume of coal sales (+1,144 thousand tons) with concurrently lower coal contract prices

(+) lower mining cash cost – lower prices of energy and materials, higher employee and related costs

(-) in Q1-Q3 2024, the value of inventories decreased by PLN 134.4 million, or 335 thousand tons (due to an increase in the period's operating expenses), whereas in Q1-Q3 2023, the value of inventories increased by PLN 2.8 million

There are differences in the way amortization and depreciation is presented in financial reports of the ENEA Group and the LW Bogdanka Group.

PLN million



¹ impact on presented costs = technical coal production cost allocated according to the current structure * change of coal inventory volume in the analyzed period

Key EBITDA drivers in Q3 2024 (up by PLN 133.8 million):

(+) higher revenue from sales of coal: higher volume of coal sales (+578 thousand tons) with concurrently lower coal sales prices

(+) lower mining cash cost – lower prices of energy and materials, higher employee and related costs

(+) in Q3 2024, the value of inventories decreased by PLN 78.2 million, or 204 thousand tons (increase in the period's operating expenses), whereas in Q3 2023, the value of inventories decreased by PLN 82.8 million, or 208 thousand tons (increase in the period's operating expenses)

There are differences in the way amortization and depreciation is presented in financial reports of the ENEA Group and the LW Bogdanka Group.

CAPEX - Execution of key projects [PLN million]

Description	Q1-Q3 2024	Plan Q1-Q3 2024	Plan 2024
Lubelski Węgiel Bogdanka	**645.3**	**708.5**	**1,012.5**
machinery (purchase, modernization and overhaul of machinery, equipment and finished goods)	221.6	258.3	378.3
new excavations	292.5	282.6	358.2
modernization and reconstruction of excavations	54.9	82.2	103.9
other	76.2	85.4	172.2

Construction of a photovoltaic farm

Currently, LW Bogdanka is preparing a concept that calls for the construction of a photovoltaic farm with a capacity corresponding to the minimum power requirements of the Bogdanka field, so that the energy produced will be used as much as possible for own consumption, that is with a capacity of about 7 MW.

4.7.6. Other Activities Area

The Other Activities Area includes financial data of the following companies: ENEA Centrum, ENEA Oświetlenie and ENEA Innowacje. On 23 July 2024, at the Extraordinary General Meeting of ENEA Innowacje sp. z o.o., a resolution was adopted to start the company's liquidation procedure and appoint a liquidator.

[PLN 000s]	Q1-Q3 2023	Q1-Q3 2024	Change	% change	Q3 2023	Q3 2024	Change	% change
Net revenue from sales	485,451	563,281	77,830	16.0%	165,984	181,036	15,052	9.1%
Revenue from leases and operating subleases	2,955	5,208	2,253	76.2%	845	1,529	684	80.9%
Revenue from sales and other income	488,406	568,489	80,083	16.4%	166,829	182,565	15,736	9.4%
EBIT	59,834	102,241	42,407	70.9%	17,200	28,332	11,132	64.7%
Amortization and depreciation	55,183	55,456	273	0.5%	18,542	18,799	257	1.4%
EBITDA	**115,017**	**157,697**	**42,680**	**37.1%**	**35,742**	**47,131**	**11,389**	**31.9%**
EBITDA margin	23.5%	27.7%	4.2 p.p.	-	21.4%	25.8%	4.4 p.p.	-
CAPEX	43,447	40,923	-2,524	-5.8%	11,325	13,503	2,178	19.2%
Area's revenue from sales as % of the Group's revenue from sales	1.1%	1.4%	0.3 p.p.	-	1.2%	1.5%	0.3 p.p.	-

5. Shares and shareholding structure

5.1. Equity and shareholding structure

As at 30 September 2024 and as at the publication date of this report, the share capital of ENEA S.A. is PLN 529,731,093 and is divided into 529,731,093 ordinary bearer shares with a par value of PLN 1.00 each. The total number of votes resulting from all outstanding shares of the Issuer corresponds to the number of shares, translating into 529,731,093 votes. All shares in the Company are book-entry bearer shares registered in the Central Securities Depository of Poland.

The Company's share capital is PLN 529,731,093 and consists of:

- 295,987,473 series "A" ordinary bearer shares
- 41,638,955 series "B" ordinary bearer shares
- 103,816,150 series "C" ordinary bearer shares
- 88,288,515 series "D" ordinary bearer shares

Since the date of publication of the previous periodic report, i.e. the report for H1 2024, ENEA S.A. has not received any other notices regarding a change in the Issuer's shareholding structure.

The table below presents the shareholding structure of ENEA S.A. as at the date of the periodic report for Q3 2024.

Shareholder	Number of shares / number of votes at the General Meeting	Interest in the share capital / share in the total number of votes
State Treasury	277,015,422	52.29%
Other	252,715,671	47.71%
TOTAL	**529,731,093**	**100.0%**

5.2. ENEA S.A. stock prices on the Warsaw Stock Exchange

ENEA S.A. stock has been listed on the Warsaw Stock Exchange (WSE) since 17 November 2008. In Q1-Q3 2024, the ENEA S.A. stock price increased from PLN 9.17 to PLN 11.46, that is by PLN 2.29, or 25%. The highest closing price of ENEA S.A. stock in Q1-Q3 2024 was recorded on 11 July 2024 (PLN 11.76), while the lowest price was recorded on 17 January 2024 (PLN 7.94).

Share of the Company's stock in stock exchange indices as at 30 September 2024:

WIG30	mWIG40	WIG energia	WIG Poland
0.8	3.3	17.3	0.7

Data	Q1-Q3 2024
Number of shares	529,731,093
Closing price – minimum [PLN]	7.94
Closing price – maximum [PLN]	11.76
Stock price at the end of the period [PLN]	11.46
Stock price at the end of the previous period [PLN]	9.17
Average trading volume	608,862

6. Company authorities

6.1. Events during the reporting period up to the date of the report

January

On 29 January 2024, the Company received a representation by the Minister of State Assets about dismissing, as of 29 January 2024, Mr. Łukasz Ciołko, from the Company's Supervisory Board, and appointing, as of 30 January 2024, Ms. Agata Ewa Michalska-Olek as a member of the Company's Supervisory Board.

On 30 January 2024, the Extraordinary General Meeting of ENEA S.A. adopted resolutions by the power of which changes were made in the composition of the Company's Supervisory Board of the 11th term of office. Mr. Roman Stryjski, Mr. Paweł Łącki and Ms. Aneta Kordowska were dismissed. Ms. Ewa Bagińska, Mr. Michał Gniatkowski, Ms. Monika Starecka and Mr. Piotr Szymanek were appointed. On the same date, the Extraordinary General Meeting of ENEA S.A. elected Ms. Ewa Bagińska as Chairwoman of the ENEA S.A. Supervisory Board.

Februar

On 2 February 2024, the ENEA S.A. Supervisory Board adopted resolutions to dismiss, from the Company's Management Board, Mr. Paweł Majewski, President of the ENEA S.A. Management Board, Mr. Jakub Kowaleczko, ENEA S.A. Management Board Member for Commercial Matters, and Mr. Dariusz Szymczak, ENEA S.A. Management Board Member for Corporate Matters. On the same day, the Company's Supervisory Board elected Ms. Monika Starecka as the Supervisory Board Deputy Chairwoman and adopted a resolution to second, as of 2 February 2024, Ms. Monika Starecka, ENEA S.A. Supervisory Board Deputy Chairwoman, to temporarily perform the duties of President of the ENEA S.A. Management Board for a period not longer than three months from the date of her secondment.

On 23 February 2024, the ENEA S.A. Supervisory Board adopted resolutions to appoint, for a joint term of office, as of 1 March 2024, Mr. Grzegorz Kinelski to the position of President of the ENEA S.A. Management Board, Mr. Bartosz Krysta to the position of ENEA S.A. Management Board Member for Commercial Matters, Mr. Marek Lelątko to the position of ENEA S.A. Management Board Member for Financial Matters, and, as of 1 May 2024, Ms. Dalida Gepfert to the position of ENEA S.A. Management Board Member for Corporate Matters. On the same date, the ENEA S.A. Supervisory Board adopted resolutions to dismiss, effective as of 29 February 2024, Mr. Marcin Pawlicki, ENEA S.A. Management Board Member for Operational Matters, and Mr. Lech Żak, ENEA S.A. Management Board Member for Strategy and Development. Moreover, the ENEA S.A. Supervisory Board adopted a resolution to second, as of 1 March 2024, Ms. Monika Starecka, ENEA S.A. Supervisory Board Deputy Chairwoman, to temporarily perform the duties of ENEA S.A. Management Board Member for Corporate Matters until 30 April 2024 at the latest.

May

On 31 May 2024, the Company received a letter of resignation from Mr. Piotr Szymanek from his position as a Member of the ENEA S.A. Supervisory Board, effective as of 31 May 2024.

October

On 31 October 2024, the Company received a letter of resignation from Mr. Tomasz Lis from his position as a Member of the ENEA S.A. Supervisory Board, effective as of 31 October 2024.

6.2. Composition of the ENEA S.A. Management Board

As at 1 January 2024	
Name	**Position**
Paweł Majewski	**President of the Management Board**
Dariusz Szymczak	Management Board Member for Corporate Matters
Marcin Pawlicki	Management Board Member for Operational Matters
Jakub Kowaleczko	Management Board Member for Commercial Matters
Lech Żak	Management Board Member for Strategy and Development

As at the date of this report	
Name	**Position**
Grzegorz Kinelski	**President of the Management Board**
Dalida Gepfert	Management Board Member for Corporate Matters
Bartosz Krysta	Management Board Member for Commercial Matters
Marek Lelątko	Management Board Member for Financial Matters

6.3. Composition of the ENEA S.A. Supervisory Board

As at 1 January 2024	
Name	**Position**
Łukasz Ciołko	**Supervisory Board Chairman**
Roman Stryjski	Supervisory Board Deputy Chairman
Mariusz Pliszka	Supervisory Board Secretary
Mariusz Damasiewicz	Supervisory Board Member
Aneta Kordowska	Supervisory Board Member
Tomasz Lis	Supervisory Board Member
Paweł Łącki	Supervisory Board Member
Mariusz Romańczuk	Supervisory Board Member

As at the date of this report	
Name	**Position**
Ewa Bagińska	**Supervisory Board Chairwoman**
Monika Starecka	Supervisory Board Deputy Chairwoman
Mariusz Pliszka	Supervisory Board Secretary
Mariusz Damasiewicz	Supervisory Board Member
Michał Gniatkowski	Supervisory Board Member
Agata Ewa Michalska-Olek	Supervisory Board Member
Mariusz Romańczuk	Supervisory Board Member
Zbigniew Szymczak	Supervisory Board Member

6.4. Number of shares and rights to ENEA S.A. shares held by members of the Management Board and Supervisory Board

Name	Position	Number of ENEA S.A. shares as at 18 September 2024 par value (PLN)	Number of ENEA S.A. shares as at 20 November 2024 par value (PLN)
Mariusz Pliszka	Supervisory Board Member	3,880	3,880

As at the date of this report, other members of the Management Board and Supervisory Board hold no shares in ENEA S.A. As at the date of this report, no members of the Management Board or Supervisory Board hold any rights to shares in ENEA S.A. or shares in any ENEA S.A. subsidiaries.

7. Other information relevant to evaluation of the Issuer's standing

7.1. Regulatory environment

The business of ENEA S.A. and its subsidiaries is conducted in an environment that is subject to special legal regulation, both at the national level and at European Union level (regulated economic activity). A number of legal regulations applicable to energy companies have been enacted based on decisions of a political nature. For this reason, these regulations are subject to frequent amendments. Specifically these days, we can observe the dynamically evolving regulatory and legislative reality in the Polish and European law which results, among others, from political decisions made in response to the European Commission's wide-ranging activities aiming to reduce greenhouse gas emissions and achieve climate neutrality of Europe by 2050, as well as the social and economic situation and energy crisis caused by the Russian Federation invasion of Ukraine. This makes it sometimes difficult to determine some of the consequences that can have a significant impact on business activities. This notwithstanding, ENEA S.A. and its subsidiaries ("ENEA Group") are subject to legal regulation in the field of tax system, competition and consumer protection, employee law and environmental protection. It cannot be ruled out that changes in these areas arising from specific legislation or individual interpretations related to significant areas of the ENEA Group's business may become a source of potential risks for this economic activity.

Detailed information on legal regulations about important areas of the ENEA Group activity can be found in item 10 of the *Management Board Report on the Activity of ENEA S.A. and the ENEA Group in 2023*.

In the present reporting period, at the EU level, the following legal acts were formally adopted:

1. Regulation of the European Parliament and of the Council on nature restoration and amending Regulation (EU) 2022/869 – published on 15 July 2024,
2. Regulation (EU) 2024/1252 of the European Parliament and of the Council of 11 April 2024 establishing a framework for ensuring a secure and sustainable supply of critical raw materials and amending Regulations (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1724 and (EU) 2019/1020 – published on 3 May 2024,
3. Regulation of the European Parliament and of the Council amending Regulation (EU) 2019/1242 as regards strengthening the CO_2 emission performance standards for new heavy-duty vehicles and integrating reporting obligations, and repealing Regulation (EU) 2018/956 – published on 6 June 2024,
4. Directive of the European Parliament and of the Council (EU) 2024/1275 of 24 April 2024 on the energy performance of buildings (recast) – published on 8 May 2024,
5. Regulation of the European Parliament and of the Council amending Regulations (EU) 2019/942 and (EU) 2019/943 to improve the Union's electricity market design – published on 26 June 2024,
6. Directive of the European Parliament and of the Council amending Regulations (EU) 2018/2001 and (EU) 2019/944 to improve the Union's electricity market design – published on 26 June 2024,
7. Directive of the European Parliament and of the Council on Corporate Sustainability Due Diligence and amending Directive (EU) 2019/1937 – published on 5 July 2024;
8. Regulation of the European Parliament and of the Council on establishing a framework of measures for strengthening Europe's net-zero technology manufacturing ecosystem (Net-Zero Industry Act, NZIA) – published on 28 June 2024,
9. Regulation (EU) 2024/1106 of the European Parliament and of the Council of 11 April 2024 amending Regulations (EU) No 1227/2011 and (EU) 2019/942 as regards improving the Union's protection against market manipulation on the wholesale energy market [REMIT] – published on 17 April 2024,
10. Regulation of the European Parliament and of the Council establishing a framework for ensuring a secure and sustainable supply of critical raw materials and amending Regulations (EU) 168/2013, (EU) 2018/858, 2018/1724 and (EU) 2019/1020 (CRMA) – published on 23 May 2024,
11. Directive of the European Parliament and of the Council amending Directive of the European Parliament and of the Council 2010/75/EU of 24 November 2010 on industrial emissions (integrated prevention and monitoring of emissions) and Council Directive 1999/31/EC of 26 April 1999 on the landfill of waste (IED) – published on 15 July 2024,
12. Regulation of the European Parliament and of the Council on methane emissions reduction in the energy sector and amending Regulation (EU) 2019/942 – published on 15 July 2024,
13. Regulation of the European Parliament and of the Council on the internal markets for renewable gas, natural gas and hydrogen, amending Regulations (EU) No 1227/2011, (EU) 2017/1938, (EU) 2019/942 and (EU) 2022/869 and Decision (EU) 2017/684 and repealing Regulation (EC) No 715/2009 (recast) – published on 15 July 2024,
14. Directive of the European Parliament and of the Council on common rules for the internal markets for renewable gas, natural gas and hydrogen, amending Directive (EU) 2023/1791 and repealing Directive 2009/73/EC (recast) – published on 15 July 2024,
15. Regulation of the European Parliament and of the Council (EU) 2024/1244 of 24 April 2024 on reporting of environmental data from industrial installations, establishing an Industrial Emissions Portal and repealing Regulation (EC) No 166/2006 – published on 2 May 2024,

16. Council Directive (EU) 2024/223 of 22 December 2023 amending Regulation (EU) 2022/2577 laying down a framework to accelerate the deployment of renewable energy – published on 10 January 2024,
17. Commission Delegated Regulation (EU) amending Delegated Regulation (EU) as regards transitional Union-wide rules for harmonized free allocation of emission allowances – published on 1 January 2024
18. Commission Implementing Regulation (EU) 2024/2493 of 23 September 2024 amending Implementing Regulation (EU) 2018/2066 as regards updating the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council – published on 27 September 2024 - The Implementing Regulation primarily regulates the following:

    • changes to definitions: calculation factors; Zero-rating; Zero duty coal fraction, Biomass fraction; Zero duty biomass fraction; Zero-rated coal; Zero duty fuels; Clean fuel; Mixed fuel;

    • completeness of monitoring and reporting should cover all process and combustion emissions of the stationary installation

    • improving information on biomass, renewable fuels of non-biological origin (RFNBO), recycled carbon fuels (RCF) and synthetic low-carbon fuels, and facilitating reporting in this regard.

7.2. Prevailing regulations in retail trading and distribution

On 31 December 2023, *the Act of 7 December 2023 Amending Certain Acts to Support Consumers of Electricity, Gaseous Fuels and Heat* came into force. The solutions provided for in the Act included the following: maintenance of electricity prices for eligible customers at the current level from 1 January 2024 to 30 June 2024, maintenance of maximum prices at PLN 693.00 per MWh for existing eligible customers, obligation to submit tariffs to the President of the Energy Regulatory Office (ERO President) by 12 January 2024 with calculation from 1 January 2024 to 31 December 2024, method of calculation and payment of compensation to eligible entities for the period from 1 January 2024 to 30 June 2024 as the product of the electricity consumed at the place of consumption up to the maximum consumption limit and the difference between the price resulting from the tariff approved by the ERO President and the price resulting from the customer's limit. Nevertheless, on 12 June 2024, the *Act of 23 May 2024 on the Energy Voucher and Amendments to Certain Acts to Restrict the Prices of Electricity, Natural Gas and System Heat* was published in the Journal of Laws. The Act extended the term of applicability of maximum price for electricity in the second half of 2024. The price was set at PLN 500.00 per MWh regardless of consumption. In the second half of 2024, the existing maximum price of PLN 693.00/MWh has been maintained for: local government institutions, public entities such as schools, nurseries, hospitals, and small and medium-sized enterprises. The Act introduced a new financial benefit, the so-called Energy Voucher. It is intended to provide support to approx. 3.5 million households with lower income.

On 27 February 2024, the *Regulation of the Minister of State Assets to the Act of 17 August 2023 on Social Shields for Employees of the Power and Lignite Mining Industries* was published in the Journal of Laws (Journal of Laws, item 1737). The Regulation specifies the detailed conditions, procedure and manner of granting and accounting for the targeted subsidy from the state budget intended to cover the cost of social benefits and non-recurring cash severance payments for people employed in the power and lignite mining sectors.

On 18 March 2024, the *Regulation of the Minister of Climate and Environment of 8 March 2024 on Verification of Compliance with Permissible Emission Limits Allowing for Measurement Uncertainty* was published in the Journal of Laws. The Regulation organizes and standardizes the approach to the permissible degree of uncertainty accompanying continuous measurements of air emissions when assessing compliance with emission limits set in integrated permits.

On 22 March 2024, the *Regulation of the Minister of Climate and Environment of 18 March 2024 on the Requirements for Calculating, Measuring and Registering the Volume of Electricity, Heat and Cold Generated in Renewable Energy Source Installations* was published in the Journal of Laws. For the most part, the provisions of the above Regulations are consistent those contained in the previous Regulation issued on the same basis, namely the Regulation of the Minister of Energy of 21 August 2018 on the Requirements for Calculating, Measuring and Recording the Volume of Electricity or Heat Generated in Renewable Energy Source Installations (Journal of Laws, item 1596). The provisions governing the requirements for calculating, measuring and recording the volume of electricity and heat generated in renewable energy source installations using the energy carriers referred to in Article 2(22) of the Act and other fuels in the power generation process, apart from minor editorial variations, are the same as those currently in force.

On 10 May 2024, the *Regulation of the Minister of State Assets of 9 April 2024 came into force on the list of jobs which entitle employees to an energy leave and a mining leave and a model certificate regarding a period of using an energy leave or a mining leave by an employee.* The Regulation provides a list of jobs which entitle employees to an energy leave and a mining leave and defines a model certificate regarding a period of using an energy leave or a mining leave by an employee.

The Regulation of the Minister of Climate and Environment of 30 August 2024 on the change of the quantity share of the total electricity resulting from the redeemed certificates of origin confirming the production of electricity from renewable energy sources in 2025, entered into effect on 31 August 2024. The purpose of the Regulation is to provide support to producers of energy in RES installations, and for the entities concerned to be able to fulfill the redemption obligation imposed on them.

The Regulation of the Minister of Climate and Environment of 13 September 2024 on performance of the capacity obligation, its settlement and demonstration, and execution of transactions on the secondary market entered into effect on 1 October 2024. The Regulations sets forth the terms and manner of performance of the capacity obligation, its settlement and demonstration, as well as detailed terms of execution of transactions on the secondary market.

On 7 October 2024, the ERO President approved changes to the Network Operation and Maintenance Manual for the largest DSOs, including ENEA Operator. The amendments to the TNCs result from the need to adapt them to an earlier amendment to the Transmission

Network Operation and Maintenance Manual developed for the company Polskie Sieci Elektroenergetyczne, which was approved by the ERO President of the ERO on 31 May 2024. The key change concerns the expansion of system services in the area of contingency reserve by adding the intervention service for customers to increase their power consumption (IPC), which is a service that allows increasing capacity consumption upon order of the transmission system operator. Regulations on obligations of DSOs related to the introduction of the IPC service, as well as the acquisition of metering data for Reduction Facilities (ORed), have also been updated.

On 31 October 2024, the *Regulation of the Minister of Climate and Environment on the maximum amount and value of electricity from high-efficiency cogeneration supported and the unit amounts of the guaranteed bonus in 2025* was published in the Journal of Laws. The Regulation specifies, in accordance with the statutory mandate, the maximum amount and value of electricity from high-efficiency cogeneration that can be covered by support and the unit amounts of the guaranteed bonus in the next calendar year. Information on the value of the guaranteed bonus, the maximum value of the cogeneration bonus and the individual cogeneration bonus is an important signal for investors to determine whether an investment project will receive support for electricity from high-efficiency cogeneration.

On 8 November 2024, the following Acts were adopted by the Sejm:

– *Act Amending the Act on Renewable Energy Sources and Certain Other Acts* – the amendments proposed in the Act are aimed at growing the prosumer energy sector and aligning national legislation with European Commission regulations and guidelines. As the next step, the Act will be processed in the Senate.

– *Act on Public Security and Civil Defense* – the Act provides, among other solutions, for the possibility of making contributions to the Public Security and Civil Defense Modernization Fund by companies with a State Treasury shareholding, of up to 0.3% of net profit for the previous year, within the meaning of the Accounting Act of 29 September 1994 (Journal of Laws of 2023, items 120, 295 and 1598, and of 2024, item 619). As the next step, the Act will be processed in the Senate.

7.3. Proposed regulations relevant to the energy sector

On 21 May 2024, a bill amending the Act on Biocomponents and Biofuels and Certain Other Acts was published. The purpose of the bill is to implement Directive 2018/2001 (REDII) in the area of transport fuel regulations with a view to ensuring development of the transport fuel market towards increasing the use of renewable energy and decarbonizing the transport sector. Equally important is the establishment of conditions for the development of advanced biocomponent technologies, including biomethane, as well as the crediting of renewable electricity used in vehicles towards the target. Significant changes also apply to issues relating to biomass fuels. The legislator's assumptions are that the bill ensures the continuity of monitoring mechanisms for meeting sustainability criteria, including the operation of voluntary certification systems recognized by the EC by decision, maintaining the validity of issued certificates, certificates, certifications, leading to mutual recognition within the EU of certified raw materials and goods, and also regulates the requirements for meeting sustainability criteria for biocomponents, bioliquids and fuels from biomass used in renewable energy source installations producing electricity, heat or cold generated from biomass.

A bill of to amend the Energy Law Act and Certain Other Acts was published on 27 May 2024. The regulation aims to address the lack of regulatory framework for the hydrogen sector, resulting in restrictions on hydrogen market development and investment uncertainty. Hydrogen is considered to be one of the priorities for the implementation of the European Green Deal, whose main objective is to achieve a climate neutral Europe by 2050. The importance of hydrogen in the energy transition is due to its versatile properties. It may serve as a raw material, fuel, energy carrier or storage. It is also widely used in the energy, transportation and industrial sectors. The bill defines, inter alia, low-carbon hydrogen; non-biological renewable hydrogen; renewable hydrogen. It also sets forth a number of definitions, for example: hydrogen transmission system, hydrogen distribution system, geographically limited hydrogen system, and hydrogen storage. On 17 October 2024, the bill was referred to the Sejm for further development.

The Ministry of Climate and Environment submitted a preliminary version of the updated National Energy and Climate Plan (NECP) until 2030 to the European Commission. This was the 29 February 2024 version of the Polish NECP. It updated the previous document prepared in 2019. The NECP is a document enabling an analysis of whether the EU will be able to meet the established climate and energy goals, based on contributions from EU member states.

The Polish government undertook to achieve a 29.8% share of RES in gross final energy consumption by 2030 as a contribution to the new Union-wide target for 2030. The target will consist of the combined consumption of renewable energy sources in the power, heating and cooling sectors, and for transportation purposes. This assumed goal is lower than the objective contained in the EU's REDIII, which stipulates a Union-wide RES share target of 42.5% by 2030. The published document assumes a 35% decrease in greenhouse gas emissions by 2030 compared to 1990. The share of RES in electricity generation in 2030 is expected to reach 50.1%. It is assumed that the 2030 RES target will be achieved largely through increases in the capacity of onshore wind power plants (with an installed capacity of approx. 15.8 GW from the current level of 10 GW), photovoltaic power plants (approx. 29.3 GW from the current level of more than 17 GW) and offshore wind power plants (approx. 5.9 GW), which are expected to be added to the Polish Power System around 2026. Further growth is anticipated to be driven by biomass, biogas and biomethane-fired power plants as well as hydro power plants. The deployment of nuclear power capacity forms a significant component of Poland's energy sufficiency policy. The first nuclear unit will be put into operation between 2030 and 2035. The capacity of large-scale nuclear power plants in 2040 should reach 7.4 GW (up to 9.4 GW in the long run) and may also be supplemented by small modular reactors (SMRs). According to the policy, domestic coal output will not exceed 30 million tons in 2030.

Currently, the National Energy and Climate Plan until 2030 is at the pre-consultation stage, involving utility sector organizations, representatives of local governments, businesses, trade unions and environmental organizations. The Ministry of Climate and Environment sent a draft update of the "*National Plan for Energy and Climate for 2021-2030*" for public consultation on 11 October 2024.

On 17 June 2024, a bill to amend the Act on Agricultural Taxes, the Act on Local Taxes and Charges, the Act on Forest Taxes, and the Act on Stamp Duty was published. The bill involves changes to the definitions of a structure and a building, which has a significant impact on the taxation of many facilities. On 15 October 2024, the bill was referred to the Sejm.

On 2 July 2024, a draft regulation of the Minister of Climate and Environment on detailed qualitative and dimensional properties of energy wood was published. The proposed regulation defines detailed qualitative and dimensional properties of energy wood, as defined in Article 2(7a) of the Act on Renewable Energy Sources of 20 February 2015. The implications of adopting the bill may result in a significant reduction in the availability of biomass for the power and heating sector, which will result in higher energy and heat prices for end users, the need for greater EUA redemptions (in case of green blocks), the exit of some biomass co-firing units from the power market support system, and ultimately the national CO_2 emission reduction targets planned to be achieved will be jeopardized. Currently, the bill is at the consultation stage.

On 5 July 2024, a bill amending the Act on Electromobility and Alternative Fuels and certain other acts was published. It is intended to provide the basis for implementing solutions that will help reduce harmful emissions of nitrogen oxides, particulate matter and noise pollution, among others. It is also intended to fulfill Poland's obligation under Directive 2008/50/EC of the European Parliament and of the Council of 21 May 2008 on ambient air quality and cleaner air for Europe (Official Journal EU L 152 of 11 June 2008, as amended), related to the need to meet the limit values for selected substances in the air, including nitrogen dioxide. The bill is currently pending before the Council of Ministers.

On 10 July 2024, a draft regulation was published by the Minister of Climate and Environment on the provision of public assistance to investment projects supporting the Polish Power System and financed under the National Recovery and Resilience Plan. The purpose of the draft regulation is to create a national legal basis for granting State aid to investment projects related to the support of the Polish Power System, in line with Commission Regulation (EU) No. 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (Official Journal EU L 187 of 26 June 2014, p. 1, as amended). Currently, the bill is at the consultation stage.

On 19 September 2024, a draft regulation of the Minister of Climate and Environment was published, amending the regulation on the provision of de minimis aid or public aid for projects implemented within the framework of investment project B2.2.2 "RES installations carried out by energy communities" supported with funds from the National Recovery and Resilience Plan. A provision of the Act of 15 May 2024 amending certain acts on the functioning of government administration (Journal of Laws, item 834) transferring the matters related to prosumer and distributed energy development from the 'economy' department of government administration to the 'climate' department entered into effect on 1 July 2024. Annex 1 to the Agreement on Implementation of Reforms/Investments under the Development Plan, dated 31 October 2022, was concluded on 1 July 2024 between the Minister of Development Funds and Regional Policy and the Minister of Climate and Environment, hereafter referred to as "MCE", which extended the competency of the MCE to include the Investment Project G1.1.2. "RES installations carried out by energy communities" (previously labeled B2.2.2) supported by the National Recovery and Resilience Plan. At the same time, an annex was executed between the Minister of Development Funds and Regional Policy and the Minister of Development and Technology removing the above investment project from the scope of a similar agreement between these ministries. Accordingly, as of 1 July 2024, the minister in charge of climate should be the entity providing public aid or de minimis aid. The purpose is to adjust the regulation of the Minister of Development and Technology to the actual state of affairs described above by indicating the minister responsible for climate as the entity authorized to grant public aid and de minimis aid, and amending the marking of the investment project (from B2.2.2 to G1.1.2). Currently, the bill is in the process of being agreed.

On 25 September 2024, a bill amending the Act on Investment in Wind Power Plants and Certain Other Acts was published. The bill envisages, among other things, liberalizing the rules for locating wind power plants on land, increasing consistency and transparency in the presentation of data on prosumer invoices regarding the calculation and settlement of the prosumer deposit by trading companies, defining the rules for the final settlement of the prosumer deposit after a renewable energy prosumer, a collective renewable energy prosumer or a virtual renewable energy prosumer changes the seller for the energy point covered by the settlement.

On 4 October 2024, a bill amending the Act on Capacity Market was published. The Capacity Market Act of 8 December 2017 introduced a resource adequacy mechanism in Poland in the form of a capacity market, aimed at ensuring the security of electricity supply in the Polish Power System (PPS). The capacity market mechanism has been modified by Regulation (EU) 2019/943 of the European Parliament and of the Council on the internal market for electricity (Official Journal EU L 158/54 of 14 June 2019, hereinafter the "Capacity Market Regulation"), where Article 22(4) of the Regulation introduces requirements for CO_2 emission limits for generating units exceeding the limit of 550 kg CO2/MWh resulting in the inability of such units to participate in the capacity market from 1 July 2025. Nevertheless, Article 64 of Regulation (EU) 2024/1747 of the European Parliament and of the Council of 13 June 2024 amending Regulations (EU) 2019/942 and (EU) 2019/943 as regards improving the Union's electricity market design (Official Journal L of 26 June 2024) introduced a derogation for the aforementioned generating units allowing them to participate in capacity mechanisms until the end of 2028 after meeting strict conditions set forth in the Regulation, including acceptance of the national derogation plan by the EC. From the point of view of efficiency in the use of derogations, it is extremely important to perform the supplementary auctions as soon as possible, in a package arrangement (similar to the package of master auctions for the 2021, 2022 and 2023 delivery years), preferably in one quarter of 2025 and ideally in the first half of 2025. Holding the auctions in such an arrangement is very important and justifiable from the perspective of system security and the continuity and stability of the operation of the units that will take part in them. This will enable producers to decide on the appropriate overhaul of these units and plan when to take the generating units out of service. The bill to amend

the Capacity Market Act provides for supplementary auctions for a given year of supply if a legitimate need to purchase additional capacity is identified, as confirmed by the national resource adequacy assessment. In view of the above, during the period of effect the so-called "derogation" as provided for in Regulation (EU) 2024/1747 of the European Parliament and of the Council of 13 June 2024 amending Regulations (EU) 2019/942 and (EU) 2019/943 as regards improving the Union's electricity market design (Official Journal L of 26 June 2024), four supplementary auctions will be held for the following supply periods: the second half of 2025. (semi-annual auction) and for the supply years 2026, 2027 and 2028 (annual auctions), in 2025, 2026 and 2027, respectively. Supplementary auctions will be held after the completion of the additional auctions of the capacity market, i.e. they will be held less than a year in advance of the start of the capacity obligation. Supplementary auctions are to be held if, after the primary power market processes for a given year of supply (the master auction and additional actions), the identified generation resource adequacy problem is not resolved, and this is confirmed by the National Resource Adequacy Assessment (NRAA) prepared on the basis of Article 24 of the Market Regulations and national laws, i.e. Article 15i of the Energy Law of 10 April 1997 (Journal of Laws 2024, items 266, 834 and 859).

The effect of the proposed solution may be early shutdowns of units that do not meet the 550 kg CO_2/MWh limit due to unprofitability of electricity production (the risk of maintaining the units while extremely unprofitable and in the context of inability to cover replacement costs). This, in turn, may lead to a risk to the country's energy security due to the lack of sufficient capacity. Currently, the bill is at the consultation stage.

7.4. Tariffs for electricity and for electricity distribution services

On 15 December 2023, the ERO President issued Decision No. DRE.WRE.4211.61.13.2023.AKr3 to approve the electricity Tariff for Tariff Group G customers for ENEA S.A. for the period from 1 January 2024 to 31 December 2024.

On 30 January 2024, the ERO President, by Decision No. DRE.WRE.4211.10.2.2024.AKr3, approved a Tariff change for electricity customers in Tariff Group G of ENEA S.A. due to the need to align the Tariff wording with the current legal framework. Provisions were added to the tariff to apply prices frozen at the level of the 2022 tariff within the consumption limit and maximum prices for consumption above the limit in billings for the period from 1 January 2024 to 30 June 2024 for eligible customers. The tariff change was in force from 1 January 2024.

On 11 January 2024, the ERO President, by Decision No. DRE.WRE.4211.64.5.2023.AKr3, discontinued the administrative procedure on approving the amendments to ENEA S.A.'s Tariff Group G customers for 2023, as applied for by ENEA S.A. on 31 October 2023. The proposed change was caused by the fact that the content of the Tariff included a set of electricity prices pertaining to customers who benefited from a reduction in payables under §50b(1) of the *Regulation of the Minister of Climate and Environment of 29 November 2022 on the Method of Shaping and Calculating Tariffs and the Method of Settlements in Electricity Trading.*

On 3 January 2023, ENEA S.A. filed an application with the ERO President to approve a change in the electricity tariff for ENEA S.A.'s Tariff Group G customers for 2023. The proposed change was due to the higher costs of purchasing energy than those accounted for in the applicable Tariff. By Decision No. DRE.WPR.4211.1.13.2023.JSz of 26 May 2023, the ERO President refused to approve the requested change in the electricity tariff for Tariff Group G customers. On 29 June 2023, ENEA S.A. challenged the ERO President's Decision by filing an appeal to the Court of Competition and Consumer Protection at the Regional Court in Warsaw. On 4 December 2023, the ERO President filed a response to ENEA S.A.'s appeal with the Regional Court in Warsaw, requesting that the appeal be dismissed. On 9 February 2024, ENEA S.A. filed a pleading (reply to the statement of claim) with the Court of Competition and Consumer Protection at the Regional Court in Warsaw in which it responded to the ERO President's statements contained in his response to the appeal of 4 December 2023. After the case was examined by the Regional Court in Warsaw on 1 July 2024, the appeal was dismissed. On 31 July 2024, ENEA S.A. filed to the Court of Appeals in Warsaw an appeal against the judgment of 1 July 2024 of the Regional Court in Warsaw.

On 23 May 2024, ENEA S.A. filed an application with the ERO President to approve a change in the electricity tariff for ENEA S.A.'s Tariff Group G customers, approved by the decision of the ERO President of 15 December 2023 and amended with the decision of 30 January 2024, with regard to changes to prices of electricity and the period for the decision to be in force until 31 December 2025. At the same time, in the course of the proceeding, provisions came into force resulting from the Act of 23 May 2024 on the Energy Voucher and Amendments to Certain Acts to Restrict the Prices of Electricity, Natural Gas and System Heat, which imposed on trading companies the duty to file applications for changing the tariff for the period from 1 July 2024 to 31 December 2025.

ENEA S.A. filed a new application for changing the tariff on 18 June 2024. In turn, the administrative proceeding, initiated following the application of 23 May 2024, was discontinued on 17 July 2024 with decision no. DRE.WRE.4211.25.8.2023.AKr3 by the ERO President, who deemed the proceeding to be groundless.

In response to the application filed by ENEA S.A. on 18 June 2024, the ERO President approved, by Decision No. DRE.WRE.4211.31.11.2024.JTr, the electricity Tariff for ENEA S.A.'s Tariff Group G customers for the Tariff validity period from 1 July 2024 to 31 December 2025. Introduced to the Tariff was, among other items, the maximum price for entitled recipients of PLN 500 per MWh from 1 July 2024 to 31 December 2024.

On 15 December 2023, the ERO President approved the Tariff for electricity distribution services of ENEA Operator. The Decision of the ERO President was published in the *ERO Industry Bulletin Energia Elektryczna ('Electricity')* No. 412 (4229). The new Tariff was approved until 31 December 2024 pursuant to Resolution No. 515/2023 of the ENEA Operator Management Board of 21 December 2023. The tariff change has been in force since 1 January 2024.

On 30 January 2024, the ERO President approved a change in the Tariff for electricity distribution services of ENEA Operator. The Decision of the ERO President was published in the *ERO Industry Bulletin Energia Elektryczna ('Electricity')* No. 24 (4268) of 30 January

2024. Pursuant to *Resolution No. 42/2024 of the ENEA Operator Management Board of 13 February 2024*, the Tariff change has been in force since 1 January 2024.

7.5. Concessions

Power industry groups operate in the Polish power market on the basis of concessions granted to them. Considering the medium and long-term validity of the individual concessions, detailed information of the concessions held by each company from the ENEA Group is presented in annual reports.

7.6. Risk management

The ENEA Group is exposed to risks in each segment of its activity. The risk materialization may have a significant adverse effect on the continuity of business of individual companies of the Group as well as their financial standing and ability to achieve strategic goals. The awareness of these risks requires maintaining, using, and constantly improving a formalized and integrated enterprise risk management (ERM) system. Its framework is laid down in the ENEA Group Enterprise Risk Management Policy. The risks and mitigating actions presented in the Management Board Report on the Activity of the ENEA Group in H1 2024 remain relevant as at the date of publication of this report.

7.7. Court and administrative proceedings

As at the date of this report, there are no pending proceedings regarding payables or receivables to which ENEA S.A. or any of its subsidiaries would be a party. A description of the proceedings before the courts of law, including a description of the dispute over prices for RES energy certificates of origin, is included in Note 24 to the *Condensed Interim Consolidated Financial Statements of the ENEA Group for the period from 1 January to 30 September 2024*. This notwithstanding, on 28 December 2023, a lawsuit was filed against the Company's former management for their decisions regarding investment in the construction of a coal-fired unit at the Ostrołęka Power Plant. As at the date of filing the lawsuit in the case, the total amount of damage suffered by the Company was estimated at approx. PLN 656 million.

7.8. Collective disputes

As at the date of publication of this report, no collective disputes are in progress in the ENEA Group.

7.9. Projected financial results

The ENEA S.A. Management Board did not publish any projections of its financial results for 2024.

7.10. Rating

In its communication of 15 April 2024, Fitch Ratings affirmed ENEA S.A.'s long-term foreign- and local-currency issuer default ratings (IDRs) at 'BBB' with a stable outlook. The full wording of the statement in English is available on the agency's website at https://www.fitchratings.com/research/corporate-finance/fitch-affirms-poland-enea-at-bbb-outlook-stable-15-04-2024.

7.11. Activities related to the Ostrołęka C Power Plant project

On 26 January 2024, a conditional agreement was entered into with ENERGA S.A. providing for the sale all shares held by ENEA S.A. in Elektrownia Ostrołęka Sp. z o.o. for a total price of PLN 42,000 thousand. The execution of the disposal agreement was contingent on the National Support Center for Agriculture refraining from the exercise of its pre-emptive right to purchase the shares. As the said condition was fulfilled, on 4 April 2024 ENEA S.A. and ENERGA S.A. signed the Agreement on the Transfer of Shares in Elektrownia Ostrołęka Sp. z o.o. under which the legal title to the shares was transferred from the Company to ENERGA S.A., effective as of 4 April 2024.

7.12. National Energy Security Agency

Work on the original NABE project has been suspended in the ENEA Group, but may be resumed once a new or modified concept has been crystallized within the country's government. Analysis is currently underway regarding the concept of spinning off coal assets from power industry groups.

7.13. Rules for the preparation of financial statements

The condensed financial statements of ENEA S.A. and the ENEA Group included in the extended consolidated report of ENEA S.A. for the period from 1 January to 30 September 2024 have been prepared in accordance with the requirements of IAS 34 *Interim Financial Reporting*, as endorsed by the European Union.

These condensed financial statements have been prepared based on the assumption that the Company will continue its business activity as a going concern in the foreseeable future. The Company's Management Board has not ascertained, as at the date of signing the condensed financial statements, any facts or circumstances that would indicate a threat to the Company's ability to continue its business activity as a going concern over the 12 months following the balance sheet date as a result of an intentional or induced discontinuation or a material curtailment of its existing activity. Unless indicated otherwise, the financial data presented in the statements are denominated

in PLN thousand. In some instances, the numbers in tables and graphs may not add up to the stated totals, the differences being due to rounding.

7.14. CSR – Corporate social responsibility

The ENEA Group's socially responsible activities consist of implementing projects that support the value of responsibility included in the ENEA Group's Code of Values. Responsibility is construed as caring for local communities and own employees.

The ENEA Group pursues various initiatives in response to the needs and expectations of its stakeholders, customers, employees, public benefit organizations and business partners locally, regionally and nationally. For years, a key premise for the pursuit of socially responsible activities has been to make a positive contribution to society, building the ENEA Group's credibility as a responsible employer, involved in a tangible manner in the problems and lives of key social and business groups. A major activity is also the provision of rapid response in the form of targeted financial and in-kind assistance in emergency and exceptional situations.

Socially responsible activities are focused on the following 5 areas: education, health, environmentalism, involvement and security. They are characterized by relevance resulting from the expectations and needs of local communities. These activities are pursued in the following forms:

1. ongoing proprietary social programs, focused on building real value for business;
2. participation in partnership programs, implemented by entities conducting socially beneficial activities in areas important to the ENEA Group:
   – employee volunteering and involvement in local pro-social initiatives of ENEA Group employees;
   – support of entities through the ENEA Foundation under grant agreements.

ENEA Academy of Talent

January 2024 marked the end of the fifth, record-breaking edition of the *ENEA Academy of Talent* scholarship program. From the obtained 2,000 student applications, the jury and Internet users selected 40 individuals who will receive PLN 5,000 scholarships. The laureates will use the money to enhance their talents by participating in additional classes, contests, competitions or projects in their distinct fields of interest. The laureates are 20 elementary school students and 20 high school students from cities, towns and villages of various sizes. The ENEA Group earmarked a total of PLN 200 thousand for scholarships to be granted under this edition of the Academy. The *ENEA Academy of Talent* project is already permanently embedded in the framework of the ENEA Group's socially responsible activities as an example of tangible assistance provided to young talents involved in sports, arts, science, volunteering or other socially beneficial activities. Since the first edition of the project, the ENEA Group has donated more than PLN 1.3 million to support the passions and talents of young people.

Exempt from Theory Nationwide Contest

In June 2024, the 10th Grand Finale was held of the Exempt from Theory Nationwide Contest, which was again supported by ENEA S.A. As part of the Contest, participants implement their own ideas to improve their environment, gaining knowledge and skills in project planning, implementation and management. Nearly 7.5 thousand high-school and college students participated in the 10th edition of the Contest, executing 1,552 projects. Among them were 40 projects on education, sponsored by ENEA S.A. Everyone who completed their project received an international certificate in management. Before completion, the participants were provided by ENEA S.A. employees with practical guidance to effectively pursue their ideas and put their knowledge into practice when establishing partnerships. More than 1.1 million participants benefited from projects supported by ENEA S.A. ENEA S.A. also supported the continued development of one of the projects by providing the authors of the BorygoAI language learning app with a PLN 5 thousand grant.

Jogging – Collecting – Helping

In June, the next edition of the "*Jogging – Collecting – Helping*" project was launched. Employees of the ENEA Group, recording their daily physical activities, collected kilometers which were then converted into cash. The funds raised were donated to the construction of an outdoor gym in Poznań. Over a course of three months, employees covered a total of 171,241 kilometers, took 131.3 million steps and raised more than PLN 50 thousand. The challenge ran until the end of August and included a special Olympic edition. For the past two years alone, 800 ENEA Group employees have taken part in the challenge. Since the beginning of the project, we have collectively covered 400 kilometers and donated PLN 230 thousand of support money.

Enea EcoProjects

Caring for natural resources and raising environmental awareness among local communities are among the priority areas for the ENEA Group. As part of employee volunteering initiatives, ENEA Group employees get involved in projects that benefit both the environment and local communities. As part of the 4th edition of the "*Planting the next generation of forest*" project, approx. 6 thousand trees were planted. Volunteers also participated in the *#TrashChallenge* for the sixth time with a focus on biodiversity.

Save energy with Krzyś the Electrician

"*Save energy with Krzyś the Electrician*" is an educational program implemented under the umbrella of skills-based volunteering, which is the foundation of initiatives pursued in the ENEA Group as part of employee volunteering initiatives. ENEA Group employees have been involved in volunteer campaigns whereby they visit schools and kindergartens to provide children with interesting information on the power sector, energy generation and safe handling of electricity. The program is carried out as part of educational activities on saving electricity and caring for the environment.

CSR and ESG Workshops, CSR and ESG Handbook, CSR and ESG Conference "From people for people"

In September, the *From People for People CSR and ESG* Conference was held at the EXPO International Trade Fair and Congress Center in Kraków. Its participants had an opportunity to hear some expert knowledge and attend debates on the latest ESG challenges in sustainability, trends and use of AI, and cooperation between business and NGOs. Moreover, a series of *"CSR and ESG Workshop*s" supported by ENEA S.A. continued in the first half of the year. During the meetings, representatives of various sectors had the opportunity to meet and exchange experiences. Workshop participants received certificates for completing the educational and development cycle which enabled them to gain practical ESG knowledge and skills relevant to the company and its environment. During the meeting, the CSR and ESG Handbook was premiered. It is a publication that helps small and medium-sized enterprises understand how ESG will affect their operations, what their stakeholders' expectations will be, and how the non-governmental sector can help achieve the Sustainable Development Goals.

Stage at Lake Rusalka

In the scenery of Poznań's Lake Rusałka, 41 concerts by young Polish musicians were held from May to September. The induction loop made available at all concerts enabled people using hearing aids to seamlessly perceive the sounds of music. The *Stage at Lake Rusałka* project aims to counteract social exclusion while supporting people with disabilities. ENEA S.A. was a partner of the event for the fourth time. More than 30,000 people enjoyed the concerts in person, and information about the events reached more than 500,000 people.

Responsible Elementary School Student Academy

The project is a partnership undertaking aimed at educating elementary school students about safety. It was a series of educational classes conducted by police officers and teachers. The project was carried out for students in grades 3-6 of elementary schools in Poznań county. As part of the project, a package of teaching materials on road safety, first aid and cyber threats was prepared.

Let's CHANGE Poznań Together

In September, ENEA Group employees joined the "*Let's CHANGE Poznań Together*" campaign where 200 volunteers revitalized the area around the Care and Medical Rehabilitation Center in Poznań. 15 companies, 2 social organizations and the Poznań Municipality were involved in the campaign which was held under patronage of the Mayor of Poznań.

8. Appendices

Appendix 1 - Statement of profit and loss of ENEA Operator in Q1-Q3 2024

[PLN 000s]	Q1-Q3 2023	Q1-Q3 2024	Change	% change
Revenue from sales of distribution services to end users	3,326,821	3,426,977	100,156	3.0%
Revenue from additional fees	3,935	4,663	728	18.5%
Revenue from unbilled sales of distribution services	24,886	-18,962	-43,848	-176.2%
Clearing of the Balancing Market	66,769	15,483	-51,286	-76.8%
Revenue from connection fees	102,222	132,427	30,205	29.5%
Revenue from illegal electricity consumption	7,680	13,257	5,577	72.6%
Revenue from sales of other services	23,601	31,709	8,108	34.4%
Revenue from sales of distribution services to other entities	22,226	27,344	5,118	23.0%
Revenue from sales of goods and materials	910	1,304	394	43.3%
Net revenue from sales	**3,579,050**	**3,634,202**	**55,152**	**1.5%**
Compensation	322,048	197,435	-124,613	-38.7%
Revenue from sales and other income	**3,901,098**	**3,831,637**	**-69,461**	**-1.8%**
Amortization and depreciation	540,649	590,026	49,377	9.1%
Employee benefit costs	486,615	518,326	31,711	6.5%
Consumption of materials and supplies and cost of goods sold	32,130	28,593	-3,537	-11.0%
Purchase of energy for own needs and network losses	1,172,093	573,940	-598,153	-51.0%
Costs of transmission services	487,990	481,213	-6,777	-1.4%
Other third-party services	248,806	298,409	49,603	19.9%
Taxes and charges	197,898	215,594	17,696	8.9%
Tax-deductible expenses	**3,166,181**	**2,706,101**	**-460,080**	**-14.5%**
Other operating revenue	87,306	63,640	-23,666	-27.1%
Other operating expenses	72,112	60,103	-12,009	-16.7%
Profit / (loss) on change, sale and liquidation of property, plant and equipment and right-to-use assets	(560)	(931)	-371	-66.3%
Operating profit / (loss)	**749,551**	**1,128,142**	**378,591**	**50.5%**
Finance income	9,246	22,418	13,172	142.5%
Finance costs	274,664	292,307	17,643	6.4%
Profit / (loss) before tax	**484,133**	**858,253**	**374,120**	**77.3%**
Income tax	100,913	170,234	69,321	68.7%
Net profit / (loss) for the reporting period	**383,220**	**688,019**	**304,799**	**79.5%**
EBITDA	**1,290,200**	**1,718,168**	**427,968**	**33.2%**

ENEA Operator – key EBITDA drivers in Q1-Q3 2024 (up by PLN 428.0 million):

(+) costs of purchasing electricity to cover the balancing difference (balance) down by PLN 546.9 million, chiefly as a result of a decline in wholesale prices with delivery in 2024

(+) revenue from grid connection fees up by PLN 30.2 million, mainly due to a greater number of DSOns and RES connected in Connection Group II, and buyers in Group III

(+) costs of purchasing transmission and distribution services (balance) down by PLN 11.9 million

(-) operating expenses up by PLN 95.5 million, mainly due to higher costs of third-party services, employee benefit costs, and taxes and fees

(-) decrease in revenue from sales of distribution services to end users (including revenue from sales of unbilled distribution services and revenue from compensation) by PLN 68.3 million, caused mainly by lower compensation payments that did not apply after H1 2024

(-) result on other operating activities down by PLN 12.0 million, largely as a result of lower revenue from the removal of grid infrastructure collisions and movement in provisions related to grid assets

Appendix 2 – Statement of profit and loss of ENEA Operator in Q3 2024

[PLN 000s]	Q3 2023	Q3 2024	Change	% change
Revenue from sales of distribution services to end users	1,109,036	1,178,421	69,385	6.3%
Revenue from additional fees	1,365	1,530	165	12.1%
Revenue from unbilled sales of distribution services	-7,861	-5,889	1,972	25.1%
Clearing of the Balancing Market	21,284	8,089	-13,195	-62.0%
Revenue from connection fees	38,157	62,112	23,955	62.8%
Revenue from illegal electricity consumption	4,010	3,664	-346	-8.6%
Revenue from sales of other services	7,765	9,598	1,833	23.6%
Revenue from sales of distribution services to other entities	6,993	9,295	2,302	32.9%
Revenue from sales of goods and materials	163	375	212	130.1%
Net revenue from sales	**1,180,912**	**1,267,195**	**86,283**	**7.3%**
Compensation	99,441	-198	-99,639	-100.2%
Revenue from sales and other income	**1,280,353**	**1,266,997**	**-13,356**	**-1.0%**
Amortization and depreciation	185,736	199,612	13,876	7.5%
Employee benefit costs	163,203	154,651	-8,552	-5.2%
Consumption of materials and supplies and cost of goods sold	9,328	8,658	-670	-7.2%
Purchase of energy for own needs and network losses	375,796	187,425	-188,371	-50.1%
Costs of transmission services	167,942	160,454	-7,488	-4.5%
Other third-party services	86,962	103,156	16,194	18.6%
Taxes and charges	64,354	70,642	6,288	9.8%
Tax-deductible expenses	**1,053,321**	**884,598**	**-168,723**	**-16.0%**
Other operating revenue	43,286	16,724	-26,562	-61.4%
Other operating expenses	13,819	23,276	9,457	68.4%
Profit/(loss) on change, sale and liquidation of property, plant and equipment and right-of-use assets	(570)	(239)	331	58.1%
Operating profit / (loss)	**255,929**	**375,608**	**119,679**	**46.8%**
Finance income	3,157	4,544	1,387	43.9%
Finance costs	93,929	97,928	3,999	4.3%
Profit / (loss) before tax	**165,157**	**282,224**	**117,067**	**70.9%**
Income tax	32,964	55,646	22,682	68.8%
Net profit / (loss) for the reporting period	**132,193**	**226,578**	**94,385**	**71.4%**
EBITDA	**441,665**	**575,220**	**133,555**	**30.2%**

ENEA Operator – Key EBITDA drivers in Q3 2024 (up by PLN 133.6 million):

(+) costs of purchasing electricity to cover the balancing difference (balance) down by PLN 175.2 million, chiefly as a result of a decline in wholesale prices with delivery in 2024

(+) revenue from grid connection fees up by PLN 24.0 million, mainly due to a greater number of buyers connected in Group III and RES in Groups II and III

(+) costs of purchasing transmission and distribution services (balance) down by PLN 9.8 million

(-) result on other operating activities down by PLN 35.7 million, largely as a result of lower revenue from the removal of grid infrastructure collisions

(-) decrease in revenue from sales of distribution services to end users (including revenue from sales of unbilled distribution services and revenue from compensation) by PLN 28.3 million, caused mainly by lower compensation payments that did not apply after H1 2024

(-) operating expenses up by PLN 13.3 million, mainly due to higher costs of third-party services

Appendix 3 - Statement of profit and loss of ENEA Wytwarzanie in Q1-Q3 2024

[PLN 000s]	Q1-Q3 2023	Q1-Q3 2024	Change	% change
Revenue from sales of electricity	12,055,879	8,447,648	-3,608,231	-29.9%
generation license	11,872,999	7,261,114	-4,611,885	-38.8%
trading license	113,749	955,764	842,015	740.2%
Regulatory System Services and Balancing Capacity	69,131	230,770	161,639	233.8%
Revenue from the Capacity Market	504,124	572,972	68,848	13.7%
Revenue from sales of heat	14,012	13,348	-664	-4.7%
Revenue from sales of other products and services	2,789	5,799	3,010	107.9%
Revenue from sales of goods and materials	34,301	110,159	75,858	221.2%
Net revenue from sales	**12,611,105**	**9,149,926**	**-3,461,179**	**-27.4%**
Revenue from leases and operating subleases	733	871	138	18.8%
Revenue from sales and other income	**12,611,838**	**9,150,797**	**-3,461,041**	**-27.4%**
Amortization and depreciation	195,789	121,209	-74,580	-38.1%
Employee benefit costs	288,426	322,980	34,554	12.0%
Consumption of materials and supplies and cost of goods sold	8,141,277	6,370,240	-1,771,037	-21.8%
Purchase of energy for subsequent sale	1,081,719	841,402	-240,317	-22.2%
Other third-party services	145,094	144,523	-571	-0.4%
Taxes and charges	1,819,198	60,214	-1,758,984	-96.7%
Tax-deductible expenses	**11,671,503**	**7,860,568**	**-3,810,935**	**-32.7%**
Other operating revenue	18,709	13,661	-5,048	-27.0%
Other operating expenses	20,369	7,506	-12,863	-63.1%
Profit / (loss) on change, sale and liquidation of property, plant and equipment and right-to-use assets	590	13	-577	-97.8%
Recognition / (reversal) of the impairment loss for non-financial non-current assets	(1,134)	0	1,134	-100.0%
Operating profit / (loss)	**940,399**	**1,296,397**	**355,998**	**37.9%**
Finance income	4,774	8,371	3,597	75.3%
Finance costs	156,678	164,976	8,298	5.3%
Profit / (loss) before tax	**788,495**	**1,139,792**	**351,297**	**44.6%**
Income tax	155,888	219,589	63,701	40.9%
Net profit / (loss) for the reporting period	**632,607**	**920,203**	**287,596**	**45.5%**
EBITDA	**1,135,054**	**1,417,606**	**282,552**	**24.9%**

ENEA Wytwarzanie – key EBITDA drivers in Q1-Q3 2024 (up by PLN 282.6 million):

(+) margin on trading up by PLN 530.0 million (including: cost of the charge for the Price Difference Fund of PLN 73.5 million in Q1-Q3 2023)

(+) revenue from Balancing Capacities up by PLN 182.9 million

(+) contribution of other drivers up by PLN 102.2 million (including an increase in the result on sales of materials)

(+) revenue from the Capacity Market up by PLN 68.8 million

(-) result on electricity generation concessions down by PLN 545.4 million (including: cost of the charge for the Price Difference Fund of PLN 1,685.9 million in Q1-Q3 2023)

(-) fixed costs up by PLN 34.6 million

(-) revenue from Regulatory System Services down by PLN 21.3 million

Appendix 4 – Statement of profit and loss of ENEA Wytwarzanie in Q3 2024

[PLN 000s]	Q3 2023	Q3 2024	Change	% change
Revenue from sales of electricity	4,179,906	2,743,727	-1,436,179	-34.4%
generation license	4,151,165	2,475,711	-1,675,454	-40.4%
trading license	0	145,605	145,605	100.0%
Regulatory System Services and Balancing Capacity	28,741	122,411	93,670	325.9%
Revenue from the Capacity Market	171,279	194,255	22,976	13.4%
Revenue from sales of heat	2,121	1,273	-848	-40.0%
Revenue from sales of other products and services	719	2,095	1,376	191.4%
Revenue from sales of goods and materials	13,439	39,599	26,160	194.7%
Net revenue from sales	**4,367,464**	**2,980,949**	**-1,386,515**	**-31.7%**
Revenue from leases and operating subleases	248	264	16	6.5%
Revenue from sales and other income	**4,367,712**	**2,981,213**	**-1,386,499**	**-31.7%**
Amortization and depreciation	66,912	40,832	-26,080	-39.0%
Employee benefit costs	95,645	96,978	1,333	1.4%
Consumption of materials and supplies and cost of goods sold	2,656,601	2,118,342	-538,259	-20.3%
Purchase of energy for subsequent sale	519,899	181,727	-338,172	-65.0%
Other third-party services	53,918	50,764	-3,154	-5.8%
Taxes and charges	555,040	20,268	-534,772	-96.3%
Tax-deductible expenses	**3,948,015**	**2,508,911**	**-1,439,104**	**-36.5%**
Other operating revenue	5,799	3,560	-2,239	-38.6%
Other operating expenses	5,099	3,168	-1,931	-37.9%
Profit/(loss) on change, sale and liquidation of property, plant and equipment and right-of-use assets	1,762	8	-1,754	-99.5%
Operating profit / (loss)	**422,159**	**472,702**	**50,543**	**12.0%**
Finance income	3,153	4,514	1,361	43.2%
Finance costs	44,154	46,825	2,671	6.0%
Profit / (loss) before tax	**381,158**	**430,391**	**49,233**	**12.9%**
Income tax	76,054	82,807	6,753	8.9%
Net profit / (loss) for the reporting period	**305,104**	**347,584**	**42,480**	**13.9%**
EBITDA	**489,071**	**513,534**	**24,463**	**5.0%**

ENEA Wytwarzanie – key EBITDA drivers in Q3 2024 (up by PLN 24.5 million):

(+) trading margin up by PLN 97.7 million

(+) revenue from Balancing Capacities up by PLN 122.6 million

(+) other drivers up by PLN 28.1 million

(+) revenue from the Capacity Market up by PLN 23.0 million

(-) result on electricity generation concessions down by PLN 218.0 million (including: cost of the charge for the Price Difference Fund of PLN 535.1 million in Q3 2023)

(-) revenue from Regulatory System Services down by PLN 28.9 million

Appendix 5 – Statement of profit and loss of ENEA Elektrownia Połaniec in Q1-Q3 2024

[PLN 000s]	Q1-Q3 2023	Q1-Q3 2024	Change	% change
Revenue from sales of electricity	5,257,632	3,701,458	-1,556,174	-29.6%
generation license [1]	5,193,330	3,141,530	-2,051,800	-39.5%
trading license [1]	23,021	473,633	450,612	1,957.4%
Regulatory System Services and Balancing Capacity	41,281	86,295	45,014	109.0%
Revenue from the Capacity Market	200,911	231,544	30,633	15.2%
Revenue from certificates of origin	223,126	49,079	-174,047	-78.0%
Revenue from sales of heat	55,689	48,911	-6,778	-12.2%
Revenue from sales of other products and services	6,014	6,012	-2	-
Revenue from sales of goods and materials	15,419	68,152	52,733	342.0%
Excise duty	46	37	-9	-19.6%
Revenue from sales and other income	**5,758,745**	**4,105,119**	**-1,653,626**	**-28.7%**
Amortization and depreciation	82,765	24,274	-58,491	-70.7%
Employee benefit costs	104,541	112,347	7,806	7.5%
Consumption of materials and supplies and cost of goods sold	4,284,388	2,946,759	-1,337,629	-31.2%
Purchase of energy for subsequent sale	456,692	318,035	-138,657	-30.4%
Transmission services	417	415	-2	-0.5%
Other third-party services	224,367	245,920	21,553	9.6%
Taxes and charges	321,484	30,953	-290,531	-90.4%
Tax-deductible expenses	**5,474,654**	**3,678,703**	**-1,795,951**	**-32.8%**
Other operating revenue	18,575	12,928	-5,647	-30.4%
Other operating expenses	3,222	3,091	-131	-4.1%
Profit / (loss) on change, sale and liquidation of property, plant and equipment and right-to-use assets	14,070	0	-14,070	-100.0%
Operating profit / (loss)	**313,514**	**436,253**	**122,739**	**39.1%**
Finance income	7,008	10,741	3,733	53.3%
Finance costs	42,501	37,976	-4,525	-10.6%
Dividend income	172	264	92	53.5%
Profit / (loss) before tax	**278,193**	**409,282**	**131,089**	**47.1%**
Income tax	55,145	78,748	23,603	42.8%
Net profit / (loss) for the reporting period	**223,048**	**330,534**	**107,486**	**48.2%**
EBITDA	**396,279**	**460,527**	**64,248**	**16.2%**

[1] Presentation change

ENEA Elektrownia Połaniec – key EBITDA drivers in Q1-Q3 2024 (up by PLN 64.2 million):

System Power Plants Segment (EBITDA up by PLN 331.0 million):

(+) margin on trading up by PLN 244.5 million (including: cost of the charge for the Price Difference Fund of PLN 12.8 million in Q1-Q3 2023)

(+) revenue from Balancing Capacities up by PLN 64.9 million

(+) contribution of other drivers up by PLN 35.4 million (including an increase in sales of combustion byproducts)

(+) revenue from the Capacity Market up by PLN 30.6 million

(-) revenue from Regulatory System Services down by PLN 19.9 million

(-) result on electricity generation concessions down by PLN 10.1 million (including: cost of the charge for the Price Difference Fund of PLN 208.1 million in Q1-Q3 2023)

(-) fixed costs up by PLN 14.4 million

RES Segment (EBITDA down by PLN 327.7 million):

(-) RES energy production margin down by PLN 383.4 million

(-) fixed costs up by PLN 19.7 million

(-) Green Unit's margin on sales of green certificate inventories down by PLN 12.2 million

(+) cost of the charge for the Price Difference Fund of PLN 71.0 million in Q1-Q3 2023

(+) revenue from sales of guarantees of origin up by PLN 11.8 million

(+) other drivers up by PLN 4.8 million

Heat Segment (EBITDA up by PLN 60.9 million):

(+) heat margin up by PLN 60.6 million due to: lower cost of coal PLN +28.7 million, greater effect of movement in production volume PLN +20.7 million, higher heat sales price PLN +7.1 million, lower CO_2 cost PLN +4.2 million

Appendix 6 – Statement of profit and loss of ENEA Elektrownia Połaniec in Q3 2024

[PLN 000s]	Q3 2023	Q3 2024	Change	% change
Revenue from sales of electricity	1,844,061	1,255,107	-588,954	-31.9%
generation license [1]	1,826,683	1,143,142	-683,541	-37.4%
trading license [1]	0	65,956	65,956	100.0%
Regulatory System Services and Balancing Capacity	17,378	46,009	28,631	164.8%
Revenue from the Capacity Market	68,153	78,901	10,748	15.8%
Revenue from certificates of origin	58,857	20,799	-38,058	-64.7%
Revenue from sales of heat	17,943	18,768	825	4.6%
Revenue from sales of other products and services	2,042	1,871	-171	-8.4%
Revenue from sales of goods and materials	4,290	31,945	27,655	644.6%
Excise duty	13	11	-2	-15.4%
Revenue from sales and other income	**1,995,333**	**1,407,380**	**-587,953**	**-29.5%**
Amortization and depreciation	28,774	8,739	-20,035	-69.6%
Employee benefit costs	34,776	35,514	738	2.1%
Consumption of materials and supplies and cost of goods sold	1,471,202	963,263	-507,939	-34.5%
Purchase of energy for subsequent sale	203,072	70,952	-132,120	-65.1%
Transmission services	132	137	5	3.8%
Other third-party services	86,068	84,404	-1,664	-1.9%
Taxes and charges	58,855	10,131	-48,724	-82.8%
Tax-deductible expenses	**1,882,879**	**1,173,140**	**-709,739**	**-37.7%**
Other operating revenue	4,105	7,539	3,434	83.7%
Other operating expenses	473	1,208	735	155.4%
Profit / (loss) on change, sale and liquidation of property, plant and equipment and right-to-use assets	14,070	0	-14,070	-100.0%
Operating profit / (loss)	**130,156**	**240,571**	**110,415**	**84.8%**
Finance income	6,457	7,133	676	10.5%
Finance costs	11,542	12,391	849	7.4%
Profit / (loss) before tax	**125,071**	**235,313**	**110,242**	**88.1%**
Income tax	23,720	44,934	21,214	89.4%
Net profit / (loss) for the reporting period	**101,351**	**190,379**	**89,028**	**87.8%**
EBITDA	**158,930**	**249,310**	**90,380**	**56.9%**

[1] Presentation change

ENEA Elektrownia Połaniec – key EBITDA drivers in Q3 2024 (up by PLN 90.4 million):

System Power Plants Segment (EBITDA up by PLN 146.9 million):

(+) result on electricity generation concessions up by PLN 46.2 million (including: cost of the charge for the Price Difference Fund of PLN 37.9 million in Q3 2023)

(+) revenue from Balancing Capacities up by PLN 45.0 million

(+) trading margin up by PLN 42.0 million

(+) other drivers up by PLN 12.7 million

(+) revenue from the Capacity Market up by PLN 10.7 million

(+) fixed costs down by PLN 6.7 million

(-) revenue from Regulatory System Services down by PLN 16.4 million

RES Segment (EBITDA down by PLN 81.7 million):

(-) RES energy production margin down by PLN 86.1 million

(-) Green Unit's margin on sales of green certificate inventories down by PLN 7.2 million

(-) other drivers down by PLN 4.5 million

(+) cost of the charge for the Price Difference Fund of PLN 11.8 million in Q3 2023

(+) revenue from sales of guarantees of origin up by PLN 4.3 million

Heat Segment (EBITDA up by PLN 25.2 million):

(+) heat margin up by PLN 25.0 million due to: lower cost of coal PLN +9.8 million, greater effect of movement in production volume PLN +6.6 million, higher heat sales price PLN +5.6 million, lower CO_2 cost PLN +3.0 million

9. Glossary of terms and abbreviations

This is a glossary of terms and abbreviations used in this report. Definitions and calculation methodologies of alternative performance measures are the same as the definitions and calculation methodologies of the same measures used in the activity reports/additional information forming part of ENEA Group's previous periodic reports. Selected definitions may also be found in the glossary of terms and abbreviations available on the Company's website at https://ir.enea.pl/slownik.

Information on the distinct indicators calculated for respective reporting periods is monitored on a regular basis and presented in the Company's successive periodic reports. The presented indicators are typical ratios used in financial analysis with a particular focus on the industries in which the ENEA Group operates.

Financial ratios	Description
CAPEX	Capital expenditures on property, plant and equipment, intangible assets and right-to-use asset
Current receivables turnover in days	Average balance of trade and other receivables x days / Revenue from sales and other income
Trade and other payables turnover in days	Average balance of trade and other payables x days / Cost of products, goods and materials sold
Inventory turnover in days	Average balance of inventories x days / Cost of products, goods and materials sold
Net debt/EBITDA LTM	(Loans, borrowings and non-current and current debt securities + Non-current and current finance lease liabilities + Non-current and current financial liabilities measured at fair value – Cash and cash equivalents – Non-current and current financial assets measured at fair value – Non-current and current debt financial assets measured at amortized cost – Other current investments) / EBITDA LTM
EBITDA	Operating profit (loss) + Depreciation and amortization + Impairment losses (reversal thereof) on non-financial non-current assets
EBITDA LTM	EBITDA for the last 12 months
EBIT	Operating profit (loss)
External financing	Sum of the following items of the consolidated statement of cash flows: Loans and borrowings received, Issue of bonds, Repayment of loans and borrowings, Redemption of bonds
Generation license	Margin on generation including margin the Balancing Market
Operating expenses	Depreciation and amortization, Employee benefit costs, Consumption of materials and supplies and cost of goods sold, Purchase of energy and gas for subsequent sale, Transmission services, Other third-party services, Taxes and charges
Cost of goods and materials sold	Consumption of materials and supplies and cost of goods sold, Purchase of energy for resale, Transmission services, Other third-party services, Taxes and charges, Excise duty
Margin on heat	Margin on the sales of heat calculated as the difference between revenue from sales of heat and its variable production costs
Margin on trading	Difference between revenue from sales and cost of electricity purchased in trading operations
Margin on RES energy production	Margin on the sales of energy and production of green certificates from the Green Unit, calculated as the difference between revenue from sales of energy and from the valuation of certificates produced and the variable costs of producing them
Margin on licensed activity	Indicator incorporating revenues and costs related to business activity involving distribution of electricity to customers located in a specific area. Those include primarily: revenue from sales of distribution services to end users, costs of transmission and distribution services, costs of electricity purchased to cover the balancing difference and for own needs, revenue from grid connection fees for connection to ENEA Operator's grid.
Green Unit's margin on sales/remeasurement of green certificate inventories	Margin on the sale of green certificates from the Green Unit calculated as a difference between revenue from sales and the cost of sales of the certificates, which takes into account the updated inventories of green certificates, i.e. the updated average weighted price of the inventory of certificates to market price in case their market price drops significantly
Coverage of non-current assets with equity	Equity / Non-current assets
Operating profitability	Operating profit (loss) / Revenue from sales and other income
Return on equity (ROE)	Net profit (loss) for the reporting period / Equity
Return on assets (ROA)	Net profit (loss) for the reporting period / Total assets
Net profitability	Net profit (loss) for the reporting period / Revenue from sales and other income
EBITDA profitability	EBITDA / Revenue from sales and other income
Adjusted first contribution margin	Margin on retail trading of electricity and gaseous fuel earned by ENEA S.A., presented together with wholesale sales of ENEA Trading and ENEA Power&Gas Trading, adjusted for presentation purposes by other conditional factors, such as: revenues and costs from sales and purchases of CO_2 emission allowances, valuation of CO_2 contracts, forward transactions for energy and gas presented in operating activities
Result on other operating activities	Result on the following items: Other operating revenue, Other operating expenses, Profit (loss) on movement in, sale and liquidation of property, plant and equipment and right-to-use asset
Current liquidity ratio	Current assets / Current liabilities
Total debt ratio	Total liabilities / Total assets

Abbreviation/term	Description
AMI (Advanced Metering Infrastructure)	Advanced metering and billing systems with two-way metering and billing
Baseload price (BASE)	Contract price for delivery of the same volume of electricity in each hour of the day
CSIRE	Central Energy Market Information System
IED	Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 concerning industrial emissions. It tightens the standards for emissions of sulfur dioxide, nitrogen oxides and dust from combustion plants.
EUA (European Union Allowances)	Emission allowance under the European Emissions Trading System
IRGiT	Izba Rozliczeniowa Giełd Towarowych S.A.
Polish Power System (KSE)	A collection of devices used to generate, transmit, distribute, store and use electricity, connected together in a functional system supporting continuous and uninterrupted supply of electricity in Poland.
LZO	Remote reading meter
NABE	National Energy Security Agency
LV	Low voltage grid supplying individual users with 50 Hz alternating current at 230 V phase voltage.
DSO	Distribution System Operator
DSOn	A Distribution System Operator, whose distribution network has no direct connection with the TSO's transmission network.
Energy Law	The Energy Law Act of 10 April 1997
Prosumer	A person who generates electricity from renewable energy sources for own needs using a micro-installation, capable of storing energy and transferring surplus energy to the power grid
PSCMI1	Polish Steam Coal Market Index 1. Reflects the price level of class 20-23/1 fine steam coal in sales to commercial and industrial energy sector
DAM	Day-Ahead Market (DAM) has been operating since 30 June 2000. It is a spot electricity market in Poland. Since the beginning of quotation, DAM prices are a benchmark for energy prices in bilateral contracts in Poland. The DAM is intended for the companies that want to actively and safely close their electricity purchase/sales portfolios on an ongoing basis at particular hours of the day
SAIDI (System Average Interruption Duration Index)	Indicator of the system average duration of a long and very long interruptions (expressed in minutes per customer)
SAIFI (System Average Interruption Frequency Index)	Indicator of the system average frequency of long interruptions in energy supply (expressed in the number of interruptions per customer)
SCR (Selective Catalytic Reduction)	Catalytic flue gas denitrification installation – it operates based on the principle of reduction of nitrogen oxides to atmospheric nitrogen on the surface of a catalyst, using substances containing ammonia.
SMR (Small Modular Reactors)	Small modular reactors
MV	Medium voltage grid, in which the phase-to-phase voltage ranges from 1 kV to 60 kV
ERO	Energy Regulatory Office
HV	High voltage grid. Electric power transmission grid in which the phase-to-phase voltage ranges from 60 to 200 kV (in Poland: 110 kV). This grid is used to transmit electricity over large distances.
RAB	Regulatory Asset Base

Signatures of the Management Board

Date of approval and publication of *Additional information to the extended consolidated report of ENEA S.A. for Q3 2024*: 20 November 2024.

Signed by:

President of the Management Board	Grzegorz Kinelski
Management Board Member for Corporate Matters	Dalida Gepfert
Management Board Member for Commercial Matters	Bartosz Krysta
Management Board Member for Financial Matters	Marek Lelątko