



Results of the **ENEA Group**

in Q1 2022



PLN 7.2 bn

revenue,
up by PLN 2.2 billion (+43% y/y)



PLN 1.1 bn

EBITDA,
up by PLN 132 million (+14% y/y)



0.72

net debt/ EBITDA LTM
improvement by 0.95 y/y



6.5 TWh

of electricity generated, up by 0.4
TWh (+7% y/y)



2.8 mln t

of net coal production,
up by 0.2 mln t (+8% y/y)



0.6 TWh

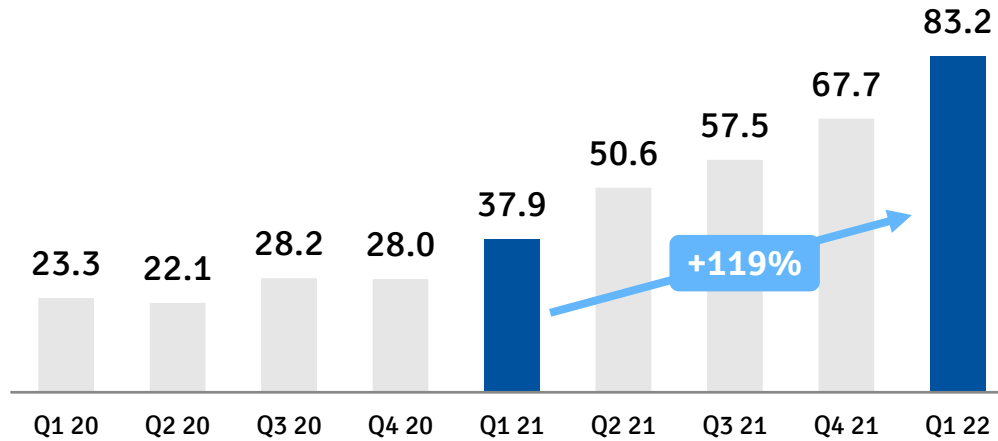
energy produced from RES,
up by 37 GWh (+7% y/y)



Market Environment

CO₂ emission allowances (Dec-22)

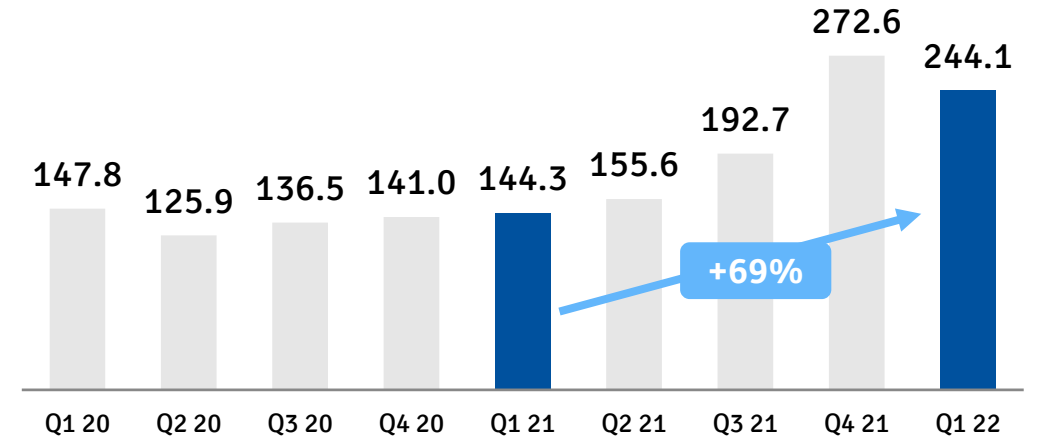
EUR/t



Source: ICE, clearing prices

Prices of „green” property rights (PMOZE_A)

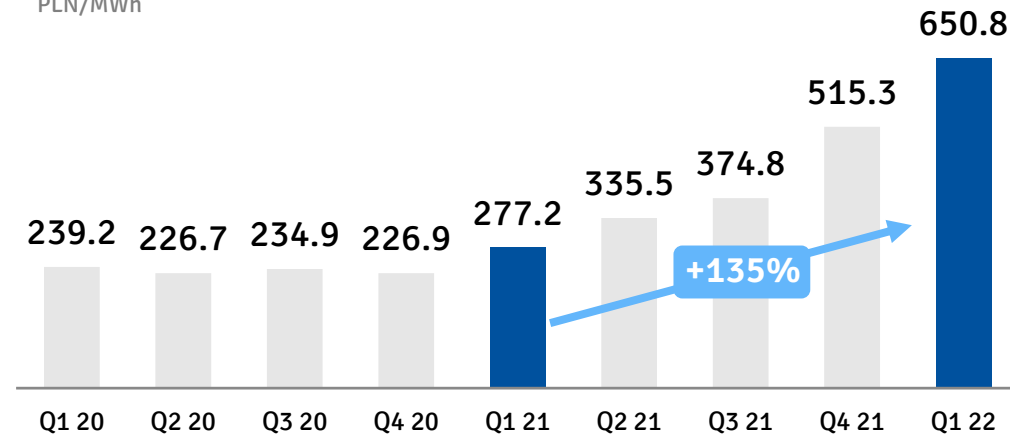
PLN/MWh



Source: PPE, session market indices

BASE_Y_20/21/22 (band price)

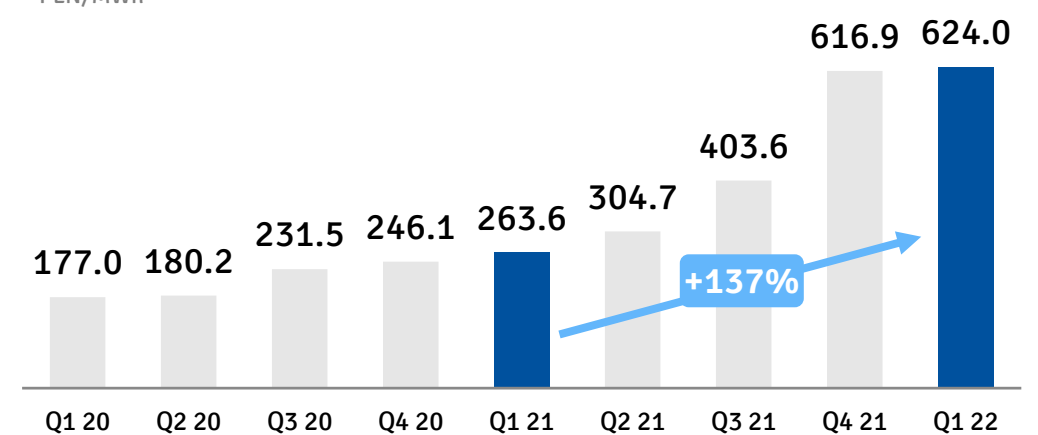
PLN/MWh



Source: PPE, clearing prices

(Day-Ahead Market) BASE

PLN/MWh

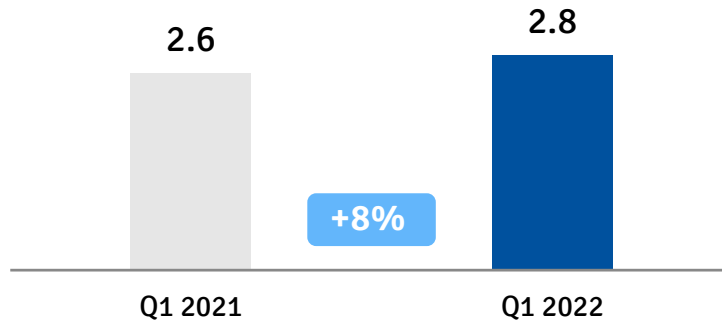


Source: clearing prices

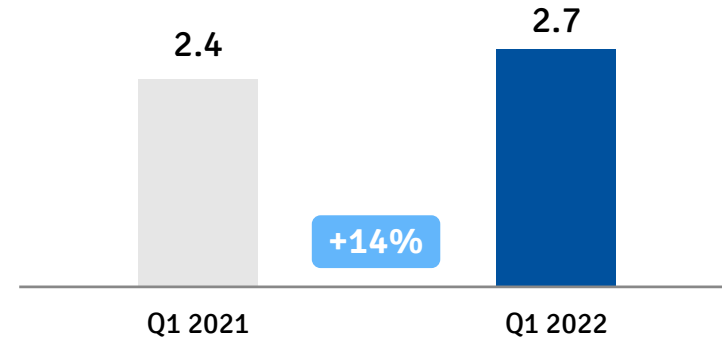


Mining Area

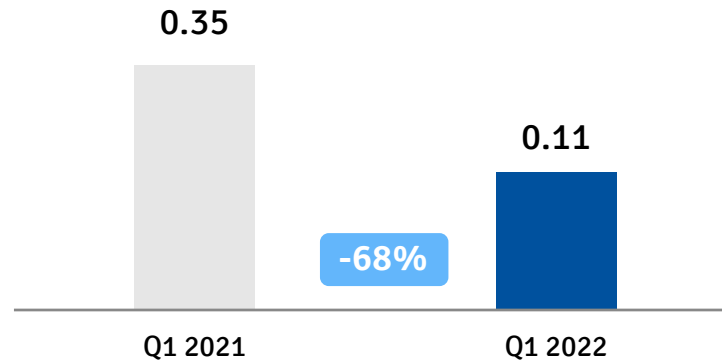
Production of coal [mln tons]



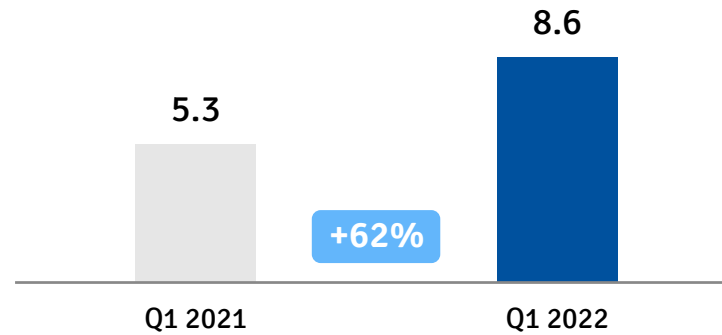
Sales of coal [mln tons]



Coal inventories [mln ton]

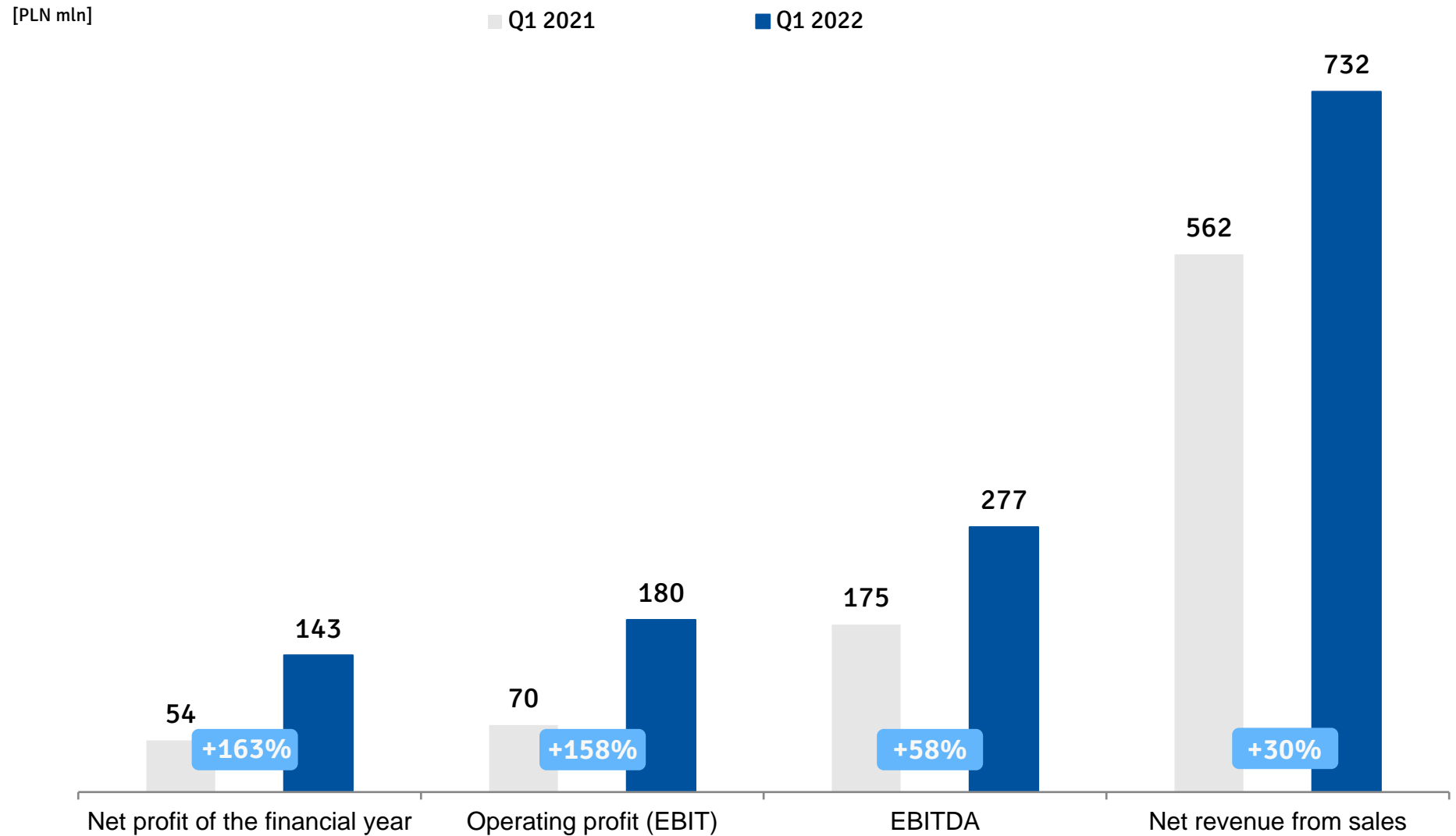


New excavations [km]



Key drivers

- (+) Increase in winnings by 72.6% in Q1 2022 and 72.3% in Q1 2021
- (+) Net production up by 7.5% in Q1 2022
- (+) Sales of coal up by 14% in Q1 2022
- (+) New roadway excavations up by 62.3%



EBITDA of the LW Bogdanka Group in Q1 2022

Mining

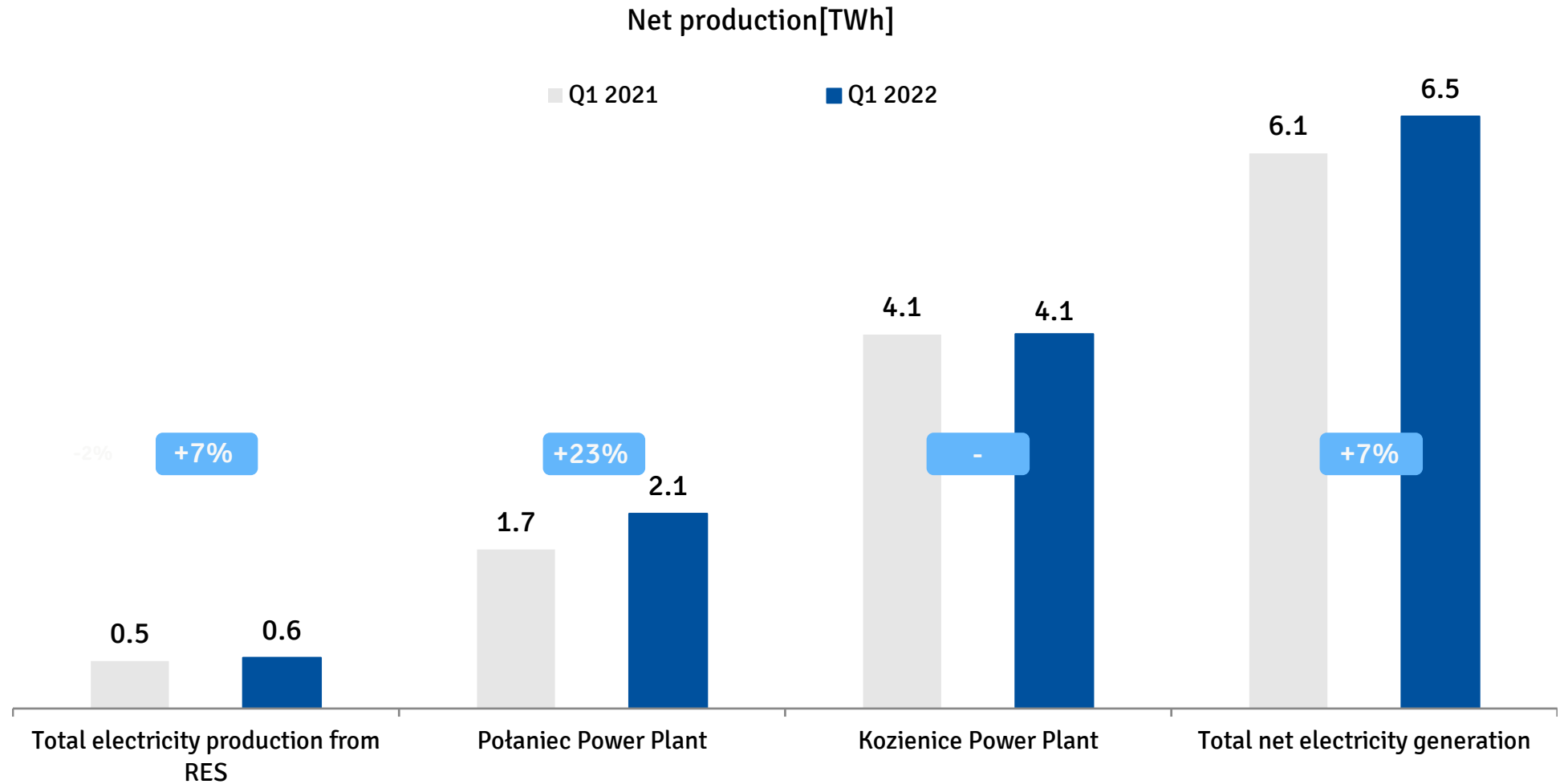
[PLN mln]



- Key drivers**
- (+) Increased volume of coal sold
 - (+) Higher price of coal sold
 - (-) Greater mining output – increase in production costs: higher costs of third-party services, electricity and taxes and charges

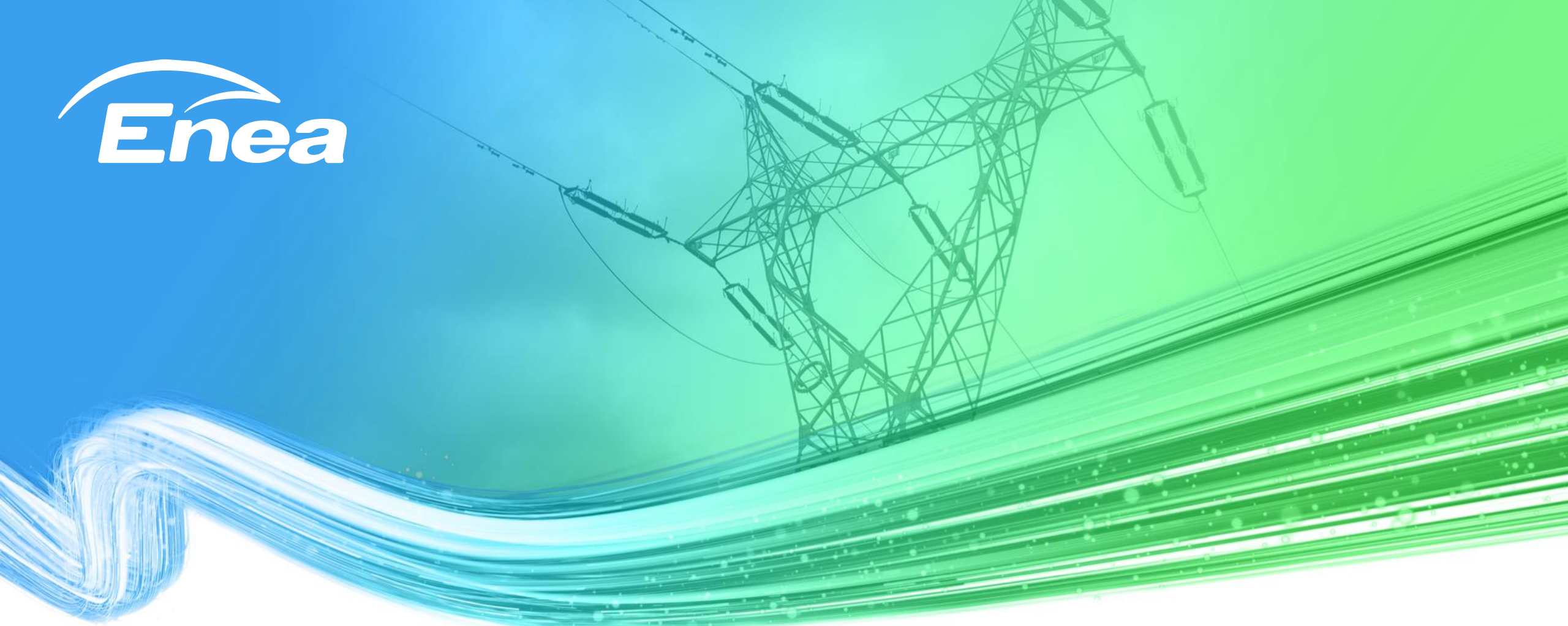


Generation Area



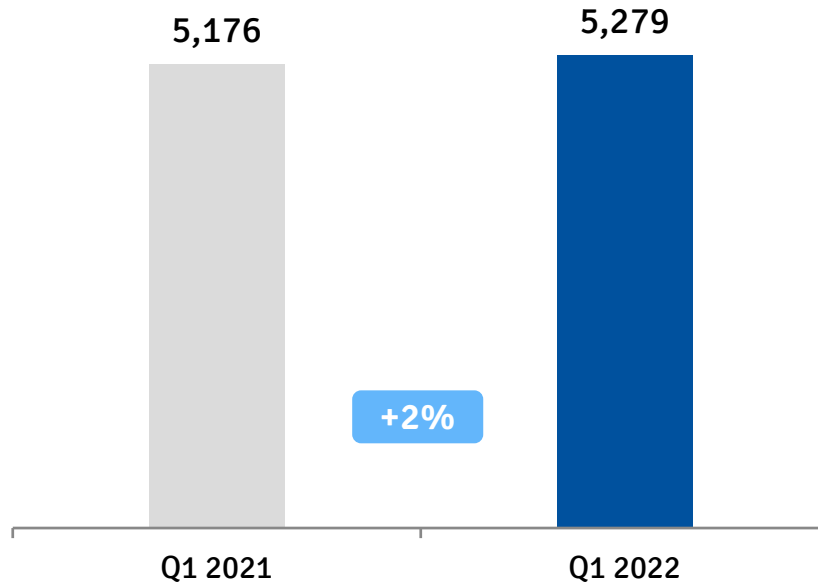
Key drivers

- (+) Greater availability of conventional units in Połaniec Power Plant
- (+) Higher production due to market conditions
- (+) Higher production from RES due to wind conditions and greater availability of the Green Unit



Distribution Area

Sales of distribution services to end users [GWh]



Number of customers [thousands]



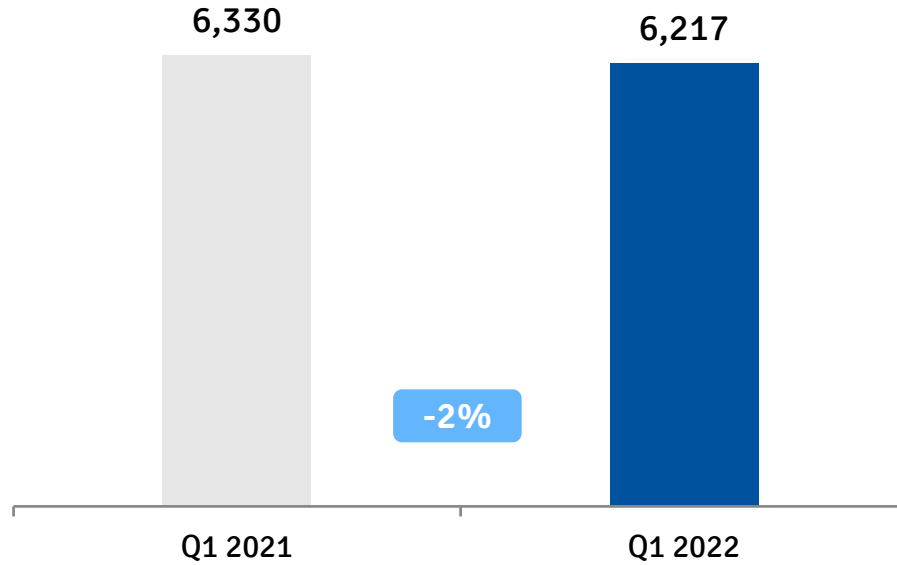
Key drivers

- (+) Increase in sales of distribution services to businesses
- (-) Decrease in sales of distribution services to households
- (+) Increase in the number of customers by 1%

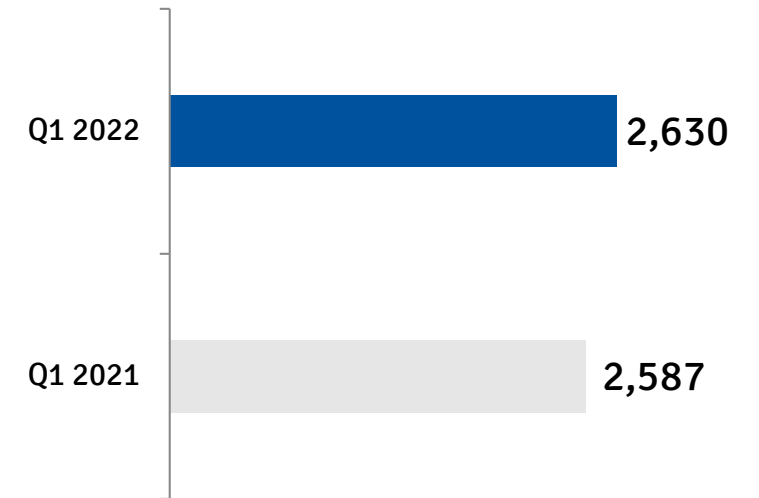


Trading Area

Sales of electricity and gaseous fuel to retail customers [GWh]



Number of customers [thousands]



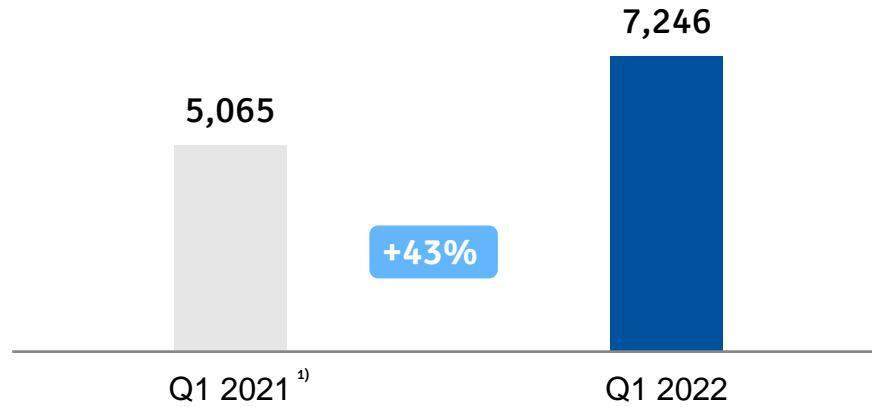
Key drivers

- (+) Sales volume of electricity in the business segment up by 3.3%
- (-) Sales volume of electricity in the household segment down by 3.9 %

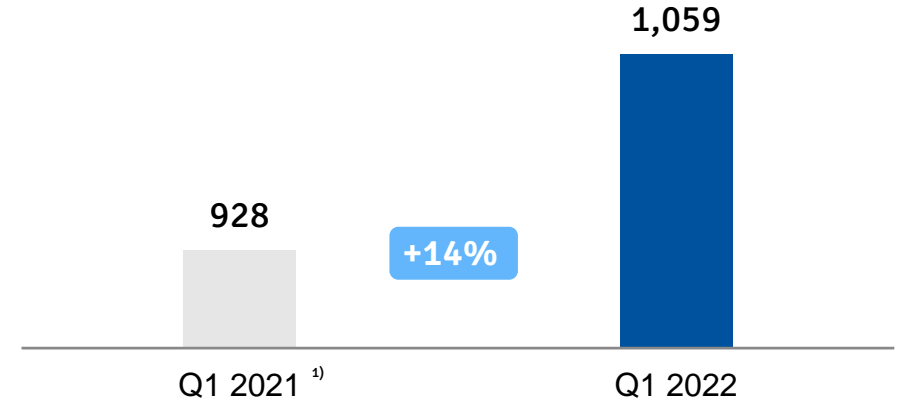


Financial results

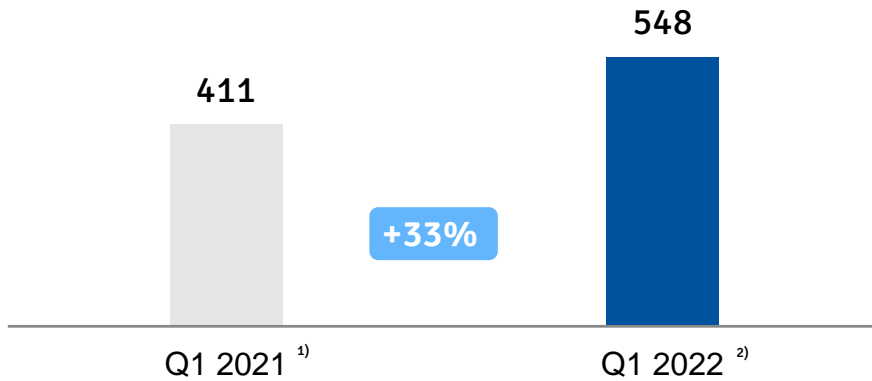
Revenue from sales and other income [PLN mln]



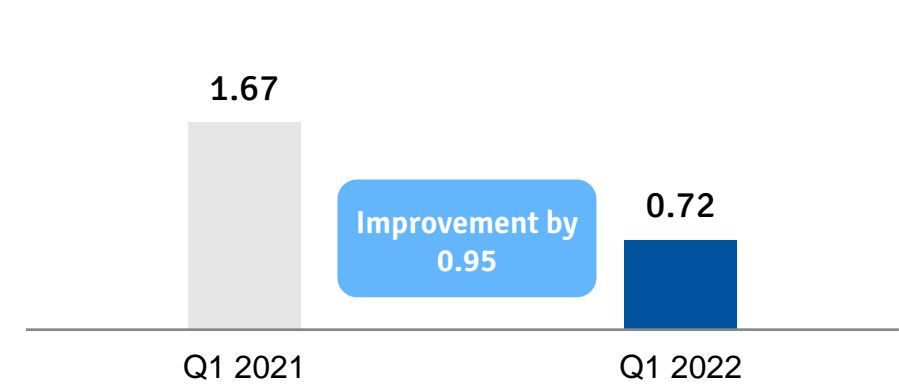
EBITDA [PLN mln]



Net profit / (loss) [PLN mln]



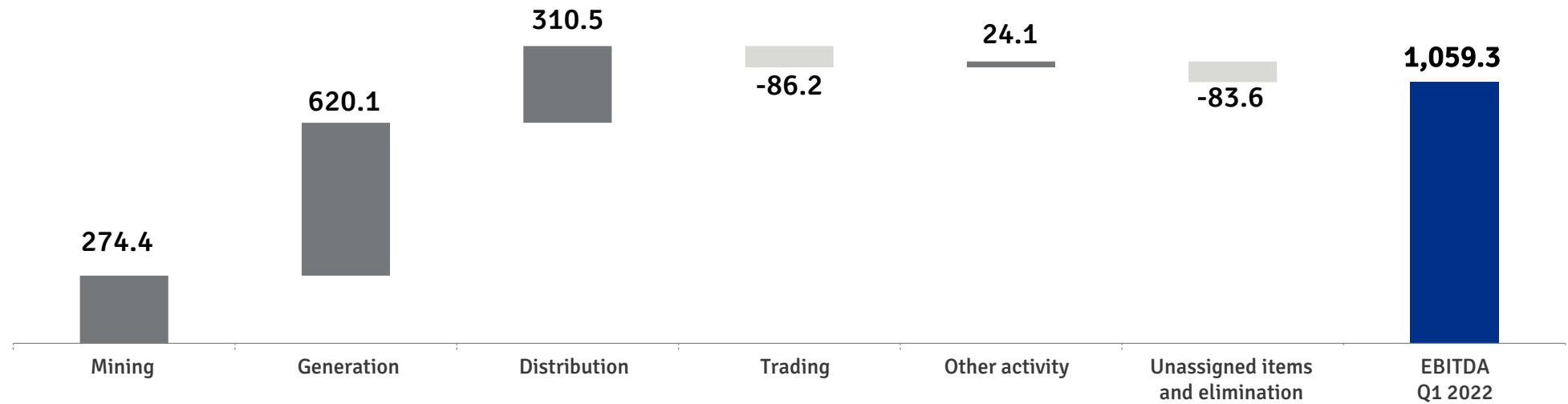
Net debt / EBITDA LTM



¹⁾ Presentation change in accordance with the condensed interim consolidated financial statements for 3 months of 2022

²⁾ including: partial reversal of a provision for future investment commitments to Elektrownia Ostrołęka Sp. z o.o.

[mln zł]



Mining

Higher revenue from sales of coal [increased volume, increased average sales price]

Mining cost of coal sold up by PLN 67 million

Generation

Margin on generation up by PLN 214 million [higher unit CDS, higher volume]

RES Segment result up by PLN 40.4 million and Heat Segment result up by PLN 20.3 million

Trading and Balancing Market margins down by PLN 34 million [lower unit margins, lower volume]

Distribution

Result on other operating activities down by PLN 21 million

Operating expenses up by PLN 20 million

Margin on licensed activity down by PLN 18 million

Trading

Higher average energy purchase price

Higher costs of environmental obligations

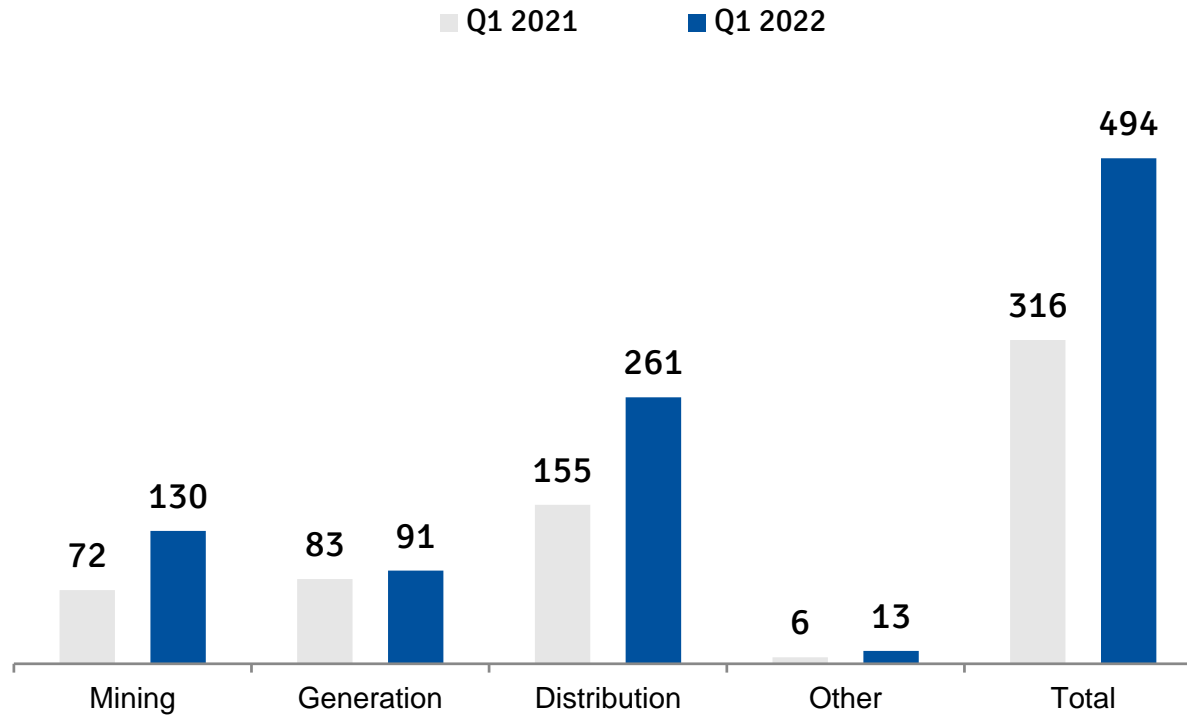
Higher cost of provisions related to onerous contracts

Lower result on trading in gaseous fuel

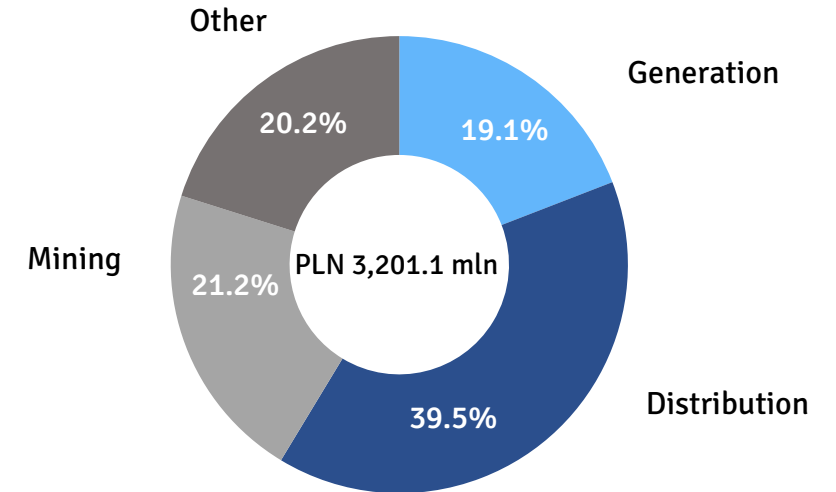
Higher average energy sales price

Higher result on remeasurement of CO₂ contracts, forward transactions for energy, gas and property rights

CAPEX – capital expenditure [PLN mln]

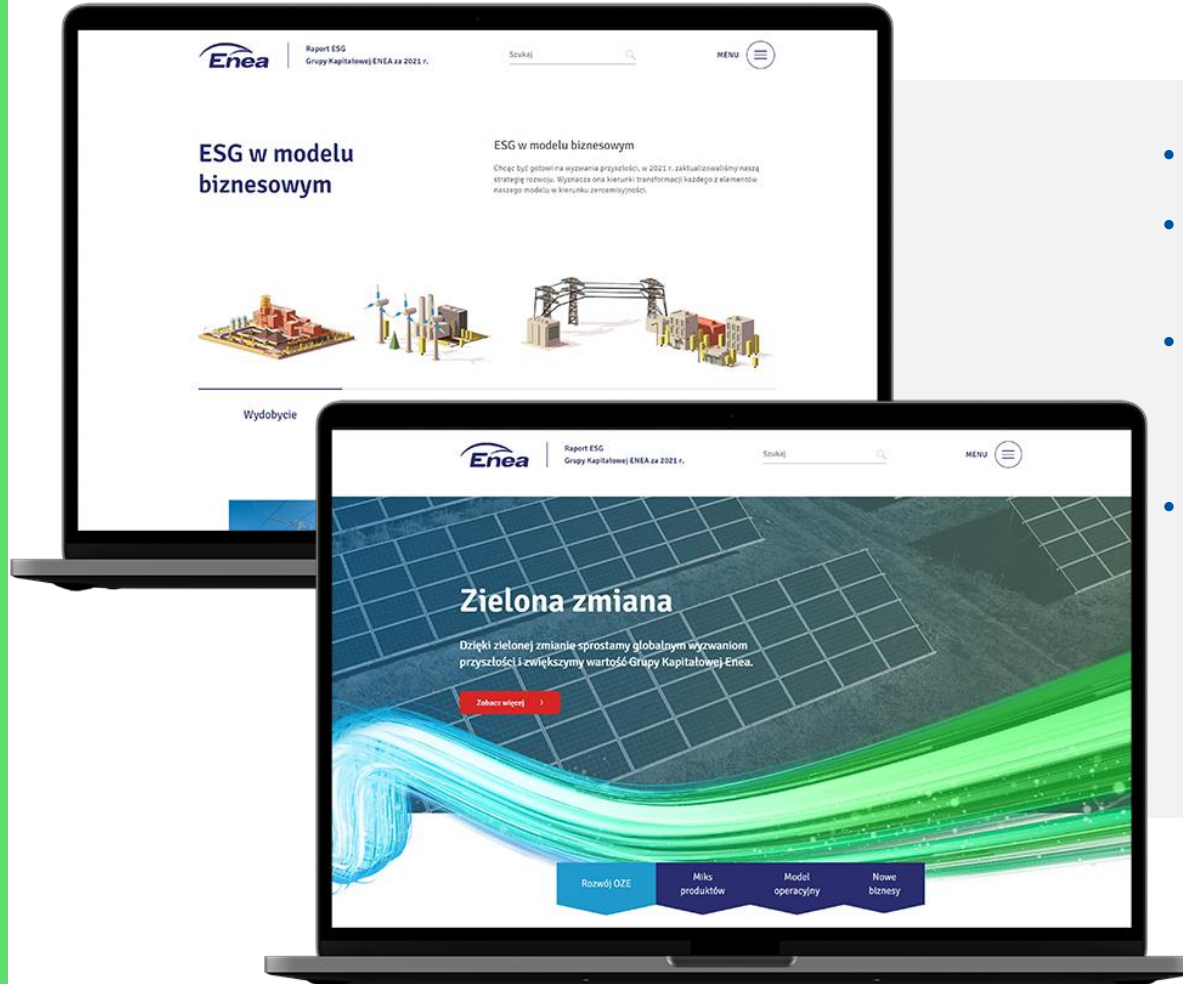


Plan 2022



PLN 38.1 mln
 designated for capital expenditures related to the protection of the environment in Q1 2022

The Group's second ESG Report is not just a comprehensive summary of its activities in the environmental protection, social engagement and responsible governance domains, but also an excellent source of knowledge on how ENEA evolves and about the direction of changes set out in the revised Strategy.



- modern website
- prepared in accordance with the international GRI reporting standards
- focused not only on past performance but also commitments for the future, such as the transition to a zero-emission corporation
- the breakdown into the environmental, social and governance areas – the ESG approach – forms the disclosure framework



Attachments

Item	Q1 2021	Q1 2022	change
Net production [000s of tons]	2,612	2,809	7.5%
Sales of coal [000s of tons]	2,383	2,716	14.0%
Inventories (at th end of the period) [000s of tons]	350	113	-67.7%
Excavation works [km]	5.3	8.6	62.3%

ENEA Group's operational data [GWh]	Q1 2021	Q1 2022	change
Total net electricity generation	6,089	6,494	6.7%
<i>from conventional sources</i>	5,568	5,936	6.6%
ENEA Wytwarzanie	4,101	4,107	0.1%
MEC Piła	18	11	-38.9%
ENEA Elektrownia Połaniec	1,348	1,739	29.0%
ENEA Ciepło	100	79	-21.0%
<i>from Renewable Energy Sources</i>	521	558	7.1%
ENEA Nowa Energia	78	102	30.8%
ENEA Elektrownia Połaniec (Green Unit)	335	361	7.8%
ENEA Elektrownia Połaniec (biomass co-firing)	61	38	-37.7%
ENEA Ciepło	47	57	21.3%

Volume of distribution services

ENEA Group's sales data [GWh]	Q1 2021	Q1 2022	Change
Sales of distribution services to end users	5,176	5,279	2.0%

Generation Area results

[PLN mln]	Generation, including:								
	Power Plants			Heat			RES		
	Q1 2021	Q1 2022	change	Q1 2021	Q1 2022	change	Q1 2021	Q1 2022	change
Revenue from sales and other income	1,876	3,051	1,175	202	263	61	172	287	115
EBIT	162	345	183	50	70	20	56	95	39
EBITDA	236	429	193	64	84	20	67	107	40
CAPEX	76	85	9	5	4	(1)	2	2	-

Volume of Energy sales

ENEA Group's sales data [GWh]	Q1 2021	Q1 2022	Change
Sales of electricity and gaseous fuel to retail customers	6,330	6,217	-113

ENE A Group' financial data [PLN mln]	Q1 2021	Q1 2022	change	Q1 2021 ¹⁾	Q1 2022	change
Revenue from sales and other income	5,920	7,246	22%	5,065	7,246	43%
EBITDA	864	1,059	23%	928	1,059	14%
EBIT	442	680	54%	553	680	23%
Net profit for the reporting period	454	548	21%	411	548	33%
Net profit attributable to shareholders of the parent company	409	495	21%	388	495	27%
Net debt / EBITDA LTM	0.75	0.72	-0.03	1.67	0.72	-0.95

¹⁾ Presentation change in accordance with the condensed interim consolidated financial statements for 3 months of 2022

CAPEX	Capital expenditures on property, plant and equipment, intangible assets and right-to-use asset
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 at fair value - non-current and current debt financial assets measured at amortized cost - other current investments) / EBITDA LTM
EBIT	Operating profit (loss)
EBITDA	Operating profit (loss) + depreciation and amortization + impairment losses on non-financial non-current assets
Margin on trading	Difference between revenue from sales of electricity purchased in trading operations and the costs of purchasing electricity incorporating the result on sales of CO ₂
Margin on the Balancing Market	Difference between revenue from sales of electricity purchased on the balancing market and the costs of purchasing that electricity incorporating the result on CO ₂ sales
Margin on generation	Difference between revenue from sales of electricity produced and revenue from certificates, and the variable costs related to production of that electricity
Margin from licensed activities	<p>Margin from licensed activities is a management indicator incorporating revenues and costs related to business activity involving distribution of electricity to customers located in a specified area. Those include primarily:</p> <ul style="list-style-type: none"> • 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
Baseload price (BASE)	Contract price for delivery of the same volume of electricity in each hour of the day
CO₂	Carbon dioxide
RES (OZE)	Renewable energy sources
PMOZE	Property rights under certificates of origin for energy from renewable sources
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
Balancing market	Technical market operated by TSOs. Its objective is to ensure real-time balancing of demand for electricity and its production in the Polish Power System (NPS)



Results of the **ENEA Group**

in Q1 2022