



Results of the **ENEA Group**

in H1 2022



PLN 14.7 bn

revenue,
up by PLN 4.9 billion (+49% y/y)



PLN 1.8 bn

EBITDA,
up by PLN 176.4 million (+11% y/y)



-0.28

net debt / EBITDA LTM,
improvement by 1.34 y/y



13.3 TWh

of electricity generated,
up by 1.2 TWh (+10% y/y)



5.6 mln t

of net coal production,
up by 0.6 mln t (+13% y/y)



1.2 TWh

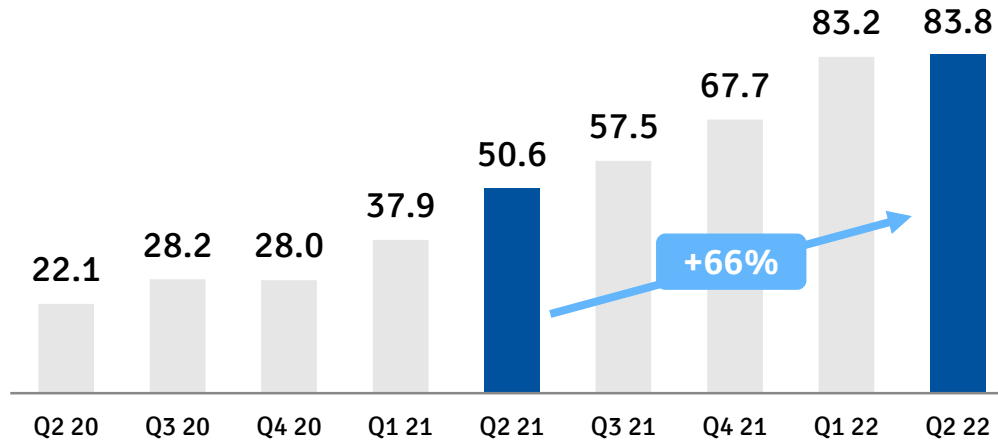
energy produced from RES,
(similar level y/y)



Market Environment

CO₂ emission allowances (Dec-22)

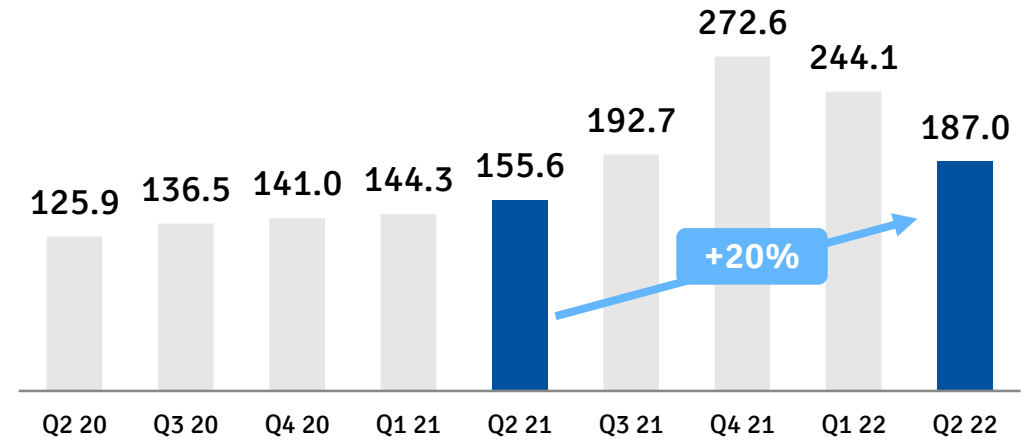
EUR/t



Source: ICE, clearing prices

Prices of „green” property rights (PMOZE_A)

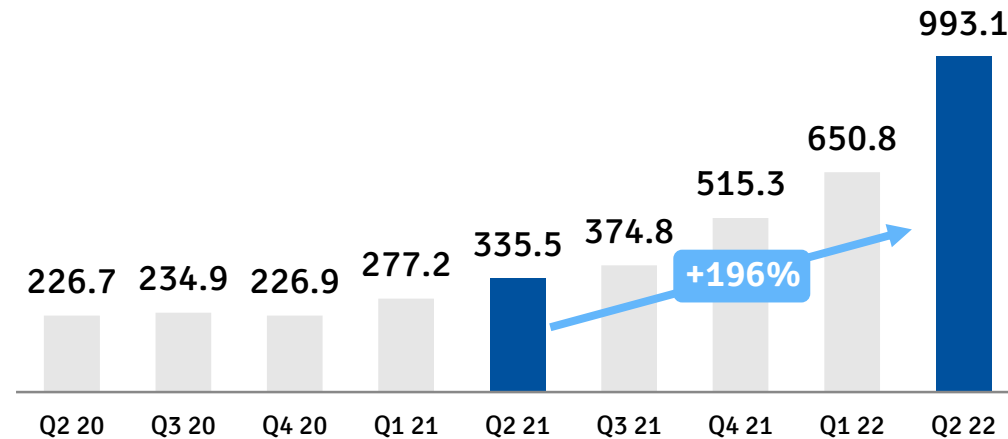
PLN/MWh



Source: PPE, session market indices

BASE_Y_21/22/23 (band price)

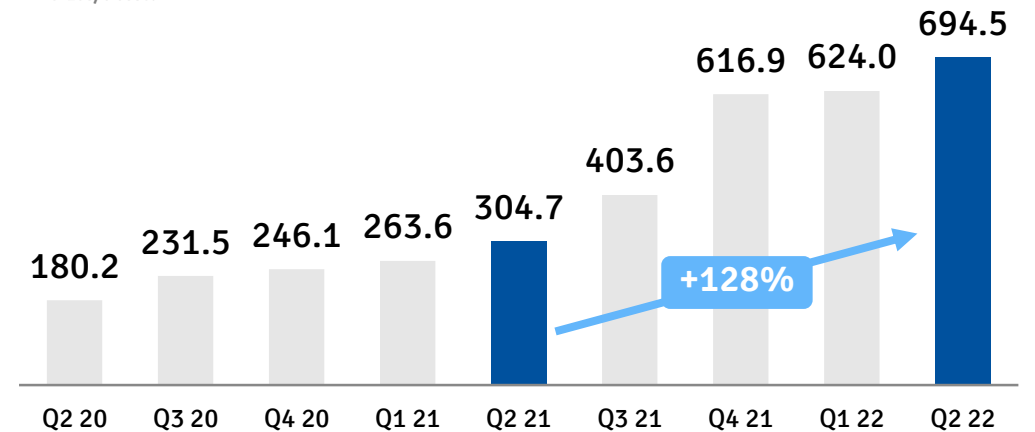
PLN/MWh



Source: PPE, clearing prices

(Day-Ahead Market) BASE

PLN/MWh

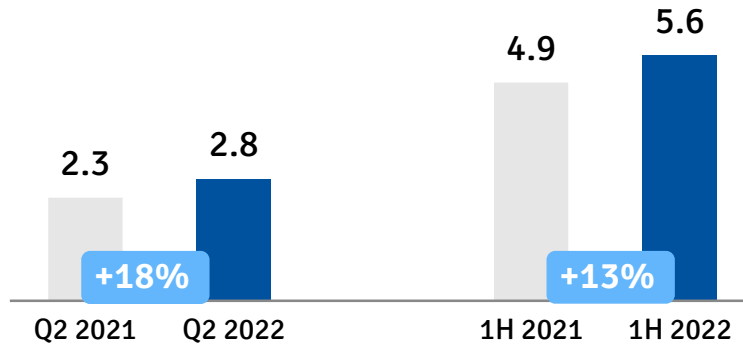


Source: clearing prices

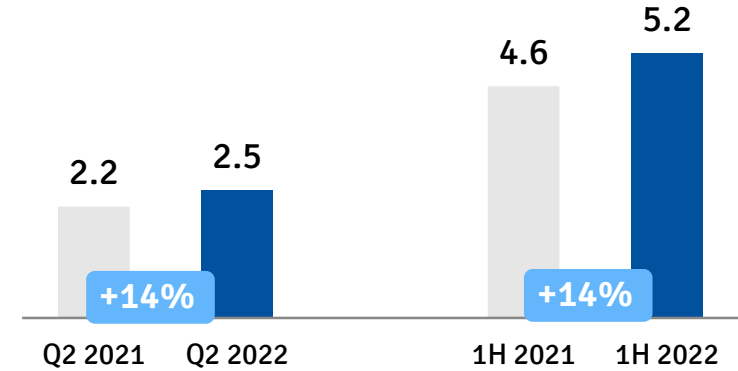


Mining

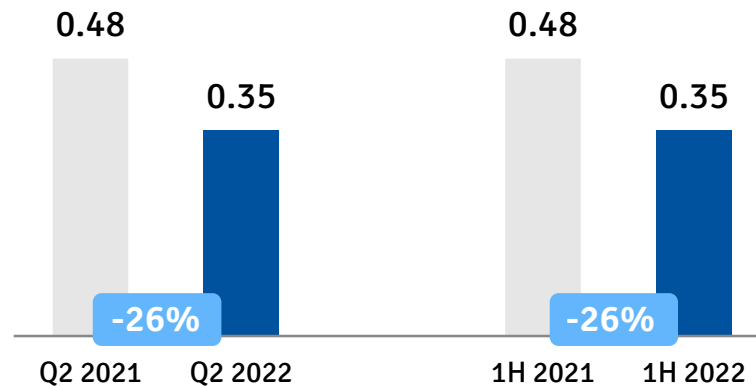
Production of coal [mln tons]



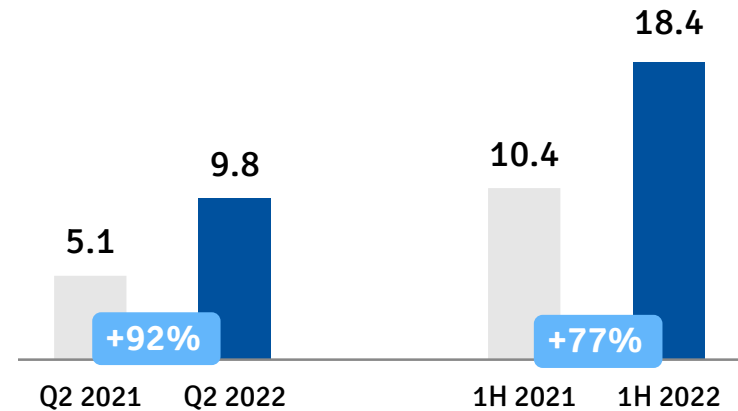
Sales of coal [mln tons]



Coal inventories [mln ton]

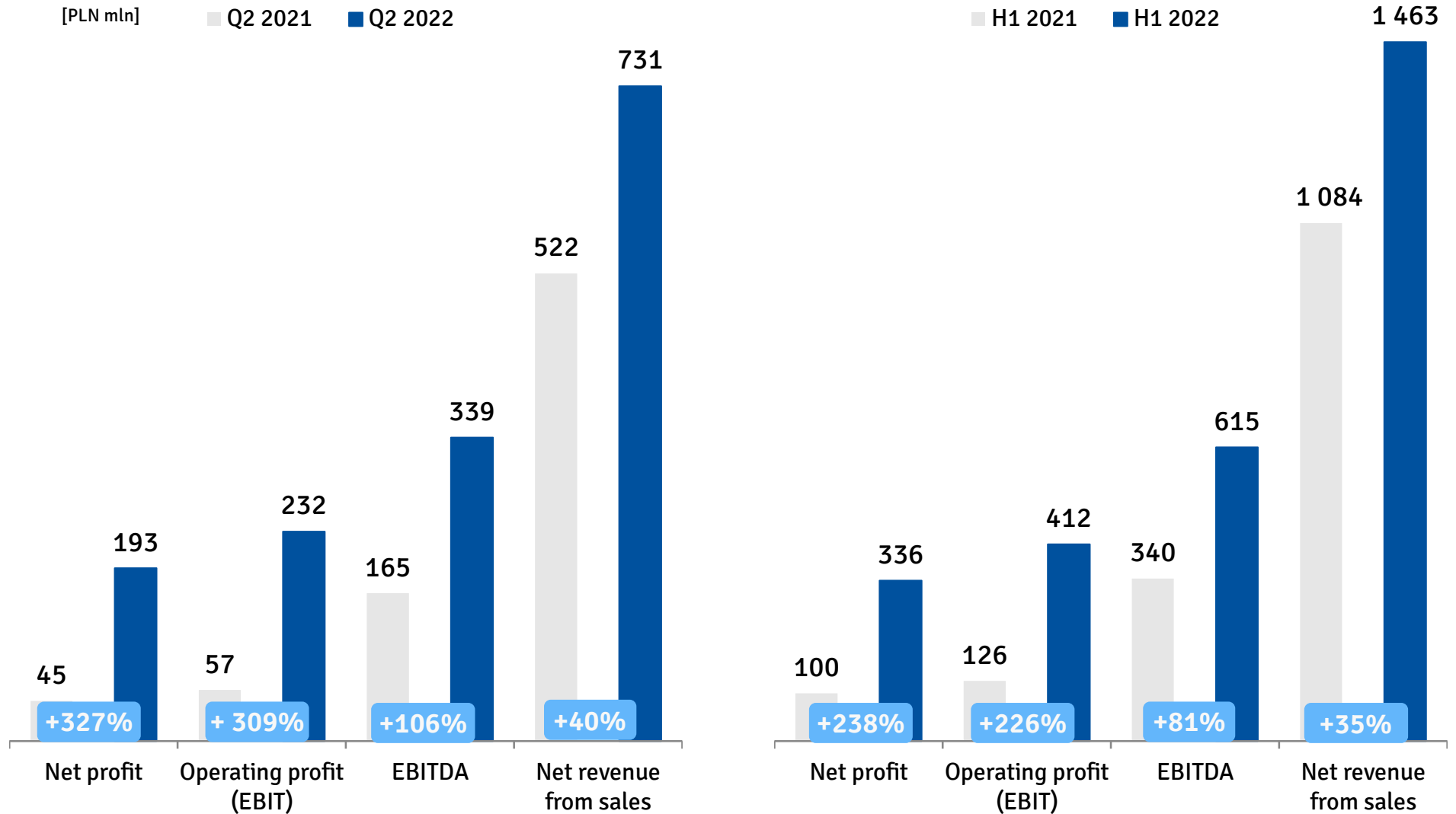


New excavations [km]



Key drivers

- (+) Increase in yield: 72.0% in Q2 2022; 70.8% in Q2 2021
- (+) Net production up by 18.2% in Q2 2022
- (+) Sales of coal up by 14.2% in Q2 2022
- (+) New roadway excavations up by 92.2% in Q2 2022



EBITDA of the LW Bogdanka Group in H1 2022

Mining

[PLN mln]

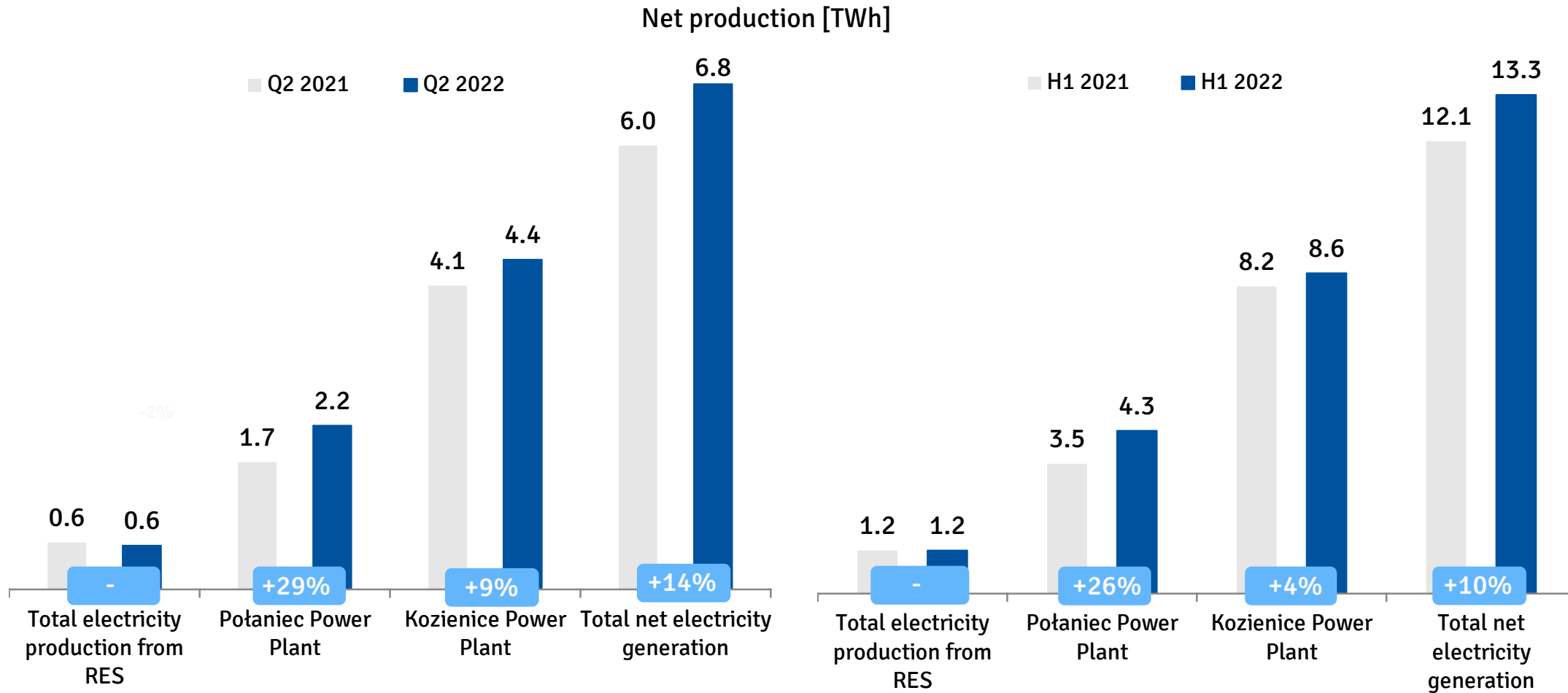


Key drivers

- (+) 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

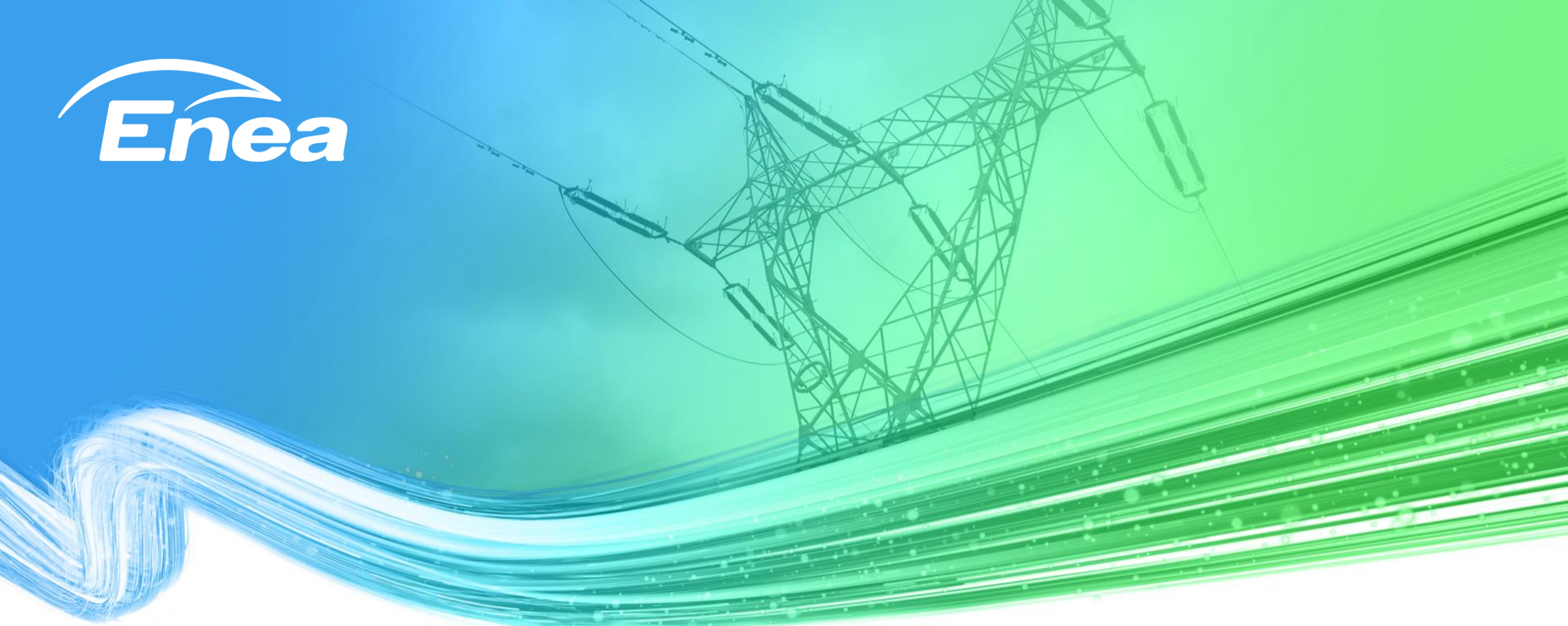


Generation



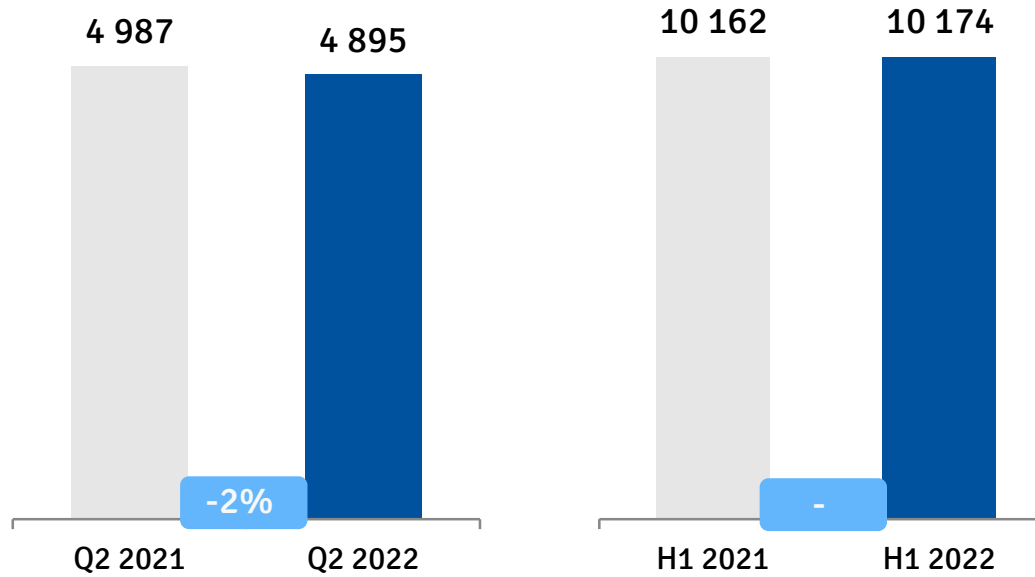
Key drivers

- (+) Higher energy production in conventional units
- (+) Stable level of RES production in H1 2022

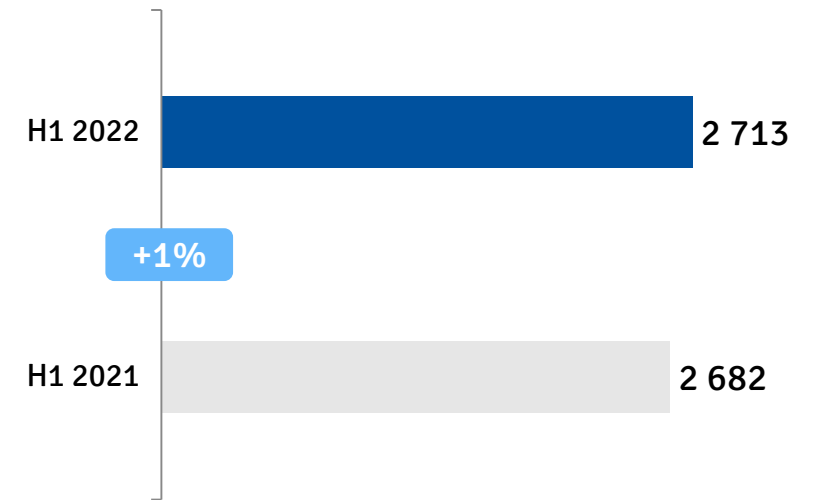


Distribution

Sales of distribution services to end users [GWh]



Number of customers [thousands]



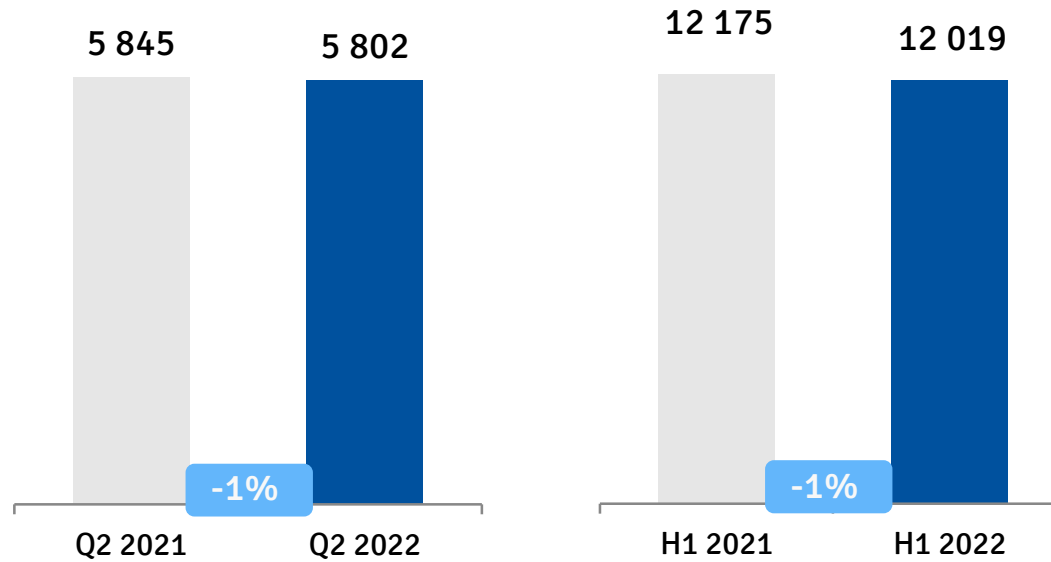
Key drivers

- (+) Increase in sales of distribution services to businesses by 1.7%
- (-) Decrease in sales in the household segment by 4.5%

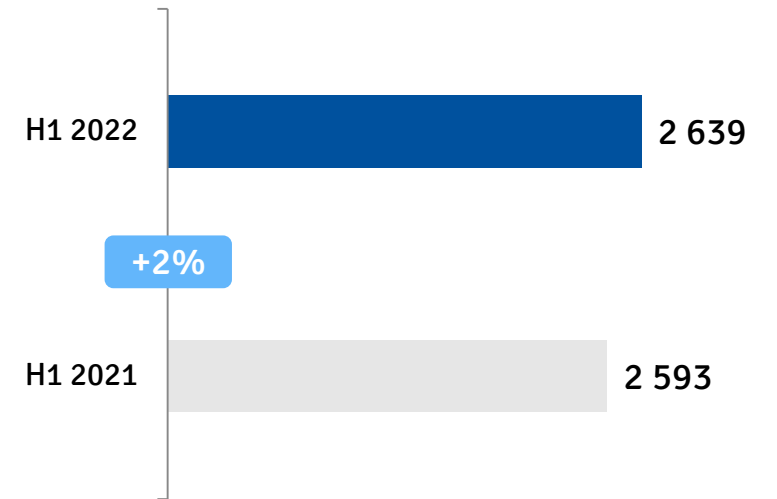


Trading

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



Number of customers [thousands]



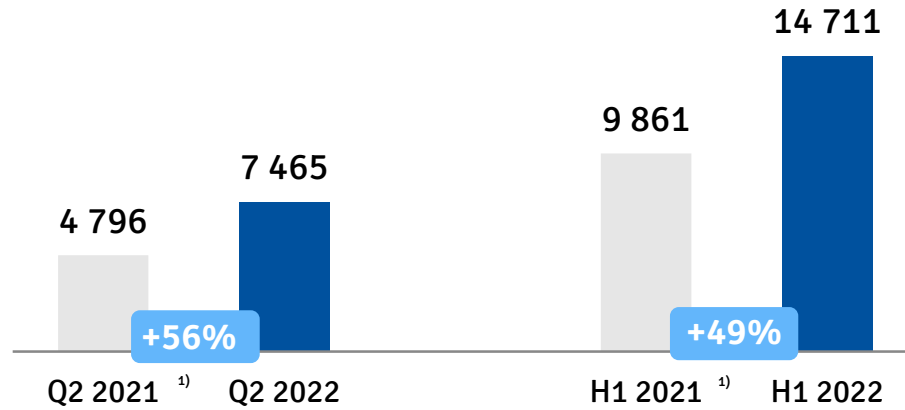
Key drivers

- (+) Sales volume of electricity in the business segment up by 4.3%
- (-) Sales volume of electricity in the household segment down by 6.0%

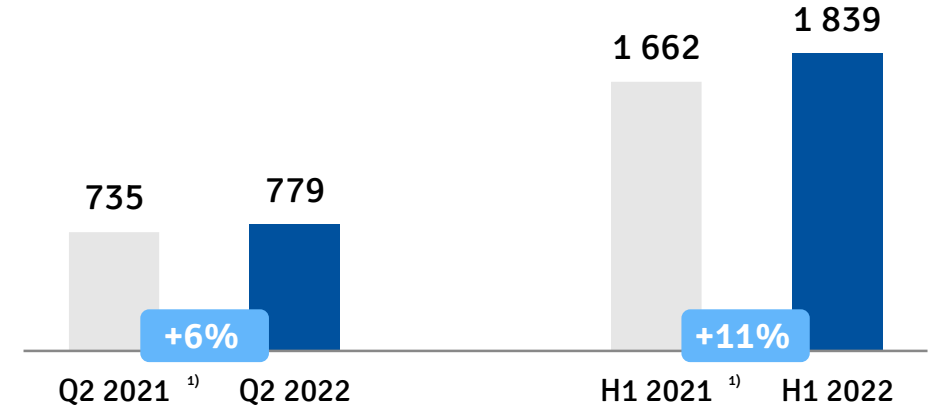


Financial results

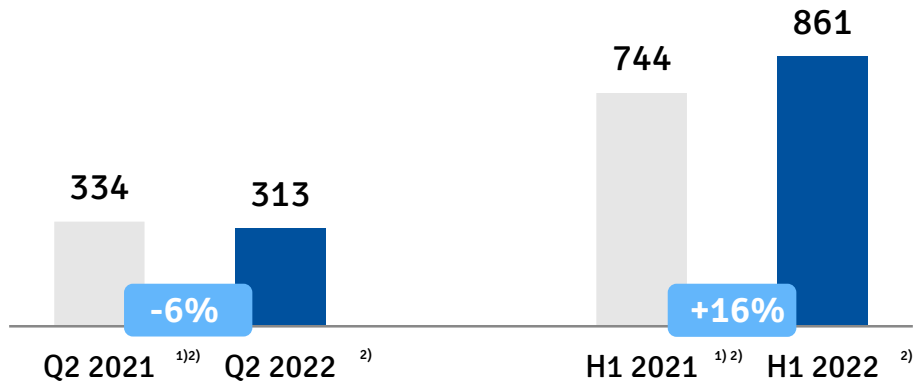
Revenue from sales and other income [PLN mln]



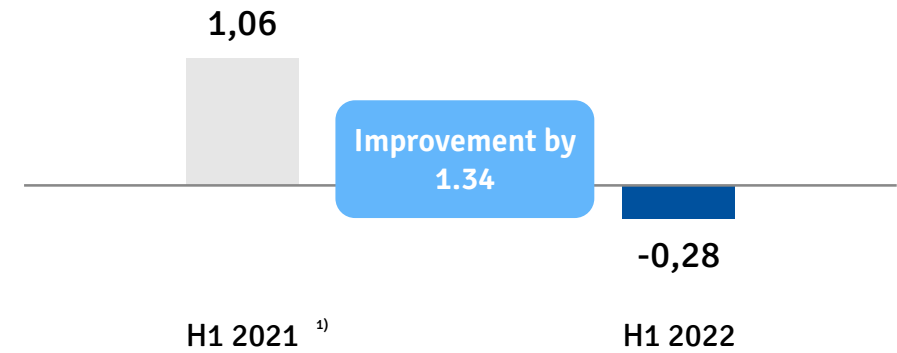
EBITDA [PLN mln]



Net profit / (loss) [PLN mln]



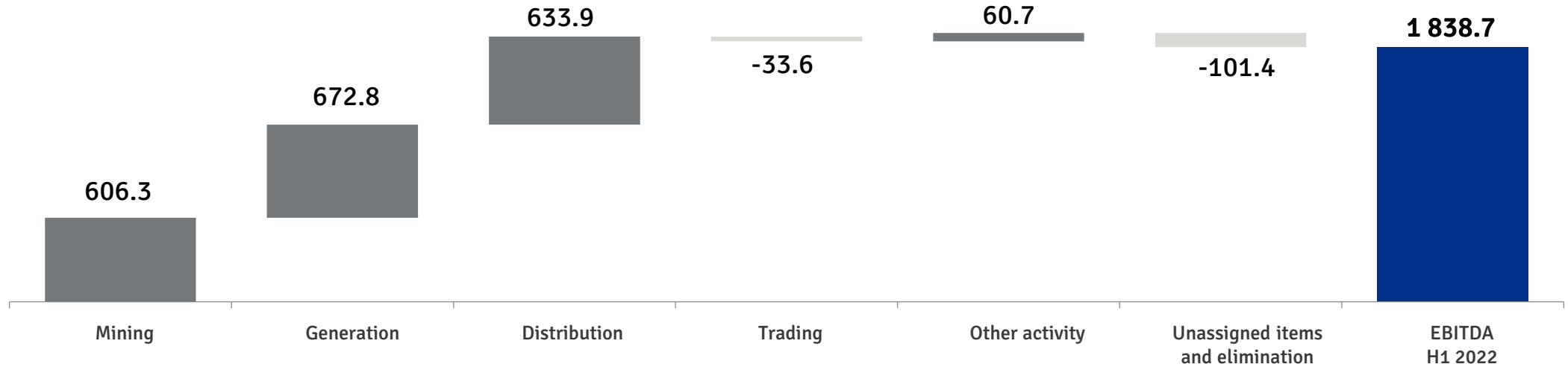
Net debt / EBITDA LTM



1) Presentation change in accordance with the condensed interim consolidated financial statements for 6 months of 2022

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

[PLN mln]



Mining

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

Mining cost of coal sold up by PLN 107 million

Generation

Result in the Heating Segment up by PLN 31 million

Margin on generation up by PLN 468 million [higher unit CDS, higher volume]

Revenue from the Capacity Market up by PLN 22 million and from Regulatory System Services up by PLN 10 million

Recognition of provisions related to onerous contracts of PLN 447 million

Trading and Balancing Market margin down by PLN 36 million

Distribution

Operating expenses up by PLN 32 million

Margin on licensed activity down by PLN 11 million

Result on other operating activities down by PLN 11 million

Trading

Average energy purchase price up

Cost of environmental obligations up

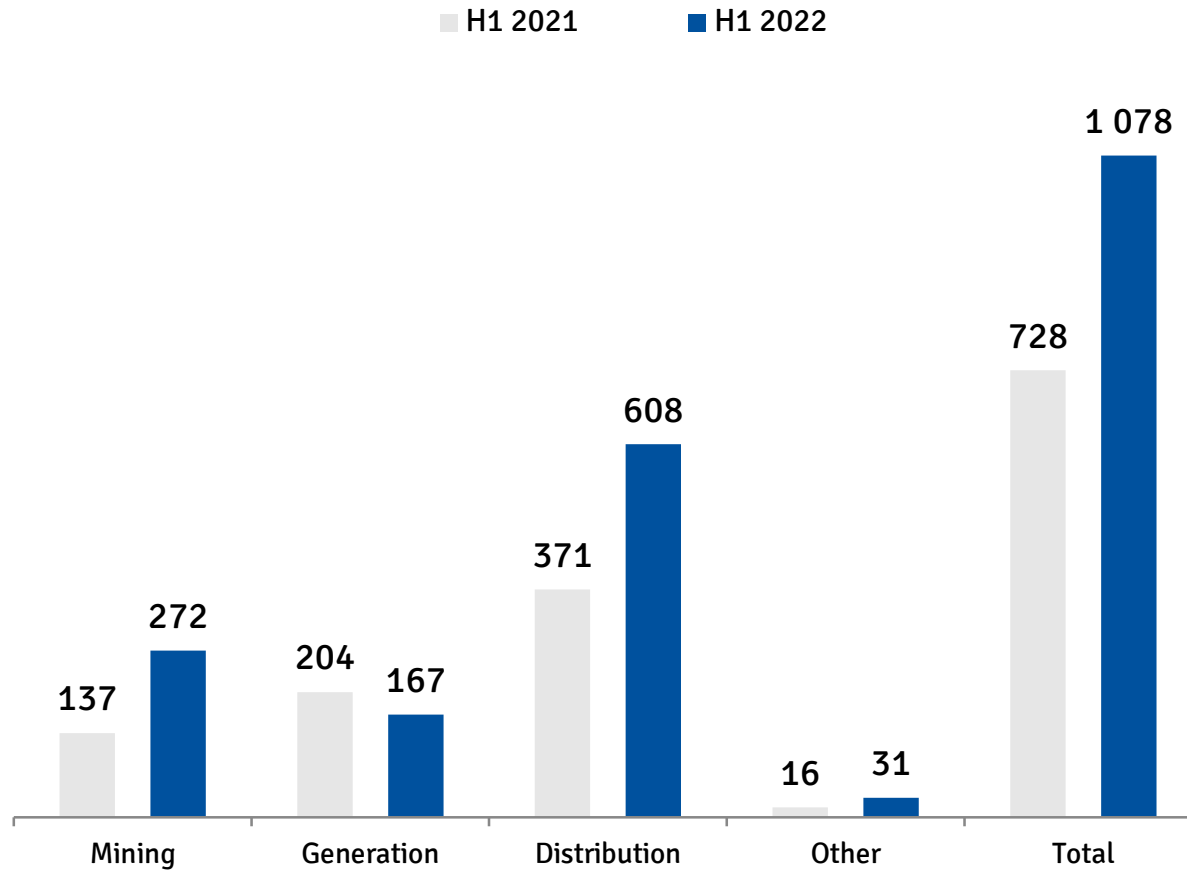
Cost of provisions related to onerous contracts up

Cost of provisions for claims under terminated RES property rights contracts up

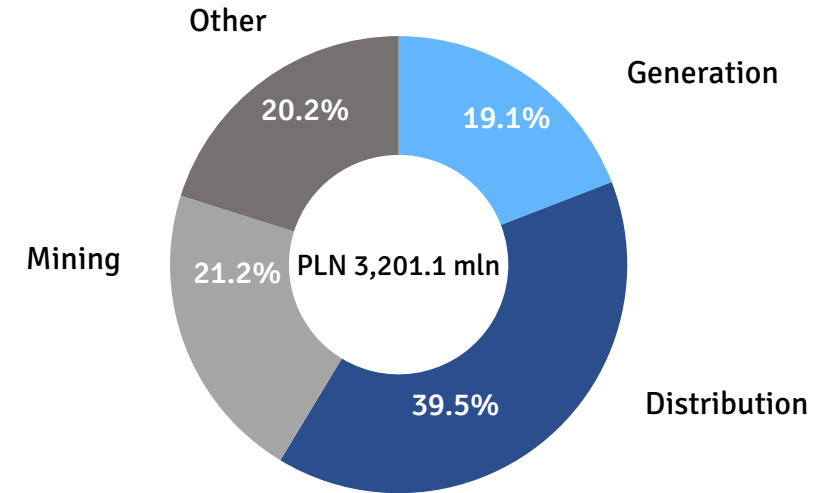
Average energy sales price up

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

CAPEX – capital expenditure [PLN mln]



Plan 2022





Attachments

Item	Q2 2021	Q2 2022	Change	H1 2021	H1 2022	Change
Net production [000s of tons]	2 335	2 761	18.2%	4 947	5 570	12.6%
Sales of coal [000s of tons]	2 206	2 520	14.2%	4 590	5 237	14.1%
Inventories (at th end of the period) [000s of tons]	479	354	-26.1%	479	354	-26.1%
Excavation works [km]	5.1	9.8	92.2%	10.4	18.4	76.9%

ENEA Group's operational data [GWh]	Q2 2021	Q2 2022	Change	H1 2021	H1 2022	Change
Total net electricity generation	5 980	6 809	13.9%	12 069	13 303	10.2%
<i>from conventional sources</i>	5 348	6 216	16.2%	10 916	12 152	11.3%
ENEA Wytwarzanie	4 094	4 444	8.5%	8 195	8 551	4.3%
MEC Piła	16	11	-31.2%	34	22	-35.3%
ENEA Elektrownia Połaniec	1 199	1 737	44.9%	2 547	3 476	36.5%
ENEA Ciepło	40	24	-40.0%	140	103	-26.4%
<i>From Renewable Energy Sources</i>	632	593	-6.2%	1 153	1 151	-0.2%
ENEA Nowa Energia	68	67	-1.5%	146	169	15.8%
ENEA Elektrownia Połaniec	517	472	-8.7%	913	871	-4.6%
ENEA Ciepło	47	54	14.9%	94	112	19.1%

Volume of distribution services

ENEA Group's sales data [GWh]	Q2 2021	Q2 2022	Change	H1 2021	H1 2022	Change
Sales of distribution services to end users	4 987	4 895	-1.8%	10 162	10 174	0.1%

Generation Area results

Generation, including:									
[PLN mln]	Power Plants			Heat			RES		
	H1 2021	H1 2022	change	H1 2021	H1 2022	change	H1 2021	H1 2022	change
Revenue from sales and other income	3 767	6 389	2 622	324	428	104	385	601	216
EBIT	259	269	10	61	92	31	135	92	(43)
EBITDA	408	434	26	89	121	32	158	118	(40)
CAPEX	173	154	(19)	27	9	(18)	4	5	1

Volume of Energy sales

ENEA Group's sales data [GWh]	Q2 2021	Q2 2022	change	H1 2021	H1 2022	change
Sales of electricity and gaseous fuel to retail customers	5 845	5 802	-0.7%	12 175	12 019	-1.3%

ENE A Group' financial data [PLN mln]	Q2 2021 ¹⁾	Q2 2022	Change	H1 2021 ¹⁾	H1 2022	Change
Revenue from sales and other income	4 796	7 465	56%	9 861	14 711	49%
EBITDA	735	779	6%	1 662	1 839	11%
EBIT	356	384	8%	909	1 064	17%
Net profit for the reporting period	334	313	-6%	744	861	16%
Net profit attributable to shareholders of the parent company	317	244	-23%	705	739	5%
Net debt / EBITDA LTM	1.06	-0.28	-1.34	1.06	-0.28	-1.34

¹⁾ Presentation change in accordance with the condensed interim consolidated financial statements for 6 months of 2022

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)
Baseload price (BASE)	Contract price for delivery of the same volume of electricity in each hour of the day
CAPEX	Capital expenditures on property, plant and equipment, intangible assets and right-to-use asset
CO₂	Carbon dioxide
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
EBIT	Operating profit (loss)
EBITDA	Operating profit (loss) + depreciation and amortization + impairment losses on non-financial non-current assets
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 on trading	Difference between revenue from sales and cost of electricity purchased in trading operations
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
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
RES (OZE)	Renewable energy sources
PMOZE	Property rights under certificates of origin for energy from renewable sources



Results of the **ENEA Group**

gielda@enea.pl

in H1 2022