

# Financial results of Energa Group for Q3 and 9 months of 2020





@EnergaSA

#Energa3Q20

5 November 2020

# Energa Group in Q3 and 9M 2020

Results impacted by the pandemic and one-off events

Financial data (PLN m)		Q3 2020	YoY change	9M 2020	YoY change
	Revenues	3,030	0%	9,175	+1%
	EBITDA	501	+4%	1,556	-11%
		516 <sup>1</sup>	+9%	1,632 <sup>1</sup>	-4%
Net profit	85	-17%	-682	<-100%	
	126 <sup>2</sup>	+34%	443 <sup>2</sup>	-19%	
Operational data		Q3 2020	YoY change	9M 2020	YoY change
	Production of electricity	0.8 TWh	-5% incl. RES +28%	2.2 TWh	-21% incl. RES +2%
	Distribution of electricity	5.4 TWh	+1%	16.1 TWh	-3%
	Retail sale of electricity	4.6 TWh	-5%	13.9 TWh	-5%

<sup>1</sup> Adjusted by one-offs

<sup>2</sup> Net profit before impairment losses, provision for claims regarding the Ostrołęka C Project, provision for deferred tax on exchange rate differences (ENERGA AB Finance) and share in the result in companies consolidated with the equity method

# Market conditions

## Decrease in domestic production and consumption of electricity

	Q3 2020	YoY change	9M 2020	YoY change
Hard coal prices <sup>1</sup> (PLN/GJ)	11.8	-2%	12.0	0%
Green certificates prices <sup>1</sup> (PLN/MWh)	135.8	+4%	136.3	+7%
Emission allowances prices <sup>1</sup> (EURO/t)	27.4	+2%	23.9	-4%
SPOT energy prices <sup>1</sup> (PLN/MWh)	231.5	-19%	196.3	-17%
Domestic production of electricity (TWh)	36.5	-4%	110.6	-7%
Domestic consumption of electricity (TWh)	40.2	-1%	120.9	-4%

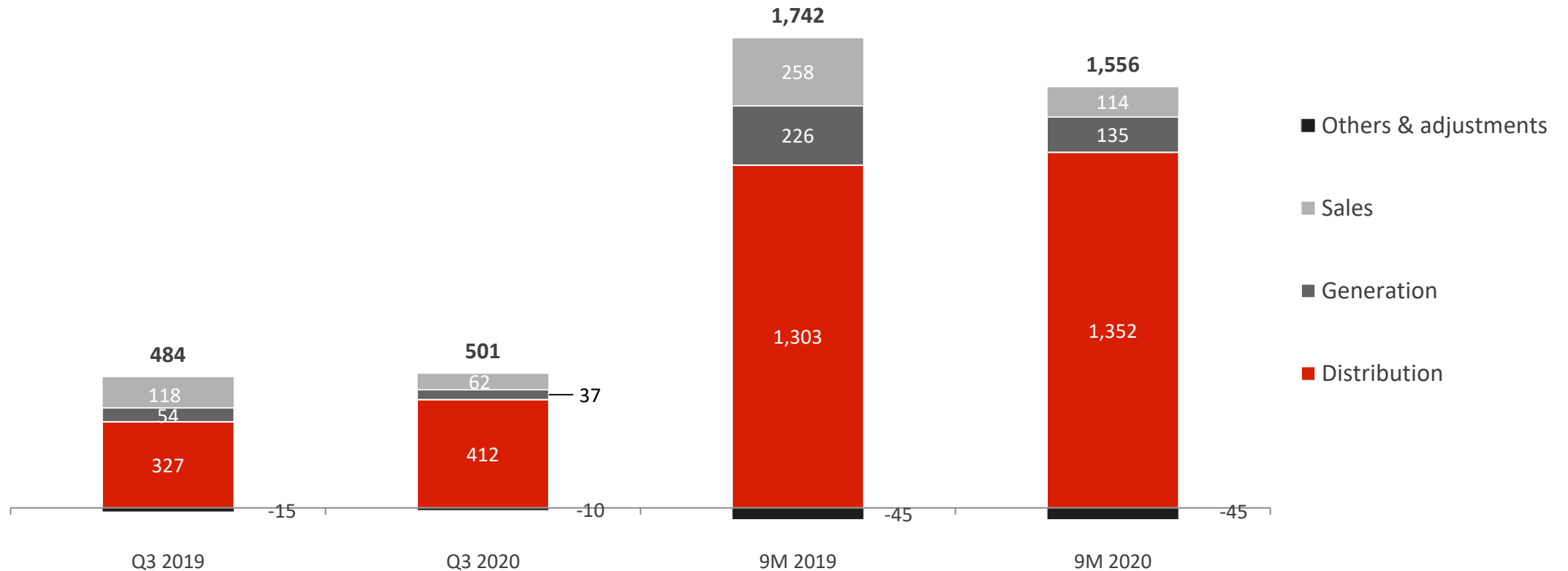
<sup>1</sup> Average prices in the period

Source of market data: Polski Rynek Węgla, Towarowa Giełda Energii (Polish Coal Market, Power Commodity Exchange)

# EBITDA structure of Energa Group

Leading share of the Distribution Business Line

EBITDA by Business Lines (PLN m)



# Capital expenditures

## 13% increase in Q3 2020 YoY

The Energa Group's total capital expenditures in Q3 2020 were PLN 374 m (PLN 332 m in Q3 2019).

Major investments in the Distribution Business Line in Q3 2020:

- PLN 138 m (PLN 377 m in 9M 2020) - grid development to facilitate connection of new customers
- PLN 15 m (PLN 56 m in 9M 2020) - grid expansion related to flows in the HV network and connection of electricity sources
- PLN 95 m (PLN 288 m in 9M 2020) - grid modernization to improve reliability of supply

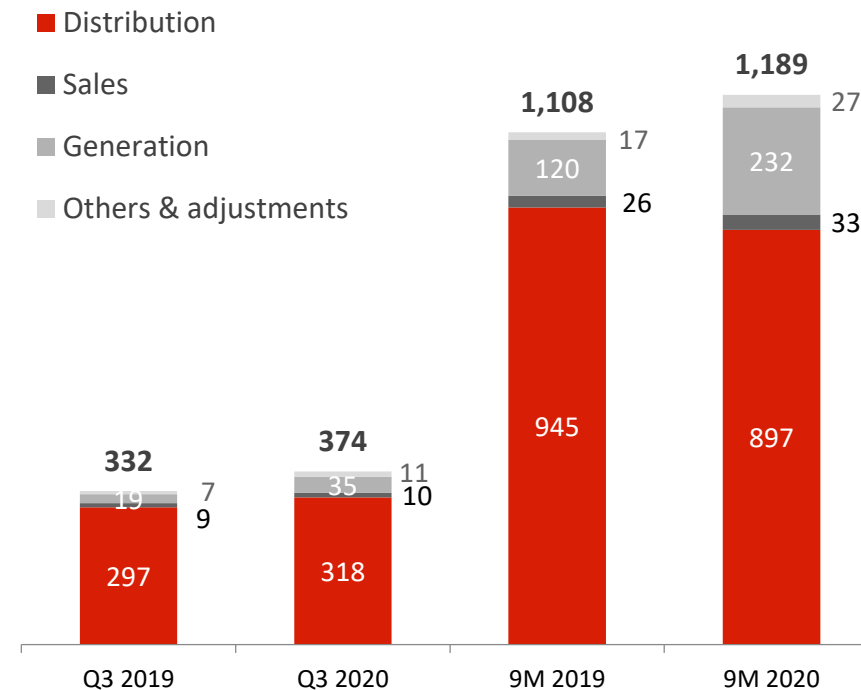
contributed to:

- 15 ths new customer connections (45 ths in 9M 2020)
- 801 km – built and modernized HV, MV and LV lines (2,219 km in 9M 2020)
- 212 MW – new RES connections to network (470 MW in 9M 2020)

Major investment in the Generation Business Line:

- PLN 123 m in 9M 2020 - construction of Przykona Wind Farm

PLN m



# Key investment projects 1/2

## Start-up of Przykona Wind Farm and new projects

Project	Work progress
<b>Construction of IOS II at the Ostrołęka B Power Plant</b>	Currently, site and commissioning works for the new installation are continued. The planned completion date of the investment is Q4 2020.
<b>Przykona Wind Farm</b>	On 10 June 2020, the wind farm was put into operation.
<b>Energy storage facility at the Bystra Wind Farm (NEDO)</b>	The second phase of tests of a hybrid electric energy storage has been completed (the largest facility of this type in Poland and one of the largest in the world). On 25 September 2020, the final acceptance of the work performed for the Bystra battery electricity storage was carried out.
<b>Gas-steam power plant - Grudziądz</b>	On 31 August 2020, the tender procedure was cancelled. Project implementation depends on the ownership decisions and the macroeconomic environment.
<b>Gas-steam power plant - Gdańsk</b>	On 2 November 2020, a letter of intent was signed with PKN ORLEN S.A. and LOTOS Group S.A. on the analysis of the possibility of implementing a joint investment.
<b>Smart Grid</b>	The purchase and installation of overhead load switches on MV lines, indoor switchgears with telecommunication sets and TETRA telecommunications modems are in progress.

As of 30 September 2020

# Key investment projects 2/2

## Start-up of Przykona Wind Farm and new projects

Project	Work progress
<b>Ostrołęka „C” Project</b>	Project under conversion of technology. The sponsors decided to continue the construction of the generating unit in Ostrołęka with the change in the fuel source from coal to gas.
<b>Investment program in CHP area (Elbląg and Kalisz)</b>	Conducting investment activities within the CHP segment, as a result of which the generating units will be modernized, and coal sources will be converted to gas.
<b>Gryf Photovoltaic Farm</b>	Receipt of the final offer for construction under the tender. Applying to the Energy Regulatory Office for pre-qualification for the 2020 RES auction. Performing a profitability analysis related to determining the auction price strategy.
<b>Mitra Photovoltaic Farm</b>	Approval of the local plan for 40 MW. Works on another 60 MW are in progress. The 110kV line is being routed. An application has been submitted for issuing conditions for connection to GPZ Żuki.
<b>Wielbark Photovoltaic Farm (acquisition)</b>	Signing of a preliminary agreement between Energa OZE and PV Wielbark sp. z.o.o. on the purchase of assets. Developing commercial connection conditions for the installation. Defining the initial auction price strategy.

As of 30 September 2020

# Distribution

## Business Line

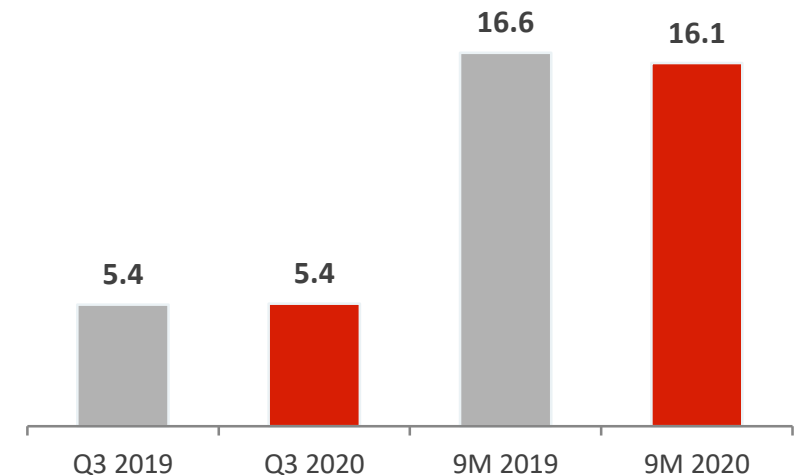


# Distribution Business Line: key business and operational data

## Distribution of electricity in Q3 2020 at a stable level YoY

- Improvement of SAIDI and SAIFI indices YoY, both on quarterly and yearly basis.
- Investments in 9M 2020 accounted for PLN 897 m (incl. PLN 318 m in Q3 2020). Main projects completed in Q3 2020:
  - Construction of a new, indoor 110/15 kV station "Olsztyn Centrum" with connections to the HV and MV grid (length of the HV cable line 2.6 km) - PLN 29.7 million,
  - Reconstruction to increase the current carrying capacity of the 110 kV Raciąż-Niechodzin line (PLN 8.6 m) and the 110 kV Dunowo - Ustronie Morskie line (PLN 2.3 m),
  - Construction of a connection for Franki Traction Substation - PLN 2.9 m,
  - Construction of the 2-track power line for GPZ Kutno Kotliska, connected to the 110 kV line Kutno - Żychlin, in overhead-cable technology with a total length of approx. 5 km (converted into 1 track).
- Replacement of 199.8 km of MV overhead lines with cable lines and insulated conductors, 16 HV/MV transformers and construction of 70.7 km of new MV grid connections during three quarters of 2020.
- Launching in Q3 2020 an application for electronic management of meter replacement (93% of orders were completed using the application, i.e. 197 ths orders).
- Conclusion of an agreement and start of works under an international project, co-financed by the Horizon 2020 program, aimed at developing and testing flexibility services provided for DSOs and TSOs on the European energy market.

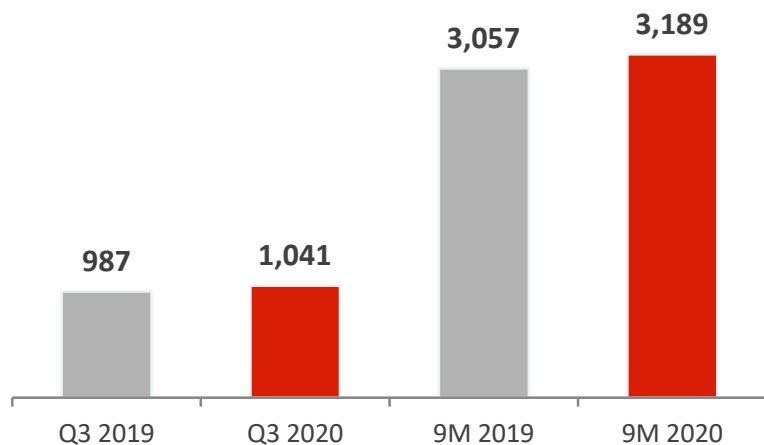
### Distribution of electricity (TWh)



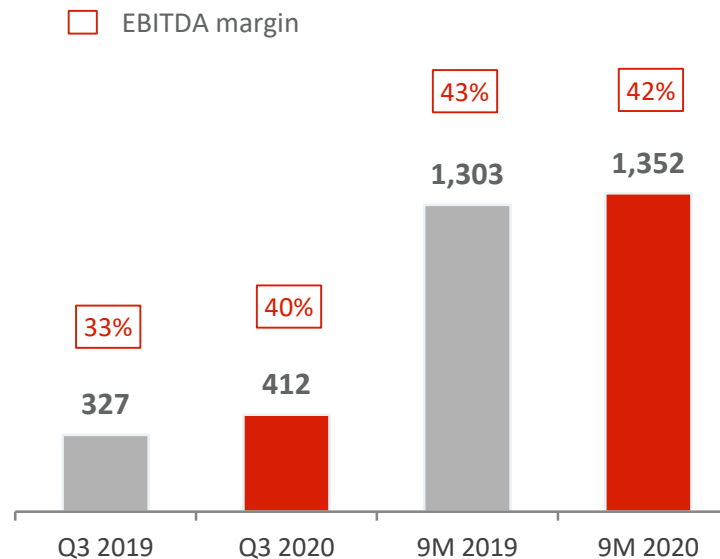
# Results of the Distribution Business Line

Significant increase in EBITDA in Q3 2020 YoY

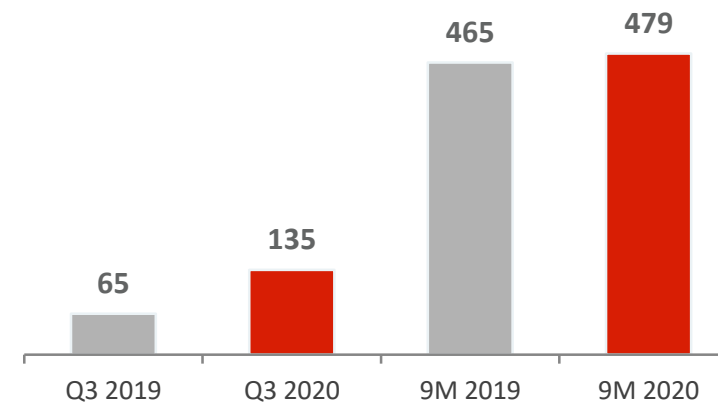
Revenues (PLN m)



EBITDA (PLN mln)



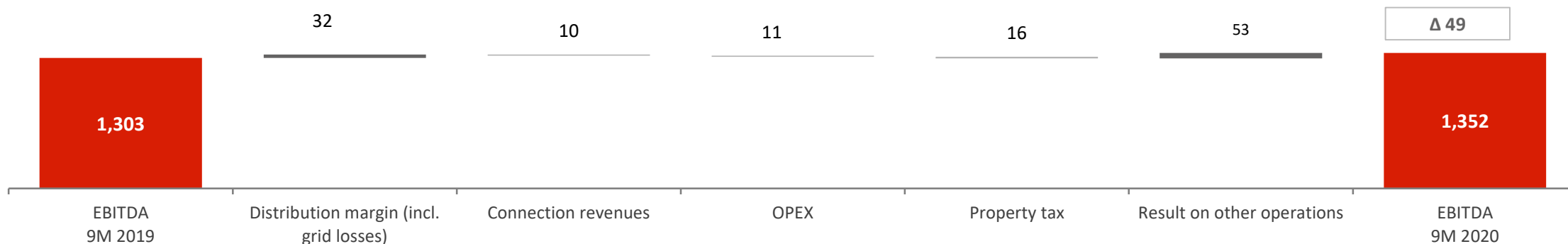
Net profit (PLN m)



# EBITDA of the Distribution Business Line

YoY increase both quarterly and cumulatively

## EBITDA Bridge of the Distribution Business Line in 9M 2020 (PLN m)



## EBITDA Bridge of the Distribution Business Line in Q3 2020 (PLN m)

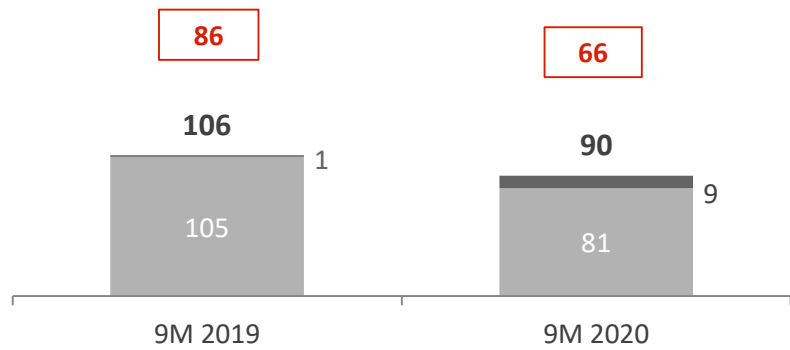
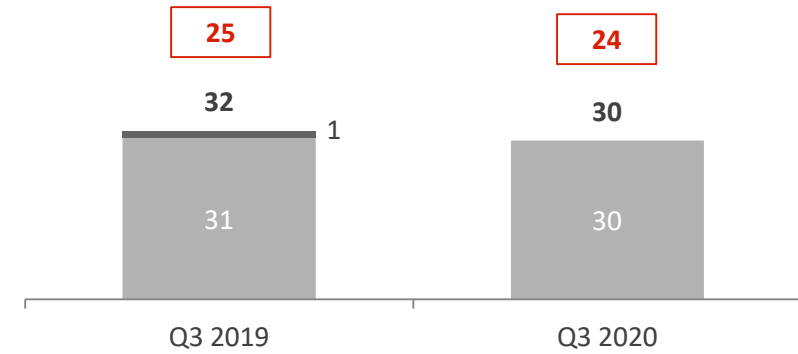


- The results positively impacted by change in recognition of the infrastructure received free of charge (previously accounted for through deferred income) in connection with adoption of an accounting policy consistent with that of ORLEN Group.
- Higher distribution margin, both in Q3 and 9M, is the result of the higher average selling price of the distribution service, in Q3 2020 this effect was strengthened by a higher volume YoY. In cumulative terms the valuation of estimated non-billed grid losses adversely affected the EBITDA.
- OPEX in Q3 2020 was lower YoY, mainly in the area of impairment losses on receivables, taxes and fees (an effect of IFRS 16). The decrease in the valuation of actuarial reserves also had a positive impact on costs.

# Reliability indices

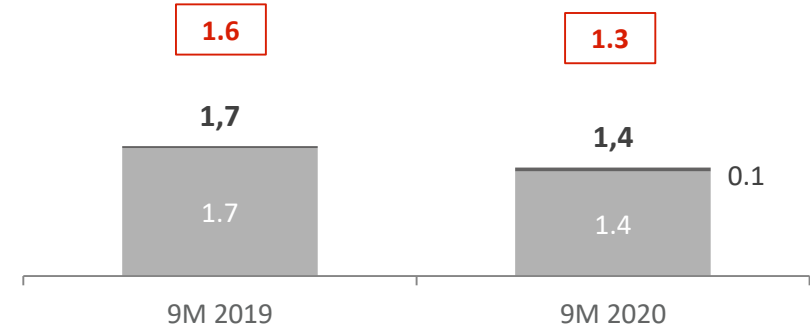
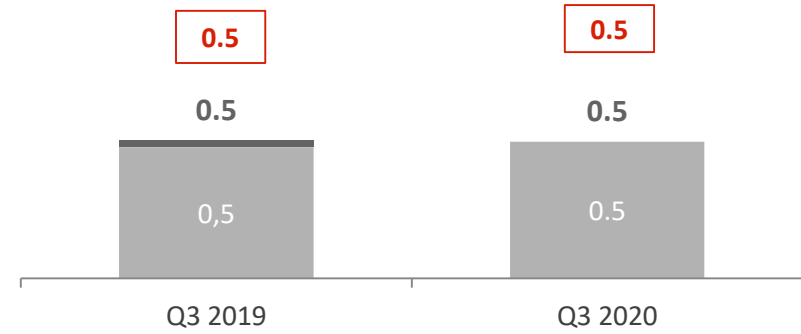
## Improvement of SAIDI and SAIFI

### SAIDI (minutes per customer)



SAIDI/SAIFI without mass interruptions (HV and MV)

### SAIFI (interruptions per customer)



without mass interruptions    mass interruptions

# Sales

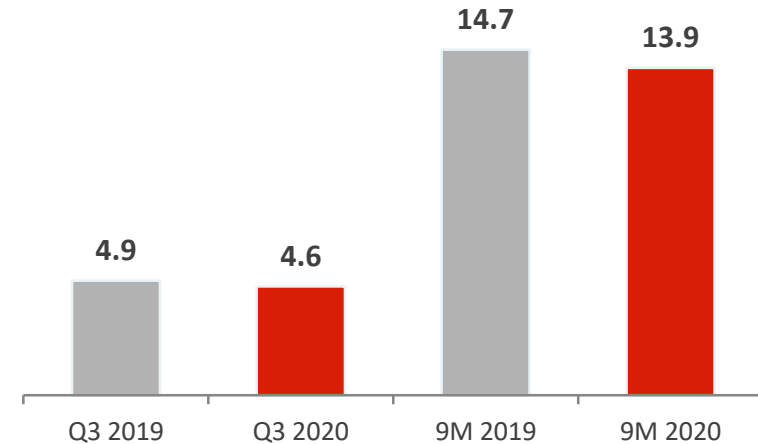
## Business Line

# Sales Business Line: key business and operational data

## Increase in the number of PPEs YoY

- Increase of PPEs in online sales by 318 % YoY (Q3 2019 – 3,800 PPEs vs. Q3 2020 – 15,890 PPEs)
- Development of the Indexed Offers Platform (POI)
- Implementation of a new product portfolio for Individual Customers and return to sales of the mass offer for gas
- Building an educational PV installation in the Pomeranian Chamber of Agriculture
- Start of construction of the first photovoltaic plant for customers with capacity exceeding 1MWp
- Exceeding 2.5 MWp of the installed capacity of PV micro-installations at Business Customers

## Retail sales of electricity (TWh)



# Results of the Sales Business Line

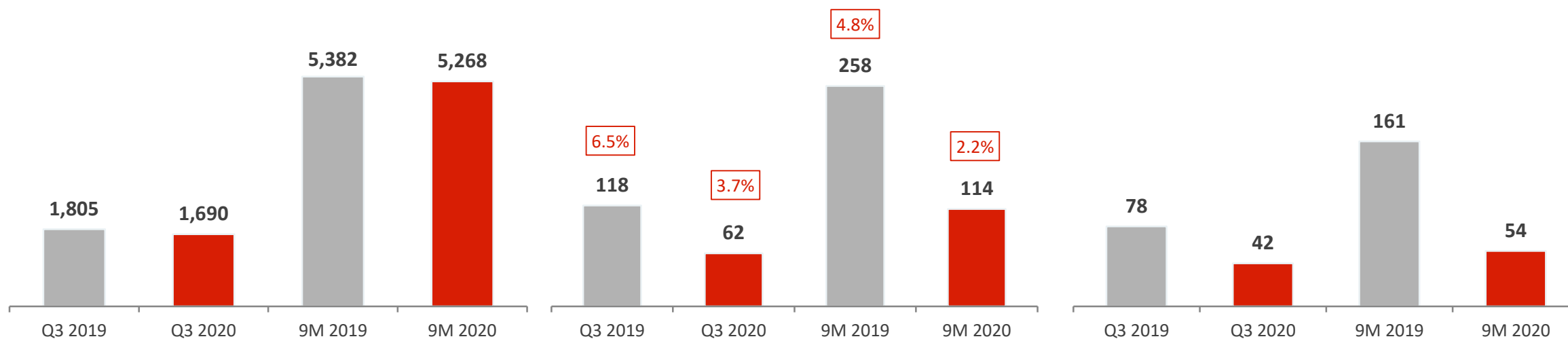
Results under pressure from the pandemic and unfavorable G tariff

## Revenues (PLN m)

## EBITDA (PLN m)

## Net profit (PLN m)

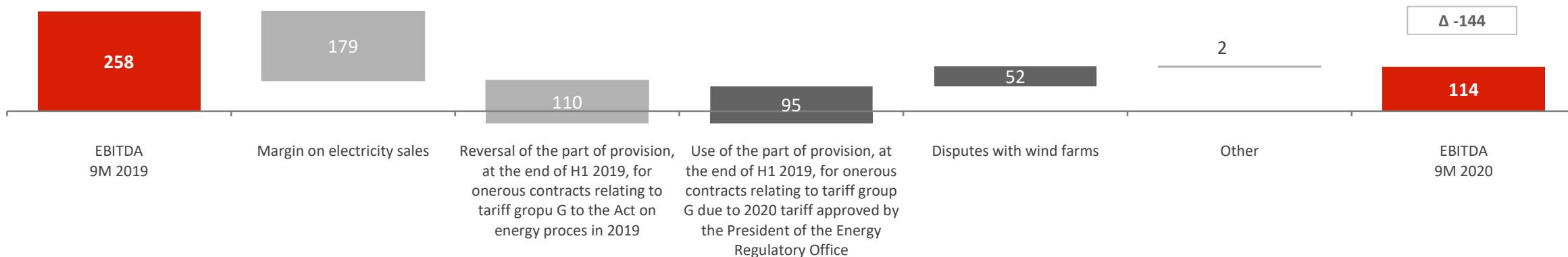
EBITDA margin



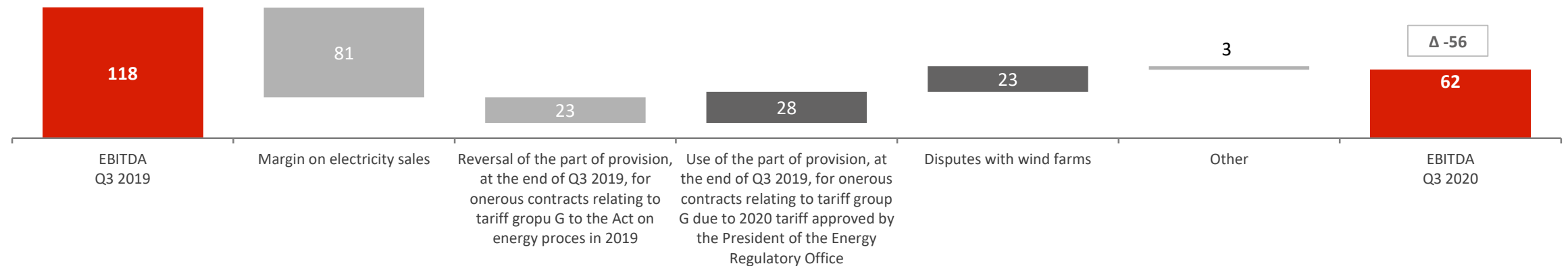
# EBITDA of the Sales Business Line

## Unfavorable impact of the pandemic and G tariff

### EBITDA Bridge of the Sales Business Line in 9M 2020 (PLN m)



### EBITDA Bridge of the Sales Business Line in Q3 2020 (PLN m)



- Sale of energy to some households at unfavorable prices resulting from the tariff of the President of the Energy Regulatory Office.
- Lower margins in business clients segment.
- The need to sell off with the loss of excess energy due to lower energy consumption by customers (effect of the COVID-19 pandemic).



# Generation

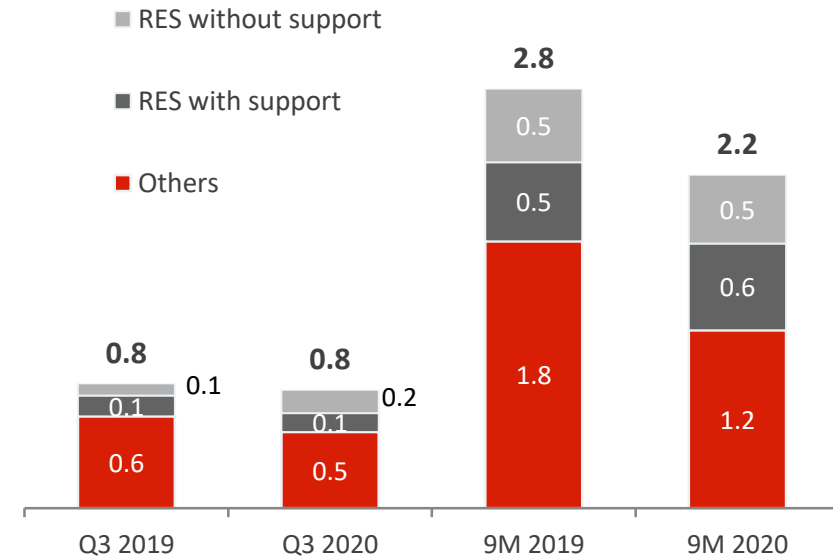
## Business Line

# Generation Business Line: key business and operational data

## Focus on investments in RES

- PV Gryf - obtaining the construction permit for power output. The ongoing tender procedure for the selection of the General Contractor and preparation for participation in the 2020 RES auction.
- For the Offshore Wind Farm project - winning the PSZW deciding procedure for location 14E. Start of cooperation with Lotos Petrobaltic SA in the field of O&M (LOI and NDA signed). Submission of an application for the PSZW for area 14E (No. 77 and 78).
- Realisation, in cooperation with the Japan side, of the second phase of tests of a hybrid electric energy storage Bystra. On 25 September 2020, the final acceptance of the work was carried out.
- Preliminary agreement for the purchase of assets of photovoltaic installations with a capacity of approximately 62 MW (PV Wielbark).
- Tender procedure for the selection of the General Contractor of 5 PV installations (5 installations with a capacity of up to 1 MWp each, with a total capacity of 4.2 MWp) and preparation for participation of these installations in RES auctions in 2020.
- Submission of an application to the National Center for Research and Development (NCBiR) for an innovative system for increasing the productivity of photovoltaic installations.

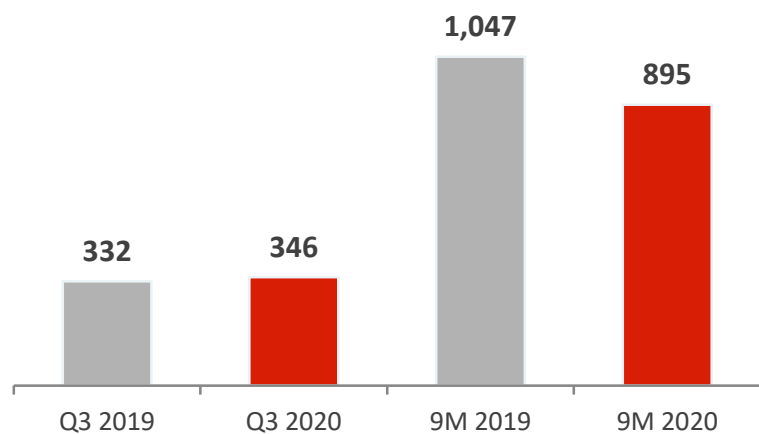
### Gross production of electricity (TWh)



# Results of the Generation Business Line

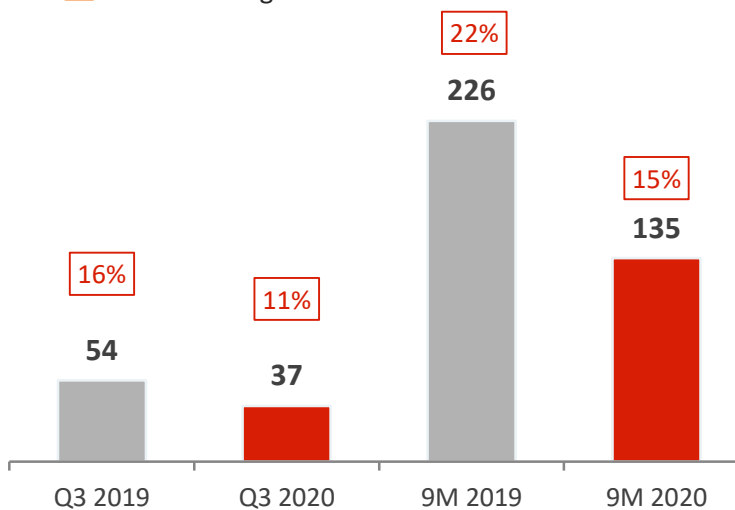
Net result for 9M impacted by one-off events

### Revenues (PLN m)

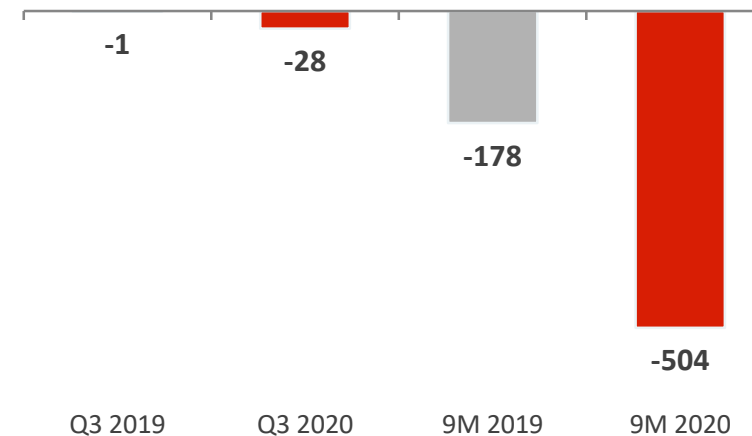


### EBITDA (PLN m)

EBITDA margin



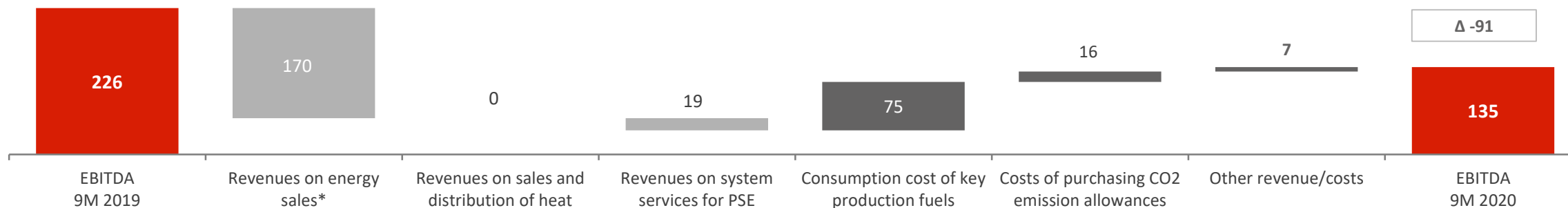
### Net profit (PLN m)



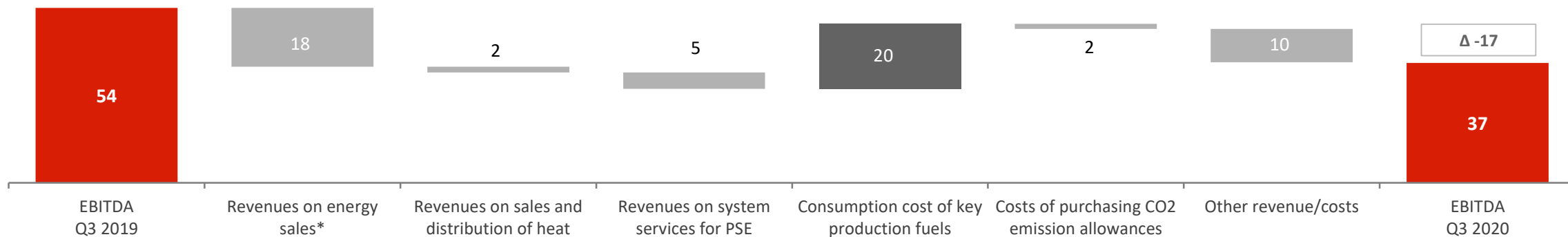
# EBITDA of the Generation Business Line

## impacted by lower results of conventional energy

### EBITDA Bridge of the Generation Business Line in 9M 2020 (PLN m)



### EBITDA Bridge of the Generation Business Line in Q3 2020 (PLN m)



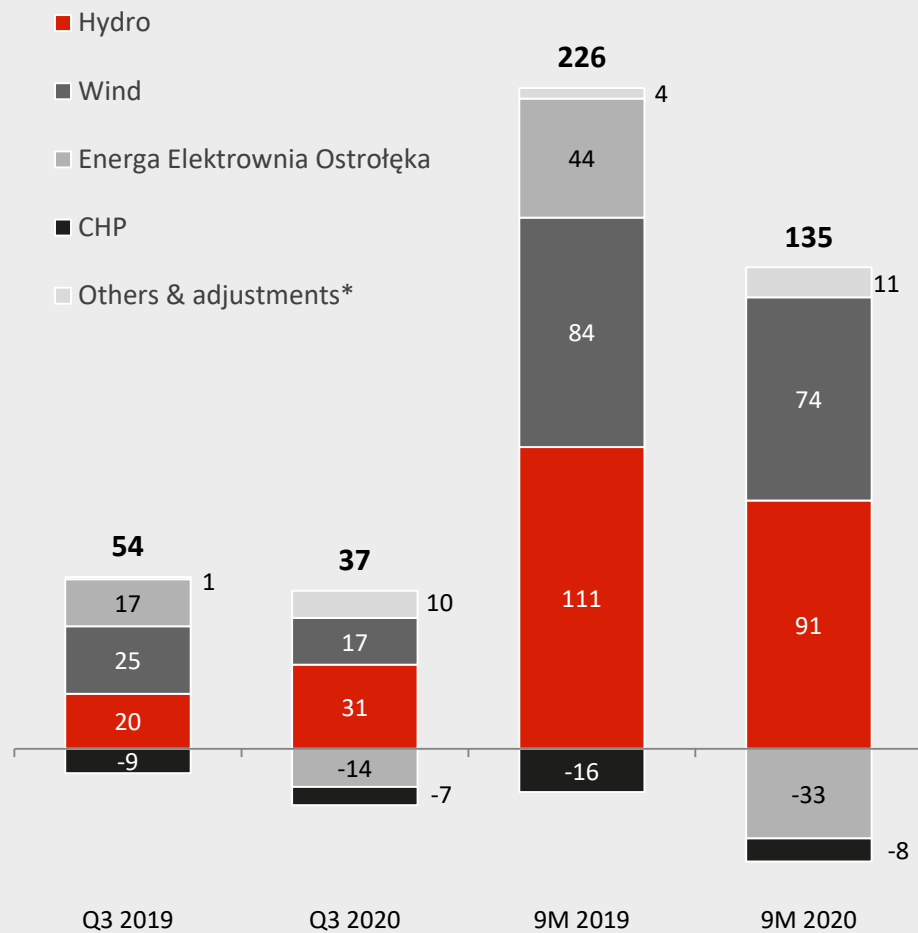
\*includes net electricity trading (revenue less cost)

- Lower volume of energy production is the main driver of lower sales revenues.
- Decline in fuel costs and emission allowances due to lower production volumes.

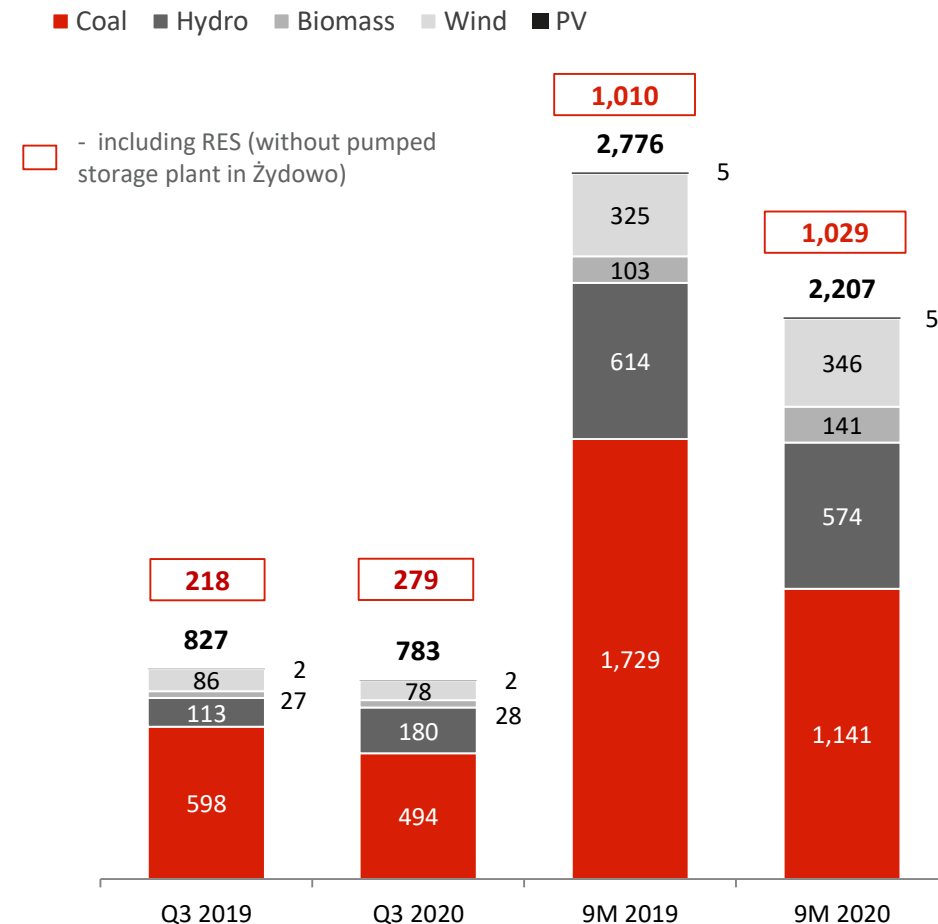
# Production by main types of sources

## Significant reduction in production of conventional energy

EBITDA of the Generation Business Line by Division (PLN m)



Gross electricity production by fuel (GWh)



\* The "Other & adjustments" category comprises a company providing services to the Generation Business Line and elimination of mutual transactions between generation divisions

# Outlook

# Factors affecting the Energa Group's performance within at least 2020

Expenditures incurred on the grid so as to meet quality regulation requirements in the Distribution Business Line

Energy prices on the futures, SPOT and balancing markets

Developments in CO<sub>2</sub> emission allowance prices

Effects of ended litigations and new agreements signed for the purchase of property rights

Transmission easement fees

Effectiveness of the implementation of sales plans during the pandemic and in the competitive conditions on the market of electricity suppliers

Must-run production level at the Ostrołęka B Power Plant

Meteorological and hydrological conditions

Value of support in the form of Operating Reserve

Implementation of the household tariff for 2020 approved by the President of the Energy Regulatory Office, which does not transfer all of the Company's costs

Impact of the pandemic of COVID-19 on 2020 (decrease in volumes, revenues and deterioration of the receivables portfolio)

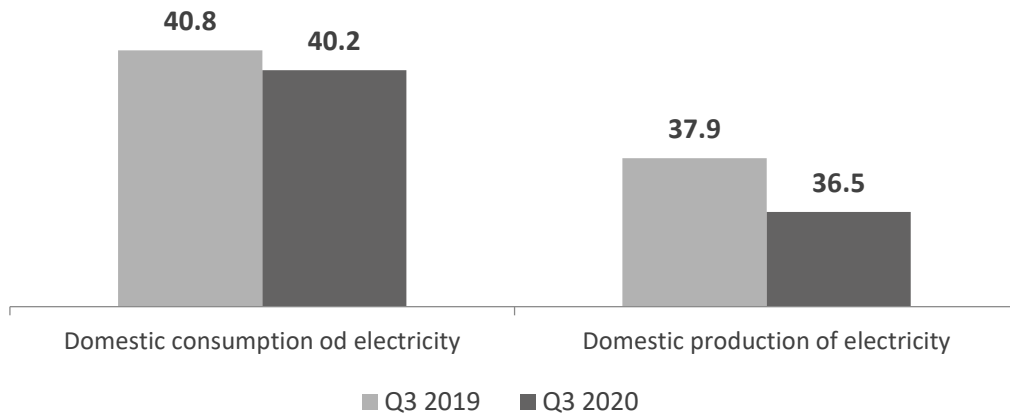
Synergies resulting from integration with PKN ORLEN Group

## Additional information

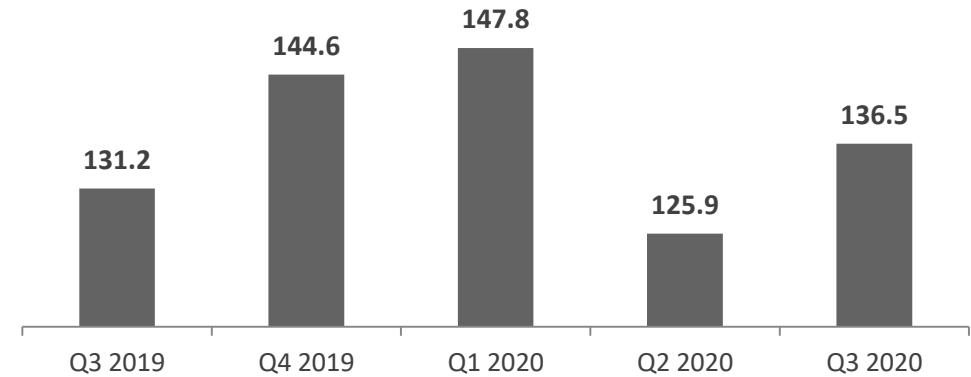


# Market data

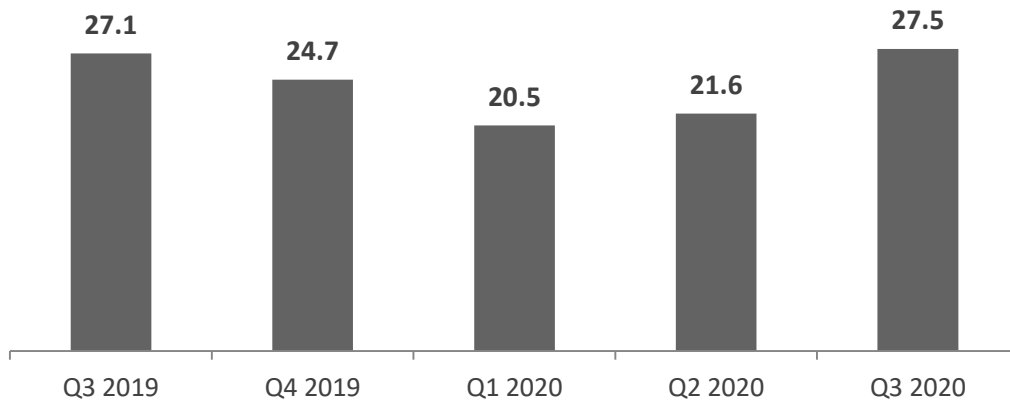
## Domestic consumption and production of electricity (TWh)



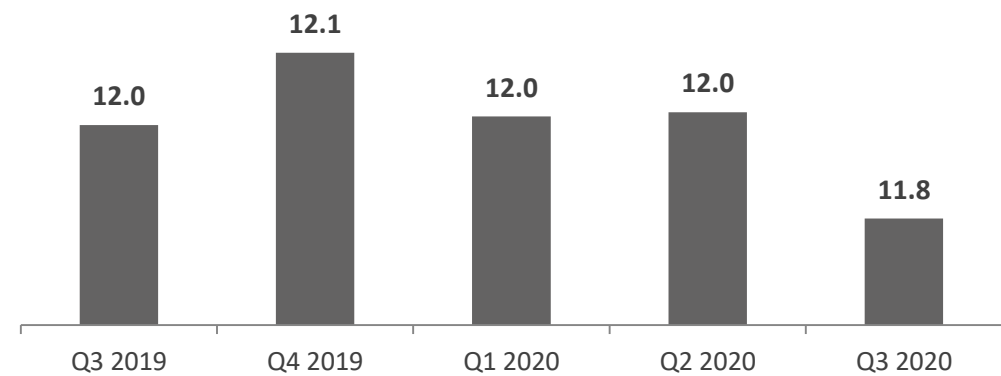
## Green certificates prices (PMOZE\_A PLN/MWh)



## Prices of emission allowances (EUR/ton)

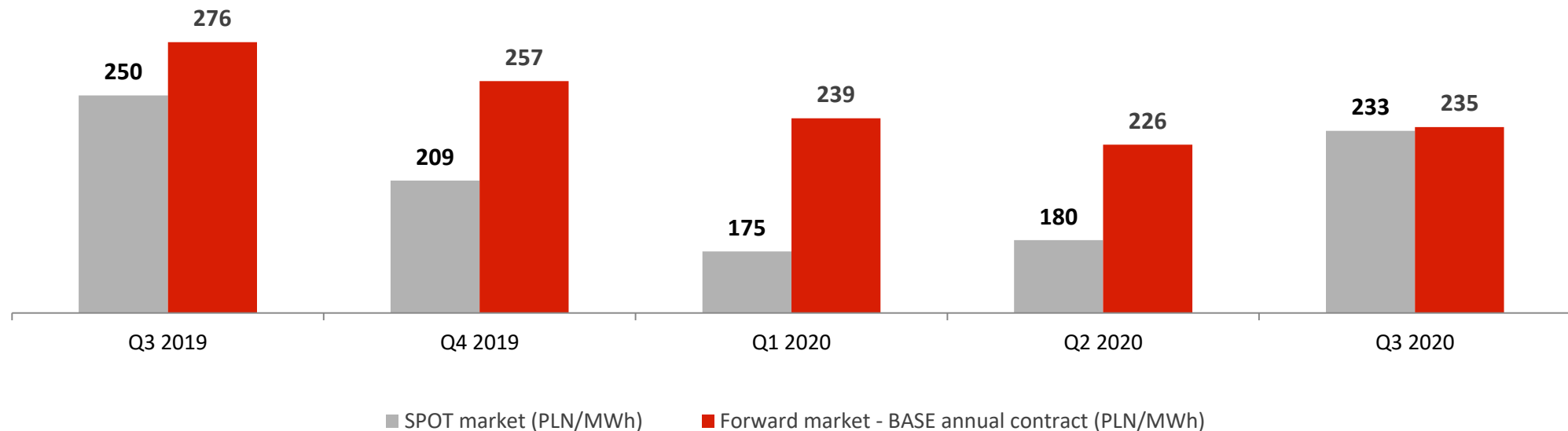


## Coal sales prices (PSCMI PLN/GJ)









# Energy prices

## Prices of energy in the SPOT and forward market







Stabilization of emission allowance prices, as well as an increase of demand for electricity resulting from the return to economic activity after lockdown contributed to the increase in electricity prices on the futures market and SPOT in Q3 2020.

## Key investment projects – work progress (1/2)

Project	Capacity (MW)	Project CAPEX (PLN m)	CAPEX expenditures (PLN m)	Work progress (%)	Planned completion
Construction of IOS II at the Ostrołęka B Power Plant		216	189		2020
Przykona Wind Farm	31.05	155	152.5		2020
Energy storage facility at the Bystra Wind Farm	6	12	10.9		2020
Gas-steam power plant – Grudziądz	600	1,670	48.8		-
Gas-steam power plant - Gdańsk	~456	1,352	27.8		2025-2026
Smart Grid		212	76		2022

As at 30 September 2020

## Key investment projects – work progress (2/2)

Project	Capacity (MW)	Project CAPEX (PLN m)	CAPEX expenditures (PLN m)	Work progress (%)	Planned completion
<b>Ostrołęka C Project</b>				Project under conversion	
Investment program in CHP area	50 MWe	340.8	14.3		2025
Gryf Photovoltaic Farm	19.8	49.4	2.1		2021
Mitra Photovoltaic Farm	100	251.8	0.14		2023
Wielbark Photovoltaic Farm (acquisition)	62	202	0.01		2022

Według stanu na 30 września 2020 r.

# Energa Group's key assets

## Distribution

- 191 ths km of power lines
- 16.1 TWh – electricity delivered in 9M 2020, including 5.4 TWh in Q3 2020
- Geographical coverage of 75 ths km<sup>2</sup>

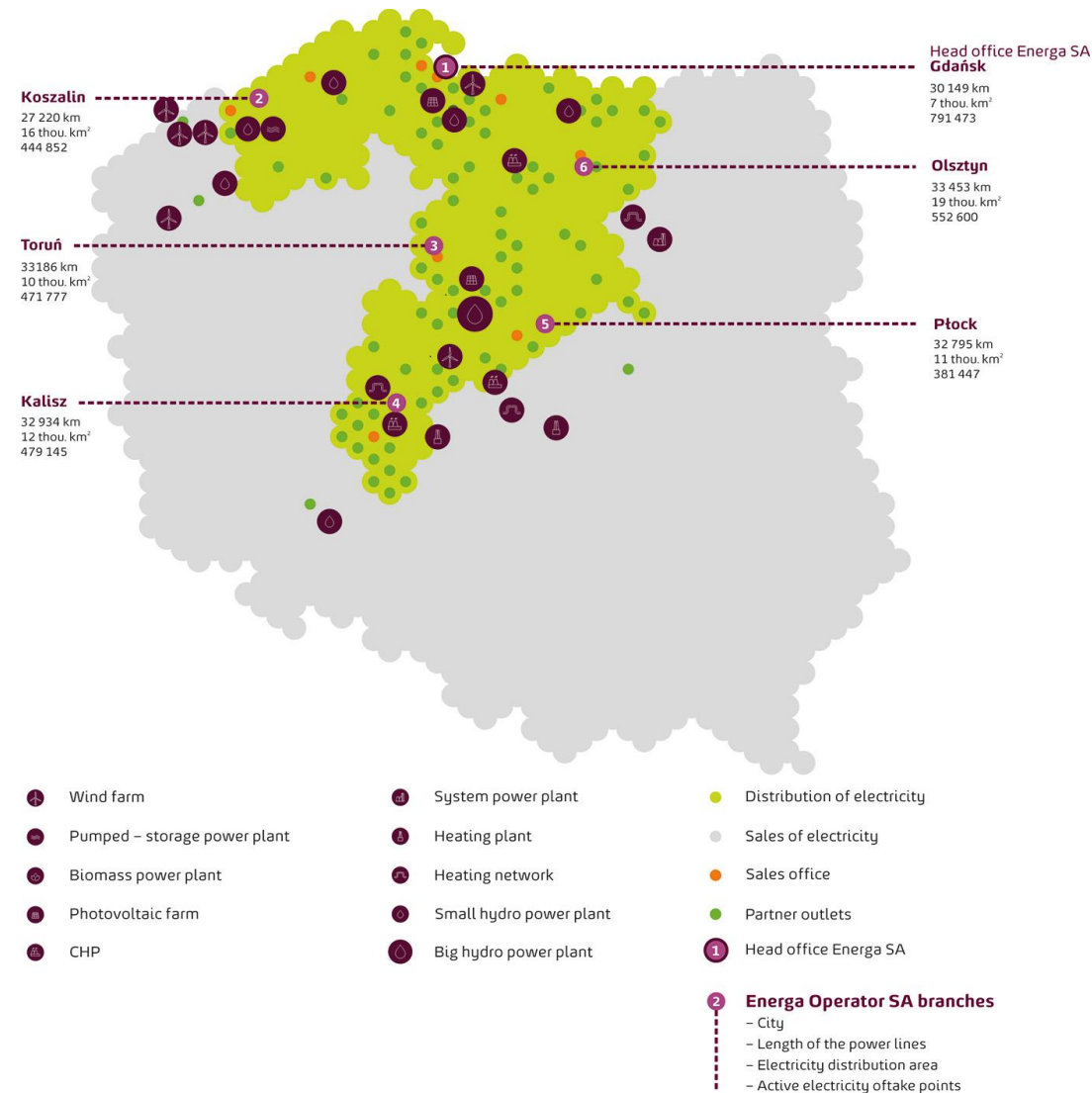
## Generation\*

- Hydro power plants
  - Włocławek (162 MW)
  - Smaller generation entities (40 MW)
  - Pumped storage plant in Żydowo (157 MW)
- 6 wind farms (total capacity of 242 MW, including Karścino – 90 MW)
- PV farm near Gdańsk (1.6 MWe) and in Czernikowo near Toruń (3.8 MWe)
- System power plant in Ostrołęka B (690 MWe, 220 MWt)
- Other CHP plants (82 MWe, 262 MWt)

## Sales

- 3.11 million of customers
- 13.9 TWh – retail sale in 9M 2020 (incl. 4.6 TWh in Q3 2020)

\*generating capacity



# Summary of Q3 2020

PLN m	Distribution			Sales			Generation		
	Q3 2019	Q3 2020	Change (%)	Q3 2019	Q3 2020	Change (%)	Q3 2019	Q3 2020	Change (%)
Revenues	987	1 041	5%	1 805	1 690	-6%	332	346	4%
<b>EBITDA</b>	<b>327</b>	<b>412</b>	<b>26%</b>	<b>118</b>	<b>62</b>	<b>-47%</b>	<b>54</b>	<b>37</b>	<b>-31%</b>
<i>EBITDA margin</i>	<i>33.1%</i>	<i>39.6%</i>	<i>Δ 6.4 pp.</i>	<i>6.5%</i>	<i>3.7%</i>	<i>Δ -2.9 pp.</i>	<i>16.3%</i>	<i>10.7%</i>	<i>Δ -5.6 pp.</i>
EBIT	123	202	64%	105	51	-51%	14	-2	<-100%
<b>Net profit/loss</b>	<b>65</b>	<b>135</b>	<b>&gt;100%</b>	<b>78</b>	<b>42</b>	<b>-46%</b>	<b>-1</b>	<b>-28</b>	<b>&lt;-100%</b>
<i>Net profit/loss margin</i>	<i>6.6%</i>	<i>13.0%</i>	<i>Δ 6.4 pp.</i>	<i>4.3%</i>	<i>2.5%</i>	<i>Δ -1.8 pp.</i>	<i>-0.3%</i>	<i>-8.1%</i>	<i>Δ -7.8 pp.</i>
CAPEX	297	318	7%	9	10	11%	19	35	84%

PLN m	Generation Business Line, including:											
	Hydro			Wind			Energa Elektrownia Ostrołęka			CHP		
	Q3 2019	Q3 2020	Change (%)	Q3 2019	Q3 2020	Change (%)	Q3 2019	Q3 2020	Change (%)	Q3 2019	Q3 2020	Change (%)
Revenues	41	54	32%	32	26	-21%	225	237	5%	28	25	-11%
<b>EBITDA</b>	<b>20</b>	<b>31</b>	<b>52%</b>	<b>25</b>	<b>17</b>	<b>-31%</b>	<b>17</b>	<b>-14</b>	<b>&lt;-100%</b>	<b>-9</b>	<b>-7</b>	<b>25%</b>
<i>EBITDA margin</i>	<i>48.8%</i>	<i>57.4%</i>	<i>Δ 8.6 pp.</i>	<i>78.1%</i>	<i>65.4%</i>	<i>Δ -12.7 pp.</i>	<i>7.6%</i>	<i>-5.9%</i>	<i>Δ -13.5 pp.</i>	<i>-32.1%</i>	<i>-28.0%</i>	<i>Δ 4.1 pp.</i>
EBIT	12	22	86%	11	1	-94%	7	-16	<-100%	-17	-21	-22%
CAPEX	8	3	-59%	1	-1	<-100%	1	12	>100%	4	9	>100%

# Summary of 9M 2020

PLN m	Distribution			Sales			Generation		
	9M 2019	9M 2020	Change (%)	9M 2019	9M 2020	Change (%)	9M 2019	9M 2020	Change (%)
Revenues	3,057	3,189	4%	5,382	5,268	-2%	1,047	895	-15%
<b>EBITDA</b>	<b>1,303</b>	<b>1,352</b>	<b>4%</b>	<b>258</b>	<b>114</b>	<b>-56%</b>	<b>226</b>	<b>135</b>	<b>-40%</b>
<i>EBITDA margin</i>	42.6%	42.4%	Δ -0.2 pp.	4.8%	2.2%	Δ -2.6 pp.	21.6%	15.1%	Δ -6.5 pp.
EBIT	690	724	5%	220	76	-65%	-176	-445	<-100%
<b>Net profit/loss</b>	<b>465</b>	<b>479</b>	<b>3%</b>	<b>161</b>	<b>54</b>	<b>-66%</b>	<b>-178</b>	<b>-504</b>	<b>&lt;-100%</b>
<i>Net profit/loss margin</i>	15.2%	15.0%	Δ -0.2 pp.	3.0%	1.0%	Δ -2 pp.	-17.0%	-56.3%	Δ -39.3 pp.
CAPEX	945	897	-5%	26	33	27%	120	232	93%

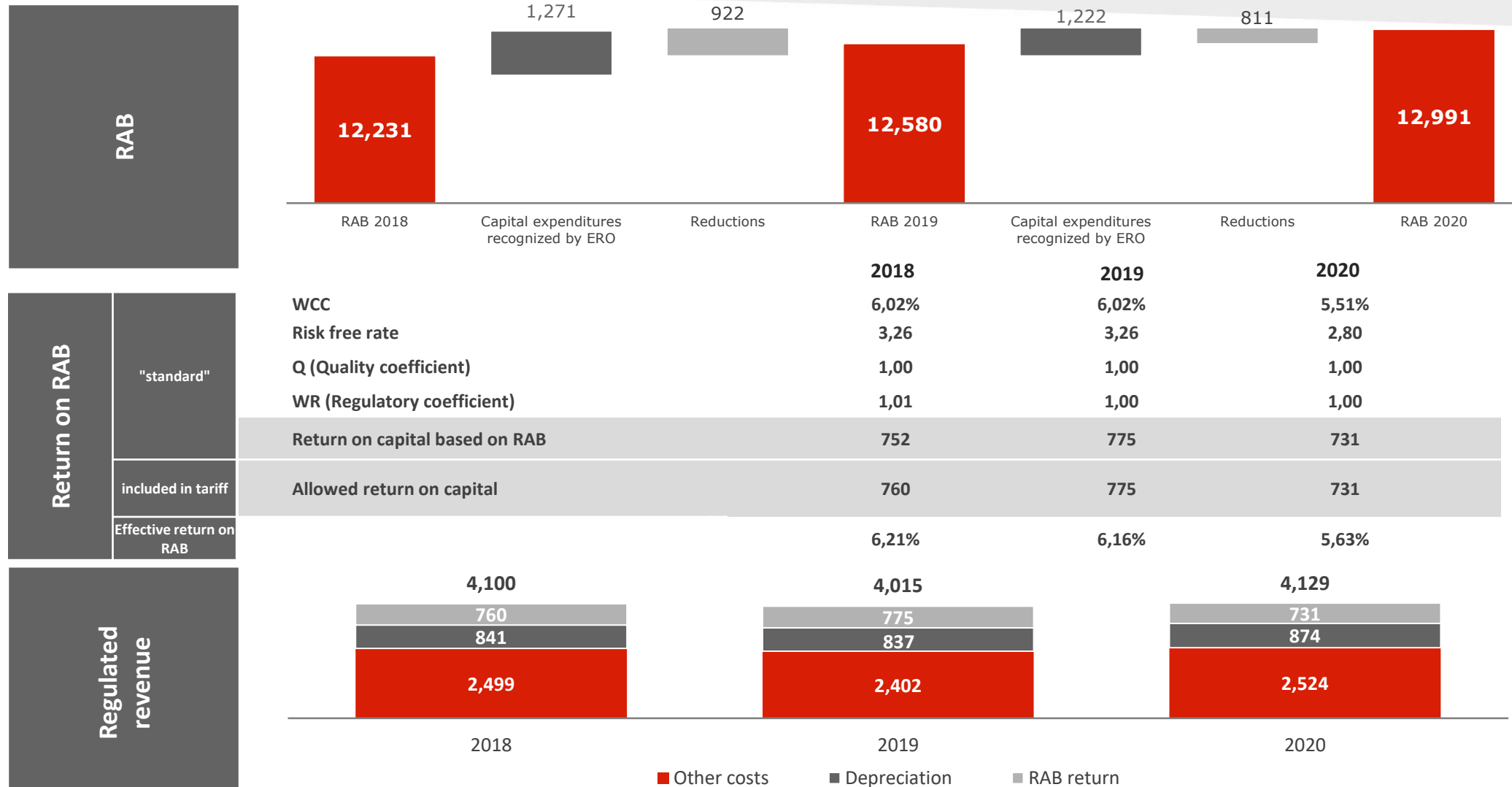
PLN m	Generation Business Line, including:											
	Hydro			Wind			Energa Elektrownia Ostrołęka			CHP		
	9M 2019	9M 2020	Change (%)	9M 2019	9M 2020	Change (%)	9M 2019	9M 2020	Change (%)	9M 2019	9M 2020	Change (%)
Revenues	182	165	-9%	111	101	-10%	607	508	-16%	134	113	-16%
<b>EBITDA</b>	<b>111</b>	<b>91</b>	<b>-18%</b>	<b>84</b>	<b>74</b>	<b>-12%</b>	<b>44</b>	<b>-33</b>	<b>&lt;-100%</b>	<b>-16</b>	<b>-8</b>	<b>47%</b>
<i>EBITDA margin</i>	61.0%	55.2%	Δ -5.8 pp.	75.7%	73.3%	Δ -2.4 pp.	7.2%	-6.5%	Δ -13.7 pp.	-11.9%	-7.1%	Δ 4.9 pp.
EBIT	86	65	-24%	44	30	-31%	-269	-519	-93%	-41	-34	17%
CAPEX	12	7	-43%	10	130	>100%	77	60	-22%	9	19	>100%

# Structure of operating expenses of Energa Group

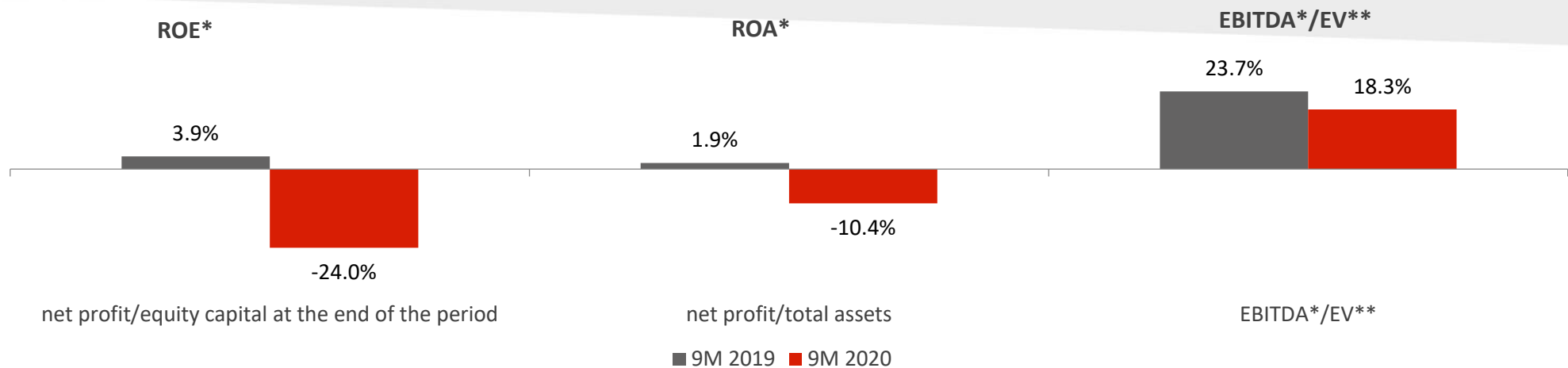
PLN m	Q3 2019	Q3 2020	9M 2019	9M 2020
Depreciation of property, plant and equipment, intangible assets and investment property	262	263	796	785
Materials and energy used	247	210	601	606
incl. electricity used for balance difference	109	95	175	265
incl. fuel used (with transport)	100	80	300	226
External services	356	360	996	1,040
incl. transmission and transit fees	208	220	599	640
Taxes and fees	151	153	431	417
Employee benefits expenses	296	299	867	920
Impairment	3	4	294	493
Other expenses	-41	-54	-98	-118
Value of merchandise and raw materials	1,534	1,590	4,572	4,913
<b>Total operating expenses</b>	<b>2,809</b>	<b>2,825</b>	<b>8,459</b>	<b>9,056</b>



# Regulatory asset base

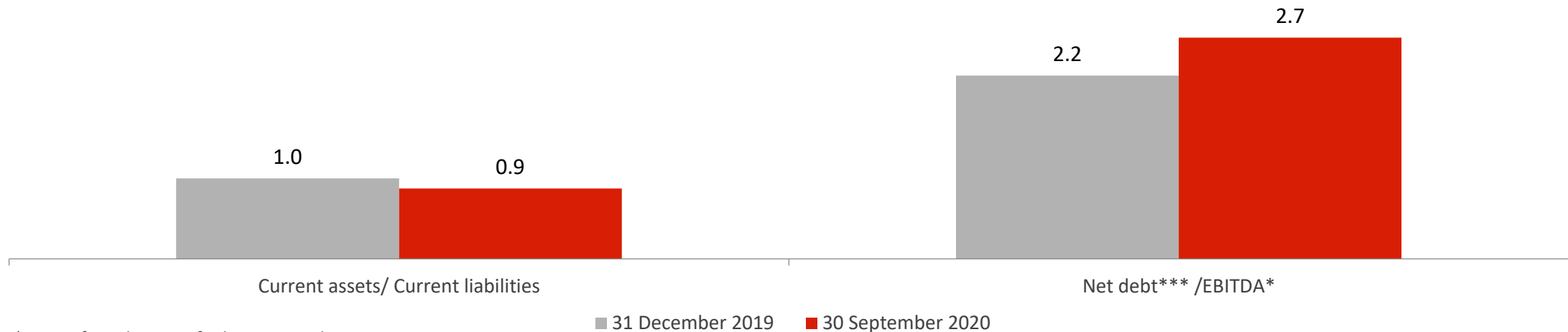


# Profitability and liquidity ratios



## Current ratio

## Net debt\*\*/EBITDA



\*net profit and EBITDA for last 12 months

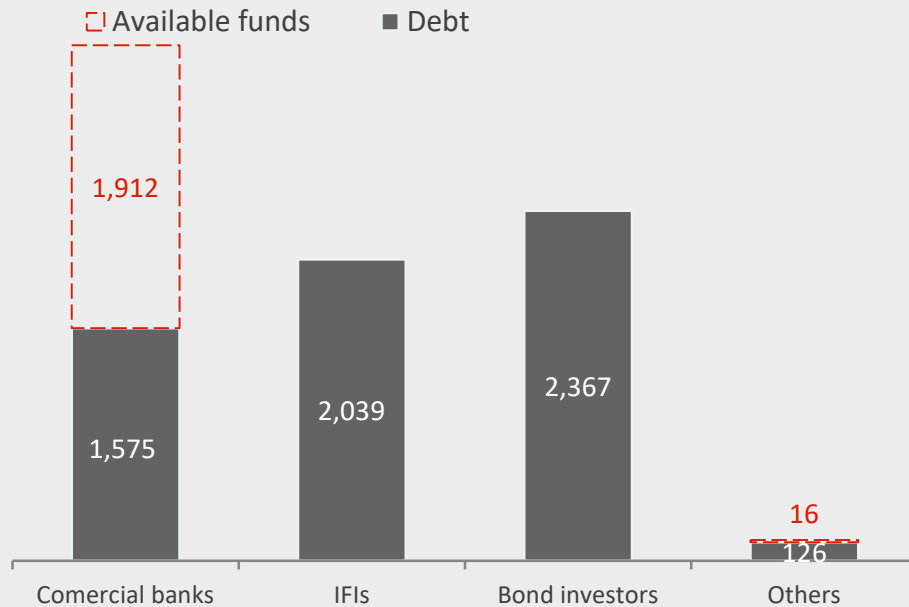
\*\* market value + net debt

\*\*\* the value of net financial liabilities included in the calculation of the net debt / EBITDA ratio takes into account key elements defined in the financing agreements

# Energa Group's structure of financing

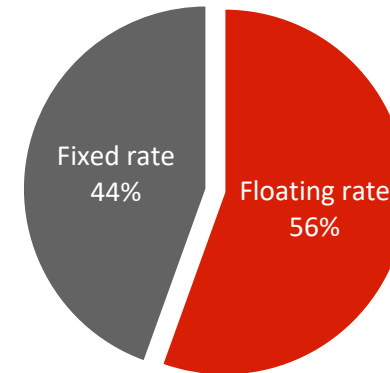
As of 30 September 2020

## Debt utilisation\* (PLN m)

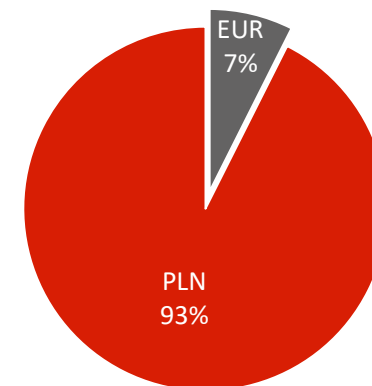


\* nominal value

## Interest rate convention of the debt utilisation

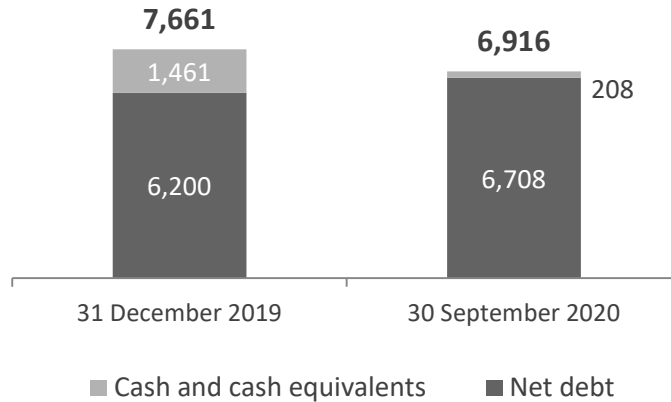


## Currency of the debt utilisation

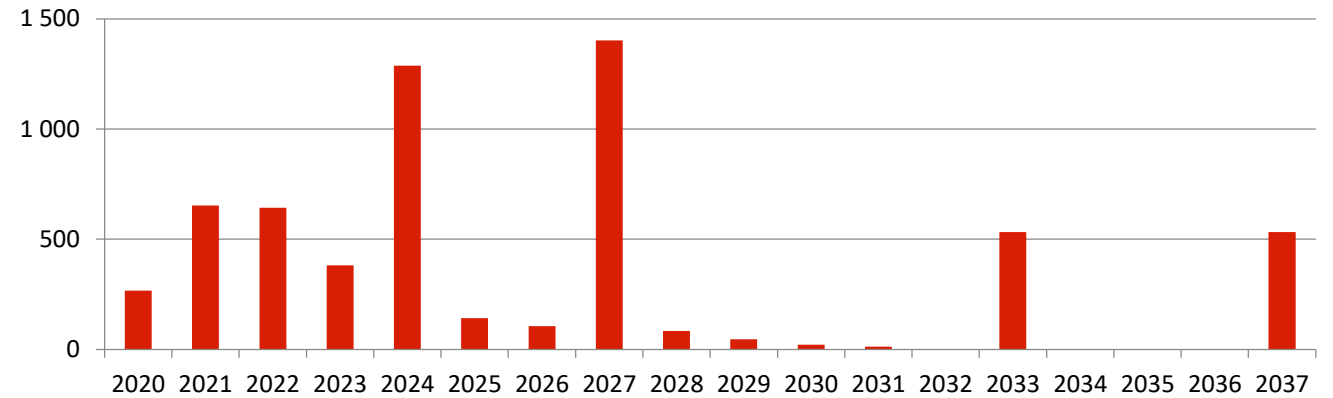


# Financial security

## Debt (PLN m)

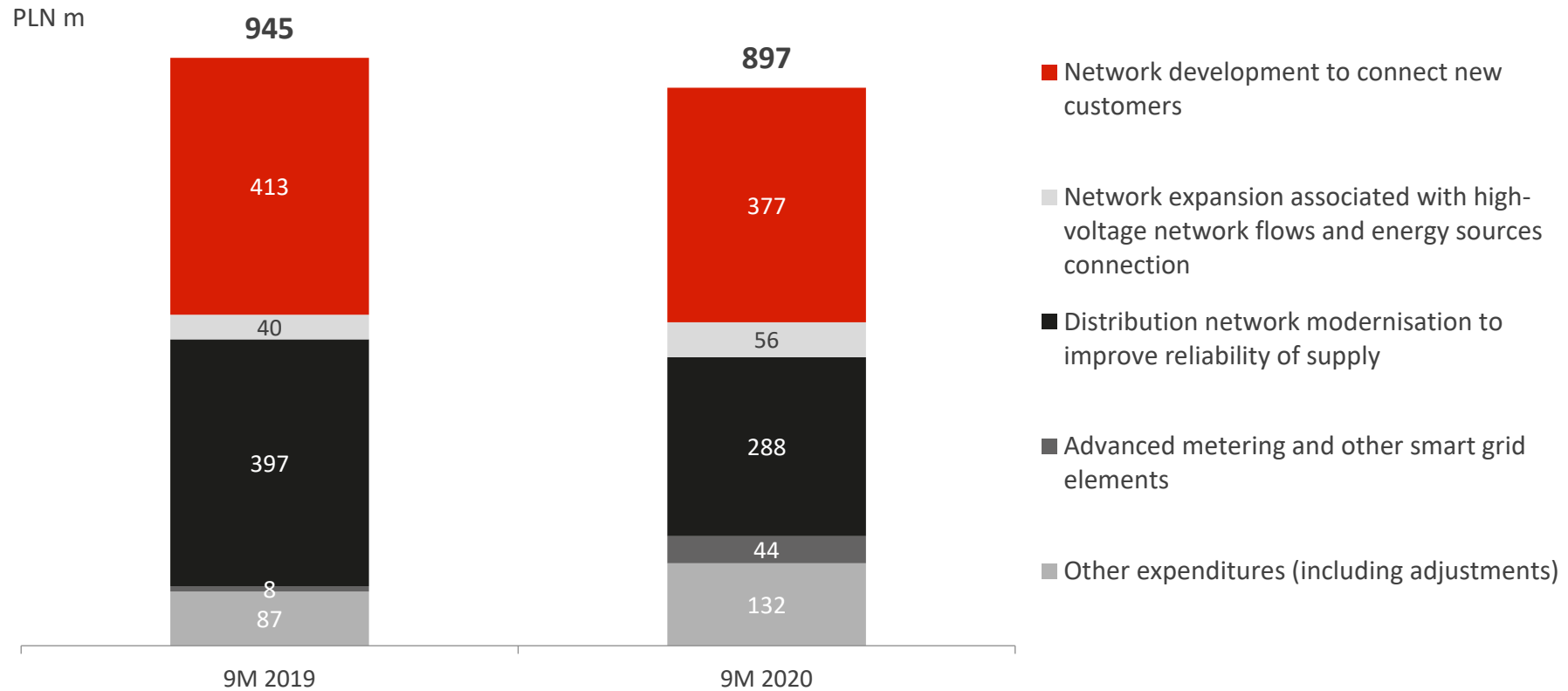


## Debt maturities (PLN m)



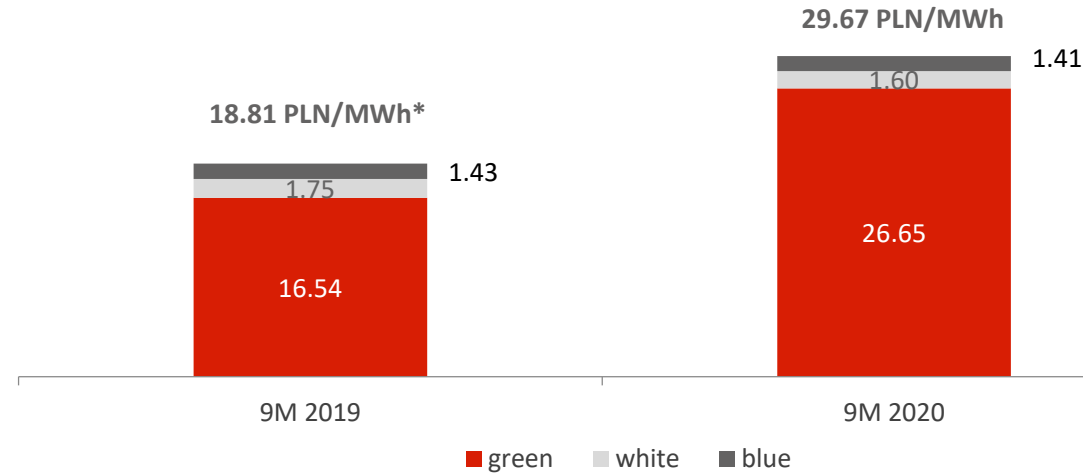
Selected programs / contracts for financing	Issue value	Maturity/Final maturity
Eurobond issues	EUR 300 m	03.2027
Hybrid bonds issues (with the European Investment Bank - EIB)	EUR 125 m	09.2033
	EUR 125 m	09.2037
Loan agreement with the EIB	PLN 1,000 m	09.2031
Loan agreement with the Bank for Reconstruction and Development (EBRD)	PLN 800 m	12.2024
Loan agreement with a consortium of banks (ESG-linked)	PLN 2,000 m	09.2024
Loan agreement with BGK	PLN 500 m	07.2022
Loan agreement with SMBC	EUR 120 m	07.2025

# Structure of CAPEX in Distribution Business Line



# Key operating data of the Sales Business Line

## Structure of cost of property rights redemption per 1 MW of electricity sold to end-customers



	Q3 2019	Q3 2020	Change (%)	9M 2019	9M 2020	Change (%)
Electricity sales by Sales Business Line (GWh)	5,832	5,314	-9%	18,064	17,203	-5%
<i>incl. retail sales</i>	4,863	4,611	-5%	14,667	13,886	-5%
Average purchase price of electricity w/o certificates of origin (PLN/MWh)	254.3	259.3	2%	249.3	256.5	3%
Average purchase price of electricity w/ certificates of origin (PLN/MWh)	269.4	285.5	6%	264.1	280.0	6%
Variable margin**	9.5%	5.3%	Δ -4.2 pp.	7.0%	3.7%	Δ -3.4 pp.

- In 2019 (negative values on an insignificant scale), the final settlement of the obligation to redeem yellow, red and purple certificates for 2018 was made. From 2019, there is no obligation to redemption of yellow, red and purple certificates.

\*\* the 1<sup>st</sup> degree variable margin calculated as the product of the result and revenues from the sale of electricity.

# Key operating data of the Generation Business Line

Consumption of fuels	Q3 2019	Q3 2020	Change	Change (%)	9M 2019	9M 2020	Change	Change (%)
<b>Coal</b>								
Quantity (ths tons)	282.0	227.1	-54.9	-19%	835.0	569.3	-265.7	-32%
Cost* (PLN m)	86.2	66.5	-19.8	-23%	249.0	173.5	-75.5	-30%
Cost per unit (PLN/ton)	305.7	292.6	-13.1	-4%	298.2	304.8	6.5	2%
Cost per unit (PLN/MWh)**	122.2	120.1	-2.1	-2%	104.4	101.0	-3.5	-3%
<b>Biomass</b>								
Quantity (ths tons)	21.9	24.2	2.4	11%	81.6	96.7	15.1	19%
Cost* (PLN m)	12.4	12.1	-0.3	-2%	47.5	48.0	0.6	1%
Cost per unit (PLN/ton)	568.7	501.2	-67.5	-12%	581.7	496.7	-85.1	-15%
Cost per unit (PLN/MWh)**	265.9	165.9	-100.1	-38%	279.0	197.2	-81.8	-29%

\* Including cost of transport

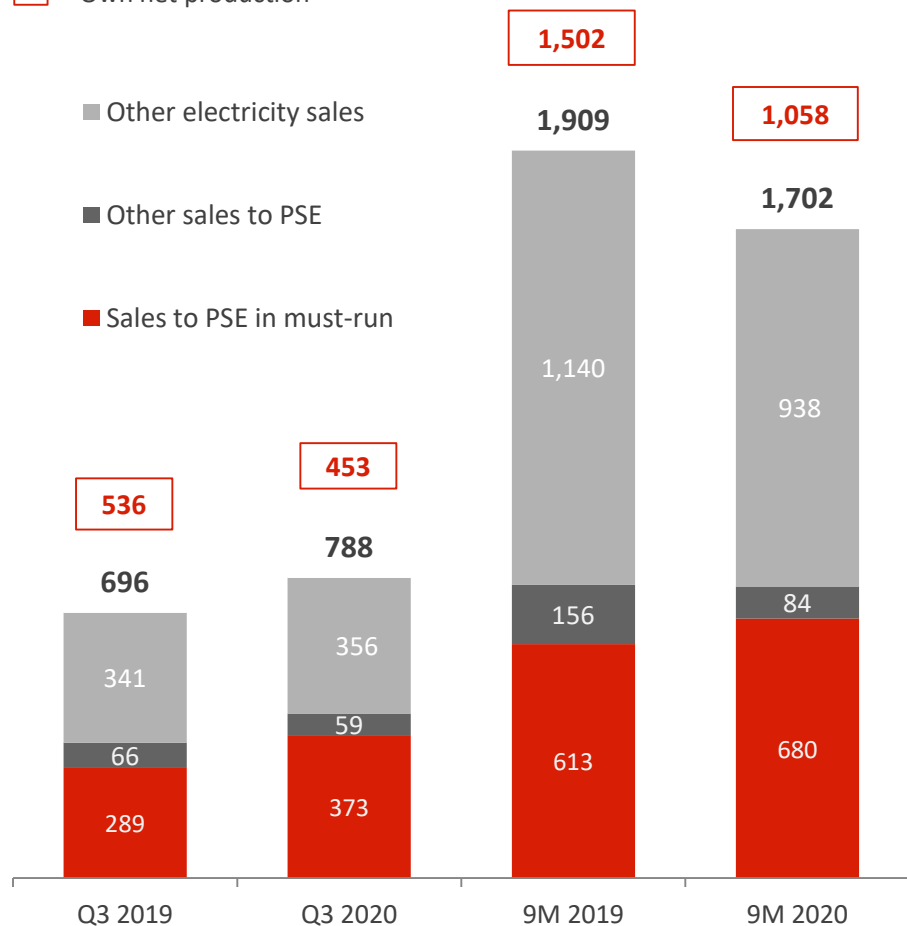
\*\* In relation to the total production of electricity and heat

CO <sub>2</sub> emission allowances	Q3 2019	Q3 2020	9M 2019	9M 2020
<b>CO<sub>2</sub> emission allowances (ths tons), incl.:</b>	571	455	1,707	1,180
The amount of free CO <sub>2</sub> emission allowances	108	8	371	58
Volume of emission allowances purchased	463	447	1,336	1,122
<b>Cost of CO<sub>2</sub> purchase (PLN m)</b>	54.4	56.0	139.9	123.8

# Key operating data of Energa Elektrownie Ostrołęka

## Sales structure (GWh)

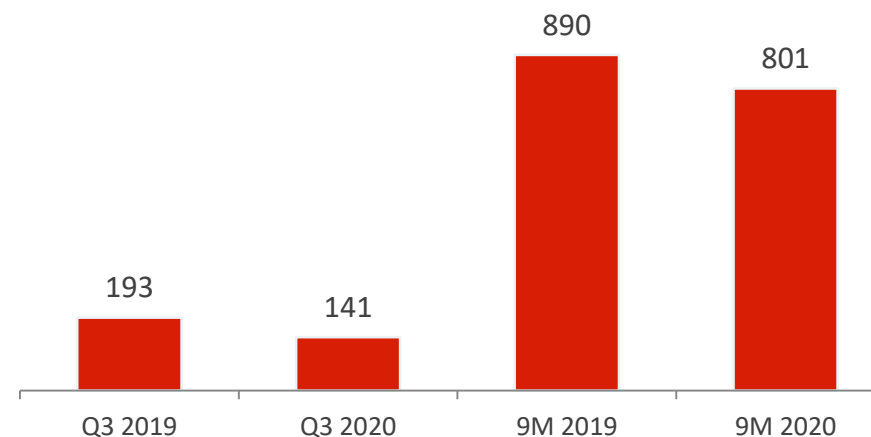
□ - Own net production



## Fuels consumption volumes and costs in 9M 2020

	unit	coal	biomass*
Total consumption	(ths ton)	474.2	66.4
Consumption cost per unit	(PLN/ton)	299.9	488.6
Total fuel cost	(PLN m)	142.2	32.5

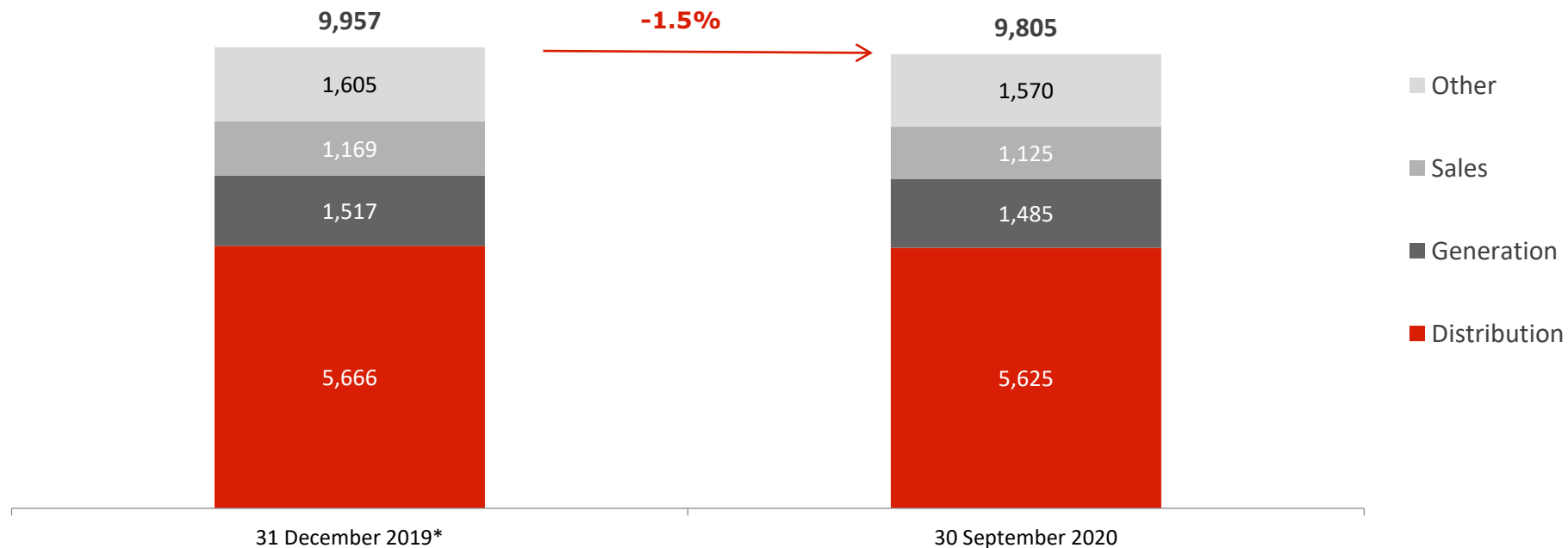
## Gross heat production (TJ)





# Employment in Energa Group

Headcount at the end of the period (employment contracts)



The main reason for changes in the level of employment was natural rotation, including retirement of employees and process optimization.

\* Data for 2019 are restated in line with current segmentation

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