

Polenergia S.A. Group

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
INCLUDING THE REPORT OF THE INDEPENDENT AUDITOR**

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1. Interim condensed consolidated balance sheet

As at 30 June 2024

ASSETS

	Note	30.06.2024	31.12.2023
I. Non-current assets		5 034 036	4 410 530
1. Tangible fixed assets	10	3 358 222	3 273 092
2. Intangible assets	12	9 936	9 835
3. Subordinated entities goodwill	13	157 338	157 338
4. Financial assets		129 218	115 791
5. Financial assets measured using the equity method		1 339 781	813 734
6. Long term receivables		2 262	1 992
7. Deferred income tax assets	19	35 016	36 385
8. Prepayments and accrued income		2 263	2 363
II. Current assets		1 621 871	2 301 086
1. Inventories		76 895	90 214
2. Trade receivables	15	209 036	279 765
3. Income tax receivable	15	5 496	5 511
4. Other short term receivables	15	209 220	292 415
5. Prepayments and accrued income		24 147	16 294
6. Short term financial assets		139 325	206 124
7. Cash and equivalent		957 752	1 410 763
Total assets		6 655 907	6 711 616

EQUITY AND LIABILITIES

	Note	30.06.2024	31.12.2023
I. Shareholders' equity		4 233 593	3 997 653
Equity attributable to the shareholders of the parent company		4 233 593	3 997 653
1. Share capital		154 438	154 438
2. Share premium account		2 241 335	2 241 335
3. Reserve capital from option measurement		13 207	13 207
4. Other capital reserves		1 125 112	949 665
5. Retained profit (loss)		479 057	375 373
6. Net profit		220 367	263 587
7. F/X translation differences		77	48
II. Long term liabilities		1 713 466	1 809 832
1. Bank loans and borrowings	22	1 208 683	1 320 797
2. Deferred income tax provision	19	102 815	97 698
3. Provisions	20	124 760	117 537
4. Accruals and deferred income		39 735	40 343
5. Lease liabilities		190 129	177 143
6. Futures and forward contracts measurement		6 818	5 681
7. Other liabilities	21	40 526	50 633
III. Short term liabilities		708 848	904 131
1. Bank loans and borrowings	22	185 762	211 344
2. Trade payables	21	115 440	108 675
3. Income tax payable	21	29 588	8 001
4. Lease liabilities	21	31 041	27 611
5. Futures and forward contracts measurement	21	103 423	170 687
6. Other liabilities	21	189 337	302 042
7. Provisions	20	9 211	8 003
8. Accruals and deferred income		45 046	67 768
Total equity and liabilities		6 655 907	6 711 616

2. Interim condensed consolidated profit and loss account

For the period ended 30 June 2024

	Note	unaudited		unaudited	
		For 6 months ended 30.06.2024	30.06.2023	For 3 months ended 30.06.2024	30.06.2023
Revenues from contracts with clients	25	2 098 868	2 847 758	909 105	1 376 562
Other revenues	25	5 958	(9 708)	4 517	(5 436)
Sales revenues	25	2 104 826	2 838 050	913 622	1 371 126
Cost of goods sold	26	(1 650 142)	(2 484 221)	(716 295)	(1 237 610)
Gross sales profit		454 684	353 829	197 327	133 516
Other operating revenues	27	7 483	7 552	4 950	2 030
Selling expense	26	(44 144)	(49 526)	(22 095)	(23 719)
General overheads	26	(93 774)	(74 456)	(51 369)	(38 768)
Auction price settlement		69	(633)	(289)	(633)
Other operating expenses including expected credit loss	28	(16 375) (13 946)	(5 169) (2 081)	(11 953) -	(4 123) -
Financial income	29	25 999	22 988	11 971	12 506
Financial costs	30	(58 128)	(45 272)	(28 143)	(22 990)
Profit before tax		275 814	209 313	100 399	57 819
Income tax	19	(55 447)	(42 026)	(20 718)	(11 329)
Net profit		220 367	167 287	79 681	46 490
Net profit attributed to:		220 367	167 287	79 681	46 490
Parent company shareholders		220 367	167 287	79 681	46 490
Non-controlling shareholders		-	-	-	-
- basic earnings (loss) for period attributable to parent company shareholders		2,85	2,50	1,03	0,70
- diluted earnings (loss) for period attributable to parent company shareholders		2,85	2,50	1,03	0,70

Interim condensed consolidated statement of comprehensive income

	unaudited		unaudited	
	For 6 months ended 30.06.2024	30.06.2023	For 3 months ended 30.06.2024	30.06.2023
Net profit for period	220 367	167 287	79 681	46 490
Other comprehensive income that may be reclassified to profit and loss account once specific conditions are met				
Cash flow hedges	15 544	(58 797)	153	(24 373)
F/X translation differences	29	54	26	61
Other net comprehensive income	15 573	(58 743)	179	(24 312)
COMPREHENSIVE INCOME FOR PERIOD	235 940	108 544	79 860	22 178
Comprehensive income for period:	235 940	108 544	79 860	22 178
Parent company shareholders	235 940	108 544	79 860	22 178

3. Interim condensed consolidated statement of changes in equity

For the period ended 30 June 2024

	Share capital	Share premium account	Reserve capital from option measurement	Other capital reserves	Retained profit	Net profit	F/X translation differences	Equity attributable to the shareholders of the parent company	Total equity
As at January 2024	154 438	2 241 335	13 207	949 665	638 960	-	48	3 997 653	3 997 653
Comprehensive income for reporting period									
- Net profit (loss) for reporting period	-	-	-	-	-	220 367	-	220 367	220 367
- Other comprehensive income for period	-	-	-	15 544	-	-	29	15 573	15 573
Transactions with owners of the parent recognized directly in equity									
- Allocation of profit/loss	-	-	-	159 903	(159 903)	-	-	-	-
As at 30 June 2024	154 438	2 241 335	13 207	1 125 112	479 057	220 367	77	4 233 593	4 233 593

For the period ended 30 June 2023

	Share capital	Share premium account	Reserve capital from option measurement	Other capital reserves	Retained profit	Net profit	F/X translation differences	Equity attributable to the shareholders of the parent company	Total equity
As at January 2023	133 604	1 515 929	13 207	924 645	495 696	-	(46)	3 083 035	3 083 035
Comprehensive income for reporting period									
- Net profit (loss) for reporting period	-	-	-	-	-	167 287	-	167 287	167 287
- Other comprehensive income for period	-	-	-	(58 797)	-	-	54	(58 743)	(58 743)
As at 30 June 2023	133 604	1 515 929	13 207	986 171	375 373	167 287	8	3 191 579	3 191 579

4. Interim condensed consolidated statement of cash flows

For the period ended 30 June 2024

	For 6 months ended	
	30.06.2024	30.06.2023
A.Cash flow from operating activities		
I.Profit (loss) before tax	275 814	209 313
II.Total adjustments	136 313	127 857
1.Depreciation	86 657	77 154
2.Foreign exchange losses (gains)	170	33
3.Interest and profit shares (dividends)	41 517	38 362
4.Losses (gains) on investing activities	(628)	2 845
5. Income tax	(31 039)	(61 412)
6.Changes in provisions	3 673	714
7.Changes in inventory	13 539	5 576
8.Changes in receivables	177 782	663 608
9.Changes in liabilities, excluding bank loans and borrowings	(123 663)	(528 409)
10.Changes in accruals	(31 653)	(71 361)
11. Other adjustments	(42)	747
III.Net cash flows from operating activities (I+/-II)	412 127	337 170
B.Cash flows from investing activities		
I. Cash in	867	45
1. Disposal of intangibles and tangible fixed assets	181	45
2. Other investment inflows	686	-
II.Cash out	666 934	436 940
1. Acquisition of tangible fixed assets	140 609	222 699
2. For financial assets, including:	526 325	214 241
a) acquisition of financial assets	526 325	214 241
III.Net cash flows from investing activities (I-II)	(666 067)	(436 895)
C.Cash flows from financing activities		
I.Cash in	14 631	214 063
1.Loans and borrowings	14 631	214 063
II.Cash out	213 704	197 029
1.Repayment of loans and borrowings	153 151	147 248
2.Lease payables	14 156	10 846
3.Interest	46 285	38 776
4.Other financial expenses	112	159
III.Net cash flows from financing activities (I-II)	(199 073)	17 034
D.Total net cash flows (A.III+/-B.III+/-C.III)	(453 013)	(82 691)
E.Increase/decrease in cash in the balance sheet, including:	(453 011)	(82 693)
- change in cash due to fx differences	2	(2)
F.Cash at beginning of period	1 410 763	868 692
G.Cash at end of period, including:	957 752	785 999
- restricted cash	86 191	79 659

5. The rules underlying the interim condensed consolidated financial statements

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 and cover the six-month period from 1 January to 30 June 2024 and the comparative period from 1 January to 30 June 2023, while also including data for the second quarter of 2024 and 2023, and with respect to the balance sheet - as at 31 December 2023. In accordance with the applicable laws, these interim condensed consolidated financial statements for the six-month period ended 30 June 2024 have been reviewed by an independent auditor, and the comparative data for the financial year ended 31 December 2023 have been audited by an independent auditor.

These consolidated financial statements have been prepared in accordance with the historical cost method, except for the following material items in the balance sheet:

- derivatives which have been measured at fair value.

IFRS include standards and interpretations approved by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

Some entities within the Group keep their own accounting books in line with the accounting policies (principles) set forth by the Accounting Act of 29 September 1994 (the "Act") as amended and rules issued based on such Act ("Polish Accounting Standards"). These consolidated financial statements include adjustments which have not been included in the Group entities' accounting books, in order to align the financial statements of such entities with the requirements of IFRS.

These interim condensed consolidated financial statements have been prepared on the assumption that the Company and the Group companies will continue as going concerns in the foreseeable future, that is for at least 12 months after the reporting date, i.e., 30 June 2024.

6. Accounting principles applied

The accounting principles applied by the Group have been outlined in the consolidated financial statements of Polenergia Group for 2023 published on 26 March 2024. Those Financial Statements also provided detailed information on the principles and methods of measuring assets and liabilities, as well as measuring the financial result, the method of preparing financial statements and gathering comparable data. Such principles have been applied on a consistent basis.

6.2 Functional and reporting currency

The functional currency and the reporting currency of these consolidated financial statements is Polish Zloty.

Transactions denominated in currencies other than the functional currency are translated into the functional currency at the rate of exchange prevailing on the transaction date.

As at the balance sheet day, cash, bank loans and other monetary assets and liabilities denominated in currencies other than the functional currency are translated into such functional currency at the average exchange rate of the National Bank of Poland on the balance sheet day. Foreign exchange differences on translation and settlement of items are recognized in finance income or cost, as appropriate. Changes in the measurement of derivatives designated as hedging instruments for hedge accounting purposes are recognized in accordance with the applicable hedge accounting policies.

The following exchange rates were used for measurement purposes:

	30.06.2024	31.12.2023	30.06.2023
USD	4.0320	3.9350	4.1066
EUR	4.3130	4.3480	4.4503
GBP	5.0942	4.9997	5.1796

6.3 Seasonality and cyclical nature of operations

The Group operates on the industrial power outsourcing market. The Group's key customers use heat and electricity supplied by the Group for production purposes at their industrial facilities. Heat and electricity supply business is not subject to seasonal fluctuations.

Wind conditions which determine the output of wind farms are uneven during the year. In autumn and winter they are significantly better than in spring and summer. The Group resolved to build wind farms in locations selected based on professional wind measurements confirmed by independent and reputable experts. However, there can be no assurance that the actual wind conditions will be no different than those used in the Group's models for specific investment projects.

7. The Group's organizational structure

Parent Company Name

Polenergia S.A.

No.	Name of Subsidiary/Associate	Parent Company shareholding	Commentary
1	Polenergia Farma Fotowoltaiczna 1 sp. z o.o.	100%	
2	Polenergia Farma Fotowoltaiczna 2 sp. z o.o.	100%	
3	Polenergia Farma Fotowoltaiczna 3 sp. z o.o.	100%	
4	Polenergia Farma Fotowoltaiczna 4 sp. z o.o.	100%	
5	Polenergia Farma Fotowoltaiczna 5 sp. z o.o.	100%	
6	Polenergia Farma Fotowoltaiczna 6 sp. z o.o.	100%	
7	Polenergia Farma Fotowoltaiczna 7 sp. z o.o.	100%	
8	Polenergia Farma Fotowoltaiczna 8 sp. z o.o.	100%	
9	Polenergia Farma Fotowoltaiczna 9 sp. z o.o.	100%	
10	Polenergia Farma Fotowoltaiczna 10 sp. z o.o.	100%	
11	Polenergia Farma Fotowoltaiczna 11 sp. z o.o.	100%	
12	Polenergia Farma Fotowoltaiczna 12 sp. z o.o.	100%	
13	Polenergia Farma Fotowoltaiczna 13 sp. z o.o.	100%	
14	Polenergia Farma Fotowoltaiczna 14 sp. z o.o.	100%	
15	Polenergia Farma Fotowoltaiczna 15 sp. z o.o.	100%	
16	Polenergia Farma Fotowoltaiczna 16 sp. z o.o.	100%	
17	Polenergia H2Silesia sp. z o.o.	100%	
18	Polenergia Farma Fotowoltaiczna 19 sp. z o.o.	100%	
19	Polenergia Farma Wiatrowa 1 sp. z o.o.	100%	
20	Polenergia Farma Wiatrowa 3 sp. z o.o.	100%	
21	Polenergia Farma Wiatrowa 4 sp. z o.o.	100%	
22	Polenergia Farma Wiatrowa 6 sp. z o.o.	100%	
23	Polenergia Farma Wiatrowa 10 sp. z o.o.	100%	

24	Polenergia Farma Wiatrowa 11 sp. z o.o.	100%
25	Polenergia Farma Wiatrowa 12 sp. z o.o.	100%
26	Polenergia Farma Wiatrowa 13 sp. z o.o.	100%
27	Polenergia Farma Wiatrowa 14 sp. z o.o.	100%
28	Polenergia Farma Wiatrowa 15 sp. z o.o.	100%
29	Polenergia Farma Wiatrowa 16 sp. z o.o.	100%
30	Polenergia Farma Fotowoltaiczna Sulechów sp. z o.o.	100%
31	Polenergia Farma Wiatrowa 18 sp. z o.o.	100%
32	Polenergia Farma Wiatrowa 19 sp. z o.o.	100%
33	Polenergia H2HUB Nowa Sarzyna sp. z o.o.	100%
34	Polenergia Farma Wiatrowa 21 sp. z o.o.	100%
35	Polenergia Farma Wiatrowa 22 sp. z o.o.	100%
36	Polenergia Farma Wiatrowa 23 sp. z o.o.	100%
37	Polenergia Farma Wiatrowa 24 sp. z o.o.	100%
38	Polenergia Farma Wiatrowa 25 sp. z o.o.	100%
39	Polenergia Farma Wiatrowa 26 sp. z o.o.	100%
40	Polenergia Farma Wiatrowa 27 sp. z o.o.	100%
41	Polenergia Farma Wiatrowa 28 sp. z o.o.	100%
42	Polenergia Farma Wiatrowa 29 sp. z o.o.	100%
43	Polenergia Farma Wiatrowa Bądecz sp. z o.o.	100%
44	Polenergia Farma Wiatrowa Dębice/Kostomłoty sp. z o.o.	100%
45	Polenergia Farma Wiatrowa Grabowo sp. z o.o.	100%
46	Polenergia Farma Wiatrowa Krzywa sp. z o.o.	100%
47	Polenergia Farma Wiatrowa Mycielin sp. z o.o.	100%
48	Polenergia Farma Wiatrowa Namysłów sp. z o.o.	100%
49	Polenergia Farma Wiatrowa Olbrachcice sp. z o.o.	100%
50	Polenergia Farma Wiatrowa Piekło sp. z o.o.	100%
51	Polenergia Farma Fotowoltaiczna Buk sp. z o.o.	100%
52	Polenergia Farma Wiatrowa Szymankowo sp. z o.o.	100%
53	Polenergia Farma Wiatrowa Wodzisław sp. z o.o.	100%
54	Amon sp. z o.o.	100%
55	Dipol sp. z o.o.	100%
56	Talia sp. z o.o.	100%
57	Polenergia Farma Fotowoltaiczna Strzelino sp. z o.o.	100%
58	Poleneria Sprzedaż sp. z o.o.	100%
59	Polenergia Dystrybucja sp. z o.o.	100%
60	Polenergia Kogeneracja sp. z o.o.	100%
61	Polenergia eMobility sp. z o.o.	100%
62	Certyfikaty sp. z o.o.	100%
63	Polenergia Elektrociepłownia Nowa Sarzyna sp. z o.o.	100%
64	Polenergia Elektrownia Północ sp. z o.o.	100%
65	Inwestycje Rolne Sp. z o.o.	100%
66	Polenergia H2HUB 1 sp. z o.o.	100%
67	Polenergia H2HUB 2 sp. z o.o.	100%
68	Polenergia H2HUB 3 sp. z o.o.	100%
69	Polenergia H2HUB 4 sp. z o.o.	100%
70	Polenergia H2HUB 5 sp. z o.o.	100%
71	Polenergia Farma Wiatrowa 30 sp. z o.o.	100%
72	Polenergia Farma Wiatrowa 31 sp. z o.o.	100%

73	Polenergia Farma Wiatrowa 32 sp. z o.o.	100%	
74	Polenergia Farma Wiatrowa 33 sp. z o.o.	100%	
75	Polenergia Farma Wiatrowa 34 sp. z o.o.	100%	
76	Polenergia Farma Wiatrowa 35 sp. z o.o.	100%	
77	Polenergia Obrót S.A.	100%	
78	Polenergia Energy Ukraine LLC	100%	The company's parent company is Polenergia Obrót S.A.
79	MFW Bałtyk I sp. z o.o.	50%	
80	MFW Bałtyk I S.A.	100%	The company's parent company is MFW Bałtyk I sp. z o.o.
81	MFW Bałtyk II sp. z o.o.	50%	
82	MFW Bałtyk III sp. z o.o.	50%	
83	Polenergia Fotowoltaika S.A.	100%	
84	Polenergia Pompy Ciepła sp. z o.o.	100%	The company's parent company is Polenergia Fotowoltaika S.A.
85	Zielony Ryś Sp. z o.o.	100%	The company's parent company is Polenergia Fotowoltaika S.A.
86	Polenergia Solární s.r.o.	100%	The company's parent company is Polenergia Fotowoltaika S.A.
87	Naxxar Wind Farm Four SRL	60%	
88	Eolian Areaa SRL	20%	The parent company of the company is Naxxar Wind Farm Four SRL
89	Eolian Efect SRL	20%	The parent company of the company is Naxxar Wind Farm Four SRL
90	Eolian Express SRL	20%	The parent company of the company is Naxxar Wind Farm Four SRL
91	Magnum Eolvolt SRL	20%	The parent company of the company is Naxxar Wind Farm Four SRL
92	Eolian Spark SRL	20%	The parent company of the company is Naxxar Wind Farm Four SRL
93	Spark Wind Energy SRL	20%	The parent company of the company is Naxxar Wind Farm Four SRL
94	Harsh Wind SRL	20%	The parent company of the company is Naxxar Wind Farm Four SRL

8. Adjusted Consolidated EBITDA and Adjusted Consolidated Net Profit

The Group presents data on its EBITDA, adjusted EBITDA and the adjusted net profit allocated to the parent company shareholders in order to present the Group's results to the exclusion of certain elements that have no impact on the core business of the Group and that lead to no cashflows in the reporting period.

	unaudited		unaudited	
	For 6 months ended 30.06.2024	30.06.2023	For 3 months ended 30.06.2024	30.06.2023
Profit before tax	275 814	209 313	100 399	57 819
Financial revenues	(25 999)	(22 988)	(11 971)	(12 506)
Financial costs	58 128	45 272	28 143	22 990
Depreciation/Amortization	86 657	77 154	41 744	39 295
Development - related impairment loss	-	101	-	-
Photovoltaics - related impairment loss	-	-	-	2
EBITDA	394 600	308 852	158 315	107 600
Adjusted EBITDA	394 600	308 852	158 315	107 600

Polenergia S.A. Group
Interim condensed consolidated financial statements for the 6-month period ended 30 June 2024
(PLN thousand)

	unaudited		unaudited	
	For 6 months ended		For 3 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
NET PROFIT attributed to parent shareholders	220 367	167 287	79 681	46 490
Unrealized foreign exchange net (gains)/losses	457	(456)	82	(344)
(Income)/Cost from measurement of long-term borrowings	1 518	1 512	765	757
Development - related impairment loss	-	101	-	-
Photovoltaics - related impairment loss	-	-	-	2
Purchase price allocation:				
Depreciation/Amortization	132	1 418	66	709
Tax	(25)	(25)	(12)	(12)
Adjusted NET PROFIT attributed to parent shareholders	222 449	169 837	80 582	47 602

Neither the level of EBITDA, nor the adjusted EBITDA, nor the adjusted net profit allocated to the parent company shareholders have been defined in IFRS, hence they are not derived based on any accounting standards. The rules for deriving such indices were defined in the Consolidated Financial Statements of the Polenergia Group for 2023 that were published on 26 March 2024. Definitions of the foregoing indices applied by other entities may be different from those used by the Group.

9 Operating segments

Within the Polenergia Group, the following operating segments have been identified, being identical with the reporting segments:

- Onshore wind farms – development, construction and maintenance of facilities generating electrical energy from onshore wind,
- Photovoltaics – development, construction and maintenance of facilities generating electrical energy using the solar radiation,
- Offshore wind farms – development, construction and maintenance of facilities generating electrical energy from wind at sea,
- Gas and clean fuels - development, construction and maintenance of facilities generating electrical energy in gas cogeneration and development work in the manufacture of hydrogen and generation of energy from hydrogen based on the renewable sources originating energy,
- Trading and sales - commercial business in terms of trading in electricity and certificates of origin, other energy market instruments, as well as sale of electricity to industrial customers and provision of market access services to energy producers using renewable energy sources, as well as installing solar panels and heat pumps,
- Distribution - provision of electrical energy and gas distribution and sale services to commercial, industrial and household customers, as well as the development of e-mobility.

The Management Board has been separately monitoring the operating performance of the segments in order to make decisions regarding allocation of resources, evaluation of the effects of such allocation and the operating performance. Such evaluation is based on the EBITDA result and gross sale profit or loss. Income tax is monitored at the Group level and is not allocated to operating segments. Company's cash is disclosed under Unallocated Assets.

Transaction prices used in transactions between the operating segments are determined on an arm's length basis, similarly to the transactions with non-related parties. Any and all consolidation adjustments are allocated to individual segments.

With offtakers with whom the Group achieved no less than 10% of the Group's total revenues, (Trading and Sales segment) such revenues totaled: PLN 1,008,996 thousand.

Polenergia S.A. Group
Interim condensed consolidated financial statements for the 6-month period ended 30 June 2024
(PLN thousand)

For 6 months ended 30.06.2024	RES Generation			Gas and Clean Fuels	Trading and sales	Distribution and eMobility	Unallocated	Purchase price allocation	Total
	On shore wind farms	Photovoltaics	Off shore wind farms						
Revenues from contracts with clients	429 845	13 732	-	56 242	1 482 878	106 306	9 865	-	2 098 868
Other revenues	-	-	-	-	5 958	-	-	-	5 958
Total revenues	429 845	13 732	-	56 242	1 488 836	106 306	9 865	-	2 104 826
Net sales profit (loss)	293 530	7 513	-	1 265	122 039	28 481	1 988	(132)	454 684
Selling costs	-	-	-	-	(44 144)	-	-	-	(44 144)
General overheads	(6 900)	(725)	-	(4 615)	(43 474)	(5 104)	(32 956)	-	(93 774)
Interest income/(expense)	(29 839)	(2 535)	-	846	(3 489)	(3 453)	16 495	-	(21 975)
Other financial revenue/(expense)	(5 469)	(943)	-	(204)	(1 431)	(514)	(1 593)	-	(10 154)
Other operating revenue/(expense)	2 642	(193)	-	(263)	(11 083)	243	(169)	-	(8 823)
Profit/loss before tax	253 964	3 117	-	(2 971)	18 418	19 653	(16 235)	(132)	275 814
Income tax	-	-	-	-	-	-	(55 472)	25	(55 447)
Net profit/loss	-	-	-	-	-	-	-	-	220 367
EBITDA *)	353 338	9 970	-	1 228	29 259	28 530	(27 725)	-	394 600
Segment assets	3 248 964	412 015	1 339 781	192 133	625 173	288 197	549 644	-	6 655 907
Segment liabilities	1 591 650	191 678	-	29 867	425 187	143 826	40 106	-	2 422 314
Depreciation/Amortization	64 066	3 374	-	4 841	5 921	4 911	3 412	132	86 657

*) EBITDA - definition in Note 8

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(PLN thousand)

For 6 months ended 30.06.2023	RES Generation			Gas and Clean Fuels	Trading and sales	Distribution and eMobility	Unallocated	Purchase price allocation	Total
	On shore wind farms	Photovoltaics	Off shore wind farms						
Revenues from contracts with clients	302 003	8 876	-	102 356	2 341 907	84 716	7 900	-	2 847 758
Other revenues	-	-	-	(9 573)	(135)	-	-	-	(9 708)
Total revenues	302 004	8 876	-	92 783	2 341 772	84 716	7 899	-	2 838 050
Net sales profit (loss)	193 269	4 333	-	2 239	150 266	3 663	1 477	(1 418)	353 829
Selling costs	-	-	-	-	(49 526)	-	-	-	(49 526)
General overheads	(5 647)	(536)	-	(3 781)	(33 120)	(4 390)	(26 982)	-	(74 456)
Interest income/(expense)	(28 995)	(1 813)	-	483	(8 041)	(2 659)	21 478	-	(19 547)
Other financial revenue/(expense)	(4 016)	(430)	-	513	(1 386)	(179)	2 761	-	(2 737)
Other operating revenue/(expense)	4 845	(459)	-	(1 190)	(1 894)	540	(93)	-	1 749
Profit/loss before tax	159 456	1 095	-	(1 736)	56 299	(3 025)	(1 359)	(1 418)	209 312
Income tax	-	-	-	-	-	-	(42 051)	25	(42 026)
Net profit/loss	-	-	-	-	-	-	-	-	167 286
EBITDA *)	249 564	5 310	-	1 867	70 385	4 210	(22 484)	-	308 852
Segment assets	3 309 767	150 981	604 193	170 907	856 315	232 046	474 036	-	5 798 245
Segment liabilities	1 625 475	64 453	-	33 545	774 516	125 879	(17 202)	-	2 606 666
Depreciation/Amortization	56 996	1 972	-	4 599	4 659	4 396	3 114	1 418	77 154

*) EBITDA - definition in Note 8

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For 6 months ended 30.06.2024		RES Generation					Unallocated	Total
		On shore wind farms	Photovoltaics	Gas and Clean Fuels	Trading and sales	Distribution and eMobility		
- revenue from sale and distribution of electricity	over time	367 588	13 730	18 853	826 057	98 748	-	1 324 976
- revenue from certificates of origin	over time	62 250	-	-	(3 331)	-	-	58 919
- revenue from sale of heat	point in time	-	-	22 855	-	-	-	22 855
- revenue from consulting and advisory services	over time	-	-	-	-	-	9 376	9 376
- revenue from lease and operator services	over time	-	-	-	-	2 267	-	2 267
- revenue from sale and distribution of gas	over time	-	-	-	541 742	2 570	-	544 312
- revenue from sale of merchandise	over time	-	-	-	-	747	-	747
- revenue from lease	over time	7	2	-	-	2	289	300
- revenue from the capacity market and blackstart services	point in time	-	-	14 517	-	-	-	14 517
- revenue from the solar panels and heat pumps instalation	over time	-	-	-	113 216	-	-	113 216
- other	over time	-	-	17	5 194	1 813	200	7 224
Total revenue from clients		429 845	13 732	56 242	1 482 878	106 306	9 865	2 098 868
- revenues from the valuation of futures contracts	over time	-	-	-	4 451	-	-	4 451
- revenues from CO2 emission allowances	point in time	-	-	-	1 507	-	-	1 507
Total other revenue		-	-	-	5 958	-	-	5 958
Total sales revenue		429 845	13 732	56 242	1 488 836	106 306	9 865	2 104 826

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For 6 months ended 30.06.2023		RES Generation					Unallocated	Total
		On shore wind farms	Photovoltaics	Gas and Clean Fuels	Trading and sales	Distribution and eMobility		
- revenue from sale and distribution of electricity	over time	240 698	8 873	66 823	1 757 808	80 272	-	2 154 474
- revenue from certificates of origin	over time	61 298	-	-	34 513	-	-	95 811
- revenue from sale of heat	point in time	-	-	23 533	-	-	-	23 533
- revenue from consulting and advisory services	over time	-	-	-	-	-	7 736	7 736
- revenue from lease and operator services	over time	-	-	-	-	1 350	-	1 350
- revenue from sale and distribution of gas	over time	-	-	-	383 801	2 314	-	386 115
- revenue from sale of merchandise	over time	-	-	-	-	446	-	446
- revenue from lease	over time	8	3	-	-	2	162	175
- revenue from the capacity market and blackstart services	point in time	-	-	11 999	-	-	-	11 999
- revenue from the solar panels and heat pumps installation	over time	-	-	-	158 361	-	-	158 361
- other	over time	-	-	1	7 424	332	1	7 758
Total revenue from clients		302 004	8 876	102 356	2 341 907	84 716	7 899	2 847 758
- revenues from the valuation of futures contracts	over time	-	-	(9 573)	(2 056)	-	-	(11 629)
- revenues from CO2 emission allowances	point in time	-	-	-	1 921	-	-	1 921
Total other revenue		-	-	(9 573)	(135)	-	-	(9 708)
Total sales revenue		302 004	8 876	92 783	2 341 772	84 716	7 899	2 838 050

10 Property plant and equipment

30.06.2024	land	building, premises and civil and water engineering	plant and machinery	vehicles	other non- current fixed asstes	non-current fixed assets under construction	prepayments for non-current fixed assets under construction	total non-current fixed assets
Gross value of non-current fixed assets at beginning of period	195 804	1 304 083	2 577 933	24 120	(232)	183 649	16 134	4 301 491
increases (due to)	16 337	51 535	110 905	6 005	1 095	90 824	11 018	287 719
- purchase	523	13 880	1 752	5 322	1 075	88 341	11 018	121 911
- transfers	-	32 073	109 153	-	20	2 483	-	143 729
- other	15 814	5 582	-	683	-	-	-	22 079
reductions (due to)	276	(908)	(8)	(6 476)	(50)	(143 105)	27 743	(122 528)
- sale and liquidation	-	(886)	(8)	(6 264)	(50)	-	-	(7 208)
- other	276	(22)	-	(212)	-	(46)	28 381	28 377
- transfers	-	-	-	-	-	(143 059)	(638)	(143 697)
Gross value of non-current fixed assets at end of period	212 417	1 354 710	2 688 830	23 649	813	131 368	54 895	4 466 682
Cumulative depreciation at beginning of period	(31 873)	(265 214)	(647 503)	(9 957)	1 296	(108)	-	(953 359)
- current period depreciation	(4 227)	(30 490)	(46 125)	(4 095)	(325)	-	-	(85 262)
- reductions (due to)	(21)	808	2	4 387	25	-	-	5 201
- sale and retirement	-	831	4	4 234	25	-	-	5 094
- other	(21)	(23)	(2)	153	-	-	-	107
Cumulative depreciation at end of period	(36 121)	(294 896)	(693 626)	(9 665)	996	(108)	-	(1 033 420)
Impairment losses at beginning of period	-	(9 824)	(14 603)	-	(5)	(50 608)	-	(75 040)
- increase	-	-	-	-	-	-	-	-
- reduction	-	-	-	-	-	-	-	-
Impairment losses at end of period	-	(9 824)	(14 603)	-	(5)	(50 608)	-	(75 040)
Net value of non-current fixed assets at beginning of period	163 931	1 029 045	1 915 827	14 163	1 059	132 933	16 134	3 273 092
Net value of non-current fixed assets at end of period	176 296	1 049 990	1 980 601	13 984	1 804	80 652	54 895	3 358 222

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31.12.2023	land	building, premises and civil and water engineering	plant and machinery	vehicles	other non- current fixed assets	non-current fixed assets under construction	prepayments for non-current fixed assets under construction	total non-current fixed assets
Gross value of non-current fixed assets at beginning of period	170 692	1 066 943	2 259 833	14 761	(682)	393 199	9 488	3 914 234
increases (due to)	26 267	239 491	330 424	14 803	569	269 087	64 373	945 014
- purchase	152	625	2 696	13 443	365	214 226	64 373	295 880
- transfers	-	142 337	326 431	-	204	54 861	-	523 833
- other	26 115	96 529	1 297	1 360	-	-	-	125 301
reductions (due to)	(1 155)	(2 351)	(12 324)	(5 444)	(119)	(478 637)	(57 727)	(557 757)
- sale and liquidation	(280)	(2 320)	(2 468)	(4 275)	(119)	-	-	(9 462)
- other	(875)	(31)	(9 856)	(1 169)	-	(8 927)	(2 454)	(23 312)
- transfers	-	-	-	-	-	(469 710)	(55 273)	(524 983)
Gross value of non-current fixed assets at end of period	195 804	1 304 083	2 577 933	24 120	(232)	183 649	16 134	4 301 491
Cumulative depreciation at beginning of period	(24 500)	(213 434)	(562 074)	(5 700)	1 566	(107)	-	(804 249)
- current period depreciation	(7 034)	(53 957)	(87 654)	(7 729)	(292)	-	-	(156 666)
- reductions (due to)	(339)	2 177	2 225	3 472	22	(1)	-	7 556
- sale and retirement	84	2 167	2 192	4 108	59	(1)	-	8 609
- other	(423)	10	33	(636)	(37)	-	-	(1 053)
Cumulative depreciation at end of period	(31 873)	(265 214)	(647 503)	(9 957)	1 296	(108)	-	(953 359)
Impairment losses at beginning of period	-	(5 624)	(14 603)	-	(5)	(59 578)	-	(79 810)
- increase	-	(4 200)	-	-	-	(101)	-	(4 301)
- reduction	-	-	-	-	-	9 071	-	9 071
Impairment losses at end of period	-	(9 824)	(14 603)	-	(5)	(50 608)	-	(75 040)
Net value of non-current fixed assets at beginning of period	146 192	847 885	1 683 156	9 061	879	333 514	9 488	3 030 175
Net value of non-current fixed assets at end of period	163 931	1 029 045	1 915 827	14 163	1 059	132 933	16 134	3 273 092

11 Right-of-use assets

Right-of-use assets under lease	30.06.2024	31.12.2023
Land	177 792	163 484
Building, premises and civil and water engineering	21 561	12 676
Plant and machinery	471	434
Vehicles	12 604	12 833
Total	212 428	189 427

12 Intangible Assets

A review of the intangible assets of the Company performed as at 30 June 2024 showed no grounds for performing an impairment test.

13 Goodwill

As at 30 June 2024, goodwill amounts to PLN 157 million and includes the following segments and cash generating centers:

- PLN 25 million - distribution - including the companies Polenergia Dystrybucja and Polenergia Kogeneracja;
- PLN 44 million - trading and sales - including the company Polenergia Obrót;
- PLN 82 million - trading and sales - including the companies Polenergia Fotowoltaika, Polenergia Pompy Ciepła and Zielony Ryś ("Photovoltaics Group").

In accordance with IAS 36 guidelines, for cash-generating units (CGUs) to which goodwill has been allocated, impairment tests are performed once a year. The results of these tests will be published in the annual consolidated financial statements. As at 30 June 2024, no rationale for impairment test has been identified.

14 Impairment test of financial assets measured with the equity method

In its consolidated financial statements for 2023, the Company reported that due to the strategic nature of offshore wind farm projects and their crucial implementation phase, the Management Board decided to perform impairment tests for these projects at least once per financial year until construction is completed.

Accordingly, an impairment test will be prepared at the end of this year, and relevant disclosures regarding the results of such tests will be included in the 2024 annual consolidated financial statements. As at 30 June 2024, no rationale for impairment test has been identified.

15 Short term receivables

	30.06.2024	31.12.2023
- trade receivables	209 036	279 765
- from related entities	11 502	20 195
- from other entities	197 534	259 570
- income tax receivable	5 496	5 511
- other receivables	209 220	292 415
- budget payments receivable	43 195	14 311
- other	166 025	278 104
Total net short-term receivables	423 752	577 691
- receivables remeasured write-downs	43 959	30 098
Total gross short-term receivables	467 711	607 789

In the period ended 30 June 2024, there was an increase in the allowance for accounts receivable from PLN 30,098 thousand to PLN 43,959 thousand. The main reason for this increase was the amount of expected credit losses recognized due to the temporary suspension of the next edition of the "My Electricity" program. Part of the remuneration from the sale of photovoltaic installations is funded by a government grant program. Grant programs are being announced in future editions. In late 2023, the call for applications in the 5.0 edition ended and no next edition was announced. At the same time, it was made public that the next edition would be announced, however no specific date was given. Under conditions of uncertainty, as no detailed terms of the program were announced, the Group decided to recognize an allowance for receivables related to grant payments until the terms of the program were announced. Currently, the next edition of the "My Electricity 6.0" program has been announced on official government websites, the detailed terms of the program should follow this September.

Below is the classification of trade receivables as per individual impairment model stages:

	Total	Step 2	Step 3
Gross value as at 1.01.2024	309 863	246 673	63 190
Arisen	192 316	172 519	19 797
Paid	(249 184)	(249 184)	-
Gross value as at 30.06.2024	252 995	170 008	82 987

The payment default rates and the calculation of credit losses as at 30 June 2024 have been presented in the table below:

	Total	Receivables from individual customers			
		Current 0-30 days	30-60 days	60-90 days	>90 days
30.06.2024	16 242	4 353	4 353	1 546	5 990
Expected credit losses	19 459	-	-	-	19 459
31.12.2023	4 185	798	798	325	2 264
Expected credit losses	5 543	-	-	-	5 543

	Total	Receivables from corporate customers			
		Current 0-30 days	30-60 days	60-90 days	>90 days
30.06.2024	192 794	154 579	224	4 953	33 038
Expected credit losses	24 523	13 214	-	-	11 309
31.12.2023	275 580	241 928	2 450	375	30 827
Expected credit losses	24 578	13 214	-	-	11 364

16 Fair values of assets and liabilities

Futures and forward contracts measured at fair value through profit or loss

In connection with the activities of its subsidiary Polenergia Obrót S.A. Futures and forward contracts to buy or sell electricity are classified by the Group as derivatives, in line with IFRS 9 - Financial Instruments. Accordingly, such contracts are measured at fair value, with changes in fair value recognized under the profit and loss account. Gains or losses on the measurement of contracts are disclosed on a net basis under revenue. Measurement is performed with respect to the outstanding part of the contracts broken down into a current portion to be completed within 12 months from the reporting date, and a long term portion to be completed in subsequent years.

The table below includes information on financial assets and liabilities related to the measurement of forward contracts that the Group measures at fair value and classifies at specific levels of the fair value hierarchy:

- Level 2 – assets and liabilities measurement inputs other than quoted market prices included under Level 1 that are observable for the variables from active markets,

Level 2: Fair value is determined on the basis of other directly or indirectly observable data (in the case of products for a duration of less than one month - the determination of the price is made mainly through the granularity of the monthly product quotes based on historical data of the month's structure). As similar contracts are traded in an active market, the prices reflect results of actual transactions in similar derivative instruments. The fair value of loans is determined at amortized cost i.e., the discounted cash flow analysis at the assumed effective interest rate as a discount rate.

Forward contracts are entered into on stock exchanges for speculative purposes and measured with the model using market parameters, i.e., the market price of an instrument discounted using relevant interest rates. The impact of applying unobserved data, if any, was immaterial to the measurement of derivatives (level 2).

	For 6 months ended	
	30.06.2024	30.06.2023
Result of measurement of derivatives	4 451	(11 629)

Financial instrument category

	30.06.2024	Total
	Level 2	Total
Short term assets	106 840	106 840
Long term assets	11 877	11 877
Total	118 717	118 717

	Level 2	Total
Short term liabilities	103 423	103 423
Long term liabilities	6 818	6 818
Total	110 241	110 241

Net fair value	8 476	8 476
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	30.06.2024	30.06.2023
Impact on profit/loss		
Market price increase by 1%	8	70
Market price decrease by 1%	(8)	(70)

The measurement of the fair value of speculative forward contracts, i.e., ones with an open position, amounted to PLN -6 thousand as at the reporting date.

Derivatives measured at fair value through profit or loss

In addition, the Group entered into derivative transactions to hedge foreign currency risk, the measurement of which was recognized directly through profit or loss.

Polenergia Obrót S.A. entered into transactions hedging future cash flows from gas and energy purchase contracts denominated in Euro. The total volume of transactions amounted to EUR 1,785 thousand, and the value of these transactions as at 30 June 2024 was PLN -257 thousand.

Cash flow hedges (in EUR thousand)

Maturity of hedging instrument	Value of collateral	Hedged interest rate	Instrument
2024.Q3	EUR 688	4.3399	SWAP
2025.Q1	EUR 229	4.3700	SWAP
Total	EUR 917		

Derivatives measured at fair value through other comprehensive income

As at 30 June 2024, the Group recognized PLN 15,544 thousand (30 June 2023: PLN -58,797 thousand) in other comprehensive income being a component of equity, on account of the effective portion of the hedging instrument's fair value.

Hedging transactions are entered into with a view to mitigate the impact of:

- interest rate variation on the amount of the future highly probable payments of loan installments.
- foreign exchange rates changes on the amount of the future highly probable foreign currency denominated payments under the investment agreements.

Hedge accounting seeks to eliminate the risk of an accounting mismatch between the time when gains or losses on a hedging instrument and those on the hedged item are recognized.

As at 30 June 2024, the Group held the following hedging instruments for hedge accounting purposes.

Interest rate risk hedges

Maturity of hedging instrument	Value of collateral	Hedged interest rate	Instrument
29.09.2025	21,594	0.52%	IRS
29.06.2026	14,288	0.56%	IRS
26.02.2027	615	1.25%	IRS
15.12.2027	81,106	0.75%	IRS
29.03.2028	103,661	0.79%	IRS
18.12.2028	59,450	5.19%	IRS
22.12.2031	7,699	2.60%	IRS
21.06.2033	7,870	5.67%	IRS
12.12.2033	24,720	6.71%	IRS
12.12.2033	24,720	6.71%	IRS
13.03.2034	137,976	6.65%	IRS
30.06.2034	11,209	0.89%	IRS
11.06.2035	131,584	1.10%	IRS
10.09.2035	392,310	1.20%	IRS
31.12.2035	16,632	2.39%	IRS
11.03.2036	100,343	2.22%	IRS
Total	1,135,777		

Fair values of other financial assets and liabilities

Fair value of other financial assets and liabilities enumerated below is not materially different from their carrying amount:

- long term receivables,
- trade debtors and other receivables.
- cash and equivalent,
- bank loans and borrowings,
- trade creditors and other payables.

	Category	Carrying amount		Fair Value	
		30.06.2024	31.12.2023	30.06.2024	31.12.2023
Financial asstes					
Futures and forward contracts	Level 2	118 717	184 023	118 717	184 023
Derivative instruments	Level 2	146 535	135 326	146 535	135 326
Financial liabilities					
Bank loans	n/a	1 394 445	1 532 141	1 394 445	1 532 141
Derivative instruments	Level 2	19 124	29 083	19 124	29 083
Futures and froward contracts	Level 2	110 241	176 368	110 241	176 368

17 Significant shareholders

Shareholders holding 5% or more of the total number of shares as at the date of issue of these consolidated financial statements include:

No	Shareholder	Number of shares held	Number of votes	Shareholding
1	Mansa Investments Sp. z o.o. *)	33 127 625	33 127 625	42,90%
2	BIF IV Europe Holdings Limited	24 738 738	24 738 738	32,04%
3	Allianz Polska OFE	6 045 142	6 045 142	7,83%
4	Nationale-Nederlanden OFE	4 571 000	4 571 000	5,92%
5	Others	8 736 408	8 736 408	11,31%
	Total	77 218 913	77 218 913	100%

*) Kulczyk Holding S.à r.l. effectively holds 100 % of shares in Mansa Investments Sp. z o.o.

18 Dividends distributed and proposed

No dividend was distributed by the parent in the 6-month period ended 30 June 2024. No dividend is intended to be distributed by the parent in 2024.

19 Income tax

	For 6 months ended		For 3 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Current income tax	52 635	43 481	19 190	6 645
Current income tax charge	52 427	43 259	19 185	6 423
Adjustments to prior years current income tax	208	222	5	222
Deffered income tax	2 812	(1 455)	1 528	4 684
Related to temporary differences and their reversal	2 812	(1 455)	1 528	4 684
Income tax charged to the profit and loss account	55 447	42 026	20 718	11 329

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	Balance sheet	Profit and loss account	Capital	Balance sheet
	01.01.2024			30.06.2024
Deferred income tax				
Deferred income tax provision				
Tangible fixed assets	134 217	9 939	-	144 156
Intangible assets	8	-	-	8
Receivables	29 040	2 915	1 746	33 701
Cash	64	(15)	-	49
Loans and borrowings	2 420	583	-	3 003
Liabilities	(3 796)	(22)	-	(3 818)
Other	(5 913)	892	-	(5 021)
Inventories	13 102	(3 670)	-	9 432
Deferred income tax provision before tax	169 142	10 622	1 746	181 510
Compensation				(78 695)
Deferred income tax provision				102 815
Deferred income tax assets				
Tangible fixed assets	1 240	120	-	1 360
Inventories	96	195	-	291
Receivables	7 588	3 229	-	10 817
Borrowings	3 324	1 181	-	4 505
Liabilities	40 113	667	(1 928)	38 852
Provisions	37 329	(6 003)	-	31 326
Retained assets	10 453	9 289	-	19 742
Prepayments	7 659	(870)	-	6 789
Financial assets	27	2	-	29
Deferred income tax asset	107 829	7 810	-1 928	113 711
Compensation				(78 695)
Deferred income tax assets				35 016
Deferred income tax expense		2 812		
Net deferred tax (assets)/provision	61 313		3 674	67 799

The temporary difference related to tangible fixed assets and intangible assets follows from the assets measured due to the purchase price allocation and accelerated tax depreciation/amortization.

	For 6 months ended	
	30.06.2024	30.06.2023
Income tax charged to the profit and loss account, including	55 447	42 026
Current tax	52 634	43 475
Deferred tax	2 813	(1 449)
Profit (Loss) before tax	275 814	209 313
Tax on gross profit at effective tax rate of 19%	52 405	39 769
Adjustments to prior years current income tax	(265)	158
Adjustments to prior years differed income tax	54	2
Non-deductible costs:	3 279	2 234
- permanent differences	903	379
- temporary difference on which no tax asset/provision is established	2 376	1 855
Non-taxable income:	(26)	(137)
- other	(26)	(137)
Income tax in the profit and loss account	55 447	42 026

20 Provisions

	30.06.2024	31.12.2023
Long term provisions		
- pension plan and related provision	2 415	2 415
- dismantling cost	101 206	93 983
- litigation provision	21 139	21 139
Total long term provisions	124 760	117 537
Short term provisions		
- pension plan and related provision	374	634
- accrued holiday leave provision	8 536	7 067
- other provisions	301	302
Total short term provisions	9 211	8 003

Change in long term and short term provisions

	30.06.2024	31.12.2023
Provisions at beginning of the period	125 540	29 652
- recognition of provisions	9 017	96 883
- reversal of provisions	(331)	(739)
- application provisions	(255)	(256)
Provisions at end of the period	133 971	125 540

The long-term provision for litigation originates from the prudent approach to the case vs. Eolos Polska Sp. z o.o.

21 Liabilities

	30.06.2024	31.12.2023
- bank loans and borrowings	185 762	211 344
- trade payables	115 440	108 675
- from related entities	100	989
- from other entities	115 340	107 686
- income tax payable	29 588	8 001
- lease liabilities	31 041	27 611
- futures and forward contracts measurement	103 423	170 687
- other liabilities	189 337	302 042
- budget payments receivable	37 277	32 018
- prepayments for deliveries	133 388	239 764
- price difference payment fund	9 189	22 328
- payroll payable	2 100	3 571
- special funds	819	99
- for risk hedging	2 308	2 030
- other	4 256	2 232
Total short term liabilities	654 591	828 360

	30.06.2024	31.12.2023
- price difference payment fund	22 210	22 080
- risk hedging	16 816	27 053
- investment liabilities	1 500	1 500
Total other long term liabilities	40 526	50 633

22 Bank loans incurred and other borrowing liabilities

Polenergia Farma Wiatrowa Grabowo Sp. z o.o.

On 29 February 2024, Polenergia Farma Wiatrowa Grabowo Sp. z o.o., in line with the loan agreement, as amended, for the construction of the Grabowo Wind Farm, obtained a certificate of completion of the construction phase of the project (Project Completion) from the consortium members and thus the project began its operational phase.

Polenergia Farma Fotowoltaiczna Strzelino Sp. z o.o.

On 26 June 2024, Polenergia Farma Fotowoltaiczna Strzelino Sp. z o.o (former Polenergia Obrót 2 Sp. z o.o.), in line with the loan agreement, as amended, for the construction of the Strzelino Wind Farm, obtained a certificate of completion of the construction phase of the project (Project Completion) from the bank and thus the project began its operational phase.

In the period between 1 January and 30 June 2024:

- the wind and photovoltaic farms made repayments of their investment loans totaling PLN 125,083.02 thousand, including PLN 73,687.31 thousand as a result of mandatory prepayments, and at the same time made drawdowns of further tranches of investment loans totaling PLN 8,442.17 thousand,

- Polenergia Dystrybucja Sp. z o.o. made repayments of the investment loan in the total amount of PLN 2,936.49 thousand and performed drawdowns of further tranches of said loan totaling PLN 6,000.00 thousand.

- the working capital loans debt balance, i.e., overdrafts and revolving facilities to finance VAT on the investment expenditure decreased in the group by PLN 24,941.72 thousand in total.

Guarantees and sureties granted

On 29 February 2024, Polenergia S.A. issued payment guarantees for the obligations of the company MFW Bałtyk II Sp. z o.o. in which it holds a 50% stake, in connection with a contract with SIF NETHERLANDS B.V. The guarantee was issued up to a maximum amount of EUR 99,500 thousand and expires on 31 December 2028.

On 29 February 2024, Polenergia S.A. issued payment guarantees for the obligations of the company MFW Bałtyk III Sp. z o.o. in which it holds a 50% stake, in connection with a contract with SIF NETHERLANDS B.V. The guarantee was issued up to a maximum amount of EUR 68,000 thousand and expires on 31 December 2028.

On 28 June 2024, Polenergia S.A. issued a payment guarantee for the obligations of the Company MFW Bałtyk II Sp. z o.o., in which it holds a 50% stake, in connection with the reservation contract executed with the consortium SIF NETHERLANDS B.V./ Smulders Projects Belgium up to a maximum amount of EUR 10,812.5 thousand with an expiration date of 01 September 2024.

On 28 June 2024, Polenergia S.A. issued a payment guarantee for the obligations of the Company MFW Bałtyk III Sp. z o.o., in which it holds a 50% stake, in connection with the reservation contract executed with the consortium SIF NETHERLANDS B.V./ Smulders Projects Belgium up to a maximum amount of EUR 10,812.5 thousand with an expiration date of 01 September 2024.

On 28 June 2024, Polenergia S.A. signed an annex to the payment guarantee issued in relation to the contract entered into by the Company MFW Bałtyk II Sp. z o.o., in which it holds a 50% stake, with Hitachi Energy Poland Sp. z o.o. The annex increased the maximum amount of the guarantee to EUR 28,500.0 thousand.

23 Litigation and disputes

Amon sp. z o.o. and Talia sp. z o.o. – each company acting separately filed a claim for rendering ineffective the statements of termination by Polska Energia – Pierwsza Kompania Handlowa sp. z o.o. (a company operating in the Tauron Group) of the contracts for the sale of property rights incorporated in certificates of origin for electricity generated in renewable energy sources – wind farms located in Łukaszów (Amon) and Modlikowice (Talia) and the agreements on sale of electricity generated in the a/m wind farms.

Both companies obtained favorable partial and preliminary judgments upholding the claim in the part regarding the ineffectiveness of the statements of termination by Polska Energia - Pierwsza Kompania Handlowa sp. z o.o. of the contracts in dispute. The judgments have been appealed against.

On 20 December 2021, the Court of Appeal in Gdańsk issued a judgment in the case instituted by Talia sp. z o.o. against Polska Energia – Pierwsza Kompania Handlowa sp. z o.o. in which the entire appeal filed by the latter company was dismissed. On 16 August 2022, Polska Energia – Pierwsza Kompania Handlowa sp. z o.o. filed a cassation complaint. On 17 November 2022, the Court of Appeal in Gdańsk issued a judgment in the case instituted by Amon sp. z o.o. against Polska Energia – Pierwsza Kompania Handlowa sp. z o.o. in which the entire appeal filed by the latter company was dismissed. On 12 June 2023, Polska Energia – Pierwsza Kompania Handlowa sp. z o.o. filed a cassation complaint. Both cassation complaints were accepted for review by the Supreme Court.

On 31 March 2023, Amon sp. z o.o. received a procedural letter from Polska Energia – Pierwsza Kompania Handlowa sp. z o.o., in a case brought by Amon sp. z o.o. v. Polska Energia – Pierwsza Kompania Handlowa sp. z o.o. including further claims of Amon sp. z o.o. resulting from the failure to perform the above-mentioned contracts by Polska Energia - Pierwsza Kompania Handlowa sp. z o.o., pending before the District Court in Gdańsk, in which letter Polska Energia – Pierwsza Kompania Handlowa sp. z o.o. entered into a counterclaim demanding an award from Amon sp. z o.o. for its benefit the amount of PLN 61,576 thousand with statutory default interest calculated as follows: (i) on the amount of PLN 55,691 thousand - since 31 March 2023 until the date of payment, (ii) on the amount of PLN 5,884 thousand - since the day following the date of direct delivery of a copy of the counterclaim to the attorney of Amon sp. z o.o.

The amount of PLN 55,691 thousand represents contractual penalties demanded by Polska Energia - Pierwsza Kompania Handlowa sp. z o.o. allegedly on the basis of §8 section 1 of the agreement for the sale of proprietary rights arising from certificates of origin confirming the generation of electricity in a renewable energy source - Łukaszów Wind Farm concluded on 23 December 2009 by Amon sp. z o.o. with Polska Energia - Pierwsza Kompania Handlowa sp. z o.o. and allegedly resulting from the failure of Amon sp. z o.o. to meet the number of proprietary rights to be transferred in individual months starting from August 2019.

The amount of PLN 5,884 thousand in turn represents compensation claimed by Polska Energia - Pierwsza Kompania Handlowa sp. z o.o. for the alleged failure of Amon sp. z o.o. to perform an agreement for the sale of electricity generated at a renewable energy source - the Łukaszów Wind Farm, concluded by Amon sp. z o.o. with Polska Energia - Pierwsza Kompania Handlowa sp. z o.o. on 23 December 2009, in the period from 18 November 2022 to 31 December 2022.

On 16 May 2023, the District Court in Gdańsk served Amon sp. z o.o. an order dated 2 May 2023, which left the counterclaim of Polska Energia – Pierwsza Kompania Handlowa sp. z o.o. without proceeding any further. The basis for the order in question issued by the District Court in Gdańsk is Article 204 sec. 1, second sentence of the Code of Civil Procedure, which stipulates that a counterclaim may be brought no later than in a statement of defense.

On 28 December 2023 Amon sp. z o.o. filed a second change of the claim against Polska Energia - Pierwsza Kompania Handlowa sp. z o.o. with the Regional Court in, in connection with the ineffective termination and non-performance by Polska Energia - Pierwsza Kompania Handlowa sp. z o.o. of long-term contracts for the sale of energy and proprietary rights concluded by Polska Energia - Pierwsza Kompania Handlowa sp. z o.o. with Amon sp. z o.o. By virtue of the aforementioned change of claim, Amon sp. z o.o., in addition to the amounts claimed so far, demands payment of the amount of PLN

18,297 thousand as compensation for failure to perform the aforementioned agreements during their further term.

On 28 December 2023 Talia sp. z o.o. filed a fifth change to the claim against Polska Energia - Pierwsza Kompania Handlowa sp. z o.o. with the Regional Court in Gdańsk, in connection with the ineffective termination and non-performance by Polska Energia - Pierwsza Kompania Handlowa sp. z o.o. of long-term contracts for the sale of energy and proprietary rights concluded by Polska Energia - Pierwsza Kompania Handlowa sp. z o.o. with Talia sp. z o.o. By virtue of the above change of the claim, Talia, in addition to the amounts claimed so far, seeks payment of the amount of PLN 12,075 thousand as compensation for non-performance of the aforementioned contracts during their further term.

Amon sp. z o.o. and Talia sp. z o.o. filed their claims for damages against Tauron Polska Energia S.A. The grounds for the liability in tort of Tauron Polska Energia S.A. is the cessation of the performance by Polska Energia - Pierwsza Kompania Handlowa sp. z o.o., a subsidiary of Tauron, of long-term contracts for the sale of electricity generated in renewable sources and long-term contracts for the sale of proprietary rights under the certificates of origin confirming that energy has been generated in renewable sources, entered into with the companies Amon sp. z o.o. and Talia sp. z o.o.

Witnesses are currently being interviewed orally at hearings and in writing before the Regional Court in Katowice.

On 28 December 2023, Amon sp. z o.o. and Talia sp. z o.o. filed with the Regional Court in Katowice, a second change of the claim against Tauron Polska Energia S.A. covering Amon's and Talia's claims for damages arising after 30 June 2020. Pursuant to the change in question, the claims for damages with interest increased by PLN 29,668 thousand in case of Amon sp. z o.o., and PLN 19,277 thousand in case of Talia sp. z o.o.

Certyfikaty sp. z o.o., Polenergia Obrót S.A. i Green Stone Solutions sp. z o.o. (then under the name: Polenergia Usługi sp. z o.o.) were sued by Eolos Polska sp. z o.o. before the Regional Court in Warsaw Commercial Department XX for payment of contractual penalties for termination of agreements on the sale of proprietary rights arising from certificates of origin of electricity generated at renewable energy sources and for payment of receivables on account of balancing costs. The court appointed an expert in the case who prepared an opinion. On 14 December 2023, the court ordered the admission of evidence from a written supplementary expert opinion.

On 13 July 2021, Polenergia Farma Wiatrowa 1 sp. z o.o. received a statement of claim for payment of compensation for non-contractual use of the property. The claimants demanded payment because the access road to one of the wind turbines is now located on the real property they hold the title to, following the court's decision on the delimitation of the real property. Formerly, the property was owned by another lessor. On 30 June 2023, the District Court in Wąbrzeźno, in a closed session, issued a judgment ordering Polenergia Farma Wiatrowa 1 sp. z o.o. to pay the claimants the sum of PLN 18,428.08 for non-contractual use of the property in the period from 13 March 2020 to 31 December 2021. The claimants demanded payment of PLN 52,500.00. Polenergia Farma Wiatrowa 1 sp. z o.o. in the course of the litigation did not dispute the validity of the claim, but rather the amount demanded. The amount awarded by the Court reflects the position presented by the respondent during the proceedings. The claimant filed an appeal with the Regional Court in Toruń. At a hearing before the Regional Court in Toruń on 15 May 2024, the parties reached a settlement, which means that the dispute is over. Under the settlement, Polenergia Farma Wiatrowa 1 sp. z o.o. shall pay the claimant the amount of PLN 35,000.00 as compensation for non-contractual use of the property for the period from 31 May 2020 to 31 December 2021. Also, the parties agreed to enter into a lease agreement on terms agreed by the parties.

On 2 June 2023, Polenergia Farma Wiatrowa 1 sp. z o.o. received a notice of termination from the lessor of the lease agreement entered into on 26 February 2008 relating to the real estate where some of the wind turbines of the Gawłowice Wind Farm are located, along with the accompanying infrastructure. The grounds for termination claimed by the lessor in the termination notice was that Polenergia Farma Wiatrowa 1 sp. z o.o. delivered a bank guarantee required by the lease agreement that was issued in a form that is incorrect in the lessor's opinion. Polenergia Farma Wiatrowa 1 sp. z o.o. did not share the lessor's view as to the legitimacy of the grounds for termination, therefore the company informed the landlord that in its opinion the termination was ineffective and the lease agreement was still binding.

Concurrently, Polenergia Farma Wiatrowa 1 sp. z o.o. was seeking an amicable resolution of the dispute through direct negotiations aimed at obtaining the revocation of the statement on termination of the lease agreement. Eventually, the parties reached an agreement following negotiations and signed the lease agreement (in its new wording) in March 2024, maintaining the continuity of contract.

Polenergia Obrót S.A. had contracts for the sale of energy with Jeronimo Martins Polska S.A. ("JMP") which were terminated by Polenergia Obrót S.A. effective as of 30 June 2022. In view of the termination of the contracts in question, JMP served upon Polenergia Obrót S.A. requests for payment of PLN 3,501 thousand and PLN 36,027 thousand, i.e., in aggregate PLN 39,528 thousand. The claims raised by JMP refer to the periods falling after the date the sale contracts ceased to be effective, therefore Polenergia Obrót S.A. deems them groundless. By the same token, Polenergia Obrót S.A. deems the statement by JMP of a set-off of the amounts of the claims against the receivables of Polenergia Obrót S.A. from JMP ineffective.

On 1 December 2022, Polenergia Obrót S.A. filed an action against JMP in the Regional Court in Warsaw, demanding payment of the amount of PLN 40,853 thousand with statutory default interest applicable to commercial transactions accruing from the date of filing the action until the date of payment. The amount of the claim includes the amount of PLN 39,528 thousand of the invoices for energy unpaid by JMP and the amount of PLN 1,324 thousand for accrued interest for the period until the date of filing the claim.

The difference in the value of the claims pursued in relation to the amounts covered by JMP's statement on setting off results from the adjustments of settlements made in the meantime related to the update of measurement data and the submission by Polenergia Obrót S.A. of statements on setting off. In September 2023, JMP delivered its statement of defense to Polenergia Obrót S.A. According to the claimant, the content of the statement of defense, as well as the arguments presented in JMP's subsequent pleadings, do not affect the previous assessment of the legitimacy of Polenergia Obrót S.A.'s claim.

The first hearing has not been scheduled yet.

Polenergia Dystrybucja sp. z o.o. manages the collection proceedings in relation to non-payment for the electrical energy supplied. The aggregate claims amount is currently ca. PLN 503 thousand.

On 6 December 2021, the President of the Office of Competition and Consumer Protection ("UOKiK") launched investigation with respect to the company Polenergia Fotowoltaika S.A. with registered office in Warsaw aiming at a preliminary determination whether, as a result of the activities concerning the provision of services in terms of the sale and assembly of photovoltaic systems performed by the company, there occurred any breach that would give rise to instituting the proceedings in the case for considering the sample contract prohibited or any breach of the consumers' interests enjoying legal protection that would give rise to instituting the proceedings in the case for any practices infringing upon the collective interests of consumers.

Polenergia Fotowoltaika S.A. provided UOKiK with the documents and information referred to in the request. In the course of the proceedings, UOKiK requested that Polenergia Fotowoltaika S.A. submit additional information and documents. Polenergia Fotowoltaika S.A. provided UOKiK with the documents and clarifications referred to in the requests and letters.

The investigation by UOKiK may lead to: 1) no continuation of the proceedings; 2) discontinuation of the proceedings as unfounded 3) instituting the proper proceedings in the case for considering the sample contract prohibited or any practices infringing upon the collective interests of consumers.

Due to the nature of Polenergia Fotowoltaika S.A.'s business, since December 2022 the company has filed 89 actions for payment in pursuit of receivables under contracts between the company and its customers. Due to the nature of its business, Polenergia Fotowoltaika S.A. is a party to 13 litigations in connection with contracts between the Company and its customers and the agreements between the company and its subcontractors or suppliers.

Polenergia Obrót S.A. was obliged to fulfill, by 30 June 2023, its obligations under Article 52 sec. 1 of the Renewable Energy Sources Act and Article 10 sec. 1 of the Energy Efficiency Act to redeem a certain number of proprietary rights to certificates of origin and energy efficiency certificates for 2022. Already after the reporting date, Polenergia Obrót S.A. determined that it had performed 98.05% of that

obligation. On 21 July 2023, Polenergia Obrót S.A. made additional payments as surcharges on replacement fees to fulfill the obligation in full. Failure to meet the deadline of 30 June 2023 may result in the imposition of fines by the President of the Energy Regulatory Office, in particular under Article 170 sec. 2 of the Renewable Energy Sources Act.

During September and October 2023, a number of the Polenergia S.A.'s subsidiaries (Polenergia Obrót S.A., Polenergia Sprzedaż sp. z o.o., Polenergia Farma Wiatrowa 3 sp. z o.o. and Polenergia Farma Wiatrowa Dębice/Kostomłoty sp. z o.o.) received notices of launching ex officio administrative proceedings by the President of the Energy Regulatory Office for the imposition of a monetary penalty in connection with the violation of the Act of October 27, 2022 on emergency measures aimed at limiting the amount of electricity prices and support for certain consumers by failing to submit to Zarządca Rozliczeń S.A. (Price Settlement Authority), by the deadline stipulated by the aforementioned Act, reports confirming the deduction for the Price Differential Payment Fund.

Polenergia S.A.'s subsidiaries have provided the President of the Energy Regulatory Office with explanations of the reasons for the delays (lasting usually a couple of days) in submitting reports and are now awaiting possible further correspondence or decisions, with Polenergia Farma Wiatrowa Dębice/Kostomłoty sp. z o.o. having received a notice of the closing of administrative proceedings and having been given an opportunity to review the evidence in the case.

A breach of the aforementioned law may result in a fine. The law currently stipulates that such fine may not exceed 15% of the punished entity's revenue generated in the immediately preceding financial year, with the President of the Energy Regulatory Office, when imposing the penalty, taking into account the degree of harmfulness of the act, the degree of culpability, as well as the track record of the entrepreneur and its financial capabilities. The President may also waive the penalty if the degree of harmfulness of the act is negligible, and the entity has ceased its breach or has fulfilled its obligation. The subsidiaries of Polenergia S.A. submitted all the delayed reports.

In a letter dated 23 May 2024, the President of the Energy Regulatory Office ("ERO") notified Polenergia Obrót S.A., a subsidiary of Polenergia S.A. of the initiation of administrative proceedings for the imposition of a fine in connection with suspected non-compliance with the obligation to present information on the volume of mandatory reserves to the ERO President for verification by the ERO President, pursuant to Article 25 (3) of the Act on Supplies of Crude Oil, Petroleum Products and Natural Gas and the Rules of Procedure in Situations of Threat to the State's Fuel Security and the Oil Market Disruptions of 16 February 2007. In response to request of the ERO President, Polenergia Obrót S.A. provided the missing information and additional explanations, including after the completion of the evidentiary part of the administrative proceedings. Violation of the obligation in question is subject to a fine ranging from 1% to 15% of the entrepreneur's revenue resulting from activities performed under a license for trading in natural gas with foreign countries.

In March 2023 Polenergia Obrót S.A. received information from CIME V-E Asset AG ("CIME") about financial difficulties that may cause delays in the payment of receivables to Polenergia Obrót S.A. under the framework agreement dated 27 February 2020, concluded on the basis of the International Swaps and Derivatives Association Inc. template, and the transaction agreements for 2023 - 2025 ("ISDA") concluded thereunder. At the same time, on 24 March 2023, Polenergia Obrót S.A. stated that invoices for the billing period covering January 2023 and February 2023 were not paid, and addressed CIME with a call for payment of receivables under ISDA, covering financial instruments based on energy products, and amounts resulting from late payments under ISDA (the "Debt").

In response to the need for restructuring measures, Polenergia Obrót S.A. agreed to enter into a package of agreements with CIME and CIME Krzanowice III sp. z o. o. being CIME's Polish operating subsidiary, ("CIME Krzanowice") in order to secure the interests of Polenergia Obrót S.A. to a maximum extent.

On 14 July 2023, Polenergia Obrót S.A. and CIME Krzanowice entered into an agreement for the sale of electricity generated in the wind farm owned by CIME Krzanowice for a period of 10 years, under which, Polenergia Obrót S.A. will, as of 1 September 2023, receive all of the energy generated in said wind farm (the "Offtake Agreement"). In order to contractually supplement the provisions of the Offtake Agreement and comprehensively implement the principles of repayment of the Debt owed to Polenergia Obrót S.A., on 3 August 2023 CIME, CIME Krzanowice and Polenergia Obrót entered into an agreement restructuring the Debt, pursuant to which Polenergia Obrót S.A. will be entitled to set off the Debt in the

agreed amount against CIME Krzanowice's receivables from Polenergia Obrót S.A. for electricity supplied under the Offtake Agreement which will allow for gradual reduction of the level of the Debt over a 10-year time horizon (the "Restructuring Agreement"). In order to secure Polenergia Obrót S.A.'s rights under the Offtake Agreement and the Restructuring Agreement, CIME Krzanowice, CIME and Polenergia Obrót S.A. agreed to establish a registered pledge in favor of Polenergia Obrót S.A. on CIME Krzanowice's assets and CIME's shares in the share capital of CIME Krzanowice.

On top of that, in addition to the business provisions under the aforementioned agreements, Polenergia Obrót S.A. and CIME entered into an agreement partly terminating the ISDA with respect to transactions from the date of said agreement until the end of 2023.

In connection with the above-described event, a measurement of receivables was made based on estimated cash flows related to the performance of the described contracts.

Polenergia Elektrociepłownia Nowa Sarzyna sp. z o.o. challenged the decision of the President of the Energy Regulatory Office with respect to the final settlement of stranded costs under the Act on the principles of coverage of costs arising at generators in connection with early termination of long-term agreements for the sale of capacity and electricity (the "LTC Termination Act"). In his decision the President of the Energy Regulatory Office determined the amount of the final settlement of stranded costs payable to the company, as additional funds to those already paid, of PLN 3,758 thousand. As the company does not share the interpretation of selected provisions of the LTC Termination Act, it appealed against the decision of the President of the Energy Regulatory Office to the Court of Competition and Consumer Protection in Warsaw, demanding an increase in the amount of funds due to Company. The disputed value is PLN 13.214 thousand, for which Company established an allowance under receivables

On 23 November 2023, the abovementioned Court issued a judgment in which it changed the appealed decision and set the amount of the final adjustment of stranded costs at PLN 16,645,912, thus recognizing as legitimate the claim of Polenergia Elektrociepłownia Nowa Sarzyna sp. z o.o. in the amount of PLN 12,887 thousand and dismissing the claim as to the amount of PLN 327 thousand. On 12 January 2024, Polenergia Elektrociepłownia Nowa Sarzyna sp. z o.o. filed an appeal against part of the judgment in that portion in which its claim had been dismissed. There is no information available whether the President of the Energy Regulatory Office filed any appeal.

24 Capital expenditures

As at 30 June 2024, the Group's intention is that the aggregate capital expenditure on fixed assets in 2024 will total ca. PLN 1.735 million. These sums will mainly be used for the development of onshore and offshore wind power projects, photovoltaics, implementation of the investment program in the distribution segment and hydrogen projects.

25 Sales revenue

	For 6 months ended		For 3 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
- revenue from sale and distribution of electricity	1 324 976	2 154 474	635 090	1 025 234
- revenue from certificates of origin	58 919	95 811	26 454	66 600
- revenue from sale of heat	22 855	23 533	7 473	8 878
- revenue from consulting and advisory services	9 376	7 736	5 649	3 999
- revenue from lease and operator services	2 267	1 350	934	459
- revenue from sale and distribution of gas	544 312	386 115	163 595	184 116
- revenue from sale of merchandise	747	446	320	356
- revenue from lease	300	175	76	64
- revenue from the capacity market and blackstart services	14 517	11 999	6 809	5 996
- revenue from the solar panels and heat pumps installation	113 216	158 361	60 964	78 631
- revenue from charging services	159	-	103	-
- other	7 224	7 758	1 638	2 229
Total revenue from clients	2 098 868	2 847 758	909 105	1 376 562
- revenues from the valuation of futures contracts	4 451	(11 629)	3 010	(7 357)
- revenues from CO2 emission allowances	1 507	1 921	1 507	1 921
Total other revenue	5 958	(9 708)	4 517	(5 436)
Total sales revenue	2 104 826	2 838 050	913 622	1 371 126

26 Cost by type

	For 6 months ended		For 3 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
- depreciation	86 657	77 154	41 744	39 295
- materials and power consumption	43 920	72 050	25 462	33 315
- third party services	109 829	120 622	57 261	60 434
- taxes, duties and fees	15 545	79 039	7 194	70 966
- salaries	63 618	51 806	33 232	24 946
- social security and other benefits	11 413	9 468	5 990	4 864
- other cost by type	3 176	2 540	2 057	1 299
Total cost by type	334 158	412 679	172 940	235 119
- merchandise and materials sold (+)	1 434 209	2 196 365	602 146	1 060 515
- selling certificates of origin	62 240	61 298	30 926	26 875
- income from granted certificates of origin	(42 547)	(62 139)	(16 253)	(22 412)
- selling expenses (-)	(44 144)	(49 526)	(22 095)	(23 719)
- general overheads (-)	(93 774)	(74 456)	(51 369)	(38 768)
Total cost of goods sold	1 650 142	2 484 221	716 295	1 237 610

During the period ended 30 June 2023, under the obligation imposed by the Extraordinary Measures Act to contribute to the Price Differential Payment Fund (the "Fund"), the Group companies recognized costs for contributions to the Fund totaling PLN 63 million, which were disclosed under Taxes and fees and Other liabilities.

27 Other operating revenues

	For 6 months ended		For 3 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
- reversal of impairment losses, including:	55	38	55	30
- expected credit loss	55	38	55	33
- non-current fixed assets impairment losses	-	-	-	(3)
- reversal of provisions, including:	2 197	-	2 197	-
- other	2 197	-	2 197	-
- other, including:	5 231	7 514	2 698	2 000
- compensation and additional payments	222	47	121	4
- grant settlement	1 595	1 966	797	1 168
- revenue from lease of non-current fixed assets	15	-	15	-
- gains on disposal of non financial fixed assets	154	45	36	45
- reinvoicing	284	56	144	30
- other	2 961	5 400	1 585	753
Total other operating revenues	7 483	7 552	4 950	2 030

28 Other operating expenses

	For 6 months ended		For 3 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
- asset impairment losses, including:	14 342	2 182	10 300	2 037
- expected credit loss	13 946	2 081	10 099	2 037
- inventories	396	-	201	-
- non-current fixed assets	-	101	-	-
- other, including:	2 033	2 987	1 653	2 086
- penalties, fines compensation payable	320	681	317	663
- compensation	-	27	-	27
- donation	846	655	775	475
- loss on disposal of non-financial fixed assets	1	1	1	1
- complaints, compensation	86	718	49	643
- repair costs covered by compensation	9	-	9	-
- other	771	905	502	277
Total other operating costs	16 375	5 169	11 953	4 123

29 Financial income

	For 6 months ended		For 3 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
- financial income from interest on deposit and loans	22 426	20 678	10 262	10 895
- fx differences, including:	367	1 418	94	1 009
- unrealized	269	768	30	742
- realized	98	650	64	267
- valuation of financial liabilities	106	5	106	5
- other surety - related fees	2 843	722	1 511	461
- other	257	164	(2)	135
Total financial revenue	25 999	22 988	11 971	12 505

30 Financial expenses

	For 6 months ended		For 3 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
- interest expenses	44 401	40 225	22 653	21 263
- fx differences, including:	1 044	336	303	(132)
- unrealized	833	205	131	317
- realized	211	131	172	(449)
- commission and other fees	5 271	2 791	2 840	1 046
- financial costs due to discounting	2 436	-	1 243	-
- measurement of financial liabilities *)	1 980	1 872	1 050	940
- other	2 996	48	54	(127)
Total financial cost	58 128	45 272	28 143	22 990

*) refers to bank loans measured at amortized cost

31 Liquidity risk

The Group monitors the risk of its funds being insufficient to pay liabilities as they fall due through periodic liquidity planning. Such tool takes into account the maturities of investments and financial assets (e.g. accounts receivable, other financial assets) and forecast cash flows from operating activities.

The Group aims at balancing the continuity and flexibility of financing by using diverse funding sources, including account overdrafts, credit facilities and lease contracts.

The table below shows the Group's financial liabilities by maturity as at 30 June 2024 and as at 31 December 2023, in terms of undiscounted contractual payments.

30.06.2024	Up to 3 months	From 3 months to 12 months	From 1 year to 5 years	In excess of 5 years	Total
Interest bearing loans and borrowings	43 831	234 177	727 014	1 016 700	2 021 722
Other liabilities	291 561	1 199	25 101	22 243	340 104
Liabilities for deliveries and services	115 440	-	-	-	115 440
Lease liabilities	4 067	19 987	79 875	245 600	349 529

31.12.2023	Up to 3 months	From 3 months to 12 months	From 1 year to 5 years	In excess of 5 years	Total
Interest bearing loans and borrowings	54 620	245 106	795 443	1 021 539	2 116 708
Other liabilities	471 099	1 629	22 671	33 644	529 043
Liabilities for deliveries and services	108 675	-	-	-	108 675
Lease liabilities	14 115	6 894	71 943	227 354	320 306

32 Information on significant transactions with associates

Major transactions with jointly controlled parties in the period ended on 30 June 2024 include:

30.06.2024	Revenues	Receivables
MFW Bałtyk I S.A.	2 614	2 607
MFW Bałtyk II Sp. z o.o.	4 284	4 226
MFW Bałtyk III Sp. z o.o.	4 033	3 939
Total	10 931	10 772

33 Information on the total amount of remuneration and awards (in cash or in kind) paid or payable to members of the managing and supervising authorities of the parent

In the period ended 30 June 2024 and in the year ended 31 December 2023, remuneration of members of the Management Board of the Parent and of the Supervisory Board was as follows:

Management Board	30.06.2024	31.12.2023
Jerzy Zań	843	-
Andrzej Wojciechowski	726	-
Iwona Sierżęga	1 150	1 826
Piotr Maciolek	1 124	1 773
Jarosław Bogacz	-	1 150
Michał Michalski	1 740	3 811
Tomasz Kietliński	941	2 172
Total	6 524	10 732

Certain Management Board members are party to a mutual agreement on termination of employment within the next 6 –12 months. If a Management Board member being party to such agreement resigns, the Company is required to pay a severance benefit equal to 30% - 100% of the remuneration received by such Management Board member over the last 12 months.

Supervisory Board	30.06.2024	31.12.2023
Hans E.Schweickardt	-	70
Orest Nazaruk	42	84
Szymon Adamczyk	36	72
Krzysztof Oblój	39	-
Jacek Głowacki	15	-
Andrzej Wojciechowski	15	-
Adam Purwin	8	-
Total	155	226

Other members of the Supervisory Board do not collect any remuneration.

34 Material events after the reporting date

On 18 July 2024, acting pursuant to Article 383 sec. 1 of the Commercial Companies Code, the Supervisory Board adopted a resolution by virtue of which it decided to second Mr. Adam Mariusz Purwin, Member of the Supervisory Board, to temporarily act as Member of the Management Board for a period of three months from the date of the resolution.

On August 13, 2024, the Management Board of Polenergia S.A., received information that the European Commission (“Commission”) had issued a decision confirming the compatibility with the internal market (the “Commission Decision”) of the public aid granted to MFW Bałtyk II sp. z o.o. and MFW Bałtyk III sp.

z.o.o. through the decision of the President of the Energy Regulatory Office dated May 4, 2021 on granting the right to cover the negative balance for the offshore wind farm projects MFW Bałtyk 2 and MFW Bałtyk 3 ("Projects"). The Commission's decision was issued in an individual notification procedure, following which the Commission raised no objections to the public aid granted at a level not exceeding PLN 319.60/MWh for electricity generated and injected into the grid under each of the Projects. In accordance with the provisions of the Act on Promotion of Electricity Generation in Offshore Wind Farms, the next step will be to obtain a decision from the President of the Energy Regulatory Office setting a specific price (not higher than the one resulting from the Commission's decision) constituting, after inflation indexation, the basis for settlement of the contract for difference during the 25-year support period. The regulatory authority has 90 days from the date of receipt of information about the Commission's decision to issue the decision.

On August 14th, 2024, the Management Board of Polenergia S.A. announced that in connection with the Company's development plans, it had decided to expand the review of Strategic options announced in the Company's Current Report No. 4/2024 dated February 8th, 2024 (the "Review of Strategic Options") (the "Report"). As of the date of this announcement, the Review of Strategic Options on the terms set out in the Report covers the implementation of projects within the strategic objectives identified in the Report and selected projects in other business segments of the Polenergia Group in the long term, excluding offshore wind farm projects and strategic assets. In the course of the Review of Strategic Options, the Company intends to engage in discussions with various entities, and additional information about the Company and the projects subject to the Review of Strategic Options may be provided to selected entities to the extent permitted by applicable laws. Both the schedule and the final outcome of the Review of Strategic Options are uncertain as of the date of this information. So far, no decisions have been made regarding the selection of a specific strategic option for individual projects, and it is uncertain whether and when such decisions will be made in the future. The Issuer will publish information on the progress of the Review of Strategic Options in accordance with applicable law.