

Dear Sir/Madam,

The Energa Group, like the entire global economy, is being impacted by the dynamically changing macroeconomic conditions and an evolving geopolitical environment. From the COVID-19 pandemic to Russia's armed aggression against independent Ukraine, many factors contribute to new challenges faced by companies worldwide. Despite all this, I can calmly and decisively assure you that thanks to a consistent development strategy and being part of the ORLEN Group, a multi-utility corporation, we successfully managed to face up to the challenges last year.

In 2022, the Energa Group managed to improve its financial and operational results in many areas.

Moreover, the Energa Group has maintained its investment impetus, with investment spending exceeding PLN 3.2 billion. Many projects are now under way, both in the area of zero-emission energy, and low-emission balancing sources. Maintaining this dynamics is an essential element of the ORLEN Group's 2030 development strategy, and in a broader sense, it is instrumental for the country's energy security.

Last year saw the completion of work on two large photovoltaic farms, PV Gryf and PV Wielbark. Both will become operational in 2023. Major milestone was reached in the first stage of construction of the PV Mitra farm – a construction permit being granted for the project. At the same time, Energa Green Development, a subsidiary of Energa SA and member of the ORLEN Group responsible for the development of onshore renewable energy sources, is consistently growing its project portfolio to include new installations.

Investment projects involving low-emission gas energy sources were developed in parallel – in March 2022 a notice to proceed construction work in Ostrołęka was issued, while in May 2022 agreement for the construction of a gas unit in Grudziądz was signed. Work has already started at the construction sites of both CCGT units. Both of the Energa Group's low-emission sources, with the total installed capacity exceeding 1 GW, are important from the perspective of balancing the National Power System, where the importance of renewable energy sources in an uncontrolled production model will only keep growing.

The Energa Group ended the year 2022 as a strong player in the energy sector, boasting substantial development potential, additionally bolstered by increasing synergies within the ORLEN Group. This helps us to look to the future with confidence. Another year of business and energy transformation is ahead of us.

I am happy to present to you the Energa Group's Annual Report for 2022 and I hope you enjoy reading it.

Zofia Paryła

President of the Management Board of Energa SA