



***Energa***

**ORLEN GROUP**

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**Condensed interim financial statements  
prepared in accordance with IAS 34  
for the nine-month period ended  
30 September 2023**

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**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**

	Three-month period ended 30 September 2023 (unaudited)	Nine-month period ended 30 September 2023 (unaudited)	Three-month period ended 30 September 2022 (unaudited)	Nine-month period ended 30 September 2022 (unaudited)
<b>Sales revenues</b>	<b>20</b>	<b>64</b>	<b>16</b>	<b>44</b>
Cost of sales	(16)	(46)	(12)	(34)
<b>Gross profit on sales</b>	<b>4</b>	<b>18</b>	<b>4</b>	<b>10</b>
Other operating income	3	8	3	12
General and administrative expenses	(21)	(71)	(29)	(81)
Other operating expenses	(6)	(21)	-	(7)
Dividend income	-	201	-	201
Interest income	58	261	84	196
Other financial income	-	10	3	44
Impairment losses on shares	-	(6)	-	(168)
Other financial costs	(99)	(295)	(93)	(228)
<b>Profit or loss before tax</b>	<b>(61)</b>	<b>105</b>	<b>(28)</b>	<b>(21)</b>
Income tax	11	15	6	11
<b>Net profit or loss for the period</b>	<b>(50)</b>	<b>120</b>	<b>(22)</b>	<b>(10)</b>
<b>Earnings per share (in PLN)</b>				
Earnings per share (basic and diluted)	(0.12)	0.29	(0.05)	(0.02)

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**

	Three-month period ended 30 September 2023 (unaudited)	Nine-month period ended 30 September 2023 (unaudited)	Three-month period ended 30 September 2022 (unaudited)	Nine-month period ended 30 September 2022 (unaudited)
<b>Net profit or loss for the period</b>	<b>(50)</b>	<b>120</b>	<b>(22)</b>	<b>(10)</b>
<i>Items that may be reclassified subsequently</i>				
Cash flow hedges	(11)	(96)	(29)	41
Deferred income tax	3	18	5	(8)
<b>Net other comprehensive income</b>	<b>(8)</b>	<b>(78)</b>	<b>(24)</b>	<b>33</b>
<b>Total comprehensive income</b>	<b>(58)</b>	<b>42</b>	<b>(46)</b>	<b>23</b>

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**

	Note	As at 30 September 2023 (unaudited)	As at 31 December 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets		21	13
Right-of-use assets		9	17
Shares in subsidiaries, associates and joint ventures	<b>8</b>	7,533	7,453
Bonds	<b>11.4.1</b>	533	601
Other non-current financial receivables		2,507	2,748
Deferred tax assets		29	-
Derivative financial instruments	<b>11.2</b>	92	172
Other non-current assets		1,111	228
		<b>11,835</b>	<b>11,232</b>
<b>Current assets</b>			
Cash pooling receivables	<b>14</b>	-	944
Trade receivables and other current financial receivables		351	399
Bonds	<b>11.4.1</b>	1	557
Current tax receivables		367	295
Cash and cash equivalents	<b>9</b>	2	674
Derivative financial instruments	<b>11.2</b>	14	102
Other current assets		110	40
		<b>845</b>	<b>3,011</b>
<b>Non-current assets classified as held for sale</b>		-	<b>20</b>
<b>TOTAL ASSETS</b>		<b>12,680</b>	<b>14,263</b>

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**

	Note	As at 30 September 2023 (unaudited)	As at 31 December 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders</b>			
Share capital		4,522	4,522
Reserve capital		1,031	1,031
Supplementary capital		1,711	1,661
Cash flow hedge reserve	<b>11.6</b>	(22)	56
Retained earnings		164	94
<b>Total equity</b>		<b>7,406</b>	<b>7,364</b>
<b>Non-current liabilities</b>			
Loans and borrowings	<b>11.4.2</b>	1,161	1,481
Bonds issued	<b>11.4.2</b>	553	576
Non-current provisions		7	10
Deferred tax liability		-	1
Deferred income and non-current grants		18	25
Non-current lease liabilities		-	6
		<b>1,739</b>	<b>2,099</b>
<b>Current liabilities</b>			
Cash pooling liabilities	<b>14</b>	288	861
Current credits and loans	<b>11.4.2</b>	2,794	3,017
Current lease liabilities		10	15
Trade liabilities and other financial liabilities		15	22
Liabilities on account of the issue of debt securities		6	575
Short-term provisions		3	3
Deferred income and grants		9	9
Accrued expenses		8	10
Other current liabilities		402	288
		<b>3,535</b>	<b>4,800</b>
<b>Total liabilities</b>		<b>5,274</b>	<b>6,899</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12,680</b>	<b>14,263</b>

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**

	Note	Share capital	Reserve capital	Supplementary capital	Cash flow hedge reserve	Retained earnings	Total equity
<b>As at 1 January 2023</b>		<b>4,522</b>	<b>1,031</b>	<b>1,661</b>	<b>56</b>	<b>94</b>	<b>7,364</b>
Cash flow hedges	11.6	-	-	-	(78)	-	(78)
Net profit for the period		-	-	-	-	120	120
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(78)</b>	<b>120</b>	<b>42</b>
Distribution of retained earnings		-	-	50	-	(50)	-
<b>As at 30 September 2023 (unaudited)</b>		<b>4,522</b>	<b>1,031</b>	<b>1,711</b>	<b>(22)</b>	<b>164</b>	<b>7,406</b>
<b>As at 1 January 2022</b>		<b>4,522</b>	<b>821</b>	<b>1,661</b>	<b>87</b>	<b>254</b>	<b>7,345</b>
Cash flow hedges	11.6	-	-	-	33	-	33
Net loss for the period		-	-	-	-	(10)	(10)
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>33</b>	<b>(10)</b>	<b>23</b>
Distribution of retained earnings		-	210	-	-	(210)	-
<b>As at 30 September 2022 (unaudited)</b>		<b>4,522</b>	<b>1,031</b>	<b>1,661</b>	<b>120</b>	<b>34</b>	<b>7,368</b>

The accounting principles (policies) and additional notes to the condensed interim separate financial statements constitute an integral part thereof  
 (This is translation of the financial statements originally issued in Polish)

**CONDENSED INTERIM STATEMENT OF CASH FLOWS**

	Nine-month period ended 30 September 2023 (unaudited)	Nine-month period ended 30 September 2022 (unaudited)
<b>Cash flows from operating activities</b>		
Profit before tax	105	(21)
<b>Adjustments for:</b>		
Foreign currency (profit)/loss	29	28
Loss on investing activities	17	192
Amortization and depreciation	11	11
Net interest and dividends	(268)	(223)
<b>Changes in working capital:</b>		
Change in provisions	(3)	(47)
Change in receivables	(135)	(6)
Change in liabilities, excluding loans, credits and bonds	259	458
Change in prepayments and accruals	(13)	(10)
	<b>2</b>	<b>382</b>
Income tax paid	(151)	(447)
<b>Net cash from operating activities</b>	<b>(149)</b>	<b>(65)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(19)	(11)
Proceeds from redemption of bonds by subsidiaries	601	2
Purchase of bonds of subsidiaries	(80)	(654)
Purchase of shares in other entities	-	(1)
Sale of shares in subsidiaries	14	1
Dividend received	201	201
Cash pooling proceeds	288	-
Interest received	346	226
Receipts on account of loan repayments	254	228
Returned capital contributions	9	-
Capital contributions	(890)	(144)
Other	34	19
<b>Net cash from investing activities</b>	<b>758</b>	<b>(133)</b>
<b>Cash flows from financing activities</b>		
Receipts from borrowings	2,530	2,350
Repayment of loans and borrowings	(3,047)	(1,928)
Cash pooling proceeds	83	129
Interest paid	(259)	(185)
Redemption of debt securities	(577)	-
Repayment of lease liabilities	(11)	(10)
<b>Net cash from financing activities</b>	<b>(1,281)</b>	<b>356</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(672)</b>	<b>158</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>674</b>	<b>89</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>2</b>	<b>247</b>

## ACCOUNTING PRINCIPLES (POLICIES) AND OTHER EXPLANATORY INFORMATION

### 1. General information

These condensed interim separate financial statements of Energa SA ("Company") cover the nine-month period ended on 30 September 2023 and contain the relevant comparative data.

Energa SA is entered in the Register of Entrepreneurs of the National Court Register held by the District Court Gdańsk-Północ in Gdańsk, 7th Commercial Division of the National Court Register, under KRS number 0000271591. The Company's REGON statistical number is 220353024.

As at 30 September 2023, the Company is controlled by ORLEN S.A. (formerly PKN ORLEN S.A.). The Company's shares have been publicly traded since December 2013.

The core business of the Company is that of a holding company. The Company is the parent entity of the Energa SA Group ("Group"). In order to achieve full understanding of the financial position and results of the Company as the parent entity in the Group, these financial statements should be read in conjunction with the condensed interim consolidated financial statements for the period ended on 30 September 2023. These statements are available on the Group's website.

### 2. Composition of the Company's Management Board

In the period of three quarters 2023 and in the period until these financial statements were prepared, the composition of the Management Board of Energa SA was as follows:

1) during the period from 1 September 2022 until 16 February 2023:

Ms Zofia Paryła	– President of the Management Board;
Mr Michał Perlik	– Vice-President of the Management Board for Financial Matters;
Ms Adrianna Sikorska	– Vice-President of the Management Board for Communication Matters;
Mr Janusz Szurski	– Vice-President of the Management Board for Corporate Matters;
Mr Dominik Wadecki	– Vice-President of the Management Board for Operational Matters;

2) during the period from 16 February 2023 until 27 March 2023:

Ms Zofia Paryła	– President of the Management Board;
Mr Michał Perlik	– Vice-President of the Management Board for Financial Matters;
Ms Adrianna Sikorska	– Vice-President of the Management Board for Communication Matters;
Mr Janusz Szurski	– Vice-President of the Management Board for Corporate Matters;

3) during the period from 27 March 2023 until the date of publication of these statements:

Ms Zofia Paryła	– President of the Management Board;
Mr Michał Perlik	– Vice-President of the Management Board for Finance and Climate;
Ms Adrianna Sikorska	– Vice-President of the Management Board for Communication Matters;
Mr Janusz Szurski	– Vice-President of the Management Board for Corporate Matters.

### 3. Approval of the financial statements

These financial statements and the consolidated financial statements of the Energa SA Group were approved for publication by the Company's Management Board on 30 October 2023.

### 4. Basis for preparation of the financial statements

These financial statements have been prepared on the historical cost basis except for financial instruments measured at fair value through profit or loss and hedging derivatives.

These financial statements have been prepared based on the assumption that Energa SA would continue as a going concern in the foreseeable future. As at the date of these financial statements, there is no evidence indicating that the continuation of the Company's business activities as a going concern may be at risk.

#### 4.1 Statement of compliance

These financial statements have been prepared in accordance with the International Accounting Standard 34, Interim Financial Reporting, as endorsed by the European Union ("EU"). They do not contain all the information required in the full financial statements according to the International Financial Reporting Standards ("IFRS"). However, selected notes are included to explain the events and transactions that are relevant to the understanding of the changes in the Company's financial position and performance since the most recent annual separate financial statements as at and for the year ended on 31 December 2022.

#### 4.2 Functional and presentation currency

The functional currency of the Company and the presentation currency of these financial statements is the Polish zloty and all the figures are stated in millions of Polish zlotys ("PLN m") unless stated otherwise.

### 5. Material accounting policies

The Company's accounting policies are applied on a continuous basis and the material accounting policies applied by the Company are the same as those described in the financial statements for the year 2022, except for the changes arising from amendments to IFRS EU.



## 6. New standards and interpretations

### 6.1 Standards and interpretations applied for the first time in 2023

The following amendments to the existing standards published by the International Accounting Standards Board ("IASB") and endorsed in the EU came into force in 2023:

- IFRS 17 Insurance Contracts with subsequent amendments to IFRS 17, endorsed in the EU on 19 November 2021 (effective for annual periods beginning on or after 1 January 2023),
- Amendments to IFRS 17 Insurance Contracts – Initial application of IFRS 17 and IFRS 9 – Comparative information (effective for annual periods beginning on or after 1 January 2023),
- Amendments to IAS 1 Presentation of Financial Statements – Disclosure of Accounting Policies, endorsed in the EU on 2 March 2022 (effective for annual periods beginning on or after 1 January 2023),
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – definition of accounting estimates (effective for annual periods beginning on or after 1 January 2023),
- Amendments to IAS 12 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction, endorsed in the EU on 11 August 2022 (effective for annual periods beginning on or after 1 January 2023).

### 6.2 Standards and interpretations adopted by the IASB but not yet endorsed in the EU

- Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023),
- Amendments to IAS 1 Presentation of Financial Statements – Non-current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024),
- Amendments to IFRS 16 Leases – Lease Liability in a Sale and Leaseback (effective for annual periods beginning on or after 1 January 2024),
- IFRS 14 Regulatory Accruals – the European Commission decided not to initiate the approval process for this interim standard and wait for its final version,
- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture and subsequent amendments (the effective date of the amendments has been deferred until the completion of research work on the equity method),
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7: Financial Instruments: Disclosures: Financial Contracts with Suppliers (published on 25 May 2023) - the date of entry into force of the amendments has been postponed until the completion of research work on the equity method,
- Amendments to IAS 12 Income Tax: International Tax Reform - Second Pillar Model Rules (published 23 May 2023) - Companies can apply the exception immediately, but disclosure requirements are required for annual periods beginning on or after 1 January 2023,
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (published on 15 August 2023, with the effective date of 1 January 2025).

In the event that the remaining above-mentioned standards are implemented, the Company does not anticipate the related amendments to have a material impact on its financial statements.

### 7. Explanations regarding the seasonality and cyclicity of operations in the period under review

Due to the inherent nature of the holding business, the Company's financial revenue fluctuates heavily during the year; it depends on the dates of resolutions to pay out dividends by the companies in which the Company holds shares, unless such resolutions indicate other record dates.

## NOTES TO THE CONDENSED INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION

### 8. Shares in subsidiaries, associates and joint ventures

The value of shares presented in the table below represents the value at cost less impairment losses.

Name and legal form	Registered office	Value of shares in Energa SA accounting ledgers (as at 30 September 2023)	Energa SA share in share capital, in all votes and in management (%)
<b>Subsidiaries</b>			
Energa-Operator SA	Gdańsk	4,471	100.00
Energa Wytwarzanie SA	Gdańsk	989	100.00
CCGT Ostrołęka Sp. z o.o.	Ostrołęka	447	50.00+1
Energa-Obrót SA	Gdańsk	331	100.00
Energa Kogeneracja Sp. z o.o.	Elbląg	67	64.59
Energa Oświetlenie Sp. z o.o.	Sopot	234	100.00

Name and legal form	Registered office	Value of shares in Energa SA accounting ledgers (as at 30 September 2023)	Energa SA share in share capital, in all votes and in management (%)
CCGT Grudziądz Sp. z o.o.	Grudziądz	730	100.00
Energa Informatyka i Technologie Sp. z o.o.	Gdańsk	37	100.00
Energa Green Development Sp. z o.o.	Gdańsk	24	100.00
CCGT Gdańsk Sp. z o.o.	Gdańsk	22	100.00
Enspirion Sp. z o.o.	Gdańsk	5	100.00
Energa Logistyka Sp. z o.o.	Płock	-	100.00
Energa Finance AB (publ)	Stockholm	-	100.00
Energa Prowis Sp. z o.o.	Gdańsk	80	100.00
Other companies	-	<1	-
<b>Associates</b>			
Polimex-Mostostal SA	Warsaw	82	16.17
<b>Joint ventures</b>			
Elektrownia Ostrołęka Sp. z o.o.	Ostrołęka	-	50.00
Other		14	
<b>Total value of shares</b>		<b>7,533</b>	

#### Impairment tests for shares

In Q3 2023, based on an assessment whether there were any internal or external indications of impairment of shares held, no indications of their material depreciation were identified. Therefore, it was concluded that no impairment tests were required.

#### 9. Cash and cash equivalents

Cash in the bank earns interest at variable interest rates, the level of which depends on the cost of money in the international market. Short-term deposits are made for different periods, from one day to three months, depending on the Company's current cash requirements, and earn interest at interest rates negotiated individually with banks.

The balance of cash and cash equivalents presented in the statement of cash flows comprises the following items:

	As at 30 September 2023 (unaudited)	As at 30 September 2022 (unaudited)
Cash at bank	2	64
Short-term deposits up to 3 months	-	184
<b>Total cash and cash equivalents presented in the statement of financial position, of which:</b>	<b>2</b>	<b>248</b>
Unrealized foreign exchange differences and interest	-	(1)
<b>Total cash and cash equivalents presented in the statement of cash flows</b>	<b>2</b>	<b>247</b>

#### 10. Dividends and profit distribution/loss coverage

On 15 June 2023, the Ordinary General Meeting of Shareholders adopted a resolution on the distribution of profit for 2022, which was transferred to supplementary capital in whole.

**NOTES ON FINANCIAL INSTRUMENTS**
**11. Financial instruments**
**11.1 Carrying amount of financial instruments by category and class**

As at 30 September 2023 (unaudited)	Financial assets at fair value through profit or loss	Financial assets and liabilities measured at amortized cost	Hedging derivatives	Financial instruments excluded from the scope of IFRS 9	TOTAL
<b>Assets</b>					
Cash and cash equivalents	-	2	-	-	2
Derivative financial instruments	15	-	91	-	106
Shares in subsidiaries, associates and joint ventures	14	-	-	7,519	7,533
Bonds	-	534	-	-	534
Lease receivables	-	-	-	58	58
Other financial receivables	-	2,824	-	-	2,824
Trade receivables	-	19	-	-	19
Capital contributions	-	1,066	-	-	1,066
<b>TOTAL</b>	<b>29</b>	<b>4,445</b>	<b>91</b>	<b>7,577</b>	<b>12,142</b>
<b>Liabilities</b>					
Loans and borrowings	-	3,955	-	-	3,955
Preferential loans and borrowings	-	526	-	-	526
Loans and borrowings	-	3,429	-	-	3,429
Bonds issued	-	559	-	-	559
Liabilities on account of leases	-	-	-	11	11
Trade liabilities	-	11	-	-	11
Liabilities on purchase of property, plant and equipment and intangible assets	-	3	-	-	3
Cash pooling liabilities	-	288	-	-	288
<b>TOTAL</b>	<b>-</b>	<b>4,816</b>	<b>-</b>	<b>11</b>	<b>4,827</b>

The accounting principles (policies) and additional notes to the condensed interim separate financial statements constitute an integral part thereof  
 (This is translation of the financial statements originally issued in Polish)

As at 31 December 2022	Financial assets at fair value through profit or loss	Financial assets and liabilities measured at amortized cost	Hedging derivatives	Financial instruments excluded from the scope of IFRS 9	TOTAL
<b>Assets</b>					
Cash pooling receivables	-	944	-	-	<b>944</b>
Cash and cash equivalents	-	674	-	-	<b>674</b>
Derivative financial instruments	18	-	256	-	<b>274</b>
Shares in subsidiaries, associates and joint ventures	13	-	-	7,440	<b>7,453</b>
Bonds	-	1,158	-	-	<b>1,158</b>
Lease receivables	-	-	-	68	<b>68</b>
Other financial receivables	42	3,070	-	-	<b>3,112</b>
Trade receivables	-	16	-	-	<b>16</b>
Capital contributions	-	177	-	-	<b>177</b>
<b>TOTAL</b>	<b>73</b>	<b>6,039</b>	<b>256</b>	<b>7,508</b>	<b>13,876</b>
<b>Liabilities</b>					
Loans and borrowings	-	4,498	-	-	<b>4,498</b>
Preferential loans and borrowings	-	646	-	-	<b>646</b>
Loans and borrowings	-	3,852	-	-	<b>3,852</b>
Bonds issued	-	1,151	-	-	<b>1,151</b>
Liabilities on account of leases	-	-	-	21	<b>21</b>
Trade liabilities	-	15	-	-	<b>15</b>
Liabilities on purchase of property, plant and equipment and intangible assets	-	7	-	-	<b>7</b>
Cash pooling liabilities	-	861	-	-	<b>861</b>
<b>TOTAL</b>	<b>-</b>	<b>6,532</b>	<b>-</b>	<b>21</b>	<b>6,553</b>

The accounting principles (policies) and additional notes to the condensed interim separate financial statements constitute an integral part thereof  
 (This is translation of the financial statements originally issued in Polish)

## 11.2 Fair value of financial instruments

Some of the Company's financial assets and liabilities are measured at fair value at the end of each reporting period. The table below analyses fair value measurements for financial assets and financial liabilities categorized into three level hierarchy:

- level 1 – fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- level 2 – fair value based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly;
- level 3 – fair value based on unobservable inputs for the asset or liability.

	As at 30 September 2023 (unaudited) Level 2	As at 31 December 2022 Level 2
<b>Assets</b>		
Loan receivables	-	42
Hedging derivatives (CCIRS/IRS)	91	256
Other derivatives	15	18

Cross Currency Interest Rate Swaps (CCIRSs) is measured at fair value by discounting future cash flows. The interest rates and the basis spread used in discounting are obtained from Bloomberg.

Other derivatives include options to purchase shares in Polimex-Mostostal SA. The options were purchased from Towarzystwo Finansowe Silesia Sp. z o.o. under the agreement of 18 January 2017 as subsequently annexed and refer to the purchase, in 22 tranches, of a total of approx. 7 million shares of Polimex-Mostostal SA, at the nominal price of PLN 2 per share. The options exercise dates were set between 31 August 2021 and 30 November 2026. The fair value measurement of the call options to purchase shares of Polimex-Mostostal SA was carried out using the Black-Scholes model. The measurement considered the current price and historic volatility of the company's share prices. The risk-free rate was determined on the basis of the yield of treasury bonds with maturities similar to the option expiration date.

## 11.3 Fair value of financial instruments not measured at fair value on an ongoing basis

Except for the information given in the table below, the carrying amounts of financial assets and liabilities do not depart in a material way from their fair values.

Loan from Energa Finance AB (publ)	Carrying amount	Fair value Level 2
As at 30 September 2023 (unaudited)	1,444	1,391
As at 31 December 2022	1,459	1,399

Hybrid bond issue	Carrying amount	Fair value Level 2
As at 30 September 2023 (unaudited)	559	654
As at 31 December 2022	1,151	1,270

In September 2023, six-year hybrid bonds in the total amount of EUR 125m were redeemed.

The fair value measurement of liabilities under loans and hybrid bond issue has been estimated on the basis of an analysis of future cash flows discounted using market interest rates updated for 30 September 2023.

## 11.4 Description of material items in each category of financial instruments

### 11.4.1 Financial assets

#### Financial assets measured at amortized cost

The Company allocates primarily purchased bonds, granted loans other than described in item 11.2, cash and cash equivalents, cash pooling receivables, trade receivables, other receivables and capital contributions to the category of financial instruments recognized as financial assets measured at amortized cost.

Purchased bonds, by issuer, as at 30 September 2023 and 31 December 2022, are presented in the table below:

	As at 30 September 2023 (unaudited)	As at 31 December 2022
Energa-Operator SA	534	1,086
Energa Wytwarzanie SA	-	72
<b>TOTAL, of which:</b>	<b>534</b>	<b>1,158</b>
Non-current	533	601
Current	1	557

#### 11.4.2 Financial liabilities

All of the Company's financial liabilities are classified as financial liabilities measured at amortized cost, except for hedging derivatives and lease liabilities. This category of the Company's financial instruments includes primarily contracted loans and borrowings, issued bonds and cash pooling liabilities.

##### Credits and loans

Loans and borrowings contracted as at 30 September 2023 and 31 December 2022 are presented in the table below:

	As at 30 September 2023 (unaudited)		As at 31 December 2022	
	PLN	EUR	PLN	EUR
<b>Currency</b>				
<b>Reference rate</b>	WIBOR	Fixed	WIBOR	Fixed
<b>Loan/borrowing amount</b>				
in currency	2,511	311	3,041	311
in PLN	2,511	1,444	3,041	1,457
<b>of which maturing in:</b>				
up to 1 year (short-term)	2,097	697	2,403	614
1 to 2 years	153	187	332	187
2 to 3 years	80	187	75	375
3 to 5 years	131	373	133	281
over 5 years	50	-	98	-

Detailed information on contracted external financing is provided in Note 11.5.

##### Liabilities for bonds issued

Liabilities under bonds issued as at 30 September 2023 and 31 December 2022 are presented in the table below:

	As at 30 September 2023 (unaudited)		As at 31 December 2022	
	PLN	EUR	PLN	EUR
<b>Currency</b>				
<b>Reference rate</b>	WIBOR	Fixed	WIBOR	Fixed
<b>Value of the issue</b>				
in currency	-	121	-	245
in PLN	-	559	-	1,151
<b>of which maturing in:</b>				
up to 1 year (short-term)	-	6	-	575
3 to 5 years	-	553	-	576

Detailed information on bonds issued is provided in Note 11.5.

#### 11.5 Available external financing

In the current reporting period, as at the end of the reporting period and as at the date of approving these financial statements for publication, there were no events of default on contractual obligations under the terms and conditions of any external financing obtained.

The external financing available as at 30 September 2023 is presented in the table below:

Financing institution	Type of liability	Purpose of financing	Date of the agreement	Financing limit (for the ENERGA Group)	Available financing amount	Nominal debt of Energa SA as at 30 September 2023	Repayment date
European Investment Bank	Loan	Energa-Operator SA investment programme	16-12-2009	1,050	-	141	15-12-2025
European Investment Bank	Loan	Energa-Operator SA investment programme	10-07-2013	1,000	-	383	15-09-2031
European Bank for Reconstruction and Development	Loan	Energa-Operator SA investment programme	29-04-2010	1,076	-	116	18-12-2024
European Bank for Reconstruction and Development	Loan	Energa-Operator SA investment programme	26-06-2013	800	-	47	18-12-2024
Energa Finance AB (publ)	Borrowing	Current operations	21-03-2013	510 <sup>1</sup>	-	510 <sup>1</sup>	28-02-2024
Energa Finance AB (publ)	Borrowing	Current operations	28-06-2017	927 <sup>2</sup>	-	927 <sup>2</sup>	28-02-2027
PKO Bank Polski SA	Credit limit	General corporate purposes	20-09-2012	200	-	5 <sup>3</sup>	19-09-2022
Nordic Investment Bank	Loan	Construction of Myślińo Wind Farm	23-10-2014	68	-	19	15-09-2026
European Investment Bank	Hybrid bonds	Energa-Operator SA investment programme	04-09-2017	579 <sup>4</sup>	-	579 <sup>4</sup>	12-09-2037
Syndicated loan	Revolving loan	Financing of Energa SA corporate objectives, including financing of everyday operations and financing of Energa SA investment programme, excluding capital expenditure on coal-based energy production	17-09-2019	2,000	2,000	-	17-09-2025 <sup>5</sup>
SMBC	Revolving loan	Financing of Energa SA corporate objectives, including financing of everyday operations and financing of Energa SA investment programme and refinancing of financial debt, excluding capital expenditure on coal-based energy production	28-07-2020	556 <sup>6</sup>	556	-	28-07-2025
ORLEN S.A.	Loan	Financing of general corporate objectives	09-12-2022	3,000	1,200	1,800	27-09-2024
European Investment Bank	Loan	Energa-Operator SA investment programme	16-12-2021	695 <sup>7</sup>	-	-	16-12-2041
<b>TOTAL</b>				<b>12,461</b>	<b>3,756</b>	<b>4,527</b>	

<sup>1</sup> liability of EUR 110 m converted using the average NBP exchange rate of 30 September 2023

<sup>2</sup> liability of EUR 200 m converted using the average NBP exchange rate of 30 September 2023

<sup>3</sup> value of active guarantee limits awarded to Energa SA based on the concluded executive agreements (utilization of the global limit during its validity period until 19 September 2022)

<sup>4</sup> liability of EUR 125 m converted using the average NBP exchange rate of 30 September 2023

<sup>5</sup> loan granted for a period of 5 years from the date of signing of the agreement, with a possibility of two one-year extensions of its term; the designated date is the end date of the term of the agreement, with the loan treated as short-term

<sup>6</sup> liability of EUR 120 m converted using the average NBP exchange rate of 30 September 2023

<sup>7</sup> liability of EUR 150 m converted using the average NBP exchange rate of 30 September 2023

## 11.6 Cash flow hedge accounting

All hedging instruments held are used to hedge cash flows and relate to financial instruments classified as currency and interest rate risk. The presented hedging instruments relate to the liabilities arising under loans between Energa Finance AB and Energa SA, hybrid bonds from the European Investment Bank and credits from the European Investment Bank and the European Bank for Reconstruction and Development.

## FX risk hedging

The special purpose vehicle Energa Finance AB (publ) and Energa SA have signed a loan agreement denominated in EUR for the total amount of EUR 200 m. In order to hedge currency risk under the aforesaid loan, the Company concluded cross-currency interest rate swap transactions with the nominal value of EUR 200 m ("CCIRS III") in April 2017.

As a hedged item in the above hedging relationships, the Company designifed the foreign exchange risk from intra-group loans denominated in EUR, which are directly linked to Eurobonds issued by Energa Finance AB. The foreign currency risk is hedged at the level of 100% of the total nominal amount of the loan granted with the proceeds from the Eurobond issue.

As the hedge, the Company designated CCIRS transaction under which the Company receives fixed-rate cash flows in EUR and pays fixed-rate cash flows in PLN. Cash flows received by the Company correspond with the cash flows under the intra-group loans. The Company expects the hedged flows from the loan and the directly related Eurobonds to occur by February 2027.

In September 2017, Energa SA issued hybrid bonds for the total amount of EUR 250 m. In order to hedge the currency risk under these bonds, the Company concluded CCIRS transactions ("CCIRS IV").

In September 2023, due to the redemption of hybrid bonds in the amount of EUR 125m, part of the transactions concluded under CCIRS IV were settled.

As a hedged position under the above hedging relationships, the Company designated the foreign currency risk arising from the issue of hybrid bonds denominated in EUR. The foreign currency risk is hedged at the level of 100% of the total nominal amount of the issued bonds.

As the hedge the Company designated CCIRS transactions under which the Company receives fixed-rate cash flows in EUR and pays fixed-rate cash flows in PLN. Cash flows received by the Company correspond with the cash flows under the bonds issued. The Company expects that the hedged cash flows will continue until September 2027.

All held hedging instruments serve to hedge cash flows and relate to the financial instruments allocated to the same risk category. The presented hedging instruments relate to the liabilities arising under loans between Energa Finance AB and Energa SA and hybrid bonds.

The fair value of the hedging instruments is as follows:

	Value (PLN m)	Recognition in the statement of financial position	Change in fair value of the hedging instrument used as the basis for recognizing hedge ineffectiveness for the period	Nominal amounts of hedging instrument in millions of	
	PLN			EUR	PLN
<b>As at 30 September 2023 (unaudited)</b>					
CCIRS III	55	Assets – Derivative financial instruments	None	200	-
CCIRS IV	36	Assets – Derivative financial instruments	None	125	-
<b>As at 31 December 2022</b>					
CCIRS III	114	Assets – Derivative financial instruments	None	200	-
CCIRS IV	139	Assets – Derivative financial instruments	None	250	-
IRS	4	Assets – Derivative financial instruments	None	-	150



Under cash flow hedge accounting, the cash flow hedge reserve (the changes in the value of the hedge, less deferred tax) increased in the reporting period by PLN 78 m. The Company continued hedge accounting under IAS 39. The table below presents changes in the cash flow hedge reserve resulting from the hedge accounting in the reporting period:

	Nine-month period ended 30 September 2023 (unaudited)	Nine-month period ended 30 September 2022 (unaudited)
<b>At the beginning of the reporting period</b>	<b>56</b>	<b>87</b>
Amount recognized in the cash flow hedge reserve in the period, equal to the change in the fair value of hedging instruments	(166)	163
Accrued interest not due transferred from the reserve to financial income/costs	(1)	(1)
Revaluation of hedging instruments transferred from the reserve to financial income/costs	71	(121)
Income tax on other comprehensive income	18	(8)
<b>At the end of the reporting period</b>	<b>(22)</b>	<b>120</b>

As at 30 September 2023, no inefficiencies were identified resulting from the applied cash flow hedge accounting.

**OTHER NOTES**
**12. Information on related entities**

Related party transactions are made based on market prices of goods, products or services delivered.

**12.1 Related party transactions**

ORLEN S.A. is the Company's parent.

Transactions with ORLEN S.A. and other companies of the ORLEN Group are concluded on an arms' length basis and their terms and conditions do not deviate from transactions with other entities. They do not constitute significant transactions.

Nine-month period ended 30 September 2023 (unaudited)	Parent ORLEN S.A.	Subsidiaries	Related companies	Joint ventures
Net revenue from sale	-	63	1	-
Cost of purchase	1	9	11	-
Dividend income	-	201	-	-
Interest income	-	259	14	-
Financial costs	103	14	-	-

Nine-month period ended 30 September 2023 (unaudited)	Parent ORLEN S.A.	Subsidiaries	Related companies	Joint ventures
<b>Assets</b>				
Non-current receivables	-	44	-	-
Other non-current financial receivables	-	2,507	-	-
Trade receivables	-	19	-	-
Other current financial receivables	-	357	-	-
Long-term bonds	-	533	-	-
Short-term bonds	-	1	-	-
Other current assets	-	52	-	-
<b>Equity and liabilities</b>				
Non-current loan liabilities	-	746	-	-
Cash pooling liabilities	288	-	-	-
Short-term trade liabilities	-	2	3	-
Other current financial liabilities	-	3	-	-
Current credits and loans	1,803	697	-	-
Other current liabilities	-	396	-	-

Nine-month period ended 30 September 2022 (unaudited)	Parent ORLEN S.A.	Subsidiaries	Related companies	Joint ventures
Net revenue from sale	-	43	-	-
Cost of purchase	1	12	3	-
Dividend income	-	201	-	-
Other financial income	-	235	-	-
Financial costs	29	32	-	-

Nine-month period ended 30 September 2022 (unaudited)	Parent ORLEN S.A.	Subsidiaries	Related companies	Joint ventures
<b>Assets</b>				
Non-current receivables	-	37	-	-
Other non-current financial receivables	-	2,804	-	-
Cash pooling receivables	-	725	-	-
Trade receivables	-	9	-	-
Other current financial receivables	-	350	-	-
Long-term bonds	-	601	-	-
Short-term bonds	-	539	-	-
Other current assets	-	3	-	-
<b>Equity and liabilities</b>				
Non-current loan liabilities	-	974	-	-
Cash pooling liabilities	-	588	-	-
Current provision	-	2	-	-
Short-term trade liabilities	-	2	2	-
Other financial liabilities	-	3	-	-
Current credits and loans	1,001	543	-	-
Other current liabilities	-	132	-	-

The tables above present transactions with subsidiaries within the ORLEN Group and joint ventures.

Transactions with ORLEN S.A. and associates are immaterial, except for a loan from ORLEN S.A. to Energa SA. Detailed information on the contracted loan is presented in Note 11.5.

As regards disclosures relating to transactions with parties related to the State Treasury, the Company applies the exemption defined in paragraph 25 of IAS 24.

Value of shares in subsidiaries, associates and joint ventures are presented in Note 8.

## 12.2 Compensation paid or due to the Company's Management Board members and Supervisory Board members

	Nine-month period ended 30 September 2023 (unaudited)	Nine-month period ended 30 September 2022 (unaudited)
Management Board	4.0	3.4
Supervisory Board	0.8	0.5
<b>TOTAL</b>	<b>4.8</b>	<b>3.9</b>

During the reporting period, there were no loans granted to or other material transactions with members of the Management Board and of the Supervisory Board of Energa SA.

## 12.3 Compensation paid or due to senior management (except for members of the Company's Management Board and Supervisory Board)

The amount of benefits paid or due to the senior management in the period from 1 January 2023 to 30 September 2023 was PLN 10 m, as in the corresponding period of the previous year.

## 12.4 Security for the repayment of liabilities

As at the end of the reporting period, there was no collateral established on the Company's assets.

## 13. Contingent assets and liabilities

The Company did not have any significant contingent assets and liabilities.

## 14. Other information significantly affecting the assessment of assets, financial position and the financial result of the Company

### Assets held for sale

On 31 July 2023, Energa SA and ORLEN Projekt SA entered into a sale agreement, under which the Company sold 100% of the shares held in Energa Invest Sp. z o.o. The title to the shares passed to ORLEN Projekt SA on 1 August 2023.

**War in Ukraine**

Russia's attack on Ukraine shall undoubtedly have a significant impact on the domestic and international economy.

The Company monitors the situation in Ukraine on an ongoing basis in terms of its impact on business operations. However, the situation is very volatile and forecasting economic consequences of the war is subject to a high risk of making erroneous assumptions. Considering the highly fluid geopolitical and economic situations, and difficulties in developing or obtaining unreserved and highly likely economic and financial forecasts, it is not possible at the moment to measure the potential impact of the conflict on the Company's activities and financial performance.

Factors such as military developments, the extent and effectiveness of sanctions imposed on Russia and Belarus, and the response of central banks and other financial institutions to the crisis will be of key relevance for a full assessment of the impact of the current situation on the Company's future financial performance.

Bearing in mind the above, the Company has identified the following potential market risks:

- The risk of the Polish currency's weakening against major currencies, including specifically against euro. The Company hedges currency risk to liabilities held in foreign currencies and takes measures aimed at hedging currency risk with respect to planned investment projects;
- Increased risk of attacks on the IT infrastructure on which the Company relies in pursuing its main business objectives, which necessitates higher costs to protect IT systems and the use of more advanced security tools and systems,
- The risk of further growth of inflation and interest rates, and consequently the risk of reduced access to or less favourable terms of external funding, may drive up the cost of debt financing for the Company.

The Company has not identified any direct negative impact of the war in Ukraine on its financial performance in Q3 2023.

**Cash pooling**

In the reporting period, the process of switching individual companies of the Energa Group, including Energa SA, to the cash pooling structures operating in the ORLEN Group was completed. This tool allows for effective management of the Energa Group's liquidity from the level of ORLEN S.A. - the agent coordinating the cash pooling service. According to the assumptions of cash pooling, at the end of each business day, the companies' funds are consolidated on the agent's accounts and can be used the next day to finance the payment obligations of individual participants. The implemented tool allows to effectively use in the first place the funds generated by the company to finance business, and debt financing in the next step.

**15. Significant subsequent events**

After the final day of the reporting period, there were no material events in the Company.

Management Board Members

Zofia Paryła .....  
President of the Management Board

Michał Perlik .....  
Vice-President of the Management Board for Finance and Climate

Adrianna Sikorska .....  
Vice-President of the Management Board for Communication Matters

Janusz Szurski .....  
Vice-President of the Management Board for Corporate Matters

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Gdańsk, 30 October 2023