

Gdańsk, 9 May 2023

**The General Meeting  
of ENERGA Spółka Akcyjna**

**MOTION OF THE MANAGEMENT BOARD OF ENERGA S.A. TO THE GENERAL MEETING OF  
ENERGA S.A. REGARDING THE DISTRIBUTION OF THE COMPANY'S NET PROFIT FOR 2022**

Having regard to Article 395 § 2 (2) and Article 396 § 1 and 5 of the Commercial Companies Code, the Management Board of ENERGA S.A. ('Company') motions to the General Meeting of the Company to transfer the Company's net profit for 2022 financial year covering the period from 1 January 2022 to 31 December 2022 in the amount of PLN 49,875,171.18 (say zlotys: forty nine million eight hundred seventy five thousand one hundred seventy one 18/100) to increase the supplementary capital.

**RATIONALE**

In 2021, the Company approved the Strategic Development Plan of the ENERGA Group for 2021-2030 ("SDP"). The SDP defines operating and development framework as well as strategic goals of the ENERGA Group in the 2030 horizon.

The Long-Term Strategic Investment Plan of the ENERGA Group for 2021-2030 ("LTSIP") is the forecasting document of the SDP that reflects assumptions concerning investments in the ENERGA Group. In accordance with the current LTSIP, the Company plans to spend significant outlays on the construction of CCGT power plants in Ostrołęka, Grudziądz and Gdańsk, the construction of new renewable energy sources as well as the modernization and expansion of the distribution grid.

Capital expenditures defined in the LTSIP are necessary to adapt the ENERGA Group to the current and expected changes in the market and regulatory environment and to strengthen its market position. Considerable funds are necessary to effectively implement this ambitious investment plan. To acquire such funds, the Company has concluded agreements with PKN ORLEN S.A., its strategic shareholder, for the financing of two LTSIP projects, namely construction of gas-steam power stations in Ostrołęka and Grudziądz. It is also necessary that the net profit for 2022 is retained in the Company.

The existing and planned investments will bring measurable results, such as an increase in the EBITDA: it is expected that achievement of the SDP targets will be reflected by the increase in the consolidated EBITDA in 2030 by over 60% compared to 2020. Consequently, this will translate to measurable benefits for the Company's shareholders in connection with an increase in its value.

Thanks to the transferring the net profit to increase the Company's supplementary capital, there will be lower demand for external financing, which will positively impact the debt ratio. This is of particular importance given the current unstable and difficult market situation.

The allocation of the net profit to supplementary capital is in accordance with the provisions of point 5.14. of ENERGA S.A.'s Accounting Policy, 7th edition, according to which the supplementary capital is created from profit write-offs. The limitation of the possibility of using the Company's reserve capital

also speaks in favor of allocating the net profit to the supplementary capital. Pursuant to § 5 of the Resolution of the General Meeting of ENERGA S.A. No. 32 of 3 September 2013, the reserve capital may be used only to cover future losses of the Company or to increase the share capital from the Company's funds.

In consideration of the above, the Management Board of ENERGA S.A. requests as first above.

**For the Management Board of ENERGA S.A.**