



**ENEA GROUP
CONDENSED
CONSOLIDATED
INTERIM FINANCIAL
STATEMENTS**

for the period from 1 January
to 30 June 2022

in compliance with EU IFRS

TABLE OF CONTENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	4
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	5
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	7
CONSOLIDATED STATEMENT OF CASH FLOWS	8
ADDITIONAL INFORMATION AND EXPLANATIONS	9
General information	9
1. General information on the Parent	9
2. Group composition	9
3. Management Board and Supervisory Board composition.....	11
4. Basis for preparing financial statements	12
5. Accounting rules (policy) and significant estimates and assumptions	13
6. Functional currency and presentation currency	16
Operating segments	17
Explanatory notes to the consolidated statement of comprehensive income	24
7. Revenue from sales	24
8. Tax.....	25
Explanatory notes to the consolidated statement of financial position	26
9. Property, plant and equipment	26
10. Intangible assets	26
11. Investments in associates and jointly controlled entities.....	27
12. Inventories	30
13. Energy origin certificates	31
14. Assets and liabilities arising from contracts with customers	31
15. Restricted cash.....	31
16. Profit allocation	31
17. Debt-related liabilities	32
18. Provisions.....	35
19. Accounting for subsidies and road lighting modernisation services	36
Financial instruments	38
20. Financial instruments and fair value.....	38
21. Debt financial assets at amortised cost.....	40
22. Impairment of trade and other receivables.....	41
23. Analysis of the age structure of trade and other receivables	41
Other explanatory notes	42
24. Related-party transactions	42
25. Conditional liabilities, court proceedings and cases on-going before public administration organs	42
25.1. Sureties and guarantees	42
25.2. On-going proceedings in courts of general competence	43
25.3. Other court proceedings.....	43
25.4. Risk associated with legal status of properties used by the Group	43
25.5. Cases concerning 2012 non-balancing.....	44
25.6. Dispute concerning prices for origin certificates for energy from renewable sources and terminated agreements for the purchase of property rights arising under origin certificates for energy from renewable sources	44
26. National Energy Security Agency.....	46
27. Political and economic situation in Ukraine.....	47
28. Capital increase.....	48
29. Letter of intent regarding Lubelski Węgiel BOGDANKA S.A.	50
30. Events after the reporting period.....	50

These condensed consolidated interim financial statements are prepared in accordance with the requirements of IAS 34 *Interim Financial Reporting*, as endorsed by the European Union, and are approved by the Management Board of ENEA S.A.

Members of the Management Board

President of the Management Board **Paweł Majewski**

Member of the Management Board **Rafał Mucha**

Member of the Management Board **Marcin Pawlicki**

Member of the Management Board **Tomasz Siwak**

Member of the Management Board **Dariusz Szymczak**

Member of the Management Board **Lech Żak**

ENEA Centrum Sp. z o.o.

Entity responsible for maintaining accounting

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Poznań, 14 September 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	For the 6-month period ended 30 June 2022 (unaudited)	For the 3-month period ended 30 June 2022 (unaudited)	For the 6-month period ended 30 June 2021 restated* (unaudited)	For the 3-month period ended 30 June 2021 restated* (unaudited)
Revenue from sales	7	14 730 432	7 475 160	9 890 513	4 811 069
Excise duty		(26 505)	(12 696)	(36 697)	(17 276)
Net revenue from sales		14 703 927	7 462 464	9 853 816	4 793 793
Revenue from operating leases and subleases		7 134	2 231	6 869	2 364
Revenue from sales and other income		14 711 061	7 464 695	9 860 685	4 796 157
Other operating revenue		128 081	78 500	79 859	38 368
Change in provision for onerous contracts		(556 042)	(505 048)	(3 736)	(2 656)
Depreciation/amortisation		(771 680)	(392 355)	(749 581)	(378 410)
Employee benefit costs		(1 139 277)	(552 837)	(1 048 722)	(514 498)
Use of materials and raw materials and value of goods sold		(4 106 615)	(2 211 704)	(2 112 678)	(1 100 863)
Purchase of electricity and gas for sales purposes		(6 001 699)	(2 880 279)	(4 116 962)	(2 019 829)
Transmission services		(256 269)	(142 764)	(217 185)	(110 021)
Other third-party services		(478 235)	(241 384)	(445 687)	(218 158)
Taxes and fees		(258 945)	(128 658)	(235 842)	(116 007)
Loss on change, sale and liquidation of property, plant and equipment and right-of-use assets		(24 706)	(7 575)	(23 591)	(11 388)
Impairment losses on non-financial non-current assets		(2 577)	(2 527)	(3 364)	(6)
Other operating costs		(178 694)	(93 615)	(73 855)	(6 417)
Operating profit		1 064 403	384 449	909 341	356 272
Finance costs		(142 639)	(73 524)	(116 911)	(58 115)
Finance income		87 297	71 537	35 700	13 218
Dividend income		1 163	1 163	119	119
Impairment of financial assets at amortised cost		(7 133)	(3 468)	(9 988)	(3 788)
Share of results of associates and jointly controlled entities	11	51 897	15 995	121 204	121 485
Profit before tax		1 054 988	396 152	939 465	429 191
Income tax	8	(193 660)	(82 719)	(195 213)	(95 477)
Net profit for the reporting period		861 328	313 433	744 252	333 714
Other comprehensive income					
Subject to reclassification to profit or loss:					
- measurement of hedging instruments		198 740	100 698	80 770	28 043
- income tax	8	(37 756)	(19 129)	(15 347)	(5 347)
Not subject to reclassification to profit or loss:					
- restatement of defined benefit plan		156 217	156 217	25 035	25 035
- other		-	-	(1 263)	(533)
- income tax	8	(29 681)	(29 681)	(4 757)	(4 757)
Net other comprehensive income		287 520	208 105	84 438	42 441
Comprehensive income for the reporting period		1 148 848	521 538	828 690	376 155
Including net profit:					
attributable to shareholders of the Parent		739 055	244 073	704 806	316 519
attributable to non-controlling interests		122 273	69 360	39 446	17 195
Including comprehensive income:					
attributable to shareholders of the Parent		1 023 623	449 226	789 487	359 203
attributable to non-controlling interests		125 225	72 312	39 203	16 952
Net profit attributable to shareholders of the Parent		739 055	244 073	704 806	316 519
Weighted average number of ordinary shares		472 660 616	503 535 600	441 442 578	441 442 578
Net profit attributable to the Parent's shareholders, per share (in PLN per share)		1.56	0.48	1.60	0.72
Diluted profit per share (in PLN per share)		1.56	0.48	1.60	0.72

* the presentation restatement of data for the comparative period is presented in note 5 to these condensed consolidated interim financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 June 2022 (unaudited)	As at 31 December 2021 restated*
ASSETS			
Non-current assets			
Property, plant and equipment	9	19 520 803	19 254 971
Right-of-use assets		809 726	774 099
Intangible assets	10	341 013	350 188
Investment properties		19 643	20 282
Investments in associates and jointly controlled entities	11	148 309	137 881
Deferred income tax assets	8	1 450 941	1 400 872
Financial assets measured at fair value	20	380 923	195 031
Trade and other receivables		387 120	74 434
Costs related to the conclusion of agreements		11 493	11 180
Finance lease and sublease receivables		558	580
Funds in the Mine Decommissioning Fund		145 751	147 671
Total non-current assets		23 216 280	22 367 189
Current assets			
CO ₂ emission allowances		283 562	2 859 978
Inventories	12	1 334 080	1 115 920
Trade and other receivables		4 150 051	3 312 572
Costs related to the conclusion of agreements		11 176	11 652
Assets arising from contracts with customers	14	595 852	412 908
Finance lease and sublease receivables		924	903
Current income tax receivables		159	3 147
Financial assets measured at fair value	20	604 437	419 321
Other short-term investments	20	252 268	–
Cash and cash equivalents	15	5 438 780	4 153 553
Total current assets		12 671 289	12 289 954
Total assets		35 887 569	34 657 143

The consolidated statement of financial position should be analysed in conjunction with the additional information and explanations, which constitute an integral part of the condensed consolidated interim financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 June 2022 (unaudited)	As at 31 December 2021 restated*
EQUITY AND LIABILITIES			
Equity			
Equity attributable to shareholders of the parent			
Share capital		676 306	588 018
Share premium		3 348 618	2 692 784
Revaluation reserve - measurement of hedging instruments		269 873	108 917
Retained earnings		11 473 569	10 636 605
Total equity attributable to shareholders of the parent		15 768 366	14 026 324
Non-controlling interests		1 323 188	1 175 576
Total equity		17 091 554	15 201 900
LIABILITIES			
Non-current liabilities			
Credit facilities, loans and debt securities	17	4 271 611	4 457 014
Trade and other payables		295 709	123 947
Liabilities arising from contracts with customers	14	16 381	18 389
Lease liabilities		590 055	565 993
Accounting for subsidies and road lighting modernisation services	19	402 740	377 016
Deferred income tax provision	8	536 547	479 389
Employee benefit liabilities		781 591	962 473
Financial liabilities measured at fair value		48 102	17 588
Provisions for other liabilities and other charges	18	931 979	874 929
Total non-current liabilities		7 874 715	7 876 738
Current liabilities			
Credit facilities, loans and debt securities	17	401 896	2 177 791
Trade and other payables		5 175 187	4 439 560
Liabilities arising from contracts with customers	14	369 707	441 947
Lease liabilities		31 572	30 678
Accounting for subsidies and road lighting modernisation services	19	19 221	18 073
Current income tax liabilities		64 940	63 774
Employee benefit liabilities		564 209	525 031
Liabilities concerning the equivalent for rights to free purchase of shares		281	281
Financial liabilities measured at fair value		273 305	247 929
Provisions for other liabilities and other charges	18	4 020 982	3 633 441
Total current liabilities		10 921 300	11 578 505
Total liabilities		18 796 015	19 455 243
TOTAL EQUITY AND LIABILITIES		35 887 569	34 657 143

* the presentation restatement of data for the comparative period is presented in note 5 to these condensed consolidated interim financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(a) H1 2022 (unaudited)

	Equity attributable to shareholders of the parent								
	Share capital (nominal amount)	Reserve for revaluation and merger accounting	Total share capital	Share premium	Revaluation reserve - measurement of financial instruments	Revaluation reserve - measurement of hedging instruments	Retained earnings	Non-controlling interests	Total equity
As at 1 January 2022	441 443	146 575	588 018	2 692 784	-	108 917	10 620 839	1 167 450	15 178 008
Adjustment due to amendments to IAS 16	-	-	-	-	-	-	15 766	8 126	23 892
As at 1 January 2022, adjusted	441 443	146 575	588 018	2 692 784	-	108 917	10 636 605	1 175 576	15 201 900
Net profit for the reporting period	-	-	-	-	-	-	739 055	122 273	861 328
Net other comprehensive income	-	-	-	-	-	160 984	123 584	2 952	287 520
Net comprehensive income recognised in the period	-	-	-	-	-	160 984	862 639	125 225	1 148 848
Dividends	-	-	-	-	-	-	-	(30 129)	(30 129)
Issue of ordinary shares	88 288	-	88 288	662 164	-	-	-	-	750 452
Cost of issue of ordinary shares	-	-	-	(6 330)	-	-	-	-	(6 330)
Change in non-controlling interests in subsidiaries	-	-	-	-	-	-	(25 675)	52 516	26 841
Other	-	-	-	-	-	(28)	-	-	(28)
As at 30 June 2022	529 731	146 575	676 306	3 348 618	-	269 873	11 473 569	1 323 188	17 091 554

(b) H1 2021 (unaudited)

	Equity attributable to shareholders of the parent								
	Share capital (nominal amount)	Reserve for revaluation and merger accounting	Total share capital	Share premium	Revaluation reserve - measurement of financial instruments	Revaluation reserve - measurement of hedging instruments	Retained earnings	Non-controlling interests	Total equity
As at 1 January 2021	441 443	146 575	588 018	3 632 464	(16 295)	(105 534)	7 938 162	1 057 538	13 094 353
Net profit for the reporting period*	-	-	-	-	-	-	704 806	39 446	744 252
Net other comprehensive income	-	-	-	-	17 036	65 423	2 222	(243)	84 438
Net comprehensive income recognised in the period	-	-	-	-	17 036	65 423	707 028	39 203	828 690
Dividends	-	-	-	-	-	-	-	(86)	(86)
Coverage of net loss - transfer	-	-	-	(939 680)	-	-	939 680	-	-
Other	-	-	-	-	(741)	-	741	-	-
As at 30 June 2021	441 443	146 575	588 018	2 692 784	-	(40 111)	9 585 611	1 096 655	13 922 957

*the table shows a restated amount of net profit as explained in note 5 to these condensed consolidated interim financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	For the six-month period ended 30 June 2022 (unaudited)	30 June 2021 restated* (unaudited)
Cash flows from operating activities			
Net profit for the reporting period		861 328	744 252
Adjustments:			
Income tax in profit or loss	8	193 660	195 213
Depreciation/amortisation		771 680	749 581
Loss on change, sale and liquidation of property, plant and equipment and right-of-use assets		24 706	23 591
Impairment losses on non-financial non-current assets		2 577	3 364
Gain on sale of financial assets		(142)	(15 235)
Interest income		(36 130)	(9 915)
Dividend income		(1 163)	(119)
Interest costs		106 996	86 747
(Gain)/loss on measurement of financial instruments		(105 347)	47 312
Impairment of financial assets at amortised cost		7 133	9 988
Share of profit of associates and jointly controlled entities		(51 897)	(121 204)
Other adjustments		(12 785)	(13 391)
Total adjustments		899 288	955 932
Paid income tax		(244 682)	(245 051)
Changes in working capital:			
CO ₂ emission allowances		2 576 416	1 735 005
Inventories		(208 721)	(149 710)
Trade and other receivables		(1 225 908)	(438 303)
Trade and other payables		978 089	2 133 001
Employee benefit liabilities		14 484	1 695
Accounting for subsidies and road lighting modernisation services		25 456	27 613
Provisions for other liabilities and charges		486 743	(607 082)
Total changes in working capital		2 646 559	2 702 219
Net cash flows from operating activities		4 162 493	4 157 352
Cash flows from investing activities			
Purchase of non-current tangible and intangible assets and right-of-use assets		(1 310 785)	(955 620)
Proceeds from sale of non-current tangible and intangible assets and right-of-use assets		550	807
Purchase of financial assets		(250 265)	-
Proceeds from sale of financial assets		26 881	53 136
Purchase of associates and jointly controlled entities		(381)	-
Sale of associates and jointly controlled entities		626	-
Inflows concerning funds held at Mine Decommissioning Fund bank account		1 920	365
Received interest		6 105	16
Other inflows/(outflows) from investing activities		396	(377)
Net cash flows from investing activities		(1 524 953)	(901 673)
Cash flows from financing activities			
Repayment of credit and loans		(108 875)	(108 476)
Bond buy-back		(1 877 055)	(769 055)
Dividends paid		-	(86)
Repayment of lease liabilities		(31 734)	(30 583)
Proceeds from share issue		750 452	-
Interest paid		(90 370)	(91 249)
Expenses related to share issue		(6 330)	-
Other inflows/(outflows) from financing activities		11 599	(2 516)
Net cash flows from financing activities		(1 352 313)	(1 001 965)
Total net cash flows		1 285 227	2 253 714
Cash at the beginning of reporting period		4 153 553	1 941 554
Cash at the end of reporting period		5 438 780	4 195 268
including restricted cash		495 601	374 784

* the presentation restatement of data for the comparative period is presented in note 5 to these condensed consolidated interim financial statements.

ADDITIONAL INFORMATION AND EXPLANATIONS

General information

1. General information on the Parent

Name:	ENE A Spółka Akcyjna
Legal form:	spółka akcyjna (joint-stock company)
Country of registration:	Poland
Registered office:	Poznań, Poland
Address:	ul. Pastelowa 8, 60-198 Poznań
Location of business:	Poland
KRS:	0000012483
Telephone number:	(+48 61) 884 55 44
Fax number:	(+48 61) 884 59 59
E-mail:	enea@enea.pl
Website:	www.enea.pl
REGON number:	630139960
NIP number:	777-00-20-640

ENE A S.A. ("Company," "Parent") is the parent entity for ENE A Group ("Group").

As at 30 June 2022, the Parent's shareholding structure was as follows:

	Poland's State Treasury	Other shareholders	Total
As at 30 June 2022	52.29%	47.71%	100.00%

As at 30 June 2022, the Parent's highest-level controlling entity was the State Treasury.

As at 30 June 2022, ENE A S.A.'s statutory share capital amounted to PLN 529 731 thousand (PLN 676 306 thousand after restatement to EU IFRS, taking into account hyperinflation and other adjustments) and was divided into 529 731 093 shares.

The Parent's duration is indefinite.

Its activities are conducted on the basis of relevant concessions issued for the Parent and for specific Group companies.

The Group's condensed consolidated interim financial statements cover the six-month period ended 30 June 2022 and contain comparative data for the six-month period ended 30 June 2021 and the year ended 31 December 2021.

2. Group composition

As at 30 June 2022, ENE A Group consisted of the parent - ENE A S.A., 18 subsidiaries, 7 indirect subsidiaries, 2 jointly controlled entities and 1 associate.

ENE A Group's principal business activities are as follows:

- production of electric and thermal energy (ENE A Wytwarzanie Sp. z o.o., ENE A Elektrownia Połaniec S.A., Przedsiębiorstwo Energetyki Ciepłej Sp. z o.o. w Obornikach, Miejska Energetyka Ciepła Piła Sp. z o.o., ENE A Ciepło Sp. z o.o., ENE A Nowa Energia Sp. z o.o.);
- trade of electricity (ENE A S.A., ENE A Trading Sp. z o.o.);
- distribution of electricity (ENE A Operator Sp. z o.o.);
- distribution of heat (Przedsiębiorstwo Energetyki Ciepłej Sp. z o.o. w Obornikach, Miejska Energetyka Ciepła Piła Sp. z o.o., ENE A Ciepło Sp. z o.o.);
- mining and enriching of hard coal (LW Bogdanka S.A.)

Company name	Activity	Registered office	ENE A S.A.'s stake in total number of voting rights as at 30 June 2022	ENE A S.A.'s stake in total number of voting rights as at 31 December 2021
SUBSIDIARIES				
1. ENEA Operator Sp. z o.o.	distribution	Poznań	100%	100%
2. ENEA Wytwarzanie Sp. z o.o.	generation	Świerże Górne	100%	100%
3. ENEA Elektrownia Połaniec S.A.	generation	Połaniec	100%	100%
4. ENEA Oświetlenie Sp. z o.o.	other activity	Szczecin	100%	100%
5. ENEA Trading Sp. z o.o.	trade	Świerże Górne	100%	100%
6. ENEA Serwis Sp. z o.o.	distribution	Lipno	100%	100%
7. ENEA Centrum Sp. z o.o.	other activity	Poznań	100%	100%
8. ENEA Pomiary Sp. z o.o.	distribution	Poznań	100%	100%
9. ENERGO-TOUR Sp. z o.o. w likwidacji	other activity	Poznań	100% ⁵	100% ⁵
10. ENEA Innowacje Sp. z o.o.	other activity	Warsaw	100% ⁶	100%
11. Lubelski Węgiel BOGDANKA S.A.	mining	Bogdanka	64.57% ¹¹	65.99%
12. ENEA Ciepło Sp. z o.o.	generation	Białystok	99.94%	99.94%
13. ENEA Ciepło Serwis Sp. z o.o.	generation	Białystok	100%	100%
14. Przedsiębiorstwo Energetyki Ciepłej Sp. z o.o.	generation	Oborniki	99.93%	99.93%
15. Miejska Energetyka Ciepła Piła Sp. z o.o.	generation	Piła	71.11%	71.11%
16. ENEA Nowa Energia Sp. z o.o.	generation	Radom	100%	100%
17. ENEA ELKOGAZ Sp. z o.o.	generation	Warsaw	100% ⁸	-
18. ENEA Power&Gas Trading Sp. z o.o.	trade	Warsaw	100% ⁹	-
INDIRECT SUBSIDIARIES				
19. ENEA Logistyka Sp. z o.o.	distribution	Poznań	100% ³	100% ³
20. ENEA Bioenergia Sp. z o.o.	generation	Połaniec	100% ¹	100% ¹
21. ENEA Połaniec Serwis Sp. z o.o.	generation	Połaniec	100% ¹	100% ¹
22. EkoTRANS Bogdanka Sp. z o.o.	mining	Bogdanka	64.57% ²	65.99% ²
23. RG Bogdanka Sp. z o.o.	mining	Bogdanka	64.57% ²	65.99% ²
24. MR Bogdanka Sp. z o.o.	mining	Bogdanka	64.57% ²	65.99% ²
25. Łęczyńska Energetyka Sp. z o.o.	mining	Bogdanka	57.27% ²	58.53% ²
26. SUN ENERGY 7 Sp. z o.o.	generation	Głównyzyce	- ¹⁰	100% ⁴
27. GPK energia Sp. z o.o.	generation	Krzęcin	- ¹⁰	100% ⁴
JOINTLY CONTROLLED ENTITIES				
28. Polska Grupa Górnicza S.A.	-	Katowice	7.66%	7.66%
29. Elektrownia Ostrołęka Sp. z o.o.	-	Ostrołęka	50%	50%
ASSOCIATES				
30. Polimex – Mostostal S.A.	-	Warsaw	16.39% ⁷	16,4%

¹ – indirect subsidiary through stake in ENEA Elektrownia Połaniec S.A.

² – indirect subsidiary through stake in Lubelski Węgiel BOGDANKA S.A.

³ – indirect subsidiary through stake in ENEA Operator Sp. z o.o.

⁴ – indirect subsidiary through stake in ENEA Nowa Energia Sp. z o.o.

⁵ – on 30 March 2015 the company's extraordinary general meeting adopted a resolution on the dissolution of the company following a liquidation proceeding; the resolution entered into force on 1 April 2015. An application for the company to be removed from the National Court Register was filed on 5 November 2015. At the date on which these condensed consolidated interim financial statements were prepared, procedural activities connected with removing the entity from the National Court Register were in progress.

⁶ – on 28 February 2022 an Extraordinary General Meeting of ENEA Innowacje Sp. z o.o. adopted a resolution regarding an increase of the company's share capital by PLN 5 000 thousand, i.e. from PLN 30 860 thousand to PLN 35 860 thousand, by issuing 50 000 new shares with a nominal value of PLN 100.00 each. All of the new-issue shares were

acquired by ENEA S.A. and were paid for with a cash contribution. The share capital increase was registered at the National Court Register on 8 August 2022.

⁷ – on 30 March 2022 ENEA S.A. submitted a demand to exercise a call option and made a transfer for 187 500 shares of Polimex – Mostostal S.A. The increase of Polimex – Mostostal S.A.'s share capital by PLN 1 500 thousand, i.e. from PLN 475 738 thousand to PLN 477 238 thousand, by admitting 750 000 ordinary bearer shares series S with a nominal value of PLN 2 each, was registered on 1 April 2022. In June 2022 the sale of 195 118 Polimex – Mostostal S.A. shares previously held by ENEA S.A. was finalised, thus decreasing ENEA S.A.'s stake in that company's share capital from 16.48% to 16.39%. Polimex – Mostostal S.A.'s share capital increase of PLN 1 000 thousand, i.e. from PLN 477 238 thousand to PLN 478 238 thousand, by admitting 500 000 ordinary bearer shares series S with a nominal value of PLN 2 each to trading, was registered on 14 July 2022. As of the date on which these condensed consolidated interim financial statements were prepared, ENEA S.A. holds a 16.31% stake in that company's share capital.

⁸ – on 16 March 2022 ENEA S.A. formed ENEA ELKOGAZ Sp. z o.o., based in Warsaw. The company's share capital amounts to PLN 19 000 thousand and is divided into 190 000 shares with a nominal value of PLN 100.00 each. ENEA S.A. took up 100% of the company's shares.

⁹ – on 30 March 2022 ENEA S.A. formed ENEA Power&Gas Trading Sp. z o.o., based in Warsaw. The company's share capital amounts to PLN 3 200 thousand and is divided into 32 000 shares with a nominal value of PLN 100.00 each. ENEA S.A. took up 100% of the company's shares.

¹⁰ - on 14 December 2021 ENEA Nowa Energia Sp. z o.o. signed an agreement to purchase 100 shares in SUN ENERGY 7 Sp. z o.o., with a nominal value of PLN 50.00 each and total nominal value of PLN 5 thousand, constituting 100% of its share capital, for a total of PLN 2 921 thousand. On 14 December 2021 ENEA Nowa Energia Sp. z o.o. signed an agreement to purchase 100 shares in GPK energia Sp. z o.o., with a nominal value of PLN 50.00 each and total nominal value of PLN 5 thousand, constituting 100% of its share capital, for a total of PLN 487 thousand. On 3 March 2022, a plan was published in Monitor Sądowy i Gospodarczy for the merger of ENEA Nowa Energia Sp. z o.o. (acquiring company) with special-purpose vehicles SUN ENERGY 7 Sp. z o.o. and GPK energia Sp. z o.o. (acquired companies). The merger of SUN ENERGY 7 Sp. z o.o. and GPK energia Sp. z o.o. with ENEA Nowa Energia Sp. z o.o. was registered at the National Court Register on 20 May 2022.

¹¹ - in the period from 27 April 2022 to 7 June 2022 ENEA Wytwarzanie Sp. z o.o. sold, via the Warsaw Stock Exchange, a total of 486 645 shares of Lubelski Węgiel "Bogdanka" S.A., based in Bogdanka, i.e. all of this company's shares held by ENEA Wytwarzanie Sp. z o.o.

3. Management Board and Supervisory Board composition

Management Board

	As at		As at	
	30 June 2022	Appointment	31 December 2021	End of term / resignation
President of the Management Board	Paweł Majewski	25 April 2022	Paweł Szczeszek	10 April 2022
Member of the Management Board, responsible for finance	Rafał Mucha		Rafał Mucha	
Member of the Management Board, responsible for sales	Tomasz Siwak		Tomasz Siwak	
Member of the Management Board, responsible for corporate affairs	Dariusz Szyczak	25 June 2022	Tomasz Szczegieliński	24 June 2022
Member of the Management Board, responsible for operations	Marcin Pawlicki		Marcin Pawlicki	
Member of the Management Board, responsible for strategy and development	Lech Żak		Lech Żak	

Mr. Paweł Szczeszek's resignation as President of the Management Board, ENEA S.A., effective from 10 April 2022, was received on 8 April 2022.

On 8 April 2022, the Company's Supervisory Board decided to entrust the performance of the duties of the President of the Company's Management Board to Mr. Rafał Mucha - Member of the Management Board in charge of finance, starting from 11 April 2022, until the appointment of President of the Management Board, however not longer than for the term that commenced on the date of the Company's Ordinary General Meeting approving the 2018 financial statements, while performing the current duties of the Member of the Management Board in charge of finance.

On 20 April 2022, the Supervisory Board of ENEA S.A. adopted a resolution to appoint, as of 25 April 2022, Mr. Paweł Majewski as President of the Management Board, ENEA S.A., for a joint term that began on the date of the Company's Ordinary General Meeting approving the 2018 financial statements.

On 14 June 2022 the Company's Supervisory Board adopted resolutions concerning the appointment for a new joint term, effective from the day following the day of the Company's Ordinary General Meeting approving its financial statements for 2021, i.e. from 25 June 2022, of the following Management Board members:

- Mr. Paweł Majewski as President of the Management Board of ENEA S.A.,

- Mr. Tomasz Siwak as Member of ENEA S.A.'s Management Board in charge of sales,
- Mr. Rafał Mucha as Member of ENEA S.A.'s Management Board in charge of finance,
- Mr. Dariusz Szymczak as Member of ENEA S.A.'s Management Board in charge of corporate affairs
- Mr. Marcin Pawlicki as Member of ENEA S.A.'s Management Board in charge of operations
- Mr. Lech Adam Żak as Member of ENEA S.A.'s Management Board in charge of strategy and development.

Supervisory Board

	As at 30 June 2022	Appointment	As at 31 December 2021	End of term / resignation
Chairperson of the Supervisory Board	Rafał Włodarski		Rafał Włodarski	
Deputy Chairperson of the Supervisory Board			Roman Stryjski	
Secretary of the Supervisory Board			Michał Jaciubek	24 June 2022
Member of the Supervisory Board	Dorota Szymanek		Dorota Szymanek	11 July 2022
Member of the Supervisory Board	Mariusz Damasiewicz	25 June 2022	Maciej Mazur	24 June 2022
Member of the Supervisory Board	Mariusz Romańczuk	25 June 2022	Piotr Mirkowski	24 June 2022
Member of the Supervisory Board	Paweł Korobłowski		Paweł Korobłowski	
Member of the Supervisory Board	Tomasz Lis		Tomasz Lis	
Member of the Supervisory Board	Mariusz Pliszka		Mariusz Pliszka	
Member of the Supervisory Board	Roman Stryjski			
Member of the Supervisory Board	Radosław Kwaśnicki	10 March 2022		

On 10 March 2022 the Company's Extraordinary General Meeting adopted a resolution appointing Mr. Radosław Kwaśnicki as member of ENEA S.A.'s Supervisory Board, 10th term, effective from the same date.

On 24 June 2022 the Company's Ordinary General Meeting adopted resolutions to appoint the following persons for the 11th joint term of ENEA S.A.'s Supervisory Board, effective from 25 June 2022:

- Mr. Mariusz Damasiewicz,
- Mr. Mariusz Pliszka,
- Mr. Mariusz Romańczuk,
- Mr. Rafał Włodarski, who was also appointed as Chairperson of the Supervisory Board,
- Mr. Paweł Korobłowski,
- Mr. Tomasz Lis,
- Mr. Radosław Kwaśnicki,
- Mrs. Dorota Szymanek,
- Mr. Roman Stryjski.

On 6 July 2022 the Company's Supervisory Board appointed Mr. Roman Stryjski as Deputy Chairperson of ENEA S.A.'s Supervisory Board, 11th joint term.

On 6 July 2022 the Company's Supervisory Board appointed Mr. Mariusz Pliszka as Secretary of ENEA S.A.'s Supervisory Board, 11th joint term.

On 11 July 2022 the Company received Mrs. Dorota Szymanek's resignation from ENEA S.A.'s Supervisory Board, effective from 11 July 2022.

On 5 August 2022 the Company received the resignation of Mr. Radosław Kwaśnicki from the position of Member of the Supervisory Board of ENEA S.A., effective from 31 August 2022.

The following table contains the composition of ENEA S.A.'s Supervisory Board as of the date on which these separate financial statements:

As at 14 September 2022	
Chairperson of the Supervisory Board	Rafał Włodarski
Deputy Chairperson of the Supervisory Board	Roman Stryjski
Secretary of the Supervisory Board	Mariusz Pliszka
Member of the Supervisory Board	Mariusz Damasiewicz
Member of the Supervisory Board	Tomasz Lis
Member of the Supervisory Board	Paweł Korobłowski
Member of the Supervisory Board	Mariusz Romańczuk

4. Basis for preparing financial statements

These condensed consolidated interim financial statements are prepared in accordance with the requirements of IAS 34 *Interim Financial Reporting*, as endorsed by the European Union, and have been approved by the Management Board of ENEA S.A.

The Parent's Management Board used its best knowledge as to the application of standards and interpretations as well as methods and rules for the measurement of items in ENEA Group's condensed consolidated interim financial statements in accordance with EU IFRS as at 30 June 2022. The presented tables and explanations are prepared with due diligence. These condensed consolidated interim financial statements have been reviewed by a statutory auditor. The accounting rules below are applied consistently across all of the presented periods unless stated otherwise.

These condensed consolidated interim financial statements are prepared on a going concern basis for the foreseeable future. There are no circumstances such as would indicate a threat to the Group's going concern.

These condensed consolidated interim financial statements should be read in conjunction with ENEA Group's consolidated financial statements for the financial year ended 31 December 2021.

5. Accounting rules (policy) and significant estimates and assumptions

These condensed consolidated interim financial statements are prepared in accordance with accounting rules that are consistent with those applied in preparing the most recent annual consolidated financial statements, for the financial year ended 31 December 2021, except for the amendments to IAS 16 Property, Plant and Equipment, applied for the first time starting from 1 January 2022. The impact of these amendments is presented below. Drafting condensed consolidated interim financial statements in accordance with IAS 34 requires the Management Board to adopt certain assumptions and make estimates that have an impact on the application of accounting rules and on amounts being presented in the condensed consolidated interim financial statements and explanatory notes to these statements. Such assumptions and estimates are based on the Management Board's best knowledge regarding current and future events and activities. However, actual results may differ from forecasts. The estimates used in preparing these condensed consolidated interim financial statements are consistent with the estimates used in preparing the consolidated financial statements for the most recent financial year. The estimated values presented in previous financial years do not have a material impact on the present interim period.

Amendments to IAS 16 Property, Plant and Equipment

From 1 January 2022, the Group applied for the first time the amendments to IAS 16, Property, Plant and Equipment, to prohibit the adjustment of the cost of property, plant and equipment by amounts received from the sale of items produced while the property, plant and equipment is being prepared to commence operation in accordance with management's intentions. Instead, the entity is required to recognise the aforementioned revenue sales and related costs directly in the statement of profit and loss. This change is crucial in relation to the inclusion in the cost of workings of the value of the coal obtained during their excavation. Given the above, from 1 January 2022, revenue from the sale of coal obtained during the excavation of workings does not reduce the initial value of the workings; however, it is necessary to adjust the costs incurred for the excavation of workings by that part of the costs that relates to the production of coal obtained during the excavation. The amendment has been applied retrospectively, to property, plant and equipment (workings) that were adjusted to the location and conditions necessary to enable them to operate in the manner intended by management on or after the start date of the earliest period presented in these condensed consolidated interim financial statements (i.e. as at 1 January 2021). The total net effect of the first-time application of this amendment amounted to PLN 23 892 thousand and was recognised as an adjustment to the opening balance of retained earnings and non-controlling interests at 1 January 2022 (as seen in the consolidated statement of changes in equity). This figure consists of an increase in the net value of property, plant and equipment by PLN 29 496 thousand, adjusted for the tax effect in the form of an increase in the value of deferred tax liabilities by PLN 5 604 thousand.

The impact of applying the amendment to IAS 16 Property, Plant and Equipment on the consolidated statement of financial position as at 1 January 2022 is shown in the table below.

	31 December 2021	As at Impact of amendment to IAS 16	1 January 2022
ASSETS			
Property, plant and equipment	19 225 475	29 496	19 254 971
Other items	3 112 218	-	3 112 218
Non-current assets	22 337 693	29 496	22 367 189
Current assets	12 289 954	-	12 289 954
Total assets	34 627 647	29 496	34 657 143

EQUITY AND LIABILITIES

Retained earnings	10 620 839	15 766	10 636 605
Non-controlling interests	1 167 450	8 126	1 175 576
Other items	3 389 719	-	3 389 719
Equity	15 178 008	23 892	15 201 900
Deferred income tax provision	473 785	5 604	479 389
Other items	7 397 349	-	7 397 349
Non-current liabilities	7 871 134	5 604	7 876 738
Current liabilities	11 578 505	-	11 578 505
Total equity and liabilities	34 627 647	29 496	34 657 143

At the same time, in order to maintain comparability of comparative data, data for H1 2021 was restated. The total impact of the adjustment on the period's result as of 30 June 2021 was PLN 8 222 thousand.

The impact of applying the amendment to IAS 16 Property, Plant and Equipment on the consolidated statement of comprehensive income and consolidated statement of cash flows for H1 2021 is shown in the tables below.

	For the six-month period ended		
	30 June 2021 (approved data)	Impact of amendment to IAS 16	30 June 2021 (restated data)
Net profit for the reporting period	736 030	8 222	744 252
Adjustments:			
Income tax in profit or loss	193 284	1 929	195 213
Other items	760 719	-	760 719
Total adjustments	954 003	1 929	955 932
Paid income tax	(245 051)	-	(245 051)
Changes in working capital	2 702 219	-	2 702 219
Net cash flows from operating activities	4 147 201	10 151	4 157 352
Purchase of non-current tangible and intangible assets and right-of-use assets	(945 469)	(10 151)	(955 620)
Other items	53 947	-	53 947
Net cash flows from investing activities	(891 522)	(10 151)	(901 673)
Net cash flows from financing activities	(1 001 965)	-	(1 001 965)
Total net cash flows	2 253 714	-	2 253 714
Cash at the beginning of reporting period	1 941 554	-	1 941 554
Cash at the end of reporting period	4 195 268	-	4 195 268

	For the six-month period ended 30 June 2021			For the three-month period ended 30 June 2021		
	Approved data	Impact of amendment to IAS 16	Restated data	Approved data	Impact of amendment to IAS 16	Restated data
Revenue from sales	9 853 166	37 347	9 890 513	4 792 476	18 593	4 811 069
Excise duty	(36 697)	-	(36 697)	(17 276)	-	(17 276)
Net revenue from sales	9 816 469	37 347	9 853 816	4 775 200	18 593	4 793 793
Revenue from operating leases and subleases	6 869	-	6 869	2 364	-	2 364
Revenue from sales and other income	9 823 338	37 347	9 860 685	4 777 564	18 593	4 796 157
Employee benefit costs	(1 042 313)	(6 409)	(1 048 722)	(511 258)	(3 240)	(514 498)
Use of materials and raw materials and value of goods sold	(2 097 962)	(14 716)	(2 112 678)	(1 093 511)	(7 352)	(1 100 863)
Other third-party services	(439 616)	(6 071)	(445 687)	(215 214)	(2 944)	(218 158)
Other items	(5 344 257)	-	(5 344 257)	(2 606 366)	-	(2 606 366)
Operating profit	899 190	10 151	909 341	351 215	5 057	356 272
Other items	30 124	-	30 124	72 919	-	72 919
Profit before tax	929 314	10 151	939 465	424 134	5 057	429 191
Income tax	(193 284)	(1 929)	(195 213)	(94 516)	(961)	(95 477)
Net profit for the reporting period	736 030	8 222	744 252	329 618	4 096	333 714
Net other comprehensive income	84 438	-	84 438	42 441	-	42 441
Comprehensive income for the reporting period	820 468	8 222	828 690	372 059	4 096	376 155
Including net profit:						
attributable to shareholders of the Parent	699 380	5 426	704 806	313 816	2 703	316 519
attributable to non-controlling interests	36 650	2 796	39 446	15 802	1 393	17 195
Including comprehensive income:						
attributable to shareholders of the Parent	784 061	5 426	789 487	356 500	2 703	359 203
attributable to non-controlling interests	36 407	2 796	39 203	15 559	1 393	16 952

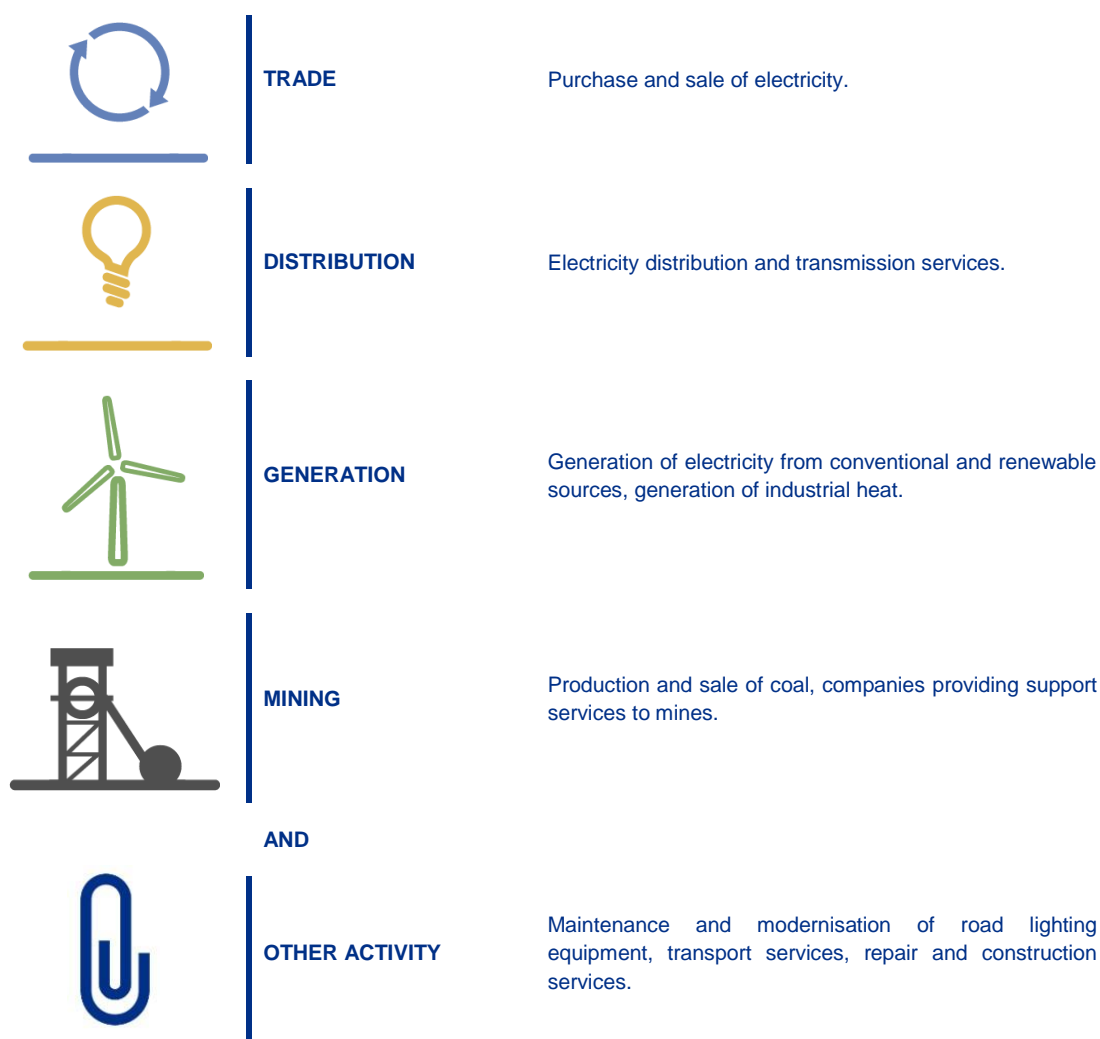
6. Functional currency and presentation currency

Items in the financial statements of individual Group entities are measured in the main currency of the economic setting in which the entity operates (in the functional currency).

The condensed consolidated interim financial statements are presented in PLN, which is the functional and presentation currency for all of the Group's entities. Items in financial statements are rounded to full thousands of zlotys (PLN 000s), unless otherwise stated.

Operating segments

The Group presents segment information in accordance with IFRS 8 *Operating Segments*. Operating segments correspond to the reporting segments and are not aggregated. The Group's activities are managed in operating segments that are distinct in terms of products and services. ENEA Group reports four operating segments and other activity, as shown below.



Segment revenue is revenue generated from sales to external customers and transactions with other segments that can be directly attributed to the given segment. Segment costs include the cost of sales to external customers and costs of transactions with other segments within the Group that result from the operating activities of a given segment and can be directly attributed to the given segment. Market prices are applied to inter-segment transactions, which makes it possible for units to generate margins sufficient to independently operate on the market.

In analysing segment results, the Group especially focuses on EBITDA. EBITDA is defined as operating profit (calculated as result before tax adjusted by the share of results of associates and jointly controlled entities, impairment of financial assets at amortised cost, impairment of investments in jointly controlled entities, finance income, dividend income and finance costs) plus amortisation and impairment of non-financial non-current assets.

Rules for determining segment results and segment assets and liabilities are in compliance with the accounting rules used in preparing consolidated financial statements. In connection with the amendment to IAS 16 Property, Plant and Equipment, as presented in note 5 to these condensed consolidated interim financial statements, the Group made a presentation restatement of its segments for the comparative period.

Segment results:

Segment results for the period from 1 January to 30 June 2022 are as follows:



	TRADE	DISTRIBUTION	GENERATION	MINING	OTHER ACTIVITY	EXCLUSIONS	TOTAL
Net revenue from sales	5 724 069	1 774 615	6 711 858	428 978	64 407	-	14 703 927
Inter-segment sales	875 918	15 784	688 210	1 029 427	205 791	(2 815 130)	-
Total net revenue from sales	6 599 987	1 790 399	7 400 068	1 458 405	270 198	(2 815 130)	14 703 927
Revenue from operating leases and subleases	-	-	437	3 926	2 800	(29)	7 134
Revenue from sales and other income	6 599 987	1 790 399	7 400 505	1 462 331	272 998	(2 815 159)	14 711 061
Total costs	(6 634 922)	(1 504 066)	(6 947 139)	(1 034 838)	(249 216)	2 766 802	(13 603 379)
Segment result	(34 935)	286 333	453 366	427 493	23 782	(48 357)	1 107 682
Depreciation/amortisation	(1 344)	(347 549)	(221 130)	(174 482)	(36 891)	-	-
Reversal / (recognition) of impairment loss on non-financial non-current assets	-	-	1 737	(4 314)	-	-	-
Segment result - EBITDA	(33 591)	633 882	672 759	606 289	60 673		
% of revenue from sales and other income	(0.5%)	35.4%	9.1%	41.5%	22.2%		
Unallocated costs at Group level (administrative expenses)							(43 279)
Operating profit							1 064 403
Finance costs							(142 639)
Finance income							87 297
Dividend income							1 163
Impairment of financial assets at amortised cost							(7 133)
Share of results of associates and jointly controlled entities							51 897
Income tax							(193 660)
Net profit							861 328
Share of profit attributable to non-controlling interests							122 273

Segment results:

Segment results for the period from 1 April to 30 June 2022 are as follows:



	TRADE	DISTRIBUTION	GENERATION	MINING	OTHER ACTIVITY	EXCLUSIONS	TOTAL
Net revenue from sales	2 852 540	873 983	3 473 251	232 562	30 128	-	7 462 464
Inter-segment sales	363 634	7 539	335 971	496 076	103 584	(1 306 804)	-
Total net revenue from sales	3 216 174	881 522	3 809 222	728 638	133 712	(1 306 804)	7 462 464
Revenue from operating leases and subleases	-	-	237	1 954	64	(24)	2 231
Revenue from sales and other income	3 216 174	881 522	3 809 459	730 592	133 776	(1 306 828)	7 464 695
Total costs	(3 164 246)	(735 143)	(3 865 190)	(490 752)	(115 292)	1 312 387	(7 058 236)
Segment result	51 928	146 379	(55 731)	239 840	18 484	5 559	406 459
Depreciation/amortisation	(659)	(176 983)	(110 165)	(87 761)	(18 044)	-	-
Reversal / (recognition) of impairment loss on non-financial non-current assets	-	-	1 737	(4 264)	-	-	-
Segment result - EBITDA	52 587	323 362	52 697	331 865	36 528		
% of revenue from sales and other income	1.6%	36.7%	1.4%	45.4%	27.3%		
Unallocated costs at Group level (administrative expenses)							(22 010)
Operating profit							384 449
Finance costs							(73 524)
Finance income							71 537
Dividend income							1 163
Impairment of financial assets at amortised cost							(3 468)
Share of results of associates and jointly controlled entities							15 995
Income tax							(82 719)
Net profit							313 433
Share of profit attributable to non-controlling interests							69 360

Segment results:

Segment results for the period from 1 January to 30 June 2021 are as follows:



	TRADE	DISTRIBUTION	GENERATION	MINING	OTHER ACTIVITY	EXCLUSIONS	TOTAL
Net revenue from sales	3 856 183	1 610 543	4 119 450	212 083	55 557	-	9 853 816
Inter-segment sales	790 139	18 045	344 095	867 680	192 831	(2 212 790)	-
Total net revenue from sales	4 646 322	1 628 588	4 463 545	1 079 763	248 388	(2 212 790)	9 853 816
Revenue from operating leases and subleases	-	-	450	4 179	2 276	(36)	6 869
Revenue from sales and other income	4 646 322	1 628 588	4 463 995	1 083 942	250 664	(2 212 826)	9 860 685
Total costs	(4 639 011)	(1 273 197)	(4 009 808)	(942 387)	(230 411)	2 179 957	(8 914 857)
Segment result	7 311	355 391	454 187	141 555	20 253	(32 869)	945 828
Depreciation/amortisation	(1 599)	(332 066)	(201 138)	(186 923)	(36 643)		
Impairment losses on non-financial non-current assets	-	-	-	(6)	(3 358)		
Segment result - EBITDA	8 910	687 457	655 325	328 484	60 254		
% of revenue from sales and other income	0.2%	42.2%	14.7%	30.3%	24.0%		
Unallocated costs at Group level (administrative expenses)							(36 487)
Operating profit							909 341
Finance costs							(116 911)
Finance income							35 700
Dividend income							119
Impairment of financial assets at amortised cost							(9 988)
Share of results of associates and jointly controlled entities							121 204
Income tax							(195 213)
Net profit							744 252
Share of profit attributable to non-controlling interests							39 446

Segment results:

Segment results for the period from 1 April to 30 June 2021 are as follows:



	TRADE	DISTRIBUTION	GENERATION	MINING	OTHER ACTIVITY	EXCLUSIONS	TOTAL
Net revenue from sales	1 855 133	780 474	2 044 717	86 833	26 636	-	4 793 793
Inter-segment sales	431 602	8 607	175 737	432 641	96 430	(1 145 017)	-
Total net revenue from sales	2 286 735	789 081	2 220 454	519 474	123 066	(1 145 017)	4 793 793
Revenue from operating leases and subleases	-	-	267	2 037	71	(11)	2 364
Revenue from sales and other income	2 286 735	789 081	2 220 721	521 511	123 137	(1 145 028)	4 796 157
Total costs	(2 325 545)	(637 955)	(2 033 982)	(457 107)	(107 478)	1 139 472	(4 422 595)
Segment result	(38 810)	151 126	186 739	64 404	15 659	(5 556)	373 562
Depreciation/amortisation	(735)	(167 572)	(101 387)	(95 413)	(17 472)	-	-
Impairment losses on non-financial non-current assets	-	-	-	(6)	-	-	-
Segment result - EBITDA	(38 075)	318 698	288 126	159 823	33 131		
% of revenue from sales and other income	(1.7%)	40.4%	13.0%	30.6%	26.9%		
Unallocated costs at Group level (administrative expenses)							(17 290)
Operating profit							356 272
Finance costs							(58 115)
Finance income							13 218
Dividend income							119
Impairment of financial assets at amortised cost							(3 788)
Share of results of associates and jointly controlled entities							121 485
Income tax							(95 477)
Net profit							333 714
Share of profit attributable to non-controlling interests							17 195

Other information concerning segments as at 30 June 2022 and for the six-month period ended on that date is as follows:



	Trade	Distribution	Generation	Mining	Other activity	Exclusions	Total
Property, plant and equipment	14 882	10 565 572	5 947 296	3 178 661	358 982	(555 216)	19 510 177
Trade and other receivables	3 064 039	483 463	3 353 761	274 425	590 764	(3 230 434)	4 536 018
Costs related to the conclusion of agreements	22 669	-	-	-	-	-	22 669
Assets arising from contracts with customers	307 197	305 335	724	-	340	(17 744)	595 852
Total	3 408 787	11 354 370	9 301 781	3 453 086	950 086	(3 803 394)	24 664 716
ASSETS excluded from segments							11 222 853
- including property, plant and equipment							10 626
- including trade and other receivables							1 153
TOTAL ASSETS							35 887 569
Trade and other payables	241 271	638 485	1 144 660	365 864	334 447	(775 687)	1 949 040
Liabilities arising from contracts with customers	2 519 000	328 466	2	11 101	10	(2 472 491)	386 088
Total	2 760 271	966 951	1 144 662	376 965	334 457	(3 248 178)	2 335 128
Equity and liabilities excluded from segments							33 552 441
- including trade and other payables							3 521 856
TOTAL EQUITY AND LIABILITIES							35 887 569
for the 6-month period ending 30 June 2022							
Investment expenditures on property, plant and equipment and intangible assets	218	608 107	171 184	261 678	22 317	(24 163)	1 039 341
Investment expenditures on property, plant and equipment and intangible assets excluded from segments							-
Depreciation/amortisation	1 344	347 549	221 130	174 482	36 891	(11 258)	770 138
Amortisation excluded from segments							1 542
Recognition/(reversal/use) of impairment losses on receivables	(305)	(1 243)	(3 622)	72	(228)	-	(5 326)
(Reversal) / recognition of impairment losses on non-financial non-current assets	-	-	(1 737)	4 314	-	-	2 577

Other information concerning segments as at 31 December 2021 and for the six-month period ended on 30 June 2021 is as follows:



	Trade	Distribution	Generation	Mining	Other activity	Exclusions	Total
Property, plant and equipment	14 649	10 281 878	6 006 882	3 126 739	356 482	(541 829)	19 244 801
Trade and other receivables	2 408 036	388 734	1 146 605	326 336	109 769	(994 551)	3 384 929
Costs related to the conclusion of agreements	22 832	-	-	-	-	-	22 832
Assets arising from contracts with customers	200 773	243 664	225	-	-	(31 754)	412 908
Total	2 646 290	10 914 276	7 153 712	3 453 075	466 251	(1 568 134)	23 065 470
ASSETS excluded from segments							11 591 673
- including property, plant and equipment							10 170
- including trade and other receivables							2 077
TOTAL ASSETS							34 657 143
Trade and other payables	466 450	614 545	946 396	329 537	114 222	(596 427)	1 874 723
Liabilities arising from contracts with customers	475 985	402 652	10	9 704	1 863	(429 878)	460 336
Total	942 435	1 017 197	946 406	339 241	116 085	(1 026 305)	2 335 059
Equity and liabilities excluded from segments							32 322 084
- including trade and other payables							2 688 784
TOTAL EQUITY AND LIABILITIES							34 657 143
for the 6-month period ended 30 June 2021							
Investment expenditures on property, plant and equipment and intangible assets	769	341 505	190 913	147 283	7 770	(12 388)	675 852
Investment expenditures on property, plant and equipment and intangible assets excluded from segments							-
Depreciation/amortisation	1 599	332 066	201 138	186 923	36 643	(10 355)	748 014
Amortisation excluded from segments							1 567
Recognition/(reversal/use) of impairment losses on receivables	4 687	1 777	(14 806)	2 248	(46)	-	(6 140)
Recognition of impairment losses on non-financial non-current assets	-	-	-	6	3 358	-	3 364

Explanatory notes to the consolidated statement of comprehensive income

7. Revenue from sales

Net revenue from sales

	For the six-month period ended	
	30 June 2022	30 June 2021 restated*
Revenue from the sale of electricity	11 530 592	7 068 169
Revenue from the sale of distribution services	1 682 813	1 567 263
Revenue from the sale of goods and materials	108 387	59 705
Revenue from the sale of other products and services	108 368	81 553
Revenue from origin certificates	438	1 653
Revenue from the sale of industrial heat	253 897	234 752
Revenue from the sale of coal	400 845	192 691
Revenue from the sale of gas	170 955	221 879
Revenue from Capacity Market	447 632	426 151
Total net revenue from sales	14 703 927	9 853 816

* the presentation restatement of data for the comparative period is presented in note 5 to these condensed consolidated interim financial statements.

The Group mainly classifies revenue by type of product/service. The key revenue groups are revenue from the sale of electricity (ENEA S.A., ENEA Wytwarzanie, ENEA Trading and ENEA Elektrownia Połaniec) and revenue from the sale of distribution services (ENEA Operator).

Sale of electricity: The Group recognises revenue when an obligation to provide a consideration by providing a promised good or service to the customer is performed (or is being performed). Revenue is recognised on the basis of prices specified in sale agreements, less estimated rebates and other deductions. The key groups of contracts include electricity sale contracts (including framework contracts) for retail, business, key and strategic customers. Under these contracts, service is provided in a continuous manner and the level of revenue depends on usage. Sales to the clearing-house Izba Rozliczeniowa Giełd Towarowych S.A. and the TGE power exchange also take place.

The standard payment deadline for invoices for the sale of electricity at ENEA S.A. is 14 days from VAT invoice date. In the case of business, key and strategic customers, payment deadlines may be negotiated.

Payment deadlines for invoices concerning electricity sales to IRGiT are 1-3 days from delivery and invoice issue. For sales to TGE, payment deadlines are governed by TGE's regulations.

Sale of distribution services: In the case of distribution services sales, ENEA Operator charges a fee that contains separate components: grid fee (variable component), quality fee, grid fee (fixed component), instalment fee, transition fee, capacity fee and renewables fee.

In the case of the quality fee, transition fee, capacity fee and renewables fee, ENEA Operator serves, as a rule, as entity collecting fees and providing this consideration to other market participants, e.g. to Polskie Sieci Elektroenergetyczne S.A. (PSE). These fees (quality fee, transition fee, capacity fee, renewables fee) constitute quasi-taxes collected on behalf of other entities. ENEA Operator acts as agent collecting fees for other energy market participants, including PSE. In consequence, revenue from the sale of distribution services is reduced by the amount of renewables fee, quality fee, capacity fee and transition fee collected. Costs related to the procurement of transmission services and costs related to invoices for renewables support and support for producers are subject to adjustment.

Revenue from the Capacity Market constitutes revenue from the performance of capacity contracts (obligations) executed as a result of the 2021 Auction. The Capacity Market is a market mechanism intended to ensure a stable supply of electricity to households and industry over the long term. At the end of each month, ENEA Group companies are entitled to remuneration from PSE S.A. for fulfilling a capacity obligation. In connection with this obligation, Group companies that are suppliers of capacity for PSE S.A. recognise revenue from Capacity Market transactions each month.

Presented below is revenue from sales, divided into categories that reflect how economic factors influence the amount, payment deadline and the uncertainty of revenue and cash flows.

	For the six-month period ended	
	30 June 2022	30 June 2021
Revenue from continuous services	13 831 992	9 283 462
Revenue from services provided at specified time	871 935	570 354
Total	14 703 927	9 853 816

8. Tax

Deferred income tax

Changes in deferred income tax assets and provision (after offsetting assets and provision) are as follows:

	30 June 2022	As at 31 December 2021
Net deferred income tax assets at the beginning of period, after adjustment resulting from amendments to IAS 16 (as of 1 January 2022), including:		
- deferred income tax assets at the beginning of period	1 400 872	1 296 061
- provision for deferred tax at the beginning of period, after adjustment resulting from amendments to IAS 16	479 389	445 094
(Charge)/addition to profit or loss	60 348	146 147
(Charge)/addition to other comprehensive income	(67 437)	(70 027)
Net deferred income tax assets at the end of period, including:		
- deferred income tax assets at the end of period	1 450 941	1 400 872
- deferred income tax provision at the end of period	536 547	473 785

In the 6-month period ended 30 June 2022, the Group's profit before tax was increased as a result of an increase in net deferred income tax assets by PLN 60 348 thousand (in the 6-month period ended 30 June 2021 the charge to the Group's profit before tax as a result of a decrease in net deferred income tax assets amounted to PLN 146 309 thousand).

Explanatory notes to the consolidated statement of financial position

9. Property, plant and equipment

In the 6-month period ended 30 June 2022 the Group purchased property, plant and equipment items for a total of PLN 1 028 795 thousand (in the 6-month period ending 30 June 2021: PLN 656 158 thousand). These amounts mainly concern the generation segment (PLN 171 070 thousand), mining (PLN 259 817 thousand) and distribution (PLN 569 672 thousand).

In the 6-month period ended 30 June 2022 the Group sold and liquidated property, plant and equipment items with a total net book value of PLN 36 689 thousand (in the 6 months ended 30 June 2021: PLN 25 476 thousand).

In the 6-month period ended 30 June 2022, impairment losses on property, plant and equipment increased by PLN 1 968 thousand on a net basis (in the 6-month period ended 30 June 2021 impairment of property, plant and equipment decreased by PLN 4 899 thousand on a net basis).

As at 30 June 2022, total impairment of property, plant and equipment amounted to PLN 4 868 737 thousand (as at 31 December 2021: PLN 4 866 769 thousand).

Future contract liabilities related to the purchase of property, plant and equipment incurred as at the reporting date but not yet recognised in the statement of financial position reached PLN 1 509 079 thousand as at 30 June 2022 (as at 31 December 2021: PLN 1 444 989 thousand).

Analysis of indications that impairment tests on non-financial non-current assets may be required

With reference to the impairment tests of non-financial non-current assets presented in the Group's annual consolidated financial statements for the financial year ended 31 December 2021, and in connection with the information and analyses in its possession concerning, inter alia, changes in market prices of CO₂ emission allowances, electricity, coal, natural gas and forecasts of macroeconomic indicators, the Group conducted an analysis of premises that may indicate the need to test non-financial non-current assets for impairment as at 30 June 2022. Based on this analysis, it was concluded that the main premise indicating a possible impairment of non-financial non-current assets is the persistently low value of market capitalisation in relation to the book value of ENEA S.A.'s equity for a long time (ENE A S.A.'s share price was PLN 7.58 as at 31 August 2022, PLN 9.76 as at 30 June 2022 and PLN 8.51 as at 30 December 2021). An analysis of the effects of changes in the prices of products such as electricity, natural gas, coal and CO₂ emission allowances with a concurrent increase in interest rates showed that there was no major impact on the value in use of the Group's generating assets. Accordingly, the Group has not identified the need to recognise the impact of changes in the economic environment, including the political and economic situation in Ukraine, on the value of non-current assets as at 30 June 2022. A more in-depth description of the impact of the political and economic situation in Ukraine is presented in note 27.

10. Intangible assets

In the 6-month period ended 30 June 2022 the Group purchased intangible assets worth PLN 10 546 thousand (in the 6-month period ended 30 June 2021 the Group purchased intangible assets worth PLN 9 543 thousand).

In the 6-month period ended 30 June 2022 the Group did not conduct significant sales or liquidations of intangible assets (in the 6-month period ended 30 June 2021 the Group also did not conduct significant sales or liquidations of intangible assets).

Future contract liabilities related to the purchase of intangible assets incurred as at the reporting date but not yet recognised in the statement of financial position reached PLN 60 449 thousand as at 30 June 2022 (as at 31 December 2021: PLN 56 002 thousand).

11. Investments in associates and jointly controlled entities

The following table shows key financial data concerning associates and jointly controlled entities consolidated using the equity approach:

As at 30 June 2022	Elektrownia Ostrołęka Sp. z o.o.	Polimex - Mostostal S.A.	Polska Grupa Górnicza S.A.	Total
Stake	50.00%	16,39%	7.66%	
Current assets	38 264	1 840 384	2 167 290	4 045 938
Non-current assets	89 284	654 150	6 445 363	7 188 797
Total assets	127 548	2 494 534	8 612 653	11 234 735
Current liabilities	508 444	1 381 657	7 310 210	9 200 311
Non-current liabilities	-	265 729	3 170 604	3 436 333
Total liabilities	508 444	1 647 386	10 480 814	12 636 644
Net assets	(380 896)	847 148	(1 868 161)	(1 401 909)
Share in net assets	-	138 848	-	138 848
Goodwill	7 080	15 954	52 697	75 731
Impairment of goodwill	(7 080)	-	(52 697)	(59 777)
Elimination of unrealised gains/losses	-	(6 493)	-	(6 493)
Book value of equity-accounted investments at 30 June 2022	-	148 309	-	148 309

The Group made a consolidation adjustment concerning margins on sales in transactions between the Group and Polimex - Mostostal S.A. worth PLN 6 493 thousand.

In the item: Share of the results of associates and jointly-controlled entities in the consolidated statement of comprehensive income provisions for future investment commitments toward Elektrownia Ostrołęka Sp. z o.o. of PLN 41 569 thousand were released.

As at 31 December 2021	Elektrownia Ostrołęka Sp. z o.o.	Polimex - Mostostal S.A.	Polska Grupa Górnicza S.A.	ElectroMobility Poland S.A.	Total
Stake	50.00%	16.40%	7.66%		
Current assets	26 136	1 544 255	2 029 214		3 599 605
Non-current assets	65 553	672 343	8 232 241		8 970 137
Total assets	91 689	2 216 598	10 261 455	-	12 569 742
Current liabilities	573 465	1 155 998	7 752 847		9 482 310
Non-current liabilities	-	275 695	2 802 195		3 077 890
Total liabilities	573 465	1 431 693	10 555 042	-	12 560 200
Net assets	(481 776)	784 905	(293 587)	-	9 542
Share in net assets	-	128 724	-	-	128 724
Goodwill	7 080	15 954	52 697	-	75 731
Impairment of goodwill	(7 080)	-	(52 697)	-	(59 777)
Elimination of unrealised gains/losses	-	(6 797)	-	-	(6 797)
Book value of equity-accounted investments at 31 December 2021	-	137 881	-	-	137 881

Change in investments in subsidiaries, associates and jointly controlled entities

	As at	
	30 June 2022	31 December 2021
As at the beginning of period	137 881	133 647
Change in the change in net assets	10 328	16 854
Purchase of investments	510	848
Sale of investments	(410)	(393)
Reclassification to financial assets at fair value	-	(13 075)
As at the reporting date	148 309	137 881

Implementation of project to build Elektrownia Ostrołęka C

As of 30 June 2022, ENEA S.A. held 9 124 821 shares of Elektrownia Ostrołęka Sp. z o.o., with a nominal value of PLN 50 each and total nominal value of PLN 456 241 thousand.

Moreover, ENEA S.A. and ENERGA S.A. are in equal parts parties to two loan agreements concluded with Elektrownia Ostrołęka Sp. z o.o. in the amount of up to PLN 340 000 thousand of 23 December 2019 and up to PLN 58 000 thousand of 17 July 2019.

Impairment of loans issued to Elektrownia Ostrołęka Sp. z o.o. as at 30 June 2022 amounted to PLN 232 743 thousand, together with interest (the value of these loans was written off to zero).

On 29 April 2022, ENEA S.A. and ENERGA S.A. executed annexes to the aforementioned loan agreements with Elektrownia Ostrołęka Sp. z o.o. Pursuant to these annexes, i.e. Annex 5 to the Loan Agreement up to PLN 340 000 thousand of 23 December 2019 and Annex 10 to the Loan Agreement up to PLN 58 000 thousand of 17 July 2019, Elektrownia Ostrołęka Sp. z o.o. undertook to make a one-off loan repayment to ENEA S.A. of PLN 170 million and PLN 29 million, respectively, together with interest, by 30 December 2022.

On 13 February 2020, ENEA S.A. executed an agreement with ENERGA S.A. suspending financing by ENERGA S.A. and ENEA S.A. for the project to build Elektrownia Ostrołęka C. In the agreement, ENEA S.A. and ENERGA S.A. undertook to carry out analyses, especially concerning the project's technical, technological, economic and organisational parameters and further financing. Conclusions from these analyses did not justify continuing the project in its existing form, i.e. the construction of a power plant generating electricity in a process of hard coal combustion. At the same time, technical analysis confirmed the viability of a variant in which the power plant would use gas (Gas Project) at the current location of the coal-unit being built.

The following documents were signed on 22 December 2020:

- agreement between ENEA S.A., ENERGA S.A. and Elektrownia Ostrołęka Sp. z o.o. regarding cooperation on the division of Elektrownia Ostrołęka Sp. z o.o. (Division Agreement),
- agreement between the Company and ENERGA S.A. regarding cooperation on settling the coal-based project as part of Project Ostrołęka C (Settlement Agreement, Coal Project).

Both of the agreements include a statement by ENEA S.A. on withdrawal from further participation in the Gas Project.

On 25 June 2021, Elektrownia Ostrołęka Sp. z o.o. as vendor and CCGT Ostrołęka Sp. z o.o. as buyer (a wholly-owned subsidiary of ENERGA S.A.) signed a sale agreement and associated agreements regarding an SPV (excluding certain assets) intended (and used as such) to implement economic tasks covering the construction of a gas-fired power generating unit in Ostrołęka and the subsequent operation of this unit (Gas Plant). The business being sold includes generally all of the SPV's asset and non-asset components in use as of the transaction date in connection with preparations to begin an investment process consisting of the construction of the Gas Plant. The transaction is intended to facilitate the implementation of a gas project by CCGT Ostrołęka Sp. z o.o. as a company that will replace Elektrownia Ostrołęka Sp. z o.o. in implementing the investment in Ostrołęka. The sale price for the business being sold (transaction value) is currently estimated at approx. PLN 166 million. The price is set on a preliminary basis as additional considerations will apply in determining the final price.

On 25 June 2021, Elektrownia Ostrołęka Sp. z o.o. and CCGT Ostrołęka Sp. z o.o. on the one hand and GE Power sp. z o.o., based in Warsaw, GE Steam Power Systems S.A.S. (former name: ALSTOM Power Systems S.A.S.), based in Boulogne-Billancourt, France (Coal Project Contractor), and General Electric Global Services, GmbH, based in Baden, Switzerland (together with GE Power sp. z o.o. - Gas Project Contractor) on the other hand signed a Contract Change Document concerning the contract of 21 July 2018 to build unit C at Elektrownia Ostrołęka, with a capacity of 1000 MW, and an Agreement on the settlement of the Coal Project. The Contract Change Document is structured in a way that facilitates implementation of the Gas Project by CCGT Ostrołęka Sp. z o.o. as a company that will replace Elektrownia Ostrołęka Sp. z o.o. in implementing the investment in Ostrołęka, which is related, inter alia, to the fact that ENEA S.A. has confirmed its withdrawal from participating in the Gas Project. The agreement concerning the Coal Project settlement regulates the rights and obligations of Elektrownia Ostrołęka Sp. z o.o. and the Coal Project Contractor mainly in connection with the settlement of construction work completed by the Coal Project Contractor until the contract was suspended, maintenance and security activities during Contract suspension and work related to finishing the work dedicated to implementing the Coal Project. Under this agreement, the Coal Project was supposed to be settled

by the end of 2021, and the entire amount that Elektrownia Ostrołęka Sp. z o.o. will be obligated to pay to the Coal Project Contractor, taking into account expenditures incurred thus far, will not exceed PLN 1.35 billion (net).

On 22 December 2021 Elektrownia Ostrołęka Sp. z o.o. executed an annex to this agreement with the Coal Project Contractor. The annex extended the settlement deadline to 25 March 2022 and results from a verified mechanism for settling the Coal Project.

ENEA S.A.'s commitment to provide funding for Elektrownia Ostrołęka Sp. z o.o. resulting from the existing agreements (especially the agreements dated 28 December 2018 and 30 April 2019 and the Settlement Agreement) that is still outstanding amounts to PLN 620 million.

On 31 January 2022 Elektrownia Ostrołęka Sp. z o.o. terminated an agreement implementing the capacity obligation contracted by the company as a result of a capacity market auction for 2023. The agreement was terminated due to the supply source being changed from coal to gas in the project to build and operate a new power plant in Ostrołęka.

On 31 March 2022 Elektrownia Ostrołęka Sp. z o.o. completed the settlement process with the General Contractor in accordance with the Agreement of 25 June 2021 referred to above. The final value of receivables resulting from the settlement amounted to PLN 958 million net and therefore the amount due to the General Contractor resulting from the difference between the above value and the amounts already paid has already been paid in full by Elektrownia Ostrołęka Sp. z o.o. The costs incurred by ENEA S.A. in connection with the settlement of the General Contractor's works amounted to 50% of the above amount, i.e. PLN 479 million net (the same amount was paid by ENERGA S.A.).

In connection with this, in these condensed consolidated interim financial statements a partial release of the provision for future investment liabilities towards Elektrownia Ostrołęka Sp. z o.o., originally created in the amount of PLN 222 200 thousand, was made, amounting to PLN 41 569 thousand. This amount was recognised in the consolidated statement of comprehensive income in the item "Share of the results of associates and jointly-controlled entities." The provision amounted to PLN 4 924 thousand as of 30 June 2022, which is the best possible estimate in connection with uncertainty related to final settlement amounts.

12. Inventories

Inventories

	As at	
	30 June 2022	31 December 2021
Materials	828 663	708 228
Semi-finished products and production in progress	1 902	648
Finished products	63 570	9 256
Energy origin certificates	451 105	421 765
Goods	32 096	18 176
Gross value of inventory	1 377 336	1 158 073
Impairment of inventory	(43 256)	(42 153)
Net value of inventory	1 334 080	1 115 920

In the 6-month period ended 30 June 2022, impairment losses on inventory increased by PLN 1 103 thousand (in the 6-month period ended 30 June 2021 impairment of inventory decreased by PLN 5 733 thousand).

13. Energy origin certificates

Energy origin certificates

	As at	
	30 June 2022	31 December 2021
Net value at the beginning of period	416 137	345 776
Internal manufacture	233 577	421 439
Purchase	88 081	73 498
Depreciation	(292 318)	(391 371)
Sale	-	(32 466)
Change in impairment	-	(739)
Net value at the reporting date	445 477	416 137

14. Assets and liabilities arising from contracts with customers

Assets and liabilities arising from contracts with customers

	Assets arising from contracts with customers	Liabilities arising from contracts with customers
As at 1 January 2021	322 446	257 462
Change in non-invoices receivables	90 408	-
Change in prepayments	-	204 081
Liabilities resulting from sales adjustments	-	(1 207)
Impairment	54	-
As at 31 December 2021	412 908	460 336
Change in non-invoices receivables	182 984	-
Revenue recognised in a period that was taken into account in the opening balance for liabilities arising from contracts with customers	-	(74 179)
Liabilities resulting from sales adjustments	-	(69)
Impairment	(40)	-
As at 30 June 2022	595 852	386 088

The balance of assets arising from contracts with customers mainly covers uninvoiced electricity sales, while the balance of liabilities arising from contracts with customers mainly covers advances received from connection fees.

15. Restricted cash

As at 30 June 2022, the Group's restricted cash amounted to PLN 495 601 thousand (as at 31 December 2021: PLN 646 928 thousand). This mainly included cash for deposits for electricity and CO₂ emission allowance transactions (mainly cash for collateral in settlements with clearinghouse IRGiT), funds in a VAT account (split payment), collateral paid to suppliers and cash withholding as collateral for proper performance of work.

16. Profit allocation

On 24 June 2022 an Ordinary General Meeting of ENEA S.A. adopted resolution no. 7 concerning the allocation of net profit for the financial year covering the period from 1 January 2021 to 31 December 2021, pursuant to which PLN 442 110 thousand was allocated to supplementary capital and PLN 18 299 thousand to reduce the negative value of other capitals.

On 17 June 2021, the Ordinary General Meeting of ENEA S.A. adopted resolution no. 6, resolving to cover the net loss for the financial year covering the period from 1 January 2020 to 31 December 2020, amounting to PLN 3 356 750 thousand, using retained earnings (PLN 2 417 070 thousand) and supplementary capital (PLN 939 680 thousand).

17. Debt-related liabilities

Credit facilities, loans and debt securities

	30 June 2022	As at 31 December 2021
Bank credit	1 381 299	1 482 827
Loans	29 932	35 970
Bonds	2 860 380	2 938 217
Long-term	4 271 611	4 457 014
Bank credit	214 751	208 438
Loans	11 986	11 916
Bonds	175 159	1 957 437
Short-term	401 896	2 177 791
Total	4 673 507	6 634 805

In the 6-month period ended 30 June 2022, the book value of credit facilities, loans and debt securities decreased by PLN 1 961 298 thousand on a net basis (6-month period ended 30 June 2021: the book value of credit and loans declined by PLN 871 519 thousand).

In accordance with ENEA S.A.'s financing model, in order to secure funding for ENEA Group companies' on-going operations and investment needs, ENEA executes agreements with external financial institutions concerning bond issue programs and/or credit agreements.

Credit facilities and loans

Presented below is a list of the Group's credit facilities and loans:

No.	Company	Lender	Contract date	Total contract amount	Debt at 30 June 2022	Debt at 31 December 2021	Interest	Contract period
1.	ENEA S.A.	EIB	18 October 2012 (A) and 19 June 2013 (B)	1 425 000	825 423	888 130	Fixed interest rate or WIBOR 6M + margin	17 June 2030
2.	ENEA S.A.	EIB	29 May 2015 (C)	946 000	761 500	800 500	Fixed interest rate or WIBOR 6M + margin	15 September 2032
3.	ENEA S.A.	PKO BP	28 January 2014, Annex 2 of 4 December 2019	300 000	-	-	WIBOR 1M + margin	31 December 2022
4.	ENEA S.A.	Pekao S.A.	28 January 2014, Annex 2 of 4 December 2019	150 000	-	-	WIBOR 1M + margin	31 December 2022
5.	ENEA S.A.	BGK	7 September 2020, Annex 1 of 8 March 2022	750 000	-	-	WIBOR 1M +margin	28 October 2022
6.	ENEA Ciepło Sp. z o.o.	National Fund for Environmental Protection and Water Management (NFOŚiGW)	22 December 2015	60 075	31 158	34 436	Interest based on WIBOR 3M, no less than 2%	20 December 2026
7.	Other	-	-	-	11 305	14 903	-	-
TOTAL				3 631 075	1 629 386	1 737 969		
Transaction costs and effect of measurement using effective interest rate					8 582	1 182		
TOTAL				3 631 075	1 637 968	1 739 151		

Presented below is a short description of ENEA Group's significant credit and loan agreements:

ENEA S.A.

ENEA S.A. currently has credit agreements with the European Investment Bank (EIB) for a total amount of PLN 2 371 000 thousand (Agreement A PLN 950 000 thousand, Agreement B PLN 475 000 thousand and Agreement C PLN 946 000 thousand). Funds from the EIB were used to finance a multi-year investment plan aimed at modernising and expanding ENEA Operator Sp. z o.o.'s power network. Funds from Agreements A, B and C were fully used. Interest on credit facilities may be fixed or variable. In the 6-month period ended 30 June 2022 ENEA S.A. did not execute new long-term credit agreements.

On 8 March 2022 ENEA S.A. signed annex 1 to an overdraft facility agreement with Bank Gospodarstwa Krajowego, increasing the maximum available credit limit from PLN 250 000 thousand to 750 000 thousand and extending the final repayment deadline from 7 September 2022 to 28 October 2022.

ENEA Ciepło Sp. z o.o.

Loan from NFOŚiGW - agreement executed on 22 December 2015 for the period from 1 April 2016 to 20 December 2026, with a PLN 60 075 thousand limit. The loan has annual interest based on WIBOR 3M of no less than 2%. The loan was transferred (together with an organised part of enterprise) from ENEA Wytwarzanie Sp. z o.o. to ENEA Ciepło Sp. z o.o. on 30 November 2018.

The total loan-related debt of ENEA Ciepło Sp. z o.o. as at 30 June 2022 amounted to PLN 31 158 thousand (at 31 December 2021: PLN 34 436 thousand).

Bond issue programs

Presented below is a list of bonds issued by ENEA S.A.

No.	Bond issue program name	Program start date	Program amount	Value of outstanding bonds as at 30 June 2022	Value of outstanding bonds as at 31 December 2021	Interest	Buy-back deadline
1.	Bond issue program agreement with PKO BP S.A., Bank Pekao S.A., Santander BP S.A., Citi BH S.A.	21 June 2012	3 000 000	-	1 799 000	WIBOR 6M + margin	One-off buy-back for each series from June 2020 to June 2022
2.	Bond issue program agreement with BGK	15 May 2014	1 000 000	600 000	640 000	WIBOR 6M + margin	Buy-back in tranches, last tranche due in December 2026
3.	Bond issue program agreement with PKO BP S.A., Bank Pekao S.A. and mBank S.A.	30 June 2014	5 000 000	2 000 000	2 000 000	WIBOR 6M + margin	One-time buy-back of each series; PLN 500 million bought back in September 2021. The remaining PLN 2 000 million - buy-back in June 2024.
4.	Bond issue program agreement with BGK	3 December 2015	700 000	418 613	456 669	WIBOR 6M + margin	Buy-back in tranches, last tranche due in September 2027
Total			9 700 000	3 018 613	4 895 669		
Transaction costs and effect of measurement using effective interest rate				16 926	(15)		
Total			9 700 000	3 035 539	4 895 654		

In the 6-month period ended on 30 June 2022, ENEA S.A. did not execute new bond issue program agreements.

Interest rate hedges and currency hedges

In the 6-month period ended 30 June 2022 ENEA S.A. did not execute interest rate swaps. The total bond and credit exposure hedged with IRSs as at 30 June 2022 amounted to PLN 3 214 113 thousand. Moreover, ENEA S.A. has fixed-rate credit agreements totalling PLN 455 512 thousand. These transactions have material impact on the predictability

of expense flows and finance costs. The Company presents the measurement of these instruments in the item: Financial assets measured at fair value. Derivative instruments are treated as cash flow hedges, which is why they are recognised and accounted for using hedge accounting rules. As at 30 June 2022, financial assets at fair value concerning IRSs amounted to PLN 347 590 thousand (31 December 2021: PLN 135 150 thousand). The nine decisions by the Monetary Policy Council raising interest rates in the period from October 2021 to June 2022 had a material impact on this amount.

In the 6-month period ended 30 June 2022 the Company did not execute new FX FORWARD transactions.

Financing terms - covenants

Financing agreements require ENEA S.A. and ENEA Group to maintain certain financial ratios. As at 30 June 2022 and the date on which these condensed consolidated interim financial statements were prepared and in the course of 2022 the Group did not breach any credit agreement provisions such as would require early re-payment of long-term debt.

18. Provisions

In the 6-month period ended 30 June 2022, provisions for other liabilities and charges increased on a net basis by PLN 444 591 thousand (6-month period ended 30 June 2021: decrease by PLN 720 220 thousand).

Change in provisions for other liabilities and charges in the period ended 30 June 2022:

	Provision for non-contractual use of land	Provision for other claims	Provision for landfill site reclamation	Provision for energy origin certificates	Provision for CO ₂ emission allowance purchases	Mine liquidation	Provision for onerous contracts	Other	Total
As at 1 January 2022	213 578	299 654	62 860	377 643	2 859 300	120 810	250 103	324 422	4 508 370
Reversal of discount and change of discount rate	-	-	(11 704)	-	-	2 235	-	-	(9 469)
Increase in existing provisions	-	89 606	493	443 755	2 720 306	-	564 726	15 904	3 834 790
Use of provisions	(5 899)	(8 207)	-	(354 754)	(2 924 077)	-	(8 684)	(29 317)	(3 330 938)
Reversal of unused provision	-	(1 565)	(615)	-	(2 713)	(2 643)	-	(42 256)	(49 792)
As at 30 June 2022	207 679	379 488	51 034	466 644	2 652 816	120 402	806 145	268 753	4 952 961
<i>Long-term</i>									931 979
<i>Short-term</i>									4 020 982

Change in provisions for other liabilities and charges in the period ended 31 December 2021

	Provision for non-contractual use of land	Provision for other claims	Provision for landfill site reclamation	Provision for energy origin certificates	Provision for CO ₂ emission allowance purchases	Mine liquidation	Provision for onerous contracts	Other	Total
As at 1 January 2021	239 833	262 221	116 898	175 429	1 895 156	201 463	50 821	504 790	3 446 611
Reversal of discount and change of discount rate	(23 261)	-	(51 178)	-	-	3 022	-	-	(71 417)
Increase in existing provisions	231	40 695	2 173	362 028	2 877 235	-	216 927	40 097	3 539 386
Use of provisions	(2 626)	(520)	-	(159 756)	(1 913 091)	-	(17 645)	(23 060)	(2 116 698)
Reversal of unused provision	(599)	(2 742)	(5 033)	(58)	-	(83 675)	-	(197 405)	(289 512)
As at 31 December 2021	213 578	299 654	62 860	377 643	2 859 300	120 810	250 103	324 422	4 508 370
<i>Long-term</i>									874 929
<i>Short-term</i>									3 633 441

A description of material claims and conditional liabilities is presented in note 25.

Provision for other submitted claims

In the 6-month period ended 30 June 2022, the provision for other submitted claims in ENEA S.A. grew by PLN 85 832 thousand. As of 30 June 2022, the ENEA S.A. assessed the court proceedings, in particular those relating to the termination by ENEA S.A. of sales agreements pertaining to property rights resulting from origin certificates for electric energy from renewable energy sources, verified the methodology for calculating the provision for potential claims related to this, and estimated the growth in the provision for other submitted claims at PLN 318 534 thousand. In value terms, this provision covers the earlier provision as of 31 March 2022 amounting to PLN 163 594 thousand for potential claims resulting from terminated agreements, in reference to submitted transaction notices for the sale of property rights by counterparties. Detailed information on the provision for court cases concerning the termination by ENEA S.A. of sales agreements regarding property rights resulting from origin certificates for electricity from renewable energy sources is provided in note 25.6 (this provision is included in the above table in the column 'Provision for other submitted claims').

Provision for onerous contracts

On 10 June 2022, ENEA S.A. submitted an application to the President of the Energy Regulatory Office for approval of ENEA S.A.'s tariff for electricity for customers from tariff group G for 2022. The proposed change is related to an increase in the cost to purchase electricity, largely resulting from a higher consumption of electricity by customers and the cost to purchase property rights. The tariff proceeding concerning this particular application has not been completed yet in connection with which there is uncertainty over whether the Group will achieve a revenue growth that is sufficient to cover legitimate higher costs to procure electricity. Given the above and acting in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, the Group identified the necessity to create a provision in the second quarter of 2022 for onerous contracts for customers from tariff group G in the amount of PLN 64 231 thousand.

Furthermore, in connection with concluded derivative contracts for the supply of electricity for which the costs necessary to perform the contract exceed the expected benefits in reference to the prices of contracts for 2022 with delivery in the period from 1 July 2022 to 31 December 2022, the Group, acting in accordance with IAS 37, identified the need to recognise in the second quarter of 2022 a provision for onerous contracts amounting to PLN 446 932 thousand.

As at 30 June 2022, the Group also updated the provision for onerous contracts concerning settlements with prosumers to PLN 294 982 thousand.

Other provisions mainly concern:

- potential liabilities related to grid assets resulting from differences in the interpretation of regulations PLN 191 285 thousand (as at 31 December 2021: PLN 186 434 thousand); it is difficult to determine when this provision will be performed, however in these financial statements it is assumed that it will not happen within 12 months,
- costs to use forest land managed by State Forests PLN 31 338 thousand (as at 31 December 2021: PLN 50 058 thousand); this provision is expected to be realised within 12 months, according to the financial statements,
- future investment liabilities towards Elektrownia Ostrołęka Sp. z o.o. PLN 4 924 thousand (as at 31 December 2021: PLN 46 493 thousand),

19. Accounting for subsidies and road lighting modernisation services

Accounting for income from subsidies and road lighting modernisation services

	As at	
	30 June 2022	31 December 2021
Long-term		
Accounting for deferred revenue - subsidies	293 715	271 458
Accounting for deferred revenue - road lighting modernisation services	109 025	105 558
Total non-current deferred revenue	402 740	377 016
Short-term		
Accounting for deferred revenue - subsidies	13 804	13 368
Accounting for deferred revenue - road lighting modernisation services	5 417	4 705
Total current deferred revenue	19 221	18 073

Schedule for accounting for deferred revenue

	As at	
	30 June 2022	31 December 2021
Up to one year	19 221	18 073
From one to five years	75 907	68 971
Over five years	326 833	308 045
Total deferred revenue	421 961	395 089

In the 6-month period ended 30 June 2022, the book value of grant accounting and road lighting modernisation services increased by PLN 26 872 thousand on a net basis (in the 6-month period ended 30 June 2021, the book value of grant accounting and road lighting modernisation services increased by a net amount of PLN 27 824 thousand).

The item 'deferred revenue concerning subsidies' includes mainly EU subsidies and subsidies from the NFOŚiGW for the development of electricity and heating infrastructure.

Road lighting modernisation services, i.e. improving the quality and efficiency of road lighting, are services provided on an on-going basis. Revenue from improving the quality and efficiency of road lighting is recognised proportionally over the economic period of use for the tangible assets created.

Financial instruments

20. Financial instruments and fair value

The following table contains a comparison of fair values and book values:

	As at 30 June 2022		As at 31 December 2021	
	Book value	Fair value	Book value	Fair value
FINANCIAL ASSETS				
Long-term	911 778	380 923	414 678	195 031
Financial assets measured at fair value	380 923	380 923	195 031	195 031
Trade and other receivables	384 546	(*)	71 396	(*)
Finance lease and sublease receivables	558	(*)	580	(*)
Funds in the Mine Decommissioning Fund	145 751	(*)	147 671	(*)
Short-term	10 044 152	604 437	7 541 900	419 321
Financial assets measured at fair value	604 437	604 437	419 321	419 321
Debt financial assets at amortised cost	-	(*)	-	(*)
Assets arising from contracts with customers	595 852	(*)	412 908	(*)
Other short-term investments	252 268	(*)	-	(*)
Trade and other receivables	3 151 891	(*)	2 555 215	(*)
Finance lease and sublease receivables	924	(*)	903	(*)
Cash and cash equivalents	5 438 780	(*)	4 153 553	(*)
TOTAL FINANCIAL ASSETS	10 955 930	985 360	7 956 578	614 352
FINANCIAL LIABILITIES				
Long-term	5 205 477	4 236 816	5 164 542	4 511 184
Credit facilities, loans and debt securities	4 271 611	4 188 714	4 457 014	4 493 596
Lease liabilities	590 055	(*)	565 993	(*)
Trade and other payables	295 709	(*)	123 947	(*)
Financial liabilities measured at fair value	48 102	48 102	17 588	17 588
Short-term	5 575 617	675 201	6 570 244	2 425 720
Credit facilities, loans and debt securities	401 896	401 896	2 177 791	2 177 791
Lease liabilities	31 572	(*)	30 678	(*)
Trade and other payables	4 816 512	(*)	4 067 738	(*)
Liabilities arising from contracts with customers	52 332	(*)	46 108	(*)
Financial liabilities measured at fair value	273 305	273 305	247 929	247 929
TOTAL FINANCIAL LIABILITIES	10 781 094	4 912 017	11 734 786	6 936 904

(*) book value is close to fair value measured in accordance with level 2 in the following hierarchy.

Financial instruments are fair-value measured according to a hierarchy.

	As at 30 June 2022			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value	20 068	946 442	18 850	985 360
Derivative instruments used in hedge accounting (e.g. interest rate swaps)	-	347 590	-	347 590
Equity instruments at fair value through other comprehensive income	-	-	12 587	12 587
Call options (at fair value through profit or loss)	-	11 834	-	11 834
Other derivative instruments at fair value through profit or loss	-	587 018	-	587 018
Interests at fair value through profit or loss	20 068	-	6 263	26 331
Total	20 068	946 442	18 850	985 360
Financial liabilities measured at fair value	-	(321 407)	-	(321 407)
Derivative instruments at fair value through profit or loss	-	(321 407)	-	(321 407)
Credit facilities, loans and debt securities	-	(4 590 610)	-	(4 590 610)
Total	-	(4 912 017)	-	(4 912 017)

	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value	23 013	572 469	18 870	614 352
Derivative instruments used in hedge accounting (e.g. interest rate swaps)	-	135 150	-	135 150
Equity instruments at fair value through other comprehensive income	-	-	12 587	12 587
Call options (at fair value through profit or loss)	-	16 231	-	16 231
Other derivative instruments at fair value through profit or loss	-	421 088	-	421 088
Interests at fair value through profit or loss	23 013	-	6 283	29 296
Total	23 013	572 469	18 870	614 352
Financial liabilities measured at fair value	-	(265 517)	-	(265 517)
Derivative instruments at fair value through profit or loss	-	(265 517)	-	(265 517)
Credit facilities, loans and debt securities	-	(6 671 387)	-	(6 671 387)
Total	-	(6 936 904)	-	(6 936 904)

Financial assets and financial liabilities at fair value include:

- shares in unrelated entities, the stake in which is below 20%; this line as of 30 June 2022 includes a stake in ElectroMobility Poland S.A., for which there is no market price quoted on an active market; having analysed the standard IFRS 9, the Group decided to qualify these interests as financial instruments through other comprehensive income; in the event that interests in unrelated entities are quoted on the Warsaw Stock Exchange, their fair value is determined on the basis of stock market quotes;
- Polimex-Mostostal S.A. call options;
- derivative instruments, which include the measurement of interest rate swaps; the fair value of derivative instruments is established by calculating the net present value based on two yield curves, i.e. a curve to determine discount factors and a curve used to estimate future variable reference rates;
- forward contracts for the purchase of electricity and gas and property rights

Non-current debt financial assets at amortised cost cover loans maturing in over one year.

Current debt financial assets at amortised cost cover loans maturing in under one year. The item other short-term investments includes deposits with maturity over 3 months.

The fair value of bank credit, loans and debt securities is calculated for financial instruments that are based on a fixed rate of interest, based on current WIBOR.

The table above contains an analysis of financial instruments at fair value, grouped into a three-level hierarchy, where:

Level 1 - fair value is based on (unadjusted) market prices quoted for identical assets or liabilities on active markets.

Level 2 - fair value is determined on the basis of values observed on the market, which are not a direct market quote (e.g. they are established by direct or indirect reference to similar instruments on a market).

Level 3 - fair value is determined using various measurement techniques that are not, however, based on observable market data.

No transfers between the levels were made in the 6-month period ended 30 June 2022.

As at 30 June 2022, financial assets at fair value included call options for Polimex-Mostostal S.A. shares, among other things. Pursuant to a call option agreement for Polimex-Mostostal S.A. shares of 18 January 2017, as amended, ENEA S.A. holds 23 call options from Towarzystwo Finansowe Silesia Sp. z o.o. (TFS) to purchase 6 937 500 shares, with a nominal value of PLN 2 each. The contractual share allocation date is at the end of each calendar quarter from September 2021 to December 2026. On 30 March 2022 ENEA S.A. submitted a demand to exercise call option no. 4 and made a transfer for 187 500 shares of Polimex-Mostostal S.A. The increase of Polimex-Mostostal S.A.'s share capital by PLN 1 500 thousand, i.e. from PLN 475 738 thousand to PLN 477 238 thousand, by admitting 750 000 ordinary bearer shares series S with a nominal value of PLN 2 each, was registered on 1 April 2022. In June 2022, ENEA S.A. sold 195 118 shares, thus decreasing its stake in that company's share capital from 16.48% to 16.39%. In July, the Company sold 117 382 shares, thus reducing ENEA S.A.'s stake in that company's share capital to 16.31%. The increase in share capital of Polimex-Mostostal S.A. by PLN 1 000 thousand, i.e. from PLN 477 238 thousand to PLN 478 238 thousand, by admitting to trading 500 000 ordinary bearer shares series S with a nominal value of PLN 2 each, was registered on 14 July 2022. As of the date on which these condensed consolidated interim financial statements were prepared ENEA S.A. held a 16.31% stake in Polimex-Mostostal S.A. A fair-value measurement of the call options was prepared using the Black-Scholes model. The book value of these options as at 30 June 2022 was PLN 11 834 thousand (at 31 December 2021: PLN 16 231 thousand).

Moreover, the Group's financial assets at fair value, worth PLN 587 018 thousand (PLN 421 088 thousand as of 31 December 2021) and financial liabilities worth PLN 321 407 thousand (PLN 265 517 thousand as of 31 December 2021) include the measurement of derivative contracts for the purchase of electricity and gas and concerning property rights not used for the Group's own purposes. The nominal value of contracts for the purchase and sale of electricity, gas and property rights maturing in 2022-2023, presented as financial assets and liabilities at fair value, amounts to PLN 598 960 thousand (PLN 161 922 thousand concerns purchase contracts and PLN 437 038 thousand concerns sales contracts).

21. Debt financial assets at amortised cost

Debt financial assets at amortised cost

	30 June 2022	As at 31 December 2021
Current debt financial assets at amortised cost		
Loans granted	-	-
Total current debt financial assets at amortised cost	-	-
Non-current debt financial assets at amortised cost		
Loans granted	-	-
Total non-current debt financial assets at amortised cost	-	-
TOTAL	-	-

Impairment of financial assets at amortised cost (concerns loans granted) as at 30 June 2022 amounted to PLN 232 743 thousand.

The total impairment loss on loans issued and recognised in the 6-month period ended 30 June 2022 was PLN 7 133 thousand, and this amount was recognised in the consolidated statement of comprehensive income under "Impairment of financial assets at amortised cost."

22. Impairment of trade and other receivables

Impairment of trade and other receivables

	As at	
	30 June 2022	31 December 2021
Impairment at the beginning of period	128 534	139 595
Created	14 957	19 287
Reversed	(9 643)	(10 664)
Used	(10 640)	(19 684)
Impairment at the reporting date	123 208	128 534

In the 6-month period ended 30 June 2022, impairment of trade and other receivables decreased by PLN 5 326 thousand (in the 6-month period ended 30 June 2021 impairment declined by PLN 6 140 thousand).

Impairment losses are mainly recognised on trade receivables. Impairment of other receivables is negligible.

For current trade receivables, expected credit losses are calculated based on historic data in a way that is described in *Rules for creating and recording impairment losses on trade receivables and other financial items at ENEA Group companies*. The impairment of receivables for 2022 is calculated on the basis of data from 2021. Therefore, the level of receivables impairment estimated as at 30 June 2022 reflects objective indications of impairment.

23. Analysis of the age structure of trade and other receivables

Age structure of trade and other receivables constituting financial instruments:

	As at 30 June 2022		
	Nominal value	Impairment	Book value
Trade and other receivables			
Current	3 337 860	(4 007)	3 333 853
Overdue	321 785	(119 201)	202 584
0-30 days	122 721	(128)	122 593
31-90 days	26 903	(2 101)	24 802
91-180 days	12 104	(3 521)	8 583
over 180 days	160 057	(113 451)	46 606
Total	3 659 645	(123 208)	3 536 437
Assets arising from contracts with customers	596 049	(197)	595 852

	As at 31 December 2021		
	Nominal value	Impairment	Book value
Trade and other receivables			
Current	2 450 157	(5 846)	2 444 311
Overdue	304 988	(122 688)	182 300
0-30 days	115 279	(165)	115 114
31-90 days	16 610	(1 321)	15 289
91-180 days	8 899	(2 412)	6 487
over 180 days	164 200	(118 790)	45 410
Total	2 755 145	(128 534)	2 626 611
Assets arising from contracts with customers	413 065	(157)	412 908

Other explanatory notes

24. Related-party transactions

Group companies execute transactions with the following related parties:

- Group companies - these transactions are eliminated at the consolidation stage;
- Transactions between the Group and members of the Group's corporate authorities, which are divided into two categories:
 - resulting from being appointed as Supervisory Board members,
 - resulting from other civil-law contracts.
- transactions with State Treasury related parties.

Transactions with members of the Group's corporate authorities:

Item	For the six-month period ended			
	Company's Management Board		Company's Supervisory Board	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Remuneration under management contracts	1 946	1 848*	-	-
Remuneration under appointment to management or supervisory bodies	-	-	385	401
TOTAL	1 946	1 848	385	401

* This remuneration includes a non-compete clause for former Management Board members, amounting to PLN 138 thousand

In the 6-month period ended 30 June 2022, no loans were made to Supervisory Board members from the Company Social Benefit Fund (PLN 0 thousand for the 6-month period ended 30 June 2021).

Other transactions resulting from civil-law contracts executed between the Parent and members of the Parent's corporate authorities mainly concern the use of company cars by members of ENEA S.A.'s Management Board for private purposes.

Transactions with State Treasury related parties.

The Group also executes commercial transactions with state and local administration units and entities owned by Poland's State Treasury.

The subject of these transactions mainly is as follows:

- purchases of coal, electricity, property rights resulting from energy origin certificates as regards renewable energy and energy produced in cogeneration with heat, transmission and distribution services that the Group provides to the State Treasury's subsidiaries,
- sale of electricity, distribution services, connection to the grid and other associated fees, as well as coal, that the Group provides for both state and local administration authorities (sale to end customers) and to the State Treasury's subsidiaries (wholesale and retail sale - to end customers).

These transactions are executed on market terms, and these terms do not differ from the terms applied in transactions with other entities. The Group does not keep records that would make it possible to aggregate the amounts of all transactions executed with all state institutions and the State Treasury's subsidiaries.

In addition, the Group identified financial transactions with State Treasury's related parties, i.e. with banks serving as guarantors for bond issue programmes. These entities include: PKO BP S.A., Pekao S.A. and Bank Gospodarstwa Krajowego. Detailed information on bond issue programs is presented in note 17.

25. Conditional liabilities, court proceedings and cases on-going before public administration organs

This section of explanatory notes includes conditional liabilities and on-going proceedings in courts, arbitration bodies or public administration bodies.

25.1. Sureties and guarantees

The following table presents significant bank guarantees valid as of 30 June 2022 under an agreement between ENEA S.A. and PKO BP S.A. up to a limit specified in the agreement.

List of guarantees issued as at 30 June 2022

Guarantee issue date	Guarantee validity	Entity for which the guarantee was issued	Bank - issuer	Guarantee amount in PLN 000s
4 August 2021	15 July 2023	Vastint Poland sp. z o.o.	PKO BP S.A.	1 045
1 July 2020	30 June 2022	H. Święcicki Clinical Hospital in Poznań	PKO BP S.A.	1 281
Total bank guarantees				2 326

The value of other guarantees issued by the Group as at 30 June 2022 was PLN 12 160 thousand.

25.2. On-going proceedings in courts of general competence

Proceedings initiated by the Group

Proceedings in courts of general competence initiated by ENEA S.A. and ENEA Operator Sp. z o.o. concern receivables related to electricity supplies (electricity cases) and receivables related to other matters - illegal uptake of electricity, grid connections and other specialised services (non-electricity cases).

Proceedings in courts of general competences initiated by ENEA Wytwarzanie Sp. z o.o. mainly concern compensation for damages and contractual penalties from the company's counterparties.

At 30 June 2022, a total of 20 651 cases initiated by the Group were in progress before courts of general competence, worth in aggregate PLN 161 365 thousand (31 December 2021: 18 569 cases worth PLN 161 383 thousand).

The outcome of individual cases is not significant from the viewpoint of the Group's financial result.

Proceedings against the Group

Proceedings against the Group are initiated by both natural persons and legal entities. They concern issues such as: compensation for electricity supply disruptions, illegal uptake of electricity and compensation for the Group's use of properties on which power equipment is located. The Group considers cases related to non-contractual use of properties that are not owned by the Group as especially significant.

There are also claims concerning terminated agreements for the purchase of property rights (note 25.6).

Court proceedings against ENEA Wytwarzanie Sp. z o.o. concern compensation for damages and contractual penalties.

At 30 June 2022, a total of 3 647 cases against the Group were in progress before courts of general competence, worth in aggregate PLN 1 109 883 thousand (31 December 2021: 3 563 cases worth PLN 1 226 938 thousand). The outcome of individual cases is not significant from the viewpoint of the Group's financial result.

Provisions related to these court cases are presented in note 18.

25.3. Other court proceedings

Proceedings on-going before public administration courts involving Lubelski Węgiel Bogdanka S.A. mainly concern disputes with local government units regarding property tax. This stems from the fact that in preparing property tax declarations LWB (like other mining companies in Poland) did not take into account the value of underground mining excavations or the value of equipment located therein. These cases concern refunds of overpayments and the way in which property tax base is calculated.

In order to protect the Group from any potential consequences in the form of late interest on property tax - provided that the municipalities' decisions that include equipment and support structures located inside mining excavations are eventually upheld - LWB in mid-2019 decided to include the value of underground excavations and equipment in calculations regarding this tax (given the majority of case law involving tax on elements of mining excavations).

25.4. Risk associated with legal status of properties used by the Group

Risk associated with the legal status of properties used by the Group results from the fact that the Group does not have a legal title to use land for all of its facilities where its transmission grids and the associated equipment are located. In the future, the Group might be obligated to incur the costs of non-contractual use of property.

Rulings in these cases are significant because they have a considerable impact on the Group's approach to people raising pre-trial claims concerning equipment located on their properties in the past as well as the way in which the legal status of such equipment is addressed in the case of new investments.

The loss of assets in this case is highly unlikely. Having an unclear legal status for properties where power equipment is located does not constitute a risk for the Group of losing such assets, rather it gives rise to the threat of additional costs

related to demands for compensation for the non-contractual use of land, rent, costs related to transmission easements and, exceptionally, in individual cases, demands related to a change in the object's location (return of land to original condition). The Group recognises adequate provisions.

The provision also applies to compensation for the non-contractual use by the Group of properties on which the Group's grid assets (power lines) are located, in connection with transmission corridors or transmission easements being established for the Group.

As at 30 June 2022, the Group recognised a provision for claims concerning non-contractual use of land amounting to PLN 207 679 thousand.

25.5. Cases concerning 2012 non-balancing

On 30 and 31 December 2014, ENEA S.A. submitted demands for settlement to:

	Demanded amount in PLN 000s
PGE Polska Grupa Energetyczna S.A.	7 410
PKP Energetyka S.A.	1 272
TAURON Polska Energia S.A.	17 086
TAURON Sprzedaż GZE Sp. z o.o.	1 826
Total	27 594

The subject of these demands is claims for the payment for electricity that was incorrectly settled on the balancing market in 2012. The companies receiving these demands obtained unjustified proceeds by not allowing ENEA S.A. to issue invoices for 2012.

Given a lack of an amicable resolution in this case, ENEA S.A. brought lawsuits against:

- TAURON Polska Energia S.A. – lawsuit of 10 December 2015,
- TAURON Sprzedaż GZE Sp. z o.o. – lawsuit of 10 December 2015,
- PKP Energetyka S.A. – lawsuit of 28 December 2015,
- PGE Polska Grupa Energetyczna S.A. – lawsuit of 29 December 2015.

In the case ENEA S.A. vs. Tauron Polska Energia and others (file no. XIII GC 600/15/AM), on 23 March 2021 the District Court in Katowice ruled to reject the claim in its entirety and awarded the costs of proceedings in favour of the defendant and the co-defendants. The ruling along with justification in writing was delivered on 20 May 2021. On 10 June 2021, ENEA S.A. lodged an appeal to the Appeals Court in Katowice.

In the case ENEA S.A. vs. TAURON Sprzedaż GZE Sp. z o.o. (file no. X GC 546/15), on 21 December 2021 the District Court in Gliwice dismissed the claim in its entirety and awarded the costs of proceedings in favour of the defendant. The ruling along with a justification in writing was delivered on 3 March 2022. On 17 March 2022 ENEA S.A. lodged an appeal to the Appeals Court in Katowice.

The case ENEA S.A. versus PKP Energetyka S.A. (file no. XX GC 1166) is still being examined by the District Court in Warsaw in the first instance.

In a case against PGE Polska Grupa Energetyczna S.A. (ref. no. XVI GC 525/20, previous ref. no. XX GC 1163/15) - by a decision of 7 January 2021, the court suspended the proceeding at the mutual request of the parties. In a decision of 19 November 2021, the court resumed the previously suspended proceeding. In a decision of 1 March 2022, the court suspended the proceeding at the mutual request of the parties. In a motion of 28 August 2022, the attorney for ENEA S.A. requested that the proceeding be resumed.

No amounts concerning the above cases were recognised in the consolidated statement of financial position.

25.6. Dispute concerning prices for origin certificates for energy from renewable sources and terminated agreements for the purchase of property rights arising under origin certificates for energy from renewable sources

ENEA S.A. is a party to 8 court proceedings concerning agreements for the purchase of property rights arising under certificates of origin for energy from renewable sources, which includes:

- 6 proceedings for payment in which claims for remuneration, contractual penalties or damages are pursued against ENEA S.A., whereas in one proceeding there was a preliminary ruling regarding claims and recognition of ineffectiveness of contract termination;
- 1 proceeding to determine the ineffectiveness of ENEA S.A.'s termination of property rights sale agreements made on 28 October 2016;
- 1 proceeding for payment, in which ENEA S.A. seeks a claim concerning a contractual penalty.

ENEA S.A. offset a part of receivables due for these counterparties from ENEA S.A. for sold property rights with damages-related receivables due for ENEA S.A. from renewables producers. The damage caused to ENEA S.A. arose as a result

of the counterparties' failure to fulfil a contractual obligation to participate, in good faith, in re-negotiating long-term agreements for the sale of property rights in accordance with an adaptation clause that is binding for the parties.

On 28 October 2016, ENEA S.A. submitted statements depending on the agreement: on termination or withdrawal from long-term agreements for the purchase by the Company of property rights resulting from certificates of origin for energy from renewable sources (green certificates) (Agreements).

The Agreements were executed in 2006-2014 with the following counterparties, which own renewable generation assets ("Counterparties"):

- Farma Wiatrowa Krzęcin Sp. z o.o., based in Warsaw;
- Megawind Polska Sp. z o.o., based in Szczecin;
- PGE Górnictwo i Energetyka Konwencjonalna S.A., based in Bełchatów (currently PGE Energia Ciepła S.A.);
- PGE Energia Odnawialna S.A., based in Warsaw;
- PGE Energia Natury PEW Sp. z o.o., based in Warsaw (currently PGE Energia Odnawialna S.A., based in Warsaw);
- "PSW" Sp. z o.o., based in Warsaw;
- in.ventus Sp. z o.o. EW Śniatowo Sp. k., based in Poznań (currently TEC1 Sp. z o.o. EW Śniatowo Sp. k., based in Katowice);
- Golice Wind Farm Sp. z o.o., based in Warsaw.

As a result of the terminations filed by ENEA S.A., according to ENEA S.A.'s assessment, the Agreements were terminated by the end of November 2016 in general. The contractual dates on which the respective Agreements were terminated depended on contractual provisions.

The reason for terminating/withdrawing from each of the Agreements by the Company was failure to engage in re-negotiations concerning adaptive clauses in each of the Agreements that would justify the adjustment of these Agreements in order to restore contractual balance and the equivalence of the parties' benefits following changes in the law.

Legal changes that occurred after the aforementioned Agreements were executed include in particular:

- ordinance of the Minister of Economy of 18 October 2012 on a detailed scope of obligations to obtain and present for redemption origin certificates, pay substitute fees, purchase electricity and industrial heat generated from renewable sources and the obligation to validate data concerning the quantity of electricity generated from renewable sources (Polish Journal of Laws of 2012, item 1229);
- act on renewable energy sources of 20 February 2015 (Polish Journal of Laws of 2015, item 478) and associated further legal changes and announced drafts of legal changes, including especially:
 - act on amendment of the act on renewable energy sources and certain other acts dated 22 June 2016 (Polish Journal of Laws of 2016, item 925); and
 - draft of the Ordinance of the Minister of Energy concerning changes in the share of electricity resulting from redeemed origin certificates confirming production of electricity from renewable sources, which is to be issued based on an authorisation under art. 12 sec. 5 of the Act on amendment of the act on renewable energy sources and certain other acts dated 22 June 2016 and certain other acts,

caused an objective lack of possibilities to develop reliable models to forecast the prices of green certificates.

The Agreements were terminated with the intention for the Company to avoid losses constituting the difference between contractual and market prices of green certificates. Due to the changing legal conditions after termination of the Agreements in 2017, especially arising from the Act of 20 July 2017 on amendment of the act on renewable energy sources, the estimated value of future contract liabilities would have changed. In the current legal framework, this would be significantly lower in comparison to the amount estimated when the Agreements were being terminated, i.e. approx. PLN 1 187 million. This decline reflects a change in the way in which the substitute fee is calculated, which in accordance with the content of some of the Agreements constitutes the basis for calculating the contract price and indexing it to the market price. ENEA S.A. created a PLN 318 534 thousand provision for court cases, including those concerning the sales agreements terminated by ENEA S.A. for property rights arising under certificates of origin for electricity from renewable energy sources. In value terms, this provision includes the previous provision created for potential claims resulting from the terminated agreements in relation to submissions concerning transactions to sell property rights by the counterparties. The provision is presented in note 18.

On 21 February 2022, the Appeals Court in Poznań ruled that the statement made by ENEA S.A. in Poznań in its letter of 28 October 2016 on termination of the sale agreement in its entirety did not have legal effect and the agreement remains in force in its entirety, dismissing the appeal of Golice Wind Farm Sp. z o.o. to the remaining extent and dismissing the appeal of ENEA S.A., as well as awarding the costs of the appeal proceedings to Golice Wind Farm Sp. z o.o. from ENEA S.A., as a result of which the partial and preliminary ruling by the District Court in Poznań of 14 August 2020 became final, in which the court considered as legitimate a claim for the payment of remuneration for property rights and ordered ENEA S.A. to pay PLN 6 042 thousand together with interest, and in the remaining scope considered the claim for payment as legitimate as a rule. On 25 July 2022, ENEA S.A. filed a cassation appeal against the ruling by the Appeals Court in Poznań, also requesting the suspension of the enforceability of the aforementioned rulings.

In cases brought by PGE Group companies, i.e.:

- PGE Energia Odnawialna S.A., based in Warsaw (file no. IX GC 1064/17) – in a ruling of 17 February 2022, the court resumed the previously suspended proceeding, which was subsequently suspended again by a decision of 25 March 2022 on the mutual application of the parties;
- PGE Energia Ciepła S.A., based in Warsaw (file no. IX GC 555/16) – in a ruling of 5 January 2022, the court suspended the proceeding at the mutual request of the parties. Through an application of 28 June 2022, an attorney for PGE Energia Ciepła S.A. requested that the court take up and suspend the proceeding at the parties' mutual request. A similar application was filed on 6 July 2022 by the attorney for ENEA S.A. Through a ruling of 8 July 2022, the court took up the suspended proceeding and obliged ENEA S.A.'s attorney to indicate whether it acceded to PGE Energia Ciepła S.A.'s request to suspend the proceeding on pain of declaring that the attorney for ENEA S.A. acceded to PGE Energia Ciepła S.A.'s request. On 22 July 2022, the attorney for ENEA S.A. sent a letter to the court again indicating that it was in favour of the application to suspend the proceedings. According to the Common Court Information website, the court suspended the proceeding on 18 July 2022.
- PGE Energia Odnawialna S.A., based in Warsaw (file no. IX GC 1011/17) – on 7 March 2022, the Claimant filed a pleading, maintaining its previous position and requested a stay of proceedings granting the Company's potential request in this regard. On 13 May 2022 the District Court in Poznań suspended the proceeding at the mutual request of the parties.

In a case brought by ENEA S.A. against PGE Górnictwo i Energetyka Konwencjonalna S.A. (file no. X GC 608/20) – on 25 January 2022, the District Court scheduled a hearing for 27 May 2022. Through a letter of 4 April 2022, PGE Energia Ciepła S.A. requested that the hearing scheduled for 27 May 2022 be cancelled. The same motion was filed with the Court by the attorney for ENEA S.A. on 25 May 2022. The District Court sent an e-mail to the parties' attorneys informing them of the court's ruling to cancel the hearing scheduled for 27 May 2022 and suspend the proceeding at the parties' mutual request.

In a case brought by Hamburg Commercial Bank AG against ENEA S.A., the District Court in Poznań, in its ruling of 18 March 2022, dismissed the claimant's application for securing the claim. On 25 May 2022 the Company was served with a side intervention in case ref. IX GC 552/17, pursuant to which Hamburg Commercial Bank AG joined the proceeding as a side intervener.

26. National Energy Security Agency

In April 2021, the Ministry of State Assets published a document entitled "Energy sector transition in Poland. Spin-off of coal assets from companies with a State Treasury shareholding" ("Transition Program"), containing a concept for the spin-off of assets related to the generation of electricity in conventional coal units ("Coal Assets") from the energy companies. The Transition Program assumptions include, inter alia, the integration of the Coal Assets within one entity, i.e. PGE Górnictwo i Energetyka Konwencjonalna S.A. - a subsidiary of PGE S.A., which will eventually operate under the name National Energy Security Agency ("NABE").

On 23 July 2021, ENEA S.A., PGE Polska Grupa Energetyczna S.A., TAURON Polska Energia S.A., ENERGA S.A. and the State Treasury signed an agreement concerning cooperation on the spin-off of coal assets and their integration within the National Energy Security Agency (annexed on 14 October 2021).

The Parties to the Agreement acknowledge the need to coordinate cooperation in the process of spinning-off the Coal Assets and integrating them within NABE. Under the Agreement, the Parties have declared to mutually exchange essential information, including organisational structures, processes being implemented and the direction of the transition, provided that this exchange does not violate the law. The Agreement will facilitate a smooth and effective process intended to establish NABE.

An agreement on the provision of strategic advisory services was signed between ENEA S.A., PGE Polska Grupa Energetyczna S.A., TAURON Polska Energia S.A. and KPMG Advisory sp. z o.o. sp. k. on 15 November 2021. The agreement was signed following a procurement procedure entitled Strategic advisory (including legal and tax services) in the spin-off of coal assets from ENEA S.A., PGE Polska Grupa Energetyczna S.A., TAURON Polska Energia S.A., ENERGA S.A.

On 1 March 2022 the Council of Ministers adopted the Transition Program. NABE's role will be to ensure energy security through a stable supply of energy generated from coal. The spin-off of coal assets will allow energy groups to focus on accelerating investment in low- and zero-carbon energy sources and transmission infrastructure, and will thus fit significantly into the country's energy transition.

The Group is carrying out tasks related to the carve out of coal assets for the State Treasury in accordance with the schedule contained in the Transition Program. Conceptual work was carried out in the first half of 2022 by the strategic advisor based on the aforementioned agreement of 15 November 2021, and the internal structures of Group companies were prepared for the spin-off process. One of these tasks consists in dividing ENEA Trading Sp. z o.o. (pursuant to art. 529 § 1 point 4) of the Polish Commercial Companies Code), as a result of which, according to the Division Plan for ENEA Trading Sp. z o.o. of 29 July 2022, the division will be carried out via a spin-off

and the transfer of certain property (assets and equity and liabilities) of ENEA Trading Sp. z o.o. in the form of an organised part of enterprise to ENEA Power&Gas Trading Sp. z o.o.

27. Political and economic situation in Ukraine

Russian troops attacked Ukraine on 24 February 2022, thus beginning a large-scale conflict. This event continues to have a major impact on the social, political and economic situation, not only in the region, but also globally. The Group is continually analysing the impact of the political and economic situation in Ukraine on the financial statements and the current and future financial and operating results of the Group, but it is not currently possible to accurately determine the impact.

In commodity and financial markets, there is increased risk aversion and high volatility in the prices of commodities and financial instruments. Considerable volatility in the prices of electricity and emission allowances (EUAs) affects the need for margining on IRGIT and on foreign markets (The ICE, EEX) that organise trading in greenhouse gas emission allowance contracts, thereby considerably increasing the need for working capital. Rising commodity prices reinforce expectations of rising interest rates (increasing inflationary pressures), which increases the cost of debt financing. A pronounced weakening of PLN leads to an increase in operating costs.

In connection with the introduction of the alert degree CHARLIE-CRP throughout the country, undertakings described in the regulation of the Prime Minister of 25 July 2016 on the scope of undertakings carried out in individual alert degrees and CRP alert degrees have been implemented in Group companies. Restrictions on access to IT systems as a result of the maintenance of the CHARLIE-CRP alert level may cause delays to IT projects and deployments.

Mining segment - LW Bogdanka S.A.'s recently developed hard coal export sales, the vast majority of which were made to Ukraine, accounted for 5.2% of LWB Group's consolidated revenue from sales in H1 2022. As a result of the armed conflict, the associated damage to infrastructure and the elevated risk accompanying supplies, coal sales to Ukraine have been significantly impeded. Owing to the high demand for thermal coal, LWB Group redirected coal (originally destined for the Ukrainian market) to domestic needs. As of 16 April 2022, the Act of 13 April 2022 on special solutions to prevent support for aggression against Ukraine and to protect national security is in force. Under art. 8 of this Act, in view of the threat to national security, the introduction into the territory of the Republic of Poland, as well as the movement between two countries through the territory of the Republic of Poland, of coal originating from Russia and Belarus was prohibited. The Act further, based on the provisions of art. 13, imposes an obligation on entities bringing coal into the territory of the Republic of Poland (including domestic mines) to have documentation indicating the country of origin of the coal and to issue statements to coal buyers indicating the country of origin of the coal. This act has a direct impact on further increasing demand for domestically produced coal. Taking the above into account and observing the developments to date, this event did not have a significant impact on the operations and financial results of the Mining segment in the first half of 2022 and is not expected to have such an impact in the short term. Nonetheless, in the long run such an impact may take place.

Trade segment - higher prices of gaseous fuel electricity affected the results of energy vendors in the current year (the need to purchase for balancing purposes) and prices for customers (in terms of customers who have not purchased energy with a guaranteed "constant" price).

Generation segment – possible need for intervention support in the electricity balance, and consequently higher electricity production by conventional generation sources. The Group does not currently identify any direct impact of the war in Ukraine on hard coal deliveries to ENEA Group's generating units. However, due to the high demand for thermal coal (lower production in Poland and difficulties in imports), the Group takes into account the possibility of difficulties in this regard. The Group identifies constraints in the supply of biomass in the form of sunflower husk pellets from Ukraine. Suppliers report reduced quantities of biomass available for sale in Ukraine and logistical problems associated with exporting biomass from Ukrainian territory. Due to the entry into force of Council Regulation (EU) 2022/355 of 2 March 2022 amending Regulation (EC) No 765/2006 concerning restrictive measures in view of the situation in Belarus, from 4 June 2022 supplies from Belarus may not be carried out. The lack of supply from this direction could exacerbate the volume imbalance in the domestic market and lead to higher biomass prices in the coming months.

For the purpose of electricity production in units 2-7 of ENEA Elektrownia Polaniec S.A. there is an opportunity to replace biomass with coal. The production of heat in ENEA Ciepło Sp. z o.o.'s biomass-based cogeneration unit may be partially replaced by coal-based production in the other generating units of ENEA Ciepło Sp. z o.o. In the Generation segment, difficulties in sourcing high-alloy steels and non-ferrous metals produced in Ukraine are identified and further price increases in the above-mentioned assortment are expected in the near future. However, this does not affect the continuity of operation of ENEA Group's generating units.

In the Distribution segment, the Group does not currently identify any negative impact of the political and economic situation in Ukraine on the segment's operations and financial results.

At the date on which these condensed consolidated interim financial statements were prepared, it is not possible to predict how the situation concerning the armed conflict in Ukraine will develop and what the potential negative effects for the Parent's and the Group's operating and financing activities will be in the future.

At the date on which these consolidated financial statements were prepared, the Group sees no going-concern risk.

28. Capital increase

On 19 January 2022, The Management Board of ENEA S.A. adopted a resolution to initiate a share capital increase process at the Company through the issue of no fewer than 1 and no more than 88 288 515 ordinary bearer shares series D, with a nominal value of PLN 1.00 each ("Series D Shares"), with the objective being to finance investment projects in ENEA Group's Distribution Area (including the expansion and modernisation of high- and medium-voltage grids, installation of remote meters and grid connections for new customers), being implemented by ENEA Operator Sp. z o.o., with no possibility to finance coal assets. These projects are aligned with ENEA Group's strategy and are intended to ensure energy security as well as continuous and reliable electricity supplies in ENEA Operator Sp. z o.o.'s operating area. The issue will be a private subscription pursuant to art. 431 § 2 point 1 of the Polish Commercial Companies Code, conducted by way of a public offering exempt from the obligation to publish a prospectus within the meaning of the relevant legislation or any other information document, and will be addressed to investors meeting the criteria set out in the resolution on the share capital increase by way of the issue of the Series D Shares, with full exclusion of the pre-emptive rights to all Series D Shares for the Company's existing shareholders.

Given the above, on 19 January 2022 the Management Board called an Extraordinary General Meeting for 10 March 2022 that was intended to adopt a resolution on a share capital increase via the Series D Share issue, with pre-emption rights waived entirely.

On 21 January 2022, ENEA S.A. submitted an application to the President of the Council of Ministers for the State Treasury to acquire Series D Shares for a total amount of not less than PLN 899 659 967.85 in exchange for a cash contribution from the re-privatisation fund referred to in art. 56 sec. 1 of the Act of 30 August 1996 on commercialisation and certain employee authorisations ("Application"). The Company requested that the State Treasury acquire not less than 45 470 725 (i.e. the proportional number of Series D Shares to the State Treasury's existing stake in the total number of the Company's shares) and not more than 88 288 515 Series D Shares (i.e. the maximum number of Series D Shares to be issued). The Application was submitted based on the Regulation of the Minister of Finance of 23 December 2021 on the detailed procedure for the acquisition or subscription of shares by the State Treasury using the Reprivatisation Fund in 2021-2022.

On 10 March 2022, ENEA S.A.'s Extraordinary General Meeting adopted a resolution pursuant to which a break in the Extraordinary General Meeting was announced until 8 April 2022.

On 8 April 2022, the Company signed an investment agreement with the State Treasury represented by the Prime Minister ("Investment Agreement") in relation to the planned issue of the Series D ordinary bearer shares with the exclusion of pre-emptive rights of the existing shareholders. Pursuant to the Investment Agreement, the State Treasury expressed its intention to acquire up to 88 288 515 Series D Shares for funds in the amount of up to PLN 899 659 967.85 ("New Funds") from the Reprivatisation Fund referred to in art. 56 and art. 69h 1 of the Act of 30 August 1996 on commercialisation and certain employee authorisations.

The Company made a commitment to the State Treasury that it would allocate the New Funds in their entirety for the implementation by the Company and its subsidiary (ENEA Operator sp. z o.o.) of the following projects: (a) Expansion and modernisation of the grid as regards high and medium voltage substations; (b) Expansion and modernisation of the grid as regards high voltage lines; (c) Expansion and modernisation of the grid as regards medium voltage grids; (d) Remote reading meters; and (e) Connections to the grid.

The Investment Agreement sets out the rules governing the use of the New Funds and the consequences of a breach of those rules, the obligations and assurances of the Company in connection with the transfer of the New Funds, the obligations relating to reporting and accounting for the New Funds and the control powers of the Treasury. In the event that the New Funds are used contrary to the Investment Agreement or if the Investment Agreement is improperly performed, the Company will be required, depending on the nature of the provision violated, to pay to the State Treasury the guarantee amounts or return all or part of the New Funds.

The Extraordinary General Meeting resumed on 8 April 2022. The Extraordinary General Meeting adopted resolution no. 5 on an increase of the Company's share capital through the issue of series D ordinary bearer shares in a private subscription, a complete exemption of the existing shareholders of their pre-emption rights to all series D shares, amendment of the Company's articles of association, application for the admission and introduction of the series D Shares and/or rights to series D shares to trade on the regulated market operated by the Warsaw Stock Exchange and dematerialisation of the series D shares and/or rights to series D shares ("Issue Resolution"). Pursuant to the resolution:

- The Company's share capital was increased by an amount of not less than PLN 1.00 and not higher than PLN 88 288 515, i.e. to an amount not lower than PLN 441 442 579 and not higher than PLN 529 731 093, through the issue of not fewer than 1 and not more than 88 288 515 Series D Shares, with a nominal value of PLN 1.00 each.
- The Series D share issue will be a private subscription (in the meaning of art. 431 § 2 point 1 of the Polish Commercial Companies Code) by way of a public offering ("Offering") addressed exclusively to selected investors on the terms specified in § 3 sec. 2 of this resolution, which will be exempted from the obligation to publish a prospectus in the meaning of the relevant laws or another information or offering document

for the purposes of the Offering in accordance with art. 3 sec. 1 in connection with art. 1 sec. 4 letter a) and letter d) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC.

- The aim of the Series D Share issue is to finance investment projects aimed at the development and modernisation of medium- and high-voltage transmission grids and the installation of remote reading meters. Proceeds from the Series D Share issue may not be used to finance coal assets within the Company's group.

Moreover, on 8 April 2022 the Company signed agreements with Pekao Investment Banking Spółka Akcyjna ("Global Coordinator" or "Pekao IB") and Bank Polska Kasa Opieki Spółka Akcyjna ("BM Pekao") (jointly as "Joint Bookrunners") on the placement of shares ("Placement Agreement") and on the commencement of the book-building process by way of a private subscription of no more than 88 288 515 ordinary bearer series D shares. On 8 April 2022, the Company's Management Board also adopted a resolution to set the rules for the offering, rules for conducting the bookbuilding process and the acquisition and allocation of the Series D Shares. In the Placement Agreement, the Issues has undertaken that, inter alia, without the consent of the Global Coordinator, it will not issue, sell or offer shares in the Company within 360 days of the date of the first listing of the Series D Shares, except in accordance with standard exemptions.

A bookbuilding process for the Series D Shares was conducted on 8-13 April 2022. On 14 April 2022, once it was completed, the Company's Management Board set the issue price of Series D Shares at PLN 8.50 per one Series D Share. The Company's Management Board also decided to offer a total of 88 288 515 Series D Shares to selected investors under the terms of the Issue Resolution and the subscription rules determined thereunder.

Agreements for the acquisition of the Series D Shares were signed on 19-27 April 2022. The Series D Shares were acquired by 67 entities. On 28 April 2022, in connection with the end of the Series D Shares subscription process, the Company's Management Board adopted a resolution to allocate 88 288 515 Series D Shares. Cash contributions in exchange for the Series D Shares were fully paid. The issue price for the Series D Shares was PLN 8.50 per share. The total value of the subscription, understood as the product of the number of Series D Shares covered by the Offering and the issue price, was PLN 750 452 377.50.

On 6 May 2022 the Company received statement no. 400/2022 from the National Depository for Securities (Krajowy Depozyt Papierów Wartościowych S.A. - "NDS") dated 6 May 2022 ("Statement") regarding execution with the Company of an agreement concerning registration in a securities deposit of 88 288 515 rights to the Company's series D ordinary bearer shares with a nominal value of PLN 1.00 each ("Rights to Shares"). The Rights to Shares were given the ISIN code PLENEA000104. In accordance with the Statement, registration of the Rights to Shares should take place within 3 days from the receipt by the NDS of a decision to admit the Rights to Shares to regulated-market trade.

On 6 May 2022, the management board of the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A. - "WSE") adopted Resolution No. 427/2022 on the admission and introduction to exchange trading on the WSE's main market of 88 288 515 rights to series D ordinary bearer shares of the Company with a nominal value of PLN 1.00 each, as of the date of registration of these rights to shares by the NDS. At the same time, the WSE's Management Board decided to introduce the above-mentioned rights to shares of the Company to stock exchange trading on the main market as of 10 May 2022, provided that the NDS registers these rights to shares and designates them with the code "PLENEA000104" by 10 May 2022. Moreover, the WSE's Management Board decided to list the rights to shares of the Company in the continuous trading system under the abbreviated name "ENEA-PDA" and the designation "ENAA." On 9 May 2022, the NDS registered 88 288 515 rights to the Company's ordinary bearer shares Series D, with a nominal value of PLN 1.00 each. The first listing of the Rights to Shares took place on 10 May 2022, in accordance with the resolution of the WSE's management board.

On 31 May 2022 The District Court for Poznań - Nowe Miasto i Wilda in Poznań, 8th Commercial Division of the National Court Register, registered the amendment to the Company's articles of association introduced on the basis of resolution 5 by the Company's Extraordinary General Meeting of 8 April 2022 on an increase of the Company's share capital through the issue of series D ordinary bearer shares in a private subscription, a complete exemption of the existing shareholdings of their pre-emption rights to all series D shares, amendment of the Company's articles of association, application for the admission and introduction of the series D Shares and/or rights to series D shares to trade on the regulated market operated by the Warsaw Stock Exchange and dematerialisation of the series D shares and/or rights to series D shares.

Following the registration, share capital amounts to PLN 529 731 thousand and is divided into:

- a) 295 987 473 ordinary bearer shares series "A"
- b) 41 638 955 ordinary bearer shares series "B"
- c) 103 816 150 ordinary bearer shares series "C"
- d) 88 288 515 ordinary bearer shares series "D"

On 8 June 2022, pursuant to Statement no. 505/2022 of the NDS, ENEA S.A. entered into an agreement with the NDS for the registration in the securities depository of 88 288 515 Series D Shares, which were assigned ISIN code PLENEA000013, on the condition that these shares are introduced to trading on the same regulated market to which other shares of the Company bearing ISIN code PLENEA000013 were introduced.

On 8 June 2022 the WSE's Management Board adopted Resolution no. 534/2022 on the determination of the last day of trading on the WSE's Main Market of the Rights to Shares, in which the WSE's Management Board determined 9 June 2022 as the last the last day of trading of 88 288 515 Rights to Shares, along with Resolution no. 535/2022

on the admission and introduction to exchange trading on the WSE's Main Market of 88 288 515 Series D Shares, in which the WSE's Board declared that the Series D Shares are admitted to exchange trading on the main market and decided to introduce them to exchange trading on the main market in an ordinary procedure as of 10 June 2022, subject to the registration of these shares by the NDS on 10 June 2022 and their coding as PLENEA000013. The Series D Shares were registered with the NDS on 10 June 2022 and are thereafter listed on WSE's main market.

29. Letter of intent regarding Lubelski Węgiel BOGDANKA S.A.

On 18 June 2022 the Management Board of ENEA S.A. signed a letter of intent with the State Treasury regarding the potential acquisition by the State Treasury of 21 962 189 shares in Lubelski Węgiel BOGDANKA S.A. (LWB), constituting 64.57% of shares in LWB's capital (Transaction). The Company and the State Treasury have undertaken to conduct in good faith any activities necessary to prepare and carry out the Transaction, consisting in the purchase by the State Treasury of all 21 962 189 LWB shares held by ENEA S.A. The letter of intent is in effect until 31 December 2023.

30. Events after the reporting period

On 3 August 2022, a conditional agreement was executed for the sale of shares in Polska Grupa Górnicza S.A. ("Conditional Sale Agreement"). The selling parties to the Conditional Sale Agreement are: ENEA S.A., ECARB Sp. z o.o., PGNiG Termika S.A., PGE Górnictwo i Energetyka Konwencjonalna S.A., Polski Fundusz Rozwoju S.A., Towarzystwo Finansowe Silesia Sp. z o.o. and Węglokoks S.A., and the buyer is the State Treasury of the Republic of Poland ("State Treasury"). Pursuant to the Conditional Sale Agreement, the Company will sell to the State Treasury all of the shares it holds in Polska Grupa Górnicza S.A. ("PGG"), i.e. 3 000 000 ordinary registered shares, representing 7.66% of PGG's share capital, for a total price of PLN 1 for all shares held. The value of the stake in PGG in these condensed separate interim financial statements is zero. The transfer of the ownership of PGG shares to the State Treasury will take place on the condition that the National Agricultural Support Centre ("KOWR") does not exercise its pre-emptive right.

On 3 August 2022, ENEA S.A. and PGE Polska Grupa Energetyczna S.A. signed an agreement pursuant to which ENEA S.A. acquired 33.8% of shares in special purpose vehicles (EW Baltica-4 Sp. z o.o., EW Baltica-5 Sp. z o.o., EW Baltica-6 Sp. z o.o.) intended to handle with the construction and development of offshore wind assets across three locations in the Baltic Sea.

On 14 September 2022, the Management Board of Lubelski Węgiel Bogdanka S.A. learned about the updated production assumptions for 2022 and decided to make them public. In longwall 3/VII/385, which was put into operation on 31 August 2022, a sudden and unexpected increase in operational pressure occurred resulting in clamping. The wall progressed 55 running metres and there were no problems with the uplift of the thill and the progress achieved was in line with the assumptions for this stage of the mining process. The longwall was continuously monitored by a pressure control system within the supports of a section of the powered roof support system.

LWB took action to free up the clamped sections and resume mining operations. These actions, due to the scale of the occurrence, are technically and organisationally complex. Work on the commissioning of longwall 2/II/382 is proceeding on schedule.

Due to the occurrence of sudden and unforeseeable impediments to mining operations, which objectively could not have been prevented or counteracted, LWB has decided to update the production plan, as announced in current report no. 18/2022 of 2 September 2022, setting it at approx. 8.3 million tonnes of commercial coal. The impact of this event will be accounted for in the condensed interim consolidated financial statements for the period from 1 January to 30 September 2022.