ABOUT TAURON GROUP

Exchange.

Wind farms

TAURON GROUP'S OPERATIONS

Sales of electricity and gas

Distribution of electricity

Generation of electricity and heat

Generation of electricity from RES

Production of hard coal

TAURON Group's operations cover all elements of the electricity value chain. The Group employs approx. 26 thousand people. Since 2010 TAURON's shares are listed on the Warsaw Stock

TAURON Group is one of the largest companies and second

largest verically integrated electrical utility Group in Poland.

The Company is included in the following indices (among others):

Hard coal fired CHPs

MSCI Emerging Markets, WIG20, WIG30, WIG-ESG.

🗮 Hydroelectric power plants 🐉 Hard coal mines

GROUP'S ASSETS

Hard coal fired power plants

MARKET POSITION

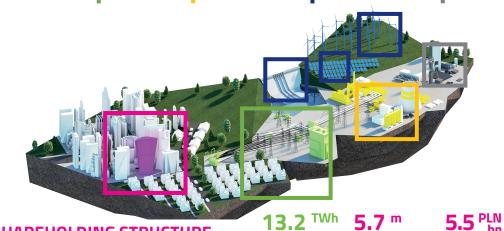
URON GreenTurn

Largest electricity distributor in Poland Share in electricity distribution to final customers - approx. **35**%

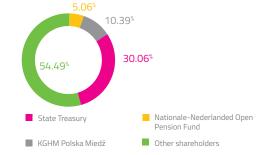
Second largest electricity supplier in Poland

Share in electricity supply to final customers - approx. **25%**

Approx. 29% of Poland's thermal coal resources are controlled by TAURON







1.2 m

Hard coal production

electricity

5.2 GW

No. of Group's

customers

Installed

660 MW

Sales revenue

Installed capacity in RES

KEY PROJECTS

2019

Acquisition of wind farms with the capacity of 180 MW

98% Construction of hard coal fired unit at Jaworzno - capacity: 910 MWe

TAURON Group's

distribution area

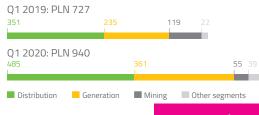
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2020

Construction of CCGT unit at Stalowa Wola - capacity: 450 MWe

Implementing heat production at Łagisza Power Plant - modernizing the 460 MW turbine

CAPITAL EXPENDITURES by segment (PLN m)



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SELECTED FINANCIAL DATA



EBITDA STRUCTURE



KEY SEGMENTS' RESULTS

(PLN m)	Distribution	Generation	RES	Supply	Mining
Sales revenue	1,789	1,155	199	4,231	236
EBITDA	684	69	121	182	-36
EBIT	400	-13	83	171	-84

Costs*

01 2020

* Net profit and net profit margin attributable to shareholders of the parent company

17.5%--◇

□--10.1%

EBIT

♦ EBITDA margin ○ EBIT margin □ Net profit margin*

Financial results and realized margins

O- 14%

01 2019

EBITDA

BUSINESS MODEL

Sales revenue

01 2019



Process streams

23.2% -

1,232-



- Strategy
 - **Finance** » Finance, risk and IT management

0-8.7%

01 2020

■ Net profit*

□-3.0%

Asset Management and Development

Customer

and Trade

Corporate

Support

Management/

» Coherent and efficient asset management aimed at ensuring the required efficiency rate in the most cost-efficient manner

» Shaping external and internal environment, communications

business and technology changes

» Overseeing implementation of the strategy in the organization

» Setting expansion directions taking into account regulatory,

- » Fostering the Group's operations growth through R&D and innovations
- » Managing customer relations and experience in interactions with TAURON Group » Expanding cooperation between lines of business (to satisfy customer needs and generate additional revenue streams/margin)
- » Optimizing the Group's trading operations on wholesale and retail markets
- » Developing corporate governance and the Group's management principles

Reorganizing (formal) and restructuring (operational) of the operations Supervision over quality and efficiency of the support processes

MAJOR EVENTS

March 16 ♀ Signing of the loan agreement worth PLN 500 million with the SMBC bank to finance general corporate purposes, excluding the financing of the coal assets

March 23 👌

Signing an agreement on the terms of cooperation between TAURON and the Polish Development Fund in terms of investments in renewable energy sources

March 25 👌

Signing a syndicated loan agreement worth PLN 500 million for financing general corporate purposes, excluding financing of new coal projects.

Reaching an agreement with TAURON Wydobycie's workforce regarding, among others, reducing work time and wages from May to July 2020

Conclusion of an agreement with the RAFAKO-MOSTOSTAL WARSZAWA consortium on the construction of a 910 MW unit in Jaworzno. The estimated new date of the unit's commissioning: by November 15, 2020.

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^{*} Costs of sales, selling and distribution expenses, administrative expenses