

A photograph of two wind turbines in a grassy field under a blue sky with white clouds. The image is partially framed by a large, stylized magenta shape that resembles a drop or a leaf.

ADDITIONAL INFORMATION

A photograph of a serene landscape featuring a calm lake surrounded by dense green forests and rolling hills under a blue sky with scattered clouds. The image is framed by a large, stylized magenta shape that resembles a drop or a leaf.

to TAURON Polska Energia S.A.
Capital Group's extended consolidated
Q1 2025 report

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TAURON Group in numbers

| Revenue | EBITDA | CAPEX (capital expenditures) | Net Debt / EBITDA | Balance sheet total |
|-----------------|-----------------|------------------------------|---------------------|---------------------|
| 9 297 | 2 331 | 1 072 | 1.6 | 48 672 |
| PLN m | PLN m | PLN m | | PLN m |
| +10% vs Q1 2024 | +24% vs Q1 2024 | +27% vs Q1 2024 | -0,1x vs 31.12.2024 | +6% vs 31.12.2024 |

RES

- 14 wind farms with a total capacity of **540 MWe**,
- 34 hydro power plants with a total capacity of **133 MWe**,
- 4 photovoltaic farms with a total capacity of **111 MWe**,
- 0,42 TWh of gross electricity production.

GENERATION

- 5 power plants with a total electric capacity of 4.2 GWe and a total thermal capacity of 0.9 GWt
- 2.6 TWh of gross electric production,
- 1.3 PJ of heat production.

HEAT

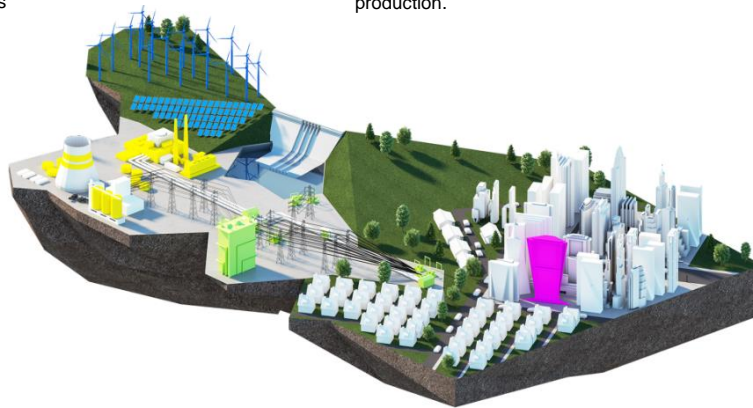
- 5 heat and power plants, and 25 heat generation plants with a total electric capacity of 0.4 GWe and a total thermal capacity of 1.2 GWt,
- 0.4 TWh of gross electric production,
- 3.4 PJ of heat production.

DISTRIBUTION

- **6.00** million customers, distribution covering the area of 57,9 km², i.e. 18.5% of Poland's territory,
- 13.73 TWh of distributed electricity.

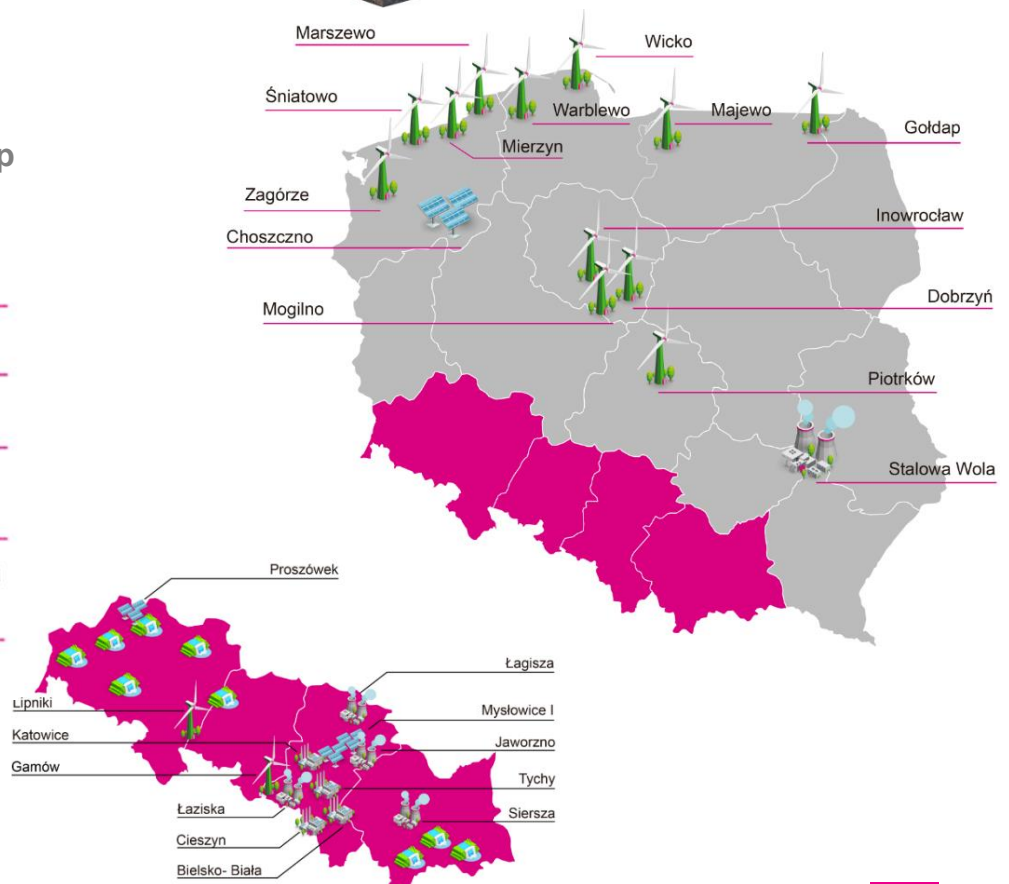
SUPPLY

- 5.79 million customers,
- 7,03 TWh of retail electricity supply.



Key assets

of TAURON Group



1. TAURON POLSKA ENERGIA S.A. AND TAURON CAPITAL GROUP

1.1. Description of the business operations

TAURON Capital Group's parent (holding) company is TAURON Polska Energia S.A. (hereinafter referred to as the Company or TAURON), that had been established on December 6, 2006, as part of the implementation of the *Program for the Power Sector*. The Company had been registered in the National Court Register on January 8, 2007, under the name: Energetyka Południe S.A. The change of the Company's name to its current name, i.e. TAURON Polska Energia S.A., was registered on November 16, 2007. The Company does not have any branches (divisions) within the meaning of Act on accounting.

TAURON is performing the management function at the Capital Group, managing the subsidiaries and supervising their operations. It is focusing on the key business areas, including the portfolio management, hedging of the sell and buy positions, as well as coordinating the operational functions within the Group. The Company's business operations also include the wholesale trading of electricity and gas, as well as the derivative energy products.

TAURON Polska Energia S.A. Capital Group (hereinafter referred to as TAURON Capital Group or TAURON Group) is a vertically integrated energy group whose conventional generation units related assets are located in the south of Poland, while the renewable energy sources are distributed throughout the country - with the wind farms located primarily in the north of Poland and the hydroelectric power plants located mainly in the south of the country. The subject of its business operations is the supply of electricity and heat generated using its in-house generating units as well as acquired on the market, and the provision of electricity distribution and heat transmission services, providing stable and competitive energy solutions to more than 5.9 million customers located in the south of Poland.

In the first quarter of 2025, the management of TAURON Group had been carried out based on TAURON Group's Management Model, TAURON Group's Operating Model and TAURON Group's Business Model, put into effect on December 18, 2024, in lieu of TAURON Group's Business and Operating Model previously in force, as further described in more detail in sections 1.8. and 12.6. of the *Report of the Management Board on the operations of TAURON Polska Energia S.A. and TAURON Capital Group for the financial year 2024*.

For the purpose of reporting TAURON Capital Group's results for the first quarter of 2025, the business operations of TAURON Capital Group had been divided into the following 6 main Segments (Operating Segments), hereinafter also referred to as the Lines of Business:



Generation Segment that comprises mainly electricity generation and supply using conventional sources, including co-generation, as well as electricity generation from biomass burning. This Segment also includes the generation and supply of the heat produced by the Tauron Wytwarzanie S.A. (TAURON Wytwarzanie) subsidiary's power plants as well as the generation equipment's overhaul operations, the trading of the biomass, the utilization (management) of the by-products of the combustion and the by-products of the extraction of the hard coal.



Heat Segment that comprises the generation of heat at the Tauron Ciepło sp. z o.o. (TAURON Ciepło) subsidiary's combined heat and power plants and heat generation plants, as well as its transmission and supply, and also the generation and supply of electricity.



Renewable Energy Sources (RES) Segment that comprises electricity generation by the renewable energy sources, i.e. by the hydroelectric, wind and photovoltaic power plants.



Distribution Segment that comprises distribution of electricity using the distribution grids located on the territory of the following provinces: Małopolska, Lower Silesia, Opole, Silesia, partly: Świętokrzyskie, Podkarpackie, Łódź, Wielkopolska and Lubuskie. The Segment also includes the operations that cover the technical support services related to the electricity metering systems, the metering data acquisition, the real estate administration, as well as the technical support services related to the vehicles.



Supply Segment that comprises electricity and natural gas supply to the final consumers as well as the electricity, natural gas and derivative products wholesale trading. In addition, the Segment comprises trading and management of the CO₂ emission allowances and the property right as well as the sales of the hard coal fuel for the needs of the generation units of TAURON Ciepło.



Apart from the main Segments, TAURON Capital Group is also conducting the operations presented as part of the **Other Operations** that comprise, among other things, the customer service for TAURON Capital Group's customers, the provision of the support services for TAURON Capital Group's subsidiaries with respect to accounting, human resources (HR) management, information and communications technology (ICT), as well as the operations related to the extraction of the stone (rocks) and the production of the sorbing agents. The Other Operations also include the activities related to conducting the hydrogen research and development projects, and the financial and brokerage operations, as well as the services related to, among other things, the management and maintenance of the street lighting systems, the smart city products, the e-mobility products, as well as the services focused on

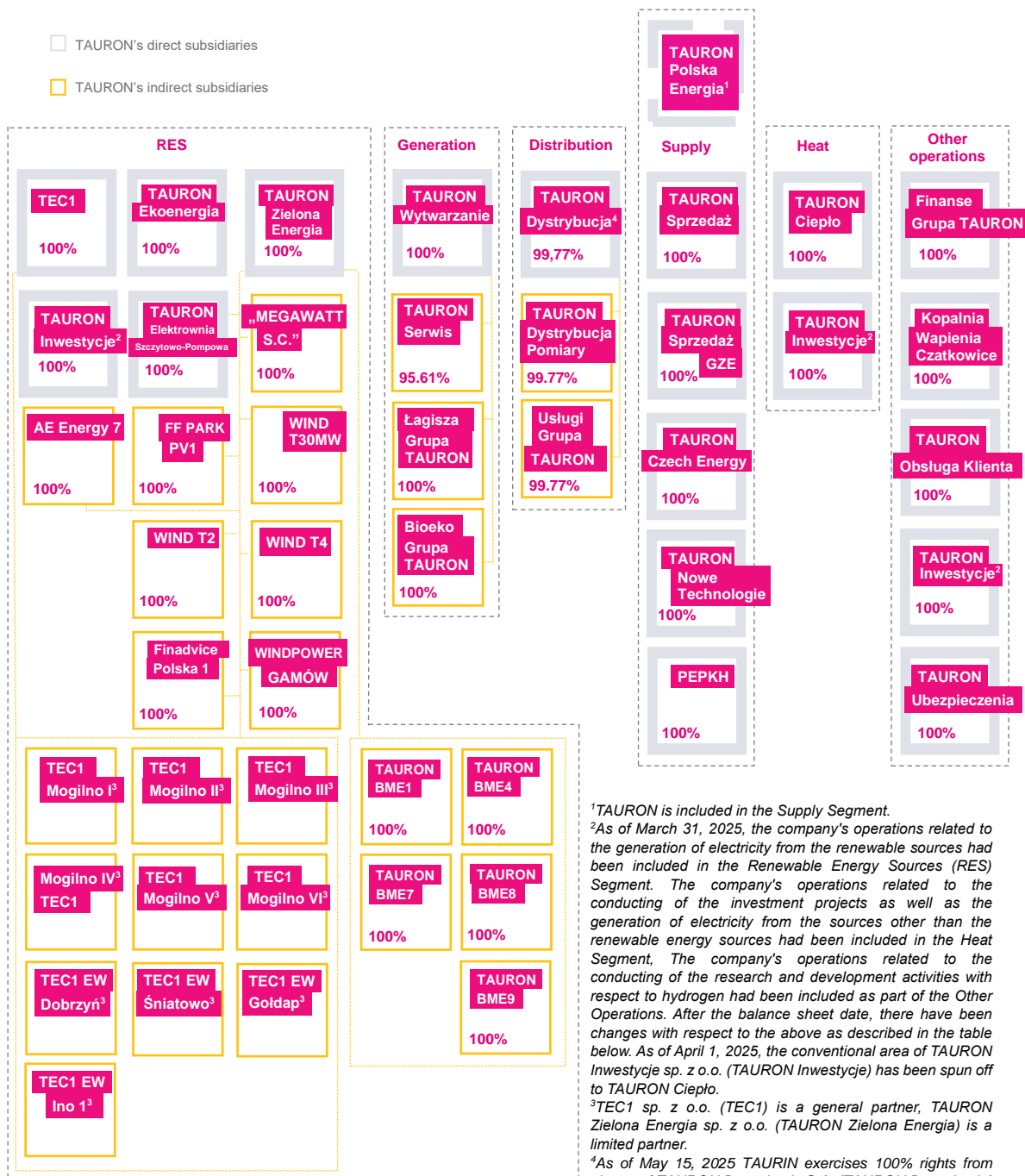
improving energy efficiency. The Segment also includes the business operations involving the production of electricity by the gas engines powered by methane.

1.2. Structure of TAURON Capital Group

As of March 31, 2025, and as of the date of drawing up this information, TAURON Capital Group's key subsidiaries, apart from TAURON parent company, had included 45 subsidiaries subject to consolidation that are listed below. In addition, the Company had held, directly or indirectly, interest / shares in the other 36 companies.

Entities subject to consolidation

Figure no. 1 TAURON Capital Group's structure, including the subsidiaries subject to consolidation, as of March 31, 2025



Changes to the organization

Table no. 1 Changes to the organization of TAURON Capital Group in the first quarter of 2025 and by the date of drawing up of this information

| Event | Description of the event |
|-------------------------------------|---|
| 1. Revoking of the merger of TAURON | On July 1, 2024, the District Court of Katowice - Wschód in Katowice, the 8th Commercial Division of the National Court Register had registered the merger of TAURON Zielona Energia sp. z o.o. (Ltd.) (the Acquiring Company) with the |

| Event | Description of the event |
|--|--|
| Zielona Energia and 10 limited partnerships | <p>companies: TEC1 sp. z o.o. EW Dobrzyń sp.k., TEC1 sp. z o.o. EW Goldap sp.k., TEC1 sp. z o.o. EW Śniatowo sp.k., TEC1 sp. z o.o. Ino 1 sp. k., TEC1 sp. z o.o. Mogilno I sp. k., TEC1 sp. z o.o. Mogilno II sp. k., TEC1 sp. z o.o. Mogilno III sp. k., TEC1 sp. z o.o. Mogilno IV sp. k., TEC1 sp. z o.o. Mogilno V sp. k., TEC1 sp. z o.o. Mogilno VI sp. k. (the Acquired Companies). The merger of the Acquiring Company and the Acquired Companies had taken place in accordance with Article 492, § 1, item 1 of the Code of Commercial Companies, i.e. by transferring all of the assets of the Acquired Companies to the Acquiring Company</p> <p>The Company and the Acquiring Company, as well as the shareholders of the Acquired Companies, had taken legal steps to bring about the revoking of the legal effects of the decision of the Registry Court with respect to the registration of the above mentioned merger, made on the basis of the legal actions that had been, in the opinion of the Company and the entities taking part in the merger, fraught with an error.</p> <p>On February 4, 2025, the District Court in Katowice had issued a ruling declaring the resolution of the Extraordinary Meeting of the Shareholders of the TAURON Zielona Energia subsidiary with respect to the merger as being null and void, which had become legally binding as of February 22, 2025. Subsequently, a petition was filed with the National Court Register (KRS) to strike out the merger retroactively as of July 1, 2024. In a decision dated March 21, 2025, the National Court Register (KRS) struck out the entry of July 1, 2024, on the merger of TAURON Zielona Energia with 10 limited partnerships, which resulted in the restoration of the legal existence of the above mentioned limited partnerships.</p> |
| 2. Sale of the shares of 9 limited liability companies to TAURON Zielona Energia | <p>On February 20, 2025, TAURON Zielona Energia acquired from TAURON:</p> <ul style="list-style-type: none"> – 100 shares of TAURON BME1 sp. z o.o. (Ltd.), which constitutes 100% of the company's share capital, – 100 shares of TAURON BME2 sp. z o.o. (Ltd.), which constitutes 100% of the company's share capital, – 100 shares of TAURON BME3 sp. z o.o. (Ltd.), which constitutes 100% of the company's share capital, – 100 shares of TAURON BME4 sp. z o.o. (Ltd.), which constitutes 100% of the company's share capital, – 100 shares of TAURON BME5 sp. z o.o. (Ltd.), which constitutes 100% of the company's share capital, – 100 shares of TAURON BME6 sp. z o.o. (Ltd.), which constitutes 100% of the company's share capital, – 100 shares of TAURON BME7 sp. z o.o. (Ltd.), which constitutes 100% of the company's share capital, – 100 shares of TAURON BME8 sp. z o.o. (Ltd.), which constitutes 100% of the company's share capital, – 100 shares of TAURON BME9 sp. z o.o. (Ltd.), which constitutes 100% of the company's share capital. <p>In connection with the above, TAURON Zielona Energia has become the sole shareholder of the above mentioned companies.</p> <p>The goal of the sale of 100% of the shares in 9 TAURON Bateriajne Magazyny Energii (Battery Energy Storage Facilities) companies to TAURON Zielona Energia has been to implement the assumptions of the model of the division of the competencies introduced in the RES line of business among TAURON Group's subsidiaries. This model assumes the leading role of the TAURON Zielona Energia subsidiary in the implementation of the development of the RES assets portfolio, including, among other things, the responsibility of this subsidiary for the development of the energy storage facilities portfolio in TAURON Group carried out directly thereby or with the participation of its special purpose vehicles. The change in the ownership of the shares of the above mentioned companies will enable the continuation of the investment projects in the form of the construction of the battery energy storage facilities within the dedicated RES line of business of TAURON Group.</p> |
| 3. Reorganization of TAURON Inwestycje | <p>On April 1, 2025 (an event that took place after the balance sheet date), the District Court of Katowice - Wschód in Katowice, the 8th Commercial Division of the National Court Register (KSR) registered the division of TAURON Inwestycje sp. z o.o. (Ltd.) (the Divided Company) to TAURON Ciepło (the Acquiring Company) by spinning off of the assets of the Divided Company.</p> <p>The division of the Divided Company consists in spinning off of the conventional area, which is an organized part of the enterprise, to the TAURON Ciepło subsidiary.</p> <p>On April 30, 2025 (an event that took place after the balance sheet date), the TAURON Inwestycje and TAURON Zielona Energia subsidiaries signed a plan to divide TAURON Inwestycje (the Divided Company) by spinning off the RES line of business, which is an organized part of the enterprise, to TAURON Zielona Energia (the Acquiring Company). On the same day, the demerger plan was published on the web sites of the companies participating in the demerger. This process is another stage in the reorganization of TAURON Inwestycje and is in line with the assumptions of TAURON Group's Business Model.</p> <p>The measures in question are intended to ensure the organizational and decision making consistency within the Group by assigning TAURON Inwestycje's activities to the lines of business and TAURON Group subsidiaries dedicated thereto.</p> <p>Upon the completion of TAURON Inwestycje's reorganization process, it is assumed that the green hydrogen production activities will be continued within this company, including, as part of the scope of such activities, the preparation and implementation of the projects aimed at building the green hydrogen production facilities.</p> |
| 4. Spinning off of the organizational unit in charge of the hard coal fuel supply out of TAURON to TAURON Ciepło | <p>In the first quarter of 2025, the actions with respect to the relocation of the tasks related to the supply of the hard coal fuel to TAURON Ciepło's generating units had been taken. As of April 1, 2025 (an event that took place after the balance sheet date), an organizational unit, i.e. the Fuel Trading Team, in charge of the hard coal fuel supply has been spun off out of TAURON to TAURON Ciepło (along with the transfer of the contracts on the basis of which TAURON had been purchasing the hard coal), while its existing employees took up employment in a newly set up, dedicated unit at TAURON Ciepło.</p> <p>The above will allow TAURON to focus its activities around the implementation of the goals of the adopted TAURON Group's Strategy for 2025 - 2035, while the spinning off of the fuel area to TAURON Ciepło will contribute to the streamlining of its tasks as an autonomous hard coal fuel buyer, which will have a direct impact on the fuel purchasing policy and the ongoing business operations.</p> |

Organizational or equity ties with other entities

Apart from the equity ties with the companies presented in Figure no. 1 of this information, the organizational or equity ties are applicable to the material joint subsidiaries (co-subsidiaries) in which the Company held, directly or

indirectly, shares, and which, as of March 31, 2025, and as of the date of drawing up of this information, include the companies listed in the below table.

Table no. 2 List of material joint subsidiaries (co-subsidiaries) as of March 31, 2025, and as of the date of drawing up of this information

| Company name | Registered office | TAURON's share in the company's capital and in the parent company | Subsidiary holding directly shares in the company |
|---|-------------------------|---|---|
| 1. EC Stalowa Wola S.A. (Joint Stock Company) (EC Stalowa Wola) | Stalowa Wola | 50.00% | TAURON Inwestycje |
| 2. TAMEH HOLDING sp. z o.o. (Ltd.) (TAMEH HOLDING) ¹ | Dąbrowa Górnicza | 50.00% | TAURON |
| 3. TAMEH POLSKA sp. z o.o. (Ltd.) (TAMEH POLSKA) | Dąbrowa Górnicza | 50.00% | TAMEH HOLDING |
| 4. TAMEH Czech s.r.o. ² | Ostrava, Czech Republic | 50.00% | TAMEH HOLDING |

¹ The ownership of the shares is the subject of the arbitration proceedings referred to in section 5.1 of this information.

² On August 9, 2024, the company TAMEH Czech s.r.o. had been placed into a liquidation bankruptcy, which, in TAURON Group's opinion, translates into the loss of the joint control over the above mentioned company as of that date, within the meaning of the accounting regulations.

1.3. Management Board and Supervisory Board of TAURON Polska Energia S.A.

Management Board of TAURON Polska Energia S.A.

The 7th term of office of the Management Board of the Company had begun its run on March 7, 2024. In accordance with the Company's Articles of Association, a common term of office shall last 3 full financial years.

The composition of the Management Board of the Company as of March 31, 2025, and as of the date of drawing up of this information

- | | | |
|----------------------|---|--|
| 1. Grzegorz Lot | – | President of the Management Board (CEO), |
| 2. Piotr Gołębiowski | – | Vice President of the Management Board for Trading, |
| 3. Michał Orłowski | – | Vice President of the Management Board for Asset Management and Development, |
| 4. Krzysztof Surma | – | Vice President of the Management Board for Finance (CFO). |

The changes to the composition of the Management Board of the Company in the first quarter of 2025 and by the date of drawing up of this information

As of January 1, 2025, the Management Board of the Company had been composed of the following persons: Grzegorz Lot (President of the Management Board), Piotr Gołębiowski (Vice President of the Management Board for Trading), Michał Orłowski (Vice President of the Management Board for Asset Management and Development) and Krzysztof Surma (Vice President of the Management Board for Finance).

There had been no changes to the composition of the Management Board of the Company in the first quarter of 2025 and by the date of drawing up of this information.

Supervisory Board of TAURON Polska Energia S.A.

The 7th term of office of the Supervisory Board of the Company had begun its run on April 3, 2024. In accordance with the Company's Articles of Association, a term of office of the Supervisory Board shall be common and it shall last 3 full financial years.

The composition of the Supervisory Board of the Company as of March 31, 2025, and as of the date of drawing up of this information

- | | | |
|-----------------------------|---|--------------------------------------|
| 1. Sławomir Smyczek | – | Chair of the Supervisory Board, |
| 2. Natalia Klima-Piotrowska | – | Vice Chair of the Supervisory Board, |
| 3. Piotr Kołodziej | – | Secretary of the Supervisory Board, |
| 4. Mariusz Bąbol | – | Member of the Supervisory Board, |
| 5. Michał Hulbój | – | Member of the Supervisory Board, |
| 6. Arkadiusz Jówko | – | Member of the Supervisory Board, |
| 7. Beata Kisielewska | – | Member of the Supervisory Board, |
| 8. Leszek Koziorowski | – | Member of the Supervisory Board. |

The changes to the composition of the Supervisory Board of the Company in the first quarter of 2025, as well as by the date of drawing up of this information

As of January 1, 2025, the Supervisory Board of the Company had been composed of the following members: Sławomir Smyczek (Chair of the Supervisory Board), Natalia Klima-Piotrowska (Vice Chair of the Supervisory Board), Piotr Kołodziej (Secretary of the Supervisory Board), Mariusz Bąbol (Member of the Supervisory Board)), Michał Hulbój (Member of the Supervisory Board), Beata Kisielewska (Member of the Supervisory Board) and Leszek Koziorowski (Member of the Supervisory Board).

Table no. 3 Changes to the composition of the Supervisory Board of the Company in the first quarter of 2025 and by the date of drawing up of this information

| Date | |
|-------------------|---|
| February 17, 2025 | The Minister of the State Assets, acting pursuant to § 23, section 1, clause 3) of the Company's Articles of Association had appointed Arkadiusz Jówko to be a Member of the Supervisory Board of the Company. The Company had disclosed the information on the change of the composition of the Supervisory Board in current report no. 6/2025 of February 17, 2025. |

There had been no changes to the composition of the Supervisory Board of the Company in the first quarter of 2025 and by the date of drawing up of this information.

Information on the independence of the Members of the Supervisory Board of the Company

As of the date of drawing up of this information, all of the Members of the Supervisory Board of the Company, with the exception of Arkadiusz Jówko, complied with the criteria related to independence and ties to a shareholder referred to in rule 2.3 of the 2021 Best Practice of the WSE listed companies.

1.4. Implementation of the strategic investment (CAPEX) projects

The expansion (development) directions adopted and implemented by TAURON Group are a response to the current challenges of the power sector, first and foremost, to the tightening of the climate and environmental policy of the European Union (EU). The key elements of the new TAURON Group's Strategy for 2025 - 2035 include achieving of the climate neutrality in 2040, PLN 60 billion of investments in the distribution segment and more than 6 GW of installed capacity in the renewable sources and energy storage by 2035. The priorities also include becoming the leader in the electricity supply, as well as taking of the position of the most pro-customer energy group in the country.

It is estimated that the implementation of TAURON Group's Strategy for 2025-2035 will require incurring of the capital expenditures in the amount of approximately PLN 100 billion in the 2024-2035 time frame. The electricity distribution segment, an increase of the capacity in the renewable energy sources and the electricity storage facilities, and the decarbonization of the Heat Line of Business have been adopted as the main directions for the allocation of the capital expenditures.

The detailed information on the strategic directions and the growth (expansion) prospects of TAURON Group is provided in the Report of the Management Board on the operations of TAURON Polska Energia S.A. and TAURON Capital Group for the financial year 2024.

Key investment projects in the RES line of business

Photovoltaic (PV) farms

Table no. 4 Key strategic investment projects with respect to the photovoltaic farms carried out in the first quarter of 2025

| Investment project | Subsidiary responsible for the implementation | Capacity (MW _e) | Total capital expenditures incurred (PLN m) | Work progress | Planned completion date |
|--|---|---------------------------------------|---|---------------|-------------------------|
| Construction of the photovoltaic farm in Bałków | TAURON Zielona Energia | 54 MW | 83.6 | 65% | Q4 2025 |
| Construction of the photovoltaic farm in Postomino | TAURON Zielona Energia | 90 MW (stage I 80 MW; stage II 10 MW) | 242.7 | 90% | Q4 2025 |

In the first quarter of 2025, in addition to the projects in execution, works were carried out related to development of PV projects in the territories belonging to Taron Group. The works include acquiring necessary clearances and administrative decisions at the stage of project preparation. The final decisions to take the next step and start execution of individual projects are taken after evaluation of business rationale.

Onshore wind farms

Table no. 5 Key strategic investment projects with respect to the wind farms carried out in the first quarter of 2025

| Investment project | Subsidiary responsible for the implementation | Capacity (MW _e) | Total capital expenditures | Work progress | Planned completion date |
|--------------------|---|-----------------------------|----------------------------|---------------|-------------------------|
|--------------------|---|-----------------------------|----------------------------|---------------|-------------------------|

| | | | incurred (PLN m) | | |
|---|------------------------|----------|---------------------|-----|---------|
| Construction of the wind farm in Nowa Brzeźnica | TAURON Zielona Energia | 19.6 MW | 79.9 | 86% | Q2 2025 |
| Construction of the wind farm in Sieradz | TAURON Zielona Energia | 23.8 MW | 93.8 | 55% | Q4 2025 |
| Construction of the wind farm in Miejska Górka | TAURON Zielona Energia | 190.8 MW | 345.0 | 19% | Q2 2027 |

Apart from projects in execution, TAURON Group is looking for the opportunities to acquire advanced wind farm development projects ready for the construction and the operating assets on the market. As part of such efforts, the internal analyses and the due diligence studies of the potential wind farm acquisition projects are carried out in cooperation with the developers. In addition, TAURON Group is actively looking for new locations for wind farm projects to be developed on its own.

Offshore wind farms (in the Polish Exclusive Economic Zone of the Baltic Sea)

On August 9, 2023, Elektrownia Wiatrowa Baltica-7 sp. z o.o. (Ltd.), in which TAURON holds 44.96% of the shares (the remaining shares are held by Polska Grupa Energetyczna S.A. – PGE), had been awarded a permit for the construction and use of the artificial islands, structures and devices in the area located on Słupsk Shoal (Ławica Słupska), designated as 43.E.1, for the purpose of the construction of an offshore wind farm. The capacity of the planned offshore wind farm, which can be built under the obtained permit, stands at approximately 1 GW.

On August 16, 2024, Polskie Sieci Elektroenergetyczne S.A. (PSE) published a list of the preliminary conditions for connecting of the offshore wind farms to the transmission grid, including for Elektrownia Wiatrowa Baltica-7 sp. z o.o. The preliminary grid connection conditions are issued in accordance with the provisions of the Act of December 17, 2020, on the promotion of electricity generation in offshore wind farms. They allow offshore wind farm investors to apply for the right to cover the negative balance by way of an auction in accordance with Chapter 4 of this Act.

As part of TAURON Group's Strategy for 2025 - 2035, it had been assumed that the construction of wind and photovoltaic farms will be continued based on customer demand, including, among other things, the preparation of a project for the construction of an offshore wind farm jointly with a partner.

Rożnów II Pumped Storage Power Plant (Elektrownia Szczytowo-Pompowa - ESP)

TAURON Group is planning to build an energy storage facility in the form of a pumped storage power plant located in the vicinity of the Rożnów Hydroelectric Power Plant (Elektrownia Wodna Rożnów). The Pumped Storage Power Plant (ESP) is planned in the municipality of Łososina Dolna, in the county of Nowy Sącz. The lower reservoir will be the Rożnów Lake (Jezioro Rożnowskie), the upper reservoir will be built on a hill located close to the lake. The initial concept of the Pumped Storage Power Plant (ESP) construction assumes the construction of a facility with an energy capacity of approximately 3 GWh and a maximum generated power of approximately 700 MW.

A basic engineering design is currently being developed, understood as an optimized concept, subjected to a feasibility verification with a particular consideration of the geological, environmental, technology, formal and legal issues, and a clarification of the broadest possible scope of the technical assumptions.

Due to the potential investment outlays in the amount of several billion PLN, TAURON is conducting the talks on the possibility of co-financing of the investment projects as part of the aid mechanisms and co-financing along with the banks and the international funds.

The commencement of the operation of the pumped storage power plant is planned to take place in 2033.

Key investment projects in the Heat line of business

Table no. 6 Key strategic investment projects in the Heat line of business carried out in the first quarter of 2025

| Investment project | Subsidiary responsible for the implementation | Capacity (MW _e) | Total capital expenditures incurred (PLN m) | Work progress | Planned completion date |
|---|---|---|---|---------------|-------------------------|
| Construction of the 140 MWt gas fired boiler at ZW Katowice (Katowice Generation Plant) for the district heating market needs | TAURON Ciepło | The scope of the project includes the construction of a 140 MWt gas fired water boiler on the existing foundations, along with the supporting infrastructure and a steel stack, with the environmental emission parameters: BAT with a 15% reserve versus the limit values. | 101.2 | 95% | Q2 2025 |

| Investment project | Subsidiary responsible for the implementation | Capacity (MW _e) | Total capital expenditures incurred (PLN m) | Work progress | Planned completion date |
|---|---|--|---|---------------|-------------------------|
| Construction of the peaking and backup boiler house at ZW Bielsko Biala EC 2 (Bielsko Biala Generation Plant Combined Heat and Power Plant 2) | TAURON Ciepło | The scope of the project includes the construction of a 76 MWt (2 x 38 MWt) natural gas and light fuel oil fired peaking and backup boiler house. The project stems from the need to replace the old boiler house, which will not meet the requirements of the BAT Conclusions starting 2025 due to its poor technical condition and failure rate, thereby affecting the lack of the backup for the 50 MW unit at Elektrociepłownia Bielsko Biala EC 2 (Bielsko Biala Combined Heat and Power Plant EC 2) | 52.6 | 98% | Q2 2025 |
| Construction of the gas engines at ZW Bielsko Biala EC 2 (Bielsko Biala Generation Plant Combined Heat and Power Plant 2) | TAURON Ciepło | The scope of the project includes an installation of three identical, complete cogeneration units based on the reciprocating (piston) engines, powered by natural gas, with a capacity of approximately 10 MWt / 10 MWe each (the capacity of the entire system stands at approximately 30 MWt / 30 Mwe), the construction of the electrical and thermal power evacuation lines along with a pumping station and a water treatment station, the construction of a heat accumulator, the construction of the associated infrastructure. | 0.6 | 27% | Q4 2027 |

Key investment projects in the Supply and Other Operations lines of business

Table no. 7 Key strategic investment projects in the Supply and Other Operations lines of business carried out in the first quarter of 2025

| Investment project | Subsidiary responsible for the implementation | Capacity (MW _e) | Total capital expenditures incurred (PLN m) | Work progress | Planned completion date |
|--------------------|---|---|---|---------------|-------------------------|
| Production 2.0 | Kopalnia Wapienia Czatkowice | The scope of the project includes the reconfiguration of the Limestone Mine's (Kopalnia Wapienia Czatkowice sp. z o.o. (Ltd.)) technological system in order to increase the production of grits and aggregates using its in-house assets, including the restoration of the grit production line, the construction and the modernization of the rock (stone) crushing and transportation nodes. The project assumes the use of the technology that would allow for maximizing the use of the raw material obtained from the mine. | 0.4 | 5% | Q4 2027 |

Capital expenditures (CAPEX)

TAURON Capital Group's capital expenditures had come in at PLN 1 072 million in the first quarter of 2025 and they had been higher by 27% than the investment outlays incurred in the first quarter of 2024, when they had clocked in at PLN 847 million (excluding the equity investments). This is first and foremost due to an increase in the expenditures in the RES and Distribution Segments.

Table no. 8 The highest by value, capital expenditures incurred by TAURON Capital Group's Lines of Business in the first quarter of 2025

| Item | Capital expenditures (PLN m) |
|---|------------------------------|
| Distribution | |
| 1. Installation of the new grid connections | 384 |
| 2. Existing grid assets' upgrades (refurbishments) and replacements | 290 |
| 3. Comprehensive replacement of the meters with a remote readout feature (AMIPlus) | 60 |
| 4. Dispatch Communications System | 18 |
| Generation | |
| CAPEX on the replacements and upgrades (refurbishments), as well as components, and also on the 910 MW unit at TAURON Wytwarzanie | 22 |

| Item | Capital expenditures (PLN m) |
|---|---------------------------------|
| Heat | |
| 1. Katowice Generation Plant (Zakład Wytwórczy Katowice) – Construction of the gas fired boiler with the capacity of 140 MWt at TAURON Ciepło | 9 |
| 2. Connecting of the new facilities to the network at TAURON Ciepło | 5 |
| 3. Maintenance of the district heating networks | 3 |
| 4. Construction of a peaking and backup boiler room and gas engines at ZWB EC2 | 2 |
| 5. Replacement and upgrades (refurbishments) expenditures related to the generation units | 1 |
| RES | |
| 1. Construction of the wind farm in Miejska Górka with the capacity of 190.8 MW | 91 |
| 2. Construction of the photovoltaic farm in Postomino with the capacity of 90 MW | 35 |
| 3. Construction of the photovoltaic farm in Bałków with the capacity of 54 MW | 26 |
| 4. Construction of the wind farm in Sieradz with the capacity of 23.8 MW | 15 |
| 5. Modernization (refurbishment) of the hydroelectric power plants | 5 |
| 6. Construction of the wind farm in Nowa Brzeźnica with the capacity of 19.6 MW | 4 |
| Supply, New Services, Customer Service, Shared Services Center (CUW) and Other Operations | |
| 1. IT related investment projects at Tauron Obsługa Klienta (Tauron Customer Service) | 22 |
| 2. Maintenance and development of the street lighting | 15 |
| 3. Construction of a fiber optic network (NRP) | 11 |
| 4. CSIRE for the supply line of business | 5 |
| 5. Centrum Usług Biznesowych TAURON Obsługa Klienta (Tauron Customer Service Business Service Center) | 4 |

1.5. Material accomplishments and failures as well as the most important events related to TAURON Capital Group in the first quarter of 2025 and after the balance sheet date

The material events that had occurred in the first quarter of 2025, as well as the ones that had taken place by the date of drawing up of this information are listed below

| Item and description of the event |
|--|
| Business event |
| Update of the information on the project to build a CCGT unit at the Łagisza Power Plant |
| <p>On February 3, 2025, the Management Board of the Company approved the decision of the Investment Committee of the Company to close the project related to the construction of a CCGT unit at the Łagisza Power Plant in Będzin (the Project) due to the identified risk of a failure to maintain the profitability of the Project over the full time frame of its life cycle, following the updating of the financial and environmental assumptions.</p> <p>In addition, on February 3, 2025, the Management Board of the Company approved the decision of the Company's Investment Committee to commence the planning stage of the project related to the construction of a cogeneration heat source at the Łagisza Power Plant in Będzin, as part of which the analyses would be conducted regarding the implementation of an alternative investment option at the same location.</p> <p>The new project assumes the replacement of the heat currently produced by the hard coal fired unit with the heat to be produced using a modern heating system, including a gas fired cogeneration unit adapted to the introduction of the zero carbon fuel technology, a unit using the Power to Heat technology and a heat accumulator.</p> <p>The new project is in line with the assumptions of the strategy of TAURON Group's Heat Line of Business, which assumes a decarbonization of the heat production and maintaining of the status of TAURON Ciepło's district heating system as an energy efficient system.</p> <p>TAURON had disclosed the information on the above event, in reference to current report no. 8/2022 of March 22, 2022, in current report no. 3/2025 of February 3, 2025.</p> |
| Other major events |
| Change in the availability date of the syndicated loan agreement |
| <p>In accordance with the information obtained from the loan agent, the deadline for the availability of the financing under the PLN 4 billion syndicated loan agreement concluded between the Company as the borrower and Powszechna Kasa Oszczędności Bank Polski S.A. (Joint Stock Company), Bank Polska Kasa Opieki S.A. (Joint Stock Company), CaixaBank S.A. (Joint Stock Company) Branch in Poland (Oddział w Polsce), Bank</p> |

Item and description of the event

Handlowy w Warszawie S.A. (Joint Stock Company), Erste Group Bank AG, Industrial and Commercial Bank of China (Europe) S.A. (Joint Stock Company) Branch in Poland (Oddział w Polsce), Santander Bank Polska S.A. (Joint Stock Company) and China Construction Bank (Europe) S.A. (Joint Stock Company) Branch in Poland (Oddział w Polsce), as the lenders, was extended. Thus, TAURON took advantage of the possibility of extending the financing availability time frame provided for in this agreement, and the final deadline for the availability of the financing was extended by 1 year, i.e. until November 22, 2028.

The funds from the syndicated loan are intended to finance TAURON Group's capital expenditures (with the exclusion of the financing of any projects related to the hard coal assets) and to finance TAURON Group's general corporate expenditures (with the exclusion of the expenditures related to the hard coal assets). Under the syndicated loan agreement, the Company may make multiple drawdowns of the loan tranches during the funding availability period. The interest rate on the funds made available under the syndicated loan agreement is calculated based on a variable interest rate appropriate for the interest period in question, increased by a margin that depends on the meeting of the sustainable development indicators, i.e. the emission reduction rate and the rate of increasing the share of the renewable energy sources in TAURON Group's generation mix structure, the correctness of the calculations of which is to be confirmed by an independent auditor.

TAURON had disclosed the information on the above event in current report no. 7/2025 of March 3, 2025.

Signing of an annex to the loan agreement concluded with Bank Gospodarstwa Krajowego

On March 17, 2025, TAURON had entered into an annex to the loan agreement with Bank Gospodarstwa Krajowego (BGK) as the lender, increasing the amount of the loan granted to the Company under the loan agreement of October 29, 2024, by the amount of PLN 0.45 billion, i.e. to the amount of PLN 2.45 billion. Under the Annex, the amount of Tranche B was increased.

The funds drawn down under the loan agreement may be used to finance or refinance TAURON Group's expenditures related to the investment projects in the RES line of business, the development of the distribution grids, the construction of the energy storage facilities and the investment projects related to the heat line of business (with respect to replacing of the hard coal based heat sources with the zero emission (carbon) and the low emission (carbon) sources). In accordance with the loan agreement, as of the date of the conclusion thereof, TAURON shall be able to draw down the funds in the amount of PLN 1 billion (Tranche A). The remaining funds, in the amount of PLN 1.45 billion (Tranche B), will be available at TAURON's request within 12 months from the date of concluding the loan agreement, i.e. as of October 29, 2024 and upon signing of the Company's application by GBK.

The interest rate on the funds made available under the loan agreement will be calculated on the basis of a variable interest rate appropriate for the interest period in question, increased by a margin that will depend on the fulfillment of the sustainable development indicator, i.e. the indicator reflecting an increase of the share of the RES in TAURON Group's power generation structure (mix). The correctness of the calculation of the sustainability indicator will be confirmed by an independent auditor. As part of Tranche A and Tranche B, TAURON will be able to draw down the funds within the two year funds availability period. The loan will be repaid in installments, over a period of 8 years from the date of the availability of a given tranche of the loan.

TAURON had disclosed the information on the above event in current report no. 9/2025 of March 17, 2025.

As of the date of the publishing of this information, the loan has not been drawn down.

Recommendation of the Management Board of TAURON with respect to the allocation of the net profit for 2024 to the reserve capital

On April 14, 2025 (an event that took place after the balance sheet date), the Management Board of TAURON took the decision that it would recommend to the General Meeting of the Company to distribute the net profit earned by TAURON for the 2024 financial year in the amount of PLN 510 278 026.06 by allocating it in full to the Company's reserve capital.

The decision taken is in line with the dividend policy included in TAURON Group's Strategy for 2025 - 2035 and with the Best Practices of the WSE Listed Companies 2021. The Recommendation of the Management Board of the Company takes into account TAURON Capital Group's investment program adopted within the framework of the above mentioned Strategy, which assumes incurring significant capital expenditures in the coming years, in particular in the Distribution, Renewable Energy Sources and Heat Lines of Business. It will be possible to allocate the cash retained by the Company to the implementation of the investment projects and at the same time such a solution will reduce the demand for the financing and thus it will have a positive impact on the level of the net debt to EBITDA ratio.

TAURON had disclosed the information on the above event in current report no. 14/2025 of April 14, 2025.

Conclusion of the settlement agreements by PEPKH and TAURON with Amon Sp. z o.o. (Ltd.) and Talia Sp. z o.o. (Ltd.)

On April 28, 2025 (an event that took place after the balance sheet date), Polska Energia - Pierwsza Kompania Handlowa sp. z o.o. (Ltd.) (PEPKH) and TAURON entered into the settlement agreements with Polenergia Capital Group's subsidiaries: Amon Sp. z o.o. (Ltd.) (Amon) and Talia Sp. z o.o. (Ltd.) (Talia). The primary objective of the concluded settlement agreements is to reach an out of court (amicable) settlement of all of the court litigations pending between PEPKH, and Amon and Talia, as well as between TAURON, and Amon and Talia.

As a result of the settlement agreement reached by PEPKH with Amon and Talia:

1. There has been a termination of the Agreements for the Sale of the Property Rights arising from the guarantees (certificates) of origin that confirm the generation of electricity by a renewable energy source by Amon and Talia, respectively, entered into on December 23, 2009, between PEPKH, and Amon and Talia.
2. PEPKH, and Amon and Talia had amended the Agreements for the Sale of Electricity (Power Purchase Agreements) generated by the wind farms of Amon and Talia, respectively, entered into with PEPKH on December 23, 2009, in such a way that it had been agreed that the performance thereof would be renewed for a period of 10 years, running from June 1, 2025, to May 31, 2035, and the new price at which electricity would be purchased, as agreed by PEPKH, and Amon and Talia, would not be subject to change throughout the terms of the performance of these agreements.
3. PEPKH has paid a one off compensation to Amon and Talia in the total amount of PLN 15 million.
4. There will be an end to all of the court litigations currently pending, stemming from both Amon and Talia's legal actions brought against PEPKH, as well as from PEPKH's legal actions brought against Amon and Talia - after the settlement agreement had been signed, the legal actions brought against PEPKH were withdrawn by Amon and Talia, including a waiver of the claims under the cases pending in front of the District Court in Gdansk, under the case file ref. no. IX GC 449/15, IX GC 451/15 and IX GC 774/19, as well as PEPKH withdrew the counterclaim brought against Amon in front of the District Court in Gdańsk under the case file ref. no. IX GC 744/19 and the legal action brought against Talia in front of the District Court in Warsaw under the case file ref. no. XX GC 1057/24, in both cases including a waiver of the claims under these pending lawsuits. In addition, PEPKH withdrew its cassation complaints in the cases pending in front of the Supreme Court under the case file ref. no. II CSKP 874/23 and II CSKP 178/23.

In addition, as part of the settlement agreement's documentation, an agreement was reached between TAURON, PEPKH, and Amon and Talia, with respect to TAURON's entry in place of PEPKH as the buyer in the Agreements for the Sale of Electricity (Power Purchase Agreements) generated by the renewable energy sources – the wind farm in Łukaszów and the wind farm in Modlikowice dated December 23, 2009, which also includes a settlement agreement between TAURON, and Amon and Talia. As a result of the agreement and the settlement reached:

| Item and description of the event |
|-----------------------------------|
|-----------------------------------|

- | |
|---|
| <ol style="list-style-type: none">1. TAURON has taken over, in place of PEPKH, the rights and obligations of the buyer under the above mentioned Agreements for the Sale of Electricity (Power Purchase Agreements), which TAURON, and Amon and Talia will be performing for the period of time and under the terms and conditions as indicated in item 2 above;2. Amon and Talia have withdrawn their lawsuits brought against TAURON, including a waiver of the claims brought in front of the District Court in Katowice (currently the case file ref. no. XIII GC 164/25). As a consequence, there will be an end to the court litigation under the case file ref. no. XIII GC 164/25. |
|---|

In addition, the parties have waived, with respect to each other, all of the claims and rights they have or could have been due with respect to a non-performance or an improper performance of the Agreements for the Sale of the Property Rights and the Agreements for the Sale of Electricity (Power Purchase Agreements) by either party, as well as any tort claims related to such a non-performance or an improper performance of such Agreements, and this waiver is intended, as assumed by the parties, to include both the claims covered by the court litigations to date, as well as any further claims, if any, not covered by such court litigations, and which would be relating to the period of time expired until the moment the settlement agreements were concluded.

As a result of the conclusion of the settlement agreements and the resumption of the performance of the Agreements for the Sale of Electricity (Power Purchase Agreements), the parties anticipate the sales of a total volume of electricity generated by the Amon and Talia wind farms in the to come in at an estimated volume of approximately 1.2 TWh over the 10 year term of the Agreements for the Sale of Electricity (Power Purchase Agreements), while the value of the Agreements for the Sale of Electricity (Power Purchase Agreements) over the 10 year term of the performance thereof, determined as the product of multiplying the volume of electricity sold and the rate (price) specified in these Agreements, will clock in at an estimated total of approximately PLN 500 million over the entire effective term of the Agreements.

TAURON had disclosed the information on the above events, in reference to current reports no. 7/2015 of March 19, 2015, no. 21/2018 of June 18, 2018, no. 26/2019 of July 25, 2019, no. 33/2019 of September 2, 2019, no. 6/2020 of March 6, 2020, no. 40/2020 of September 8, 2020, no. 49/2021 of December 20, 2021, no. 44/2022 of November 17, 2022, no. 20/2023 of March 31, 2023, and no 50/2023 of December 28, 2023, in current reports no. 13/2025 of April 2, 2025, and no. 15/2025 of April 28, 2025.

2. BUSINESS AND REGULATORY ENVIRONMENT OF TAURON GROUP

2.1. Factors and non-typical (one off) events that have a significant impact on the abbreviated consolidated financial statements of TAURON Capital Group

Internal factors

Table no. 9 Internal factors impacting the operations and the earnings of the Company and TAURON Capital Group in the first quarter of 2025

| # | Description of the factor |
|----|--|
| 1. | decisions with respect to the implementation of the key investment projects and the activities with respect to searching for the new energy generation sources projects, |
| 2. | loyalty building measures aimed at retaining of the existing customers and the marketing activities aimed at acquiring of the new customers, |
| 3. | TAURON Group's centralized financial management area, supported by the use of such tools as: the corporate model of financing, the financial liquidity (cash flow) management policy using the <i>cash pool</i> mechanism, the risk management policy in the financial area, insurance policy, |
| 4. | activities of the Tax Capital Group aimed, first and foremost, at optimizing the implementation of the corporate income tax settlement obligations by the key subsidiaries of TAURON Capital Group, |
| 5. | failures of TAURON Capital Group's equipment, installations and grids (networks) |
| 6. | expectations with regard to an increase of the compensation (wages) at TAURON Capital Group, |
| 7. | implementation of the wind farm and photovoltaic construction projects with a total capacity of 378,2 MW, |
| 8. | implementation of TAURON Group's Strategy for the years 2025 - 2035, adopted in 2024. |

The detailed information related to the impact and the assessment of the above mentioned factors on the financial result achieved in the first quarter of 2025 is provided in section 3 of this information. The effects of such an impact are visible both in the short term, as well as in the long term outlook.

External factors

The operations and the earnings of TAURON and TAURON Capital Group had been impacted by the following external factors in the first quarter of 2025:

1. macroeconomic environment,
2. market environment,
3. regulatory environment,
4. competitive environment.

Macroeconomic environment

TAURON Capital Group's core business operations are conducted on the Polish market and the changes taking place in this market have an impact on the functioning of the Group. The macroeconomic situation is a material factor impacting the earnings generated by TAURON Capital Group.

According to the quick estimate published by Statistics Poland (GUS) in the first quarter of 2025 Poland's gross domestic product (GDP) without seasonal adjustment increased in real terms by 3.2% y/y vs. 2.2% increase in the comparable period of 2024.

In the first quarter of 2025 the seasonally adjusted (in fixed prices related to the year 2020) GDP in real terms increased by 0.7% as compared to the previous quarter and was higher by 3.8% than a year ago.

According to GUS announcement the average consumer goods and services price index in the first quarter of 2025 clocked in at 101.4% as compared to the fourth quarter of 2024 (price increase by 1.4%).

The situation on the labor market continues to remain stable. According to the data published by Statistics Poland (GUS), the registered unemployment rate had, as of the end of March 2025, had stood at approximately 5.3%.

The above data for the first quarter of 2025 show acceleration of economic growth, which confirms good standing of the country in the reported period and puts Poland in a favorable position in the region compared to other countries of the European Union. The GDP outperforms earlier forecasts and announces sustainability of the positive trend after the previous slowdown which means growing investments and stable domestic demand. On the other hand, inflation decelerated thanks to, among other things, the effects of last year's high base and global drop of fuel prices.

Market environment

Electricity

Table no. 10 Volumes of electricity consumption, production and imports in Poland, as well as the average electricity prices on the SPOT market, both in Poland, as well as in the neighboring countries in the first quarter of 2025 and in the first quarter of 2024

| Volume | Unit | Q1 2025 | Q1 2024 | Increase / Decrease |
|--|----------------------|---------|---------|---------------------|
| 1. Electricity consumption | GWh | 44 455 | 45 270 | -815 (-1.8%) |
| 2. Electricity production by the domestic power plants | GWh | 45 797 | 43 906 | 1 891 (+4.3%) |
| 3. Electricity production by the power plants fired with: | | | | |
| 1) hard coal ¹ | GWh | 20 471 | 19 202 | 1 269 (+6.6%) |
| 2) lignite | GWh | 9 914 | 8 799 | 1 115 (+12.7%) |
| 3) gas fuel | GWh | 5 038 | 4 619 | 419 (+9.1%) |
| 4. Electricity production by the wind farms | GWh | 6 649 | 7 955 | -1 306 (-16.4%) |
| 5. Electricity production by solar and other renewable sources | GWh | 3 079 | 2 154 | 925 (+42.9%) |
| 6. Cross-border (inter-system) exchange balance ² | GWh | -1 342 | 1 364 | -2 706 (-198.4%) |
| 7. Average electricity price on the SPOT market in: | | | | |
| 1) Poland | PLN/MWh | 483.69 | 355.58 | 128.11 (36.0%) |
| | EUR/MWh ³ | 115.09 | 82.01 | 33.08 (40.3%) |
| 2) the neighboring countries (on the example of Germany) | EUR/MWh ³ | 111.94 | 67.67 | 44.27 (65.4%) |

¹ Including the industrial power plants.

² A positive value of the balance denotes the net imports, while a negative value of the balance denotes the net exports.

³ The prices in EUR / MWh are converted according to the NBP's average exchange rate

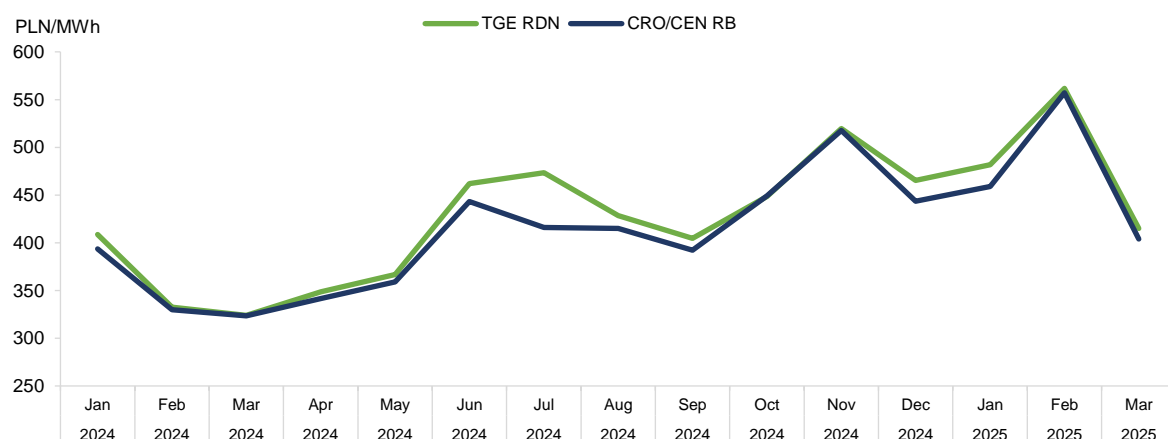
In the first quarter of 2025, the average price of electricity on the SPOT market on the Polish Power Exchange (POLPX) had gone up significantly as compared to the same period in 2024. The average wholesale electricity price on the Day Ahead Market (RDN) of the Polish Power Exchange (POLPX) had clocked in at 483.69 PLN/MWh, which had meant an increase by 128.11 PLN/MWh (36.0%). On the other hand, the average settlement (clearing) price on the Balancing Market (RB) had come in at 470.51 PLN/MWh, posting an increase by 121.05 PLN/MWh (34.6%), as compared to the first quarter of 2024.

The rise of the prices in the first quarter of 2025 had been due to, among other things: the low price base in the first quarter of 2024, the higher price volatility on the balancing market following the introduction of the changes to the rules of the functioning thereof (in the Balancing Terms and Conditions), the lower generation from the wind power sources and the lower temperatures in February. A wider spread of the SPOT prices had also been observed, which had been a reflection of the rapid changes in the energy supply structure (mix).

According to the data from PSE (TSO), in the first quarter of 2024, the domestic electricity consumption from the power grid had gone down by 1.8%, as compared to the first quarter of last year. The lower level of the demand for the electricity had been impacted, first and foremost, by the weather conditions: the higher temperatures in January had brought about a decrease in the demand by 772.0 GWh, while the colder February had brought only a slight increase in the electricity consumption by 114.0 GWh.

In the first quarter of 2025, Poland had been a net exporter of the electricity, mainly due to the higher SPOT prices in Germany, the Czech Republic and in Slovakia, which had been observed in January (the exports in that month had come in at 931 GWh), and the exports of the surplus power generated by the renewable energy sources (RES). There has been an increase in the production by the hard coal fired power plants in the first quarter of this year, as compared to the same period in 2024. The lignite fired power plants have also increased their generation output, which has been a consequence of the need to maintain an adequate level of the spinning reserve in the National Power System (NPS) and the lower variable costs of the generation. The production by the gas fired power generation sources has also gone up, mainly due to the commissioning of the new Gryfino B09 and B10 gas fired units last year.

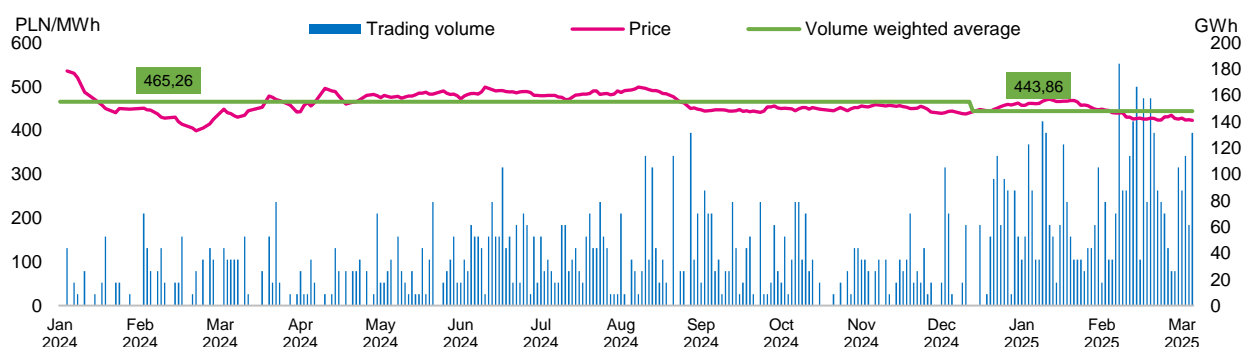
Figure no. 2 Average monthly electricity prices on the SPOT and RB markets in 2024 and in the first quarter of 2025



The price of the benchmark base load contract with the delivery in 2026 (BASE_Y-26) had been in a clear downward trend on the Polish electricity market in the first quarter of 2025. The highest clearing (settlement) price, at 470.93 PLN/MWh, had been recorded on January 31, 2025, while the lowest, at 422.39 PLN/MWh, had been observed on the last day of the first quarter. The price drop had been a consequence of the situation on the related markets, mainly the lower prices of the CO₂ emission allowances and the natural gas in Europe. The trading volume of the BASE_Y-26 contract on the POLPX (TGE) had fallen by 44.0% as compared to the trading volume of the contract with the delivery in 2025 in the first quarter of 2024.

The volume weighted average price for the Daily Settlement Price (Dzienny Kurs Rozliczeniowy - DKR) of the BASE_Y-26 contract recorded in the first quarter of 2025 had come in at 443.86 PLN/MWh, which had meant a decline by 3.90 PLN/MWh (0.9%), as compared to the same period of 2024. In the case of the PEAK_Y-26 contract, the volume weighted average price for the DKR prices had clocked in at PLN 487.69 PLN/MWh in the first quarter of 2025. No transactions had been concluded for this contract in 2024.

Figure no. 3 BASE_Y-26 contract trading volume in 2024 and in the first quarter of 2025



Hard coal

The average price of the continued one year hard coal contract at the ARA ports had come in at 4.30 USD/GJ in the first quarter of 2024 and it had been higher by 0.30 USD/GJ as compared to the average price of such a contract in the first quarter of 2024 (an increase by 7.5%). On the other hand, the average value of the PSCMI1 index had clocked in at 16.65 PLN/GJ in the first quarter of 2025, and it had been lower than the value of this index in the first quarter of 2024 by 6.23 PLN/GJ (a decline by 27.2%).

The first quarter of 2025 on the European hard coal market had begun after a period of the strong price declines observed at the end of 2024. The quarter itself had been characterized by a considerable volatility of the prices, with no clear trend. The prices at the ARA ports had been fluctuating - after a decline at the beginning of January (4.08 USD/GJ), there had been a rebound and a local peak had been reached in late January and early February (4.70 USD/GJ), after which the market had again begun a downward trend lasting until mid-March, only to end the quarter with another rebound (on the last day of March the price had stood at 4.47 USD/GJ).

The high volatility had been due to several key factors. On the one hand, the supply pressure had been generated by the significant hard coal stockpiles in Europe, while the demand had been constrained by a mild winter and a growing RES generation. On the other hand, the market had been impacted by a continued geopolitical uncertainty, fueled by the ongoing war in Ukraine, the instability in the Middle East, as well as the beginning of Donald Trump's new presidency in the US and the questions with respect to that country's future energy and foreign policy.

Natural gas

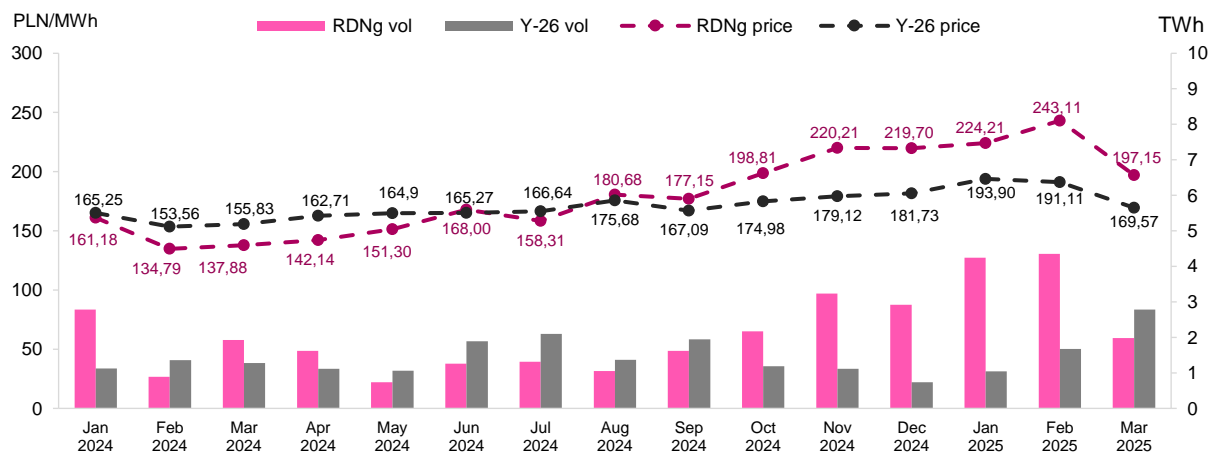
The volume weighted average price of gas on the Day Ahead Market (RDNg) on the Polish Power Exchange (TGE) had stood at 226.91 PLN/MWh in the first quarter of 2025 and it had been higher by 77.93 PLN/MWh than in the first quarter of 2024. The lowest price of the contract on the Day Ahead Market (RDNg) market had been recorded in March 2025, while the highest price had been logged in February 2025, when the volume weighted average monthly prices had come in at 197.15 PLN/MWh and at 243.11 PLN/MWh, respectively.

The volume weighted average gas price of the benchmark GAS_BASE_Y-26 one year contract had clocked in at 180.73 PLN/MWh in the first quarter of 2025. The lowest price of this contract had been reported in March 2025, while the highest price had been logged in February 2025, when they had come in at 163.58 PLN/MWh and at 214.86 PLN/MWh, respectively.

The aggregate trading volume on the Polish Power Exchange (TGE) had clocked in at approx. 39.0 TWh in the first quarter of 2025, as compared to approx. 34.0 TWh in the first quarter of 2024 (an increase by 14.7%). The futures market had the largest share in the overall gas trading in the first quarter of 2025, with a volume generated at the level of approx. 27.0 TWh. On the SPOT market, the total trading volume of the contracts on the Day Ahead Market (RDNg) market had come in at approx. 10.6 TWh.

In the first quarter of 2025, the prices in the European natural gas hubs had continued an upward trend that had started in February 2024. In the first half of the period under review, the main factors sustaining the price increase had been: the stoppage of the Russian gas supplies through the Ukrainian territory at the beginning of 2025, an increased demand for the blue fuel in the Northern and Western European countries due to the temperatures close to the 10 year seasonal norms, and the concern over the very low levels of the filling of the gas storage facilities in the EU for this time of year. In February 2025, the price of the monthly continued gas contract at the TTF hub had risen above 56 EUR/MWh, reaching the level not seen since October 2023. In mid-February 2025, the European natural gas market had been materially impacted by the reports that the EC had been considering changes to the regulation on the minimum filling level of the gas storage facilities in the EU, which had been 90% as of November 1 every year. The above mentioned factor, combined with the stable gas supplies from the Norwegian Continental Shelf, the very large imports of LNG to Europe, as well as news of the US having imposed the import tariffs on the selected countries, as well as President Donald Trump's attempts to resolve the Russian - Ukrainian conflict, had brought about the significant declines on the European natural gas market in the second half of the period under review.

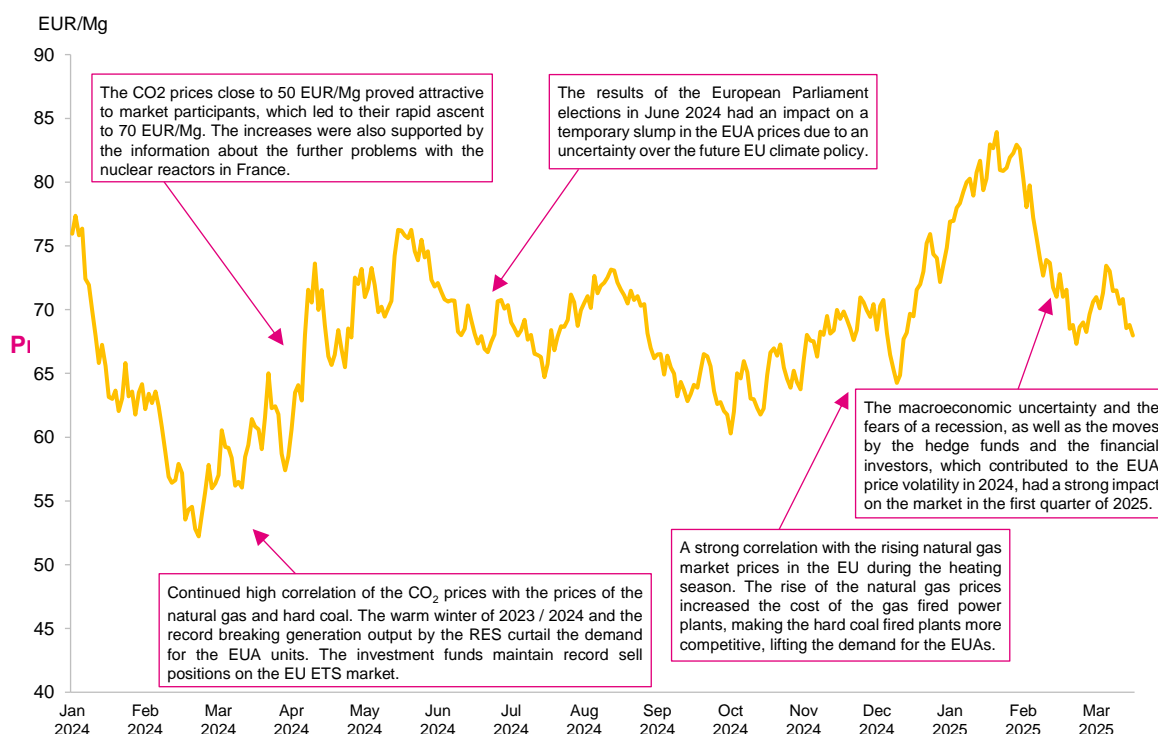
Figure no. 4 Average monthly SPOT market and BASE_Y-26 contract gas prices on TGE (PPX) in 2024 and in the first quarter of 2025



CO₂ emission allowances

The settlement (clearing) prices for the CO₂ emission allowances for the benchmark futures contract with the delivery in December 2025 (EUA DEC-25) on the ICE Endex exchange had been fluctuating within the range between 67.32 EUR/Mg and 83.93 EUR/Mg in the first quarter of 2025. The average clearing price had come in at 75.17 EUR/Mg in the first quarter of 2025, and it had been higher by 13.49 EUR/Mg, as compared to the average price of the corresponding contract logged in the first quarter of 2024 (an increase by 21.9%). The main reason behind the markedly higher CO₂ prices had been the observed strong positive correlation with the natural gas market, which had a material impact on the performance of the EUA DEC-25 contract. In the 2024/2025 winter season, the lower temperatures and the lower generation output by the wind power sources, as compared to the previous 2023/2024 winter season, had been an important factor, similar to the situation on the gas market. The higher gas fuel prices had encouraged a greater use of the hard coal and had led to an increased demand for the EUA units. The situation on the EU ETS market had changed in the late January and early February 2025. The main factor behind it had been the change of the US president, which had brought about a strong rise of the geopolitical and macroeconomic uncertainty. This had contributed to a drop of the prices on the financial markets and on the market for the CO₂ emission allowances.

Figure no. 5 Impact of the political actions and the environment (stakeholders) on the EUA DEC product price performance in 2024 and in the first quarter of 2025



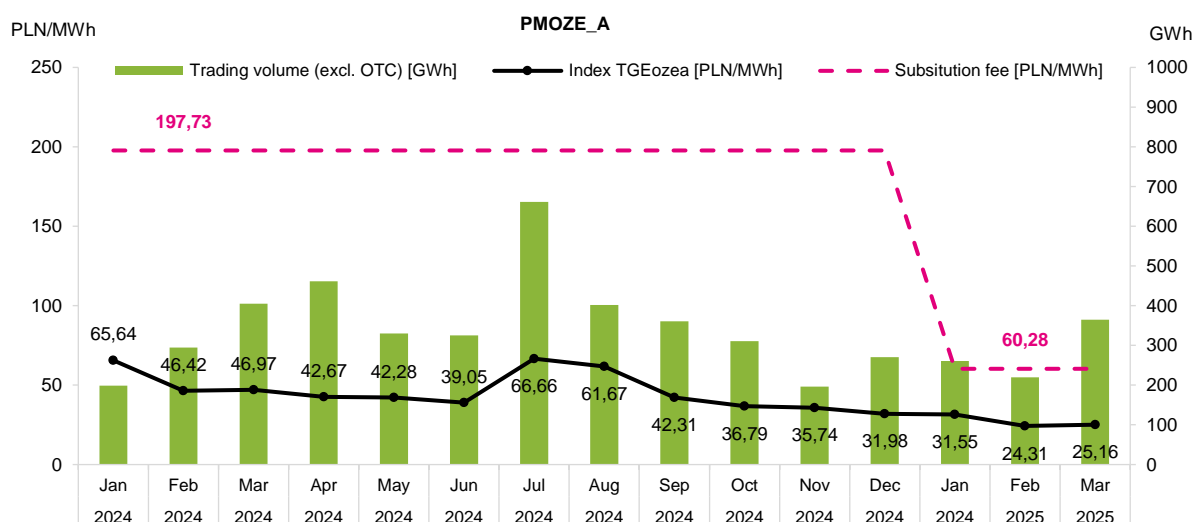
The prices on the green certificates market had seen a decline in the first quarter of 2025, as compared to the first quarter of 2024. The decrease had been due to the low obligation level set at 2024 (5%), which had increased the cumulative surplus of the certificate balance, that had been continuing also into 2025. The TGEozea index had reached its maximum price in January 2025, which had been at the level of 34.35 PLN/MWh, while the minimum price for the above mentioned index had been recorded in March 2025, at the level of 20.08 PLN/MWh. The weighted average price of PMOZE_A had come in at 26.91 PLN/MWh in the first quarter of 2025 and it had been lower by 47.1% as compared to the weighted average price in the first quarter of 2024 (a decrease by 24.01 PLN/MWh).

The balance of the PMOZE_A register, as of the end of March 2025, had reached a surplus of 23.0 TWh. Taking into account the certificates that are blocked for the redemption, this balance had come in at 21.6 TWh (an increase by 72.3%). The substitution fee set for 2025 had clocked in at the level of 60.28 PLN/MWh, while the obligation to present the green certificates for the redemption in 2025 had gone up by 3.5 pp as compared to 2024 and, in accordance with the *Regulation of the Minister of Climate and Environment of August 30, 2024, on changing the quantitative share of the total of electricity resulting from the redeemed guarantees of origin of energy (energy certificates) confirming the production of electricity from the renewable energy sources in 2025*, it stands at 8.5%.

The prices of the certificates confirming the generation of electricity from the agricultural biogas PMOZE-BIO (blue certificates), for which the level of the obligation in 2025 stands at 0.5%, had invariably been stable. The TGEozebio index had been trading close to the substitution fee, which had stood at 300.03 PLN/MWh in 2025. The weighted average price of the TGEozebio index had come in at 300.46 PLN/MWh in the first quarter of 2025, with the balance of the PMOZE-BIO register, as of the end of March 2025, standing at the level of 395.9 GWh. Taking into account the certificates blocked for the redemption, this balance had dropped to the level of 353.7 GWh (an increase by 3.5%, as compared to the first quarter of 2024).

The prices of the PMEF_F white certificates had been fluctuating in 2025 between the minimum level of 2 285.67 PLN/toe, reached in January 2025, and the maximum price, reached in March 2025, standing at the level of 2 348.38 PLN/toe. The weighted average price had come in at 2 332.21 PLN/toe in the first quarter of 2025, and it had been higher by 8.9%, as compared to the first quarter of 2024. On average, the prices had been clocking in at 5.2% above the substitution fee set at the level of 2 216.18 PLN/toe for 2025. The trading volume had been higher by 20.2% as compared to that in the first quarter of 2024, and it had come in at 31 014 toe in the first quarter of 2025.

Figure no. 6 Property rights (green certificates) index in 2024 and in the first quarter of 2025



Regulatory environment

TAURON Capital Group is monitoring the changes and taking actions in the regulatory area, both on the national, as well as on the European Union (EU) level, which may have a direct or indirect impact on TAURON Capital Group.

Table no. 11 The most important changes and initiatives in the regulatory environment of TAURON Capital Group with respect to the EU legislation in the first quarter of 2025

| Name and description of the regulation | Status as of March 31, 2025 | Impact on TAURON Capital Group |
|--|---|--|
| 2040 climate target | | |
| <p>On February 6, 2024, the European Commission (EC) published the communication containing a proposal for an EU - wide climate target for 2040, set at the level of a 90% reduction in the greenhouse gas emissions as compared to 1990. The communication does not establish a new target, and it is not a legislative initiative. The legal basis for the initiative is Article 4, clause 3 of the European Climate Law. The 2040 target will be an intermediate target for achieving the EU's climate neutrality in 2050.</p> <p>In the EC's proposed scenario, the energy sector emissions approach zero in 2040. The use of the zero- and low - carbon sources is envisioned, including the RES, the nuclear power, the energy efficiency, the energy storage, the CCS and CCU technologies. The electricity generated by the renewable sources, along with the nuclear power, are expected to satisfy more than 90% of the EU's electricity consumption in 2040. The remaining 10% is to be offset by the negative emissions or the low - carbon solutions using the CCS technology.</p> | <p>Adoption of the EC Communication.</p> <p>It is planned that the work on the 2040 target will be continued in 2025. It is indicated that the EC is planning to present the draft legislative changes in the first half of 2025.</p> | <p>The adoption of the communication launches the debate on the 2040 climate targets at the EU level. An intermediate target for 2040 should be expected to be set, which may entail a tightening of the EU climate and energy regulations - the revisions to the ETS, RED, EED, EPBD directives are possible. Among other things, the gradual phasing out of the fossil fuels is expected, as well as a greater support and facilitation for the RES investment projects, a greater use of the RES, the nuclear power as well as the expansion of the energy storage facilities and the power grids is anticipated.</p> |
| Clean Industrial State Aid Framework (CISAF) draft | | |
| <p>The EC has submitted for consultation a draft of a new state aid framework, CISAF, in support of the Clean Industrial Deal targets. The EC, based on the experience of the TCTF, is proposing to modify the standard requirements in order to speed up the notification process for the certain aid funds.</p> <p>With respect to the energy sector directly, the CISAF draft provides for, among other things: investment aid in order to accelerate the deployment of the renewable energy and energy storage in the form of the aid programs; operational aid for the renewable electricity in the form of the bilateral contracts for difference; the support schemes for the non-fossil fuel related flexibility (for example, energy storage facilities, DSR); simplified aid for the generation capacity mechanisms, the combined compliance with which is expected to ensure a prompt notification (a notification under the CEEAG guidelines would still be possible if these requirements are not complied with).</p> <p>In addition, the CISAF draft includes, among other things, the aid for the decarbonization of the manufacturing industry, or the aid aimed at ensuring of the adequate production capacity of the so-called clean technologies (batteries, solar panels, wind turbines, heat pumps, electrolyzers, CCUS). It is assumed that CISAF could come into effect as of January 1, 2026, and it would be applied for a period of five years.</p> | <p>The consultation period from March 11 to April 25, 2025.</p> | <p>The new state aid framework will provide an alternative basis for the notification of the aid funds. The CISAF draft provides for the significant simplifications in the rules for the evaluation of the notified aid programs by the EC. As a result, the state aid could be triggered more quickly and the conditions for the granting thereof could be simpler in certain categories than for the aid notified under CEEAG.</p> |


| Name and description of the regulation | Status as of March 31, 2025 | Impact on TAURON Capital Group |
|--|---|--|
| EC Communications: The Clean Industrial Deal – a joint roadmap to competitiveness and decarbonization (CID) oraz Action Plan for Affordable Energy (APAE) | | |
| <p>The EC has published the CID and an accompanying document to the APAE. The CID is intended to enhance the competitiveness of the EU manufacturing industry and to accelerate its transition to the climate neutrality, while maintaining the EU's climate goals. The EC is maintaining its previous climate commitments (the CID reaffirms the EC's planned 2040 greenhouse gas emissions reduction target of 90%, as compared to the 1990 levels).</p> <p>The CID is a plan that sets out the short- and the medium term actions. Among other things, the CID envisions increasing the demand for the "clean" products by taking into account of the non-price criteria in the public procurement processes. In addition, the EC is intending to mobilize more than EUR 100 billion in order to provide the support for the clean production in the EU through, among other things: a new framework for the state aid (CISAF) or the strengthening of the Innovation Fund and the setting up of an Industrial Decarbonization Bank.</p> <p>The APAE, which includes the short term measures in order to lower the energy costs, finalize the energy union, attract investment and prepare for the energy crises (the 4 pillars of the APAE) has been published along with the CID.</p> | <p>Publication of the EC communications on February 26, 2025.</p> <p>The implementation of the actions specified in the communications.</p> | <p>Possible changes in the EU law that may have an impact on TAURON Group's business operations.</p> <p>Easing access to the state aid for the projects related to the renewable energy sources, the industrial decarbonization and the clean technologies - a new framework for the state aid, CISAF – a simplified and faster approval of the support mechanisms.</p> |
| EC Communication: The road to the next multiannual financial framework (MFF) | | |
| <p>The communication has presented the assumptions for a new approach to the EU budget. According to the EC, this approach should include:</p> <ol style="list-style-type: none"> 1. a plan for each Member State containing the key reforms and investment projects, and focusing on the common priorities, including the promotion of an economic, social and territorial integrity; 2. the European Competitiveness Fund establishing the investment capacity that will support the strategic sectors and technologies that are key to the EU's competitiveness, such as the scientific research and innovation, as well as the important projects of common European interest; 3. the revised rules for the financing of the external activities in order to make it more effective and targeted, and more aligned with the EU's strategic interests. <p>The communication has pointed out that financing of the green, digital and social transformation will require maximizing of the public investments and mobilizing of the private capital. It has further been stressed that the investments aimed at achieving of the EU's decarbonization targets and removing of the barriers to the setting up of an energy union are an opportunity for Europe to lower the electricity prices, improve the energy security and take the lead in the clean technologies.</p> | <p>Publication of the EC Communication on February 11, 2025.</p> <p>The communication is a prelude to the further efforts aimed at preparing of the new EU budget. The Commission has stated that it will present a draft of the next multiannual financial framework in July 2025.</p> | <p>The activities in this area are important from the perspective of TAURON Group subsidiaries' ability to apply for the support from the EU funds in the future financial plan (perspective).</p> |
| Fit for 55 | | |
| <p>The <i>Fit for 55</i> package is aimed at achieving the target of reducing of the greenhouse gas emissions by at least 55% by 2030. It includes, among other things, a revision of the directives with respect to: the promotion of the use of the energy coming from the renewable sources (REDIII), the energy efficiency (EED), the European Union's Emissions Trading System (EU ETS), the energy performance of buildings (EPBD), the introduction of a price adjustment mechanism at the borders taking into account the CO₂ emissions (Carbon Border Adjustment Mechanism - CBAM) and the amendment to the Energy Taxation Directive (ETD). In 2024, the majority of the legislative acts included in the <i>Fit for 55</i> package had been finalized (except for the ETD).</p> | <p>The work on the ETD directive is under way.</p> <p>The legal acts published in the Official Journal of the EU (CBAM, ETS, REDIII, EED, EPBD).</p> | <p>The <i>Fit for 55</i> package will contribute to the development of the low emission (low carbon) technologies, first and foremost the renewable energy sources.</p> <p>The regulations that are a part of the package will introduce a number of the new material requirements and changes in the market and in the regulatory environment for TAURON Capital Group's subsidiaries, including, among other things, the raising of the target with respect to the share of the energy coming from the renewable sources under the REDIII Directive, the raising of the emissions reduction target in the EU ETS Directive, the increasing of the energy efficiency in the EED directive, or the significant curtailing of the levels of the emissions generated by the buildings in the EPBD directive.</p> |




| Name and description of the regulation | Status as of March 31, 2025 | Impact on TAURON Capital Group |
|--|---|--|
| <i>Regulation on the establishment of a framework of measures to shore up the European ecosystem for the production of the carbon neutral technology products (carbon neutral industry act; Net - Zero Industry Act - NZIA) and the executive regulation</i> | | |
| <p>The NZIA regulation that has focused on the establishing of the conditions to increase the production capacity of the carbon neutral technologies in the EU in order to contribute to the achieving of the EU's climate goals and the climate neutrality target had come into force in June 2025. The regulation introduces, among other things, a list of the carbon neutral technologies and the shorter lead times for the issuing of the permits for the construction or the expansion of the production projects (including for the grid connection). The regulation is also of the material importance for the shape of the future RES generated electricity auction model, including with respect to the use of the non-price criteria in the auctions in order to develop the value chains in the EU - the executive act.</p> <p>The draft executive regulation had been published by the EC for the consultation on January 23, 2025 (the end of the consultation period on February 20, 2025). The draft sets out the criteria for the pre-qualification and awarding of the contracts for the auctions related to the use of the electricity coming from the renewable energy sources. Its goal is to ensure that the application of the non-price criteria is unified across all of the EU countries.</p> | <p>The adoption of the executive regulation on the non-price criteria in the renewable energy auctions is planned for 2025.</p> | <p>The NZIA regulation may introduce a number of the material changes in the market environment and in the regulatory environment of TAURON Group aimed at increasing the production capabilities with respect to the green technology on the territory of the EU.</p> <p>The NZIA regulation and the executive act will may have a material impact on the trajectory of the RES auctions (in particular, in terms of the additional, non-price criteria). The introduction of the non-price auction criteria for the RES could translate into the way the bids are formulated and the costs of implementing of the projects covered by this type of the support scheme. In addition, the non-price criteria would have a greater importance in the implementation of the contracts under way.</p> |

Omnibus Simplification Package

| | | |
|---|--|---|
| <p>The goal of the package is to simplify the EU regulations with respect to the reporting, increase the competitiveness and unlock the investment capacity of the companies. The EC is seeking to reduce the administrative burden (overhead) by 25% (35% for the SMEs) by the end of the current mandate. The main areas of the simplification are indicated below.</p> <p>Sustainability Reporting (CSRD, EU Taxonomy):</p> <ol style="list-style-type: none"> 1. Extending of the CSRD to apply to the companies with a headcount of more than 1 000 employees and more than EUR 50 million in turnover or more than EUR 25 million in the balance sheet assets total (this will result in the exclusion of approximately 80% of the companies from the CSRD, and, as a consequence, a concentration of the reporting on the largest companies). 2. Postponement of the reporting requirements for the wave 2 and wave 3 companies by 2 years (until 2028). 3. Reduction of the taxonomy obligations. <p>Due diligence (CSDDD):</p> <ol style="list-style-type: none"> 1. Reduction of the scope of the required risk assessment, mainly restricting it to the direct business partners. 2. Reduction of the frequency of the periodic assessments and the monitoring of the partners from every year to every 5 years, with the possibility of the ad hoc assessments if needed. 3. Postponement of the application of the obligations for the largest companies until 2028 <p>The legislative proposals will go to the European Parliament and the Council. The amendments will enter into force once the agreement has been reached and they have been published in the Official Journal of the EU. The EC is urging that the package, especially with respect to the CSRD and the CSDD, should be reviewed on a priority basis.</p> | <p>The drafts included in the Omnibus package had been published by the EC on February 26, 2025. The work on the individual drafts is under way.</p> | <p>The postponement of the reporting requirements (CSDD) by 2 years (until 2028).</p> <p>As it stands, the proposed regulations introduce the simplifications, in particular, for the smaller entities, leaving the scope of the reporting for the large entities at a similar level.</p> |
|---|--|---|

Table no. 12 The most important changes in the national regulatory environment of TAURON Capital Group in the first quarter of 2025 with respect to the adopted and published legislative acts as well as the ones on which the legislative works are in progress

| Name and description of the regulation | Status as of March 31, 2025 | Impact on TAURON Capital Group | Impact on the Segment |
|--|--|---|---|
| <i>Draft Act on the amendments to the Act on the investments in the wind power plants and certain other acts (UD89)</i> | | | |
| <p>The main proposed amendments to the act on the investments with respect to the wind power plants include the abolition of the general 10H rule and the introduction of a new mutual and minimum distance of the wind power plants:</p> <ol style="list-style-type: none"> 1. 500 m from the residential development and the Natura 2000 areas, 2. 1500 m from the national parks, 3. 1H from the national roads. <p>The draft act also introduces the provisions for the repowering, the unification of the planning process and the detailed clarification of the provisions with respect to the functioning of the mechanism for making at least 10% of the wind power capacity available to the</p> | <p>On March 24, 2025, the draft act had been submitted to the Parliament</p> <p>On April 23, 2025, after the first reading, a subcommittee was appointed to review the draft act (an event that took place after the balance sheet date)</p> | <p>The proposed changes may increase the opportunities for the investments in the new RES capacity, which will contribute to the decarbonization of TAURON Group's generation capacity.</p> |  |

| Name and description of the regulation | Status as of March 31, 2025 | Impact on TAURON Capital Group | Impact on the Segment |
|---|--|--|---|
| interested residents that are using the electricity generated under the virtual prosumer formula. | | | |
| Draft Act on the Amendments to the Act - Energy Law and Certain Other Acts (UC84) | | | |
| <p>The draft act brings the country's regulations into line with the requirements of:</p> <ol style="list-style-type: none"> 1. Directive 2024/1711 of the European Parliament and of the Council of June 13, 2024, amending Directives (EU) 2018/2001 and (EU) 2019/944 with regard to improving the structure of the EU electricity market, and 2. Regulation (EU) 2024/1106 (REMIT) of the European Parliament and of the Council of April 11, 2024, amending Regulations (EU) No. 1227/2011 and (EU) 2019/942 with regard to improving the protection of the Union against manipulation on the wholesale energy market. <p>The draft act also introduces the provisions with respect to the reforming of the process related to connecting to the electricity grid, including, among other things, the reducing of the validity period of grid connection conditions to one year, the increasing of the amount of the advance payments on the account of the grid connection fees, the specifying of a deadline for the confirming of the completeness of an application, the introducing of the milestones in the grid connection agreements, the auctions for the released grid connection capacity.</p> | <p>On March 24, 2025, the draft act had been submitted for the coordination process among the ministries, feedback collection activities and the public consultation.</p> | <p>The proposed changes will have an impact on the Distribution, Supply, RES and Heat segments, among other things, in terms of the proposed reform of the power grid connections and the proposed changes to the electricity supply contracts.</p> |  |
| Draft act on the amendments to certain acts in connection with the introduction of the Central Energy Market Information System (CSIRE) (UD188) | | | |
| <p>The purpose of the draft act is to introduce an amendment clarifying the deadlines for the energy market participants to start implementing of the tasks through the Central Energy Market Information System (hereinafter referred to as "CSIRE"), along with the necessary changes in order to maintain the consistency of the legal regulations.</p> <p>Among other things, the draft act provides for the phased implementation of the CSIRE system and the changes related to the introduction and operation of the so-called virtual prosumer.</p> | <p>On March 19, 2025, the draft act had been submitted for the consultation</p> <p>On April 30, 2025, the draft act had been submitted to the Parliament (an event that took place after the balance sheet date)</p> | <p>The proposed changes will make it possible to provide the time for the CSIRE system users necessary to carry out the implementation and commissioning work.</p> |  |
| Act of November 27, 2024, on the amendments to the Act on the extraordinary measures aimed at capping the electricity prices and supporting certain consumers in 2023 and 2024, and certain other acts (Journal of Laws, item 1831) | | | |
| <p>The Act extends the effective term of the maximum electricity price (price cap) until:</p> <ol style="list-style-type: none"> 1. September 30, 2025, for the households at the net amount of 500 PLN/MWh net, 2. March 31, 2025, for the local government units and the county public employment offices at the net amount of 693 PLN/MWh. <p>The Act introduces, among other things, the regulations requiring the energy companies conducting operations in the field of electricity trading for the needs of the eligible consumers, which have an approved and binding electricity tariff for the period from July 1, 2024 to December 31, 2025, or perform the tasks of an ex officio electricity supplier, to submit a petition to the President of the Energy Regulatory Office (ERO) for:</p> <ol style="list-style-type: none"> 1. a change of the electricity tariff for these consumers for the period from July 1, 2024, to December 31, 2025, or 2. an approval of the electricity tariff for the period from July 1, 2025 to December 31, 2025 – in the event that it does not have a tariff approved by the President of the Energy Regulatory Office (ERO) <p>- by the deadline of April 30, 2025 (in the Act of April 23, 2025. On the amendments to the Act on the special solutions for the protection of the electricity consumers in 2023 and in 2024 in connection with the situation on the electricity market (Journal of Laws, item 565), the deadline for submitting of the applications had been extended from April 30 to July 31, 2025, and the deadline for the entry into force of the tariffs had been postponed from July 1 to October 1 – an event that took place after the balance sheet date).</p> <p>The Act specifies in detail the matter of granting of the public aid and the de minimis aid to the SMEs that had been applying the maximum price (price cap) in the second half of 2024. It introduces, among other things, a template for the information that is to be submitted to the electricity suppliers by the eligible consumers</p> | <p>On December 11, 2024, the act had been published in the Journal of Laws</p> <p>The act has entered into force.</p> | <p>The Act has an impact on the settlements with the electricity consumers; the obligation to apply the maximum prices (price caps) and to submit an application for an adjustment of the applicable tariff by the President of the Energy Regulatory Office (ERO).</p> <p>The Act will have an impact on the customer service in connection with the performance of the electricity supplier's obligations in the context of providing the public aid and the de minimis aid (an impact on, among other things, TAURON Sprzedaż sp. z o.o. (Ltd.) and TAURON Sprzedaż GZE sp. z o.o. (Ltd.)).</p> |  |

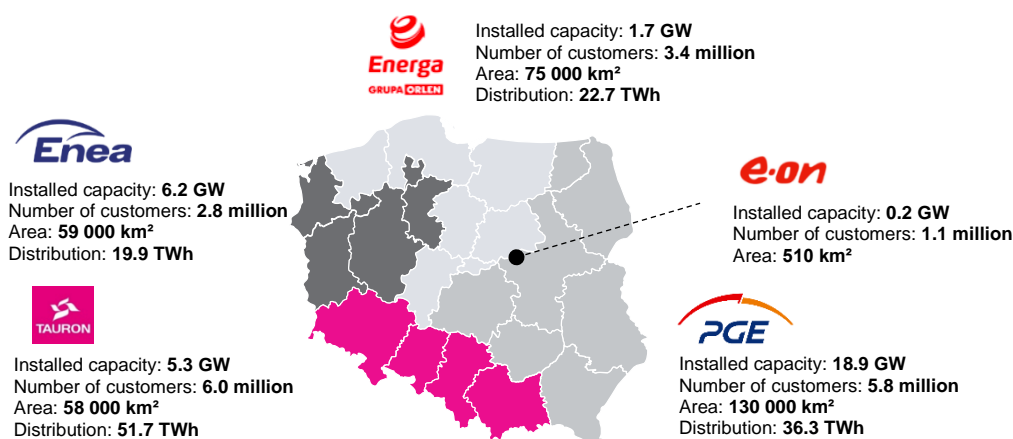
| Name and description of the regulation | Status as of March 31, 2025 | Impact on TAURON Capital Group | Impact on the Segment |
|---|--|---|---|
| Act of January 24, 2025, on the amendments to the Act on the Capacity Market (Journal of Laws, item 159) | | | |
| The changes are related to, among other things, the introduction and the subsequent holding of the supplementary auctions for the second half of 2025 and for the delivery years 2026, 2027 and 2028 (the annual auctions). The act is related to the so-called electricity market reform (the regulations are described in the above section related to the EU legislation). | On 6 February 2025, the act had been published in the Journal of Laws. The act has entered into force. | The changes enable (under the certain conditions), among other things, a participation of the eligible units in the supplementary auctions, which may also include the units that are a part of TAURON Group. |  |
| National Energy and Climate Plan until 2030 (update of the 2019 NECP). | | | |
| In September 2024, the Ministry of Climate and Environment had published a presentation related to the Draft National Energy and Climate Plan to 2030 (NECP), laying out the main assumptions of the document. According to the assumptions of the NECP update, Poland is able to achieve a 50.4% reduction in the greenhouse gas emissions in 2030 as compared to 1990, versus a 30% reduction assumed in the NECP currently in place and a 55% reduction implied by the Fit for 55 package. In accordance with the transition scenarios presented, Poland may achieve a 32.6% RES share in the final gross energy consumption by 2030 in accordance with the WAM scenario (the ambitious transition scenario), and a 29.8% RES share in the final gross energy consumption, in accordance with the WEM scenario (the market and technical conditions driven transition scenario). The draft document update also indicates that the target for the share of the RES in final energy consumption in the heating and cooling areas is to come in at 35.4% in 2030 (in accordance with the WAM scenario). | On October 11, 2024, the draft update of the NECP had been submitted for the public consultation, which ended in mid-November 2024. On February 6, 2025, the draft Environmental Impact Assessment (EIA) had been submitted for the consultation process, which ended on February 28, 2025. | Among other things, the draft act provides for a large increase in the RES installed capacity, and the additional capacity in the nuclear power generation and the gas fired power generation. The detailed assumptions were subject to the public consultation process that TAURON Group took part in. |  |
| Regulation of the Minister of Climate and Environment of March 5, 2025, on the detailed conditions for the granting of the public aid by the National Fund for the Environmental Protection and Water Management (NFOŚiGW) for the investments in the electricity storage and the infrastructure related thereto (Journal of Laws, item 159) | | | |
| The Regulation assumes that the National Fund for the Environmental Protection and Water Management (NFOŚiGW) will provide the public aid from the Modernization Fund for: 1. construction of the independent (autonomous) electricity storage facilities with a power of no less than 2 MW and a capacity of no less than 4 MWh connected to the transmission or distribution lines, regardless of the voltage; 2. construction of a connection to the grid and of the accompanying infrastructure; 3. configuration and adaptation of the energy storage facilities. The aid under the regulation may be granted until December 31, 2025. | On March 7, 2025, the regulation had been published in the Journal of Laws. The regulation has entered into force. | The proposed solution, once it has been implemented, will enable applying for the additional funds for the investments in the development of the energy storage facilities. |  |



Competitive environment

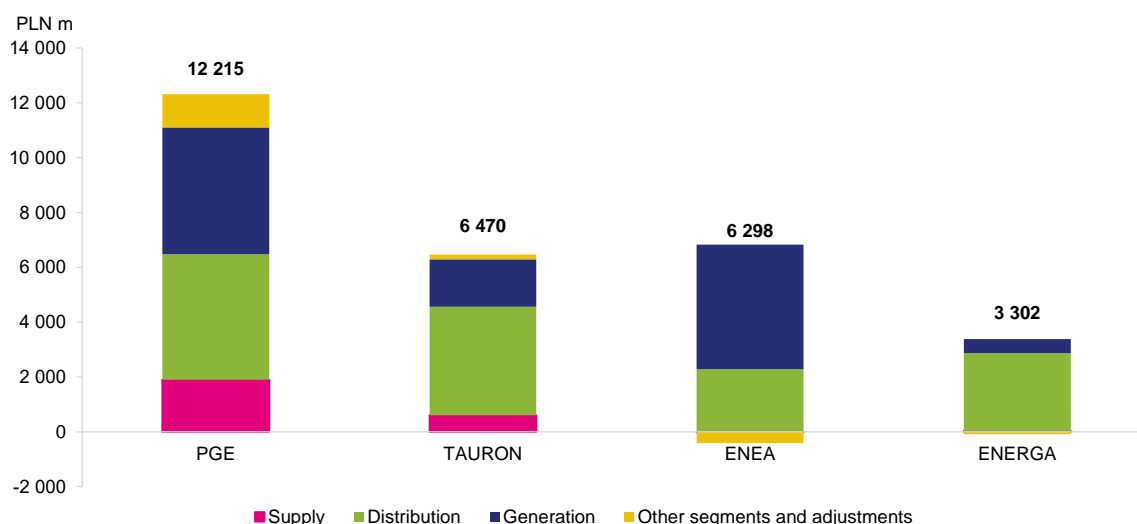
Apart from TAURON Capital Group, three large, vertically integrated energy groups are currently operating on the Polish energy market: PGE, Enea S.A. (Enea) and Energa S.A. (Energa). In addition, the company E.ON Polska S.A. is conducting its operations in the Warsaw metropolitan area, managing Warsaw's power grid.

Figure no. 7 TAURON Capital Group's competitive environment based on the available data for the full year 2024



According to the data for the full year 2024, the consolidated energy groups (PGE, TAURON, Enea, Energa) had held an approximately 58% market share in the electricity generation sub-sector.

Figure no. 8 EBITDA – estimated structure based on the main operating segments in 2024 ¹



¹In order to make the segments presented comparable the Generation Segment includes also Mining, RES and Heat.
Source: Companies' interim reports

Generation



TAURON Capital Group is a key producer of electricity in Poland

TAURON Capital Group's share in the domestic electricity generation market, measured based on the gross electricity production output, had stood at approx. 7% in 2024. TAURON Capital Group is one of the largest electricity producer on the Polish market. TAURON Capital Group's conventional generation assets are concentrated in the south of Poland. The renewable energy sources: the wind and photovoltaic power plants are located throughout the country, while the hydro electric power plants are located in the southern and southwestern parts of the country.

83% of TAURON Capital Group's generation assets had been hard coal fired units in 2024. TAURON Capital Group's total installed capacity had stood at 5.3 GW as of December 31, 2024, with the renewable energy sources accounting for close to 0.9 GW of that figure. The wind farms' installed capacity represents 10%, the hydro electric power plants' installed capacity accounts for 3%, the photovoltaic power plants' installed capacity represents 2% and the biomass fired generating units' installed capacity accounts for 2% of TAURON Capital Group's total installed capacity.

TAURON Capital Group had produced 11.51 TWh of electricity in 2024, with 1.69 TWh coming from the RES.

Nationwide, TAURON Capital Group's hard coal fired units' installed capacity had accounted for approx. 14% of the total installed capacity of all of the hard coal and lignite fired generating units in Poland as of the end of 2024. With respect to the installed capacity of the wind farms, biomass and biogas fired power plants, as well as the hydro electric power plants, the share of TAURON Capital Group had come in at: approx. 5%, 7% and 14%, respectively.

According to the data for 2024, PGE is the largest electricity generator in Poland, with its share in the domestic electricity production market standing at approx. 36%, and with the installed capacity of 18.9 GW. Enea is the second largest electricity producer in Poland, with a market share coming in at approx. 13% and with the installed capacity of 6.2 GW.

Figure no. 9 Gross electricity production - estimated market shares in 2024 Figure no. 10 Installed capacity - estimated market shares in 2024



Source: Agencja Rynku Energii S.A. (ARE), the companies' information posted on the web sites

Distribution

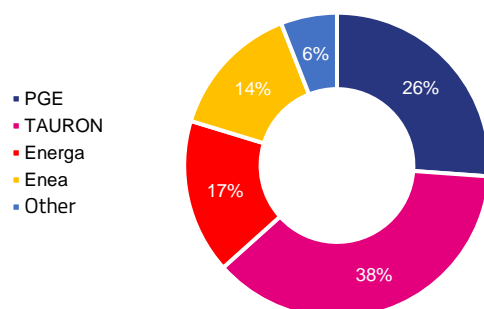


TAURON Capital Group is the Polish market leader in terms of the number of the distribution customers and the volume of electricity distributed

TAURON Capital Group is the largest electricity distributor in Poland. The share of TAURON Dystrybucja in the electricity distribution to the final consumers had come in at approx. 38% in 2024. TAURON Capital Group's distribution grids cover more than 18% of Poland's territory. The volume of the electricity distributed to the final consumers had clocked in at approx. 51.67 TWh in 2024.

TAURON Capital Group's distribution operations, due to the natural monopoly in the designated area, are a source of a stable and predictable revenue, accounting for a material part of the consolidated revenue of the entire TAURON Capital Group. The electricity distribution's geographical area on which the Distribution Segment's and the Supply Segment's subsidiaries are operating is a heavily industrialized and densely populated area and therefore the distribution grid is very well utilized. The number of the Distribution Segment's customers had come in at approx. 5.98 million as of the end of 2024.

Figure no. 11 Electricity distribution - estimated market shares of the individual energy groups in 2024



Source: Agencja Rynku Energii S.A. (ARE), the companies' information posted on the web sites

Supply



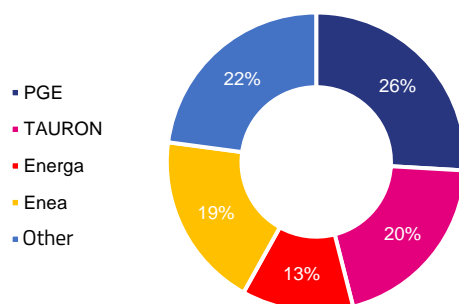
TAURON Capital Group is the second largest electricity supplier in Poland

TAURON Capital Group holds a 20% share in the market of the electricity supply to the final consumers in Poland. The volume of the retail electricity supply of TAURON Capital Group had come in at 26.71 TWh in 2024. The number of the customers served by TAURON Capital Group's Supply Segment stands at 5.81 million.

PGE is the largest retail electricity supplier with a 26% market share. The other two groups, Enea and Energa, hold a 19% market share and a 13% market share, respectively.

In the segment that includes the electricity supply to the households the individual energy groups are geographically linked, first of all, with the areas in which they are acting as an ex officio electricity supplier.

Figure no. 12 Electricity supply to the final consumers - estimated market shares of the individual energy groups in 2024



Source: Agencja Rynku Energii S.A. (ARE), the companies' information posted on the web sites

Table no. 13 Installed capacity, volume of generation, distribution and supply of electricity by the main energy groups on the domestic market in 2024

| Group | Installed capacity | | Generation ¹ | | Distribution | | Supply | |
|--------------|--------------------|-------------|-------------------------|-------------|--------------|-------------|--------------|-------------|
| | GW | % | TWh | % | TWh | % | TWh | % |
| 1. PGE | 18.9 | 26% | 61.7 | 36% | 36.3 | 26% | 33.7 | 26% |
| 2. TAURON | 5.3 | 7% | 11.5 | 7% | 51.7 | 38% | 26.7 | 20% |
| 3. Energa | 1.7 | 2% | 2.7 | 2% | 22.7 | 17% | 16.7 | 13% |
| 4. Enea | 6.2 | 9% | 22.4 | 13% | 19.9 | 14% | 24.8 | 19% |
| 5. Other | 40.7 | 56% | 71.0 | 42% | 7.0 | 6% | 29.1 | 22% |
| Total | 72.8 | 100% | 169.3 | 100% | 137.6 | 100% | 131.0 | 100% |

¹Volume of the gross electricity generated in 2024

Source: ARE, information from the companies posted on their web sites (information published after the first quarter of 2025), the in-house estimates in case of the companies publishing the net production output.

2.2. Factors that will have an impact on the results achieved over at least the next quarter

Table no. 14 Factors that will have the most material impact upon the results of TAURON Capital Group's operations over at least the next quarter

| # | Description of the factor |
|-----|---|
| 1. | The changing geopolitical environment, including the continued Russian aggression against Ukraine and the potential mediation efforts undertaken by the international community (including the US administration), as well as a possible escalation of the tensions in other regions (for example, the Middle East), which could have an impact on the raw material (commodity) and energy markets, the EU policy and the conditions for the conducting of the business operations in the region. |
| 2. | The threats (risks) to the critical infrastructure, including both any potential physical events (for example, the deliberate attacks or acts of sabotage) and the growing number of the cybersecurity incidents targeting the IT / OT systems, which could lead to a loss of the availability, integrity and confidentiality of the information, a disruption of the operational processes and the reduced business continuity. |
| 3. | The recent United States' customs policy is characterized by significant volatility, which may affect global trade conditions, including the cost and availability of components and raw materials used in the energy sector, which may lead to disruptions in supply chains and indirectly affect the implementation of investment and operational projects in Poland. |
| 4. | The changes in the regulations related to the energy sector, as well as the changes in the legal environment, including: the tax law, environmental protection and spatial development (zoning) law, as well as the positions and decisions of the state administration institutions and offices, for example, Office of Competition and Consumer Protection (UOKiK), ERO, EC, including, among other things, those that may be related to: <ol style="list-style-type: none"> 1) in the longer term, a further potential regulatory intervention with respect to the G tariffs (support mechanisms, including the price regulation, compensation system, maintaining of a separate tariff for GZE), 2) functioning of the balancing market including any potential changes to the rules that had come into force in June 2024, including, among other things, with respect to the settlement prices and the products offered, as well as limiting of the liquidity and transparency of the energy market (abolition of the power exchange trading obligation). |
| 5. | The capacity market mechanism determining the decisions regarding the future of the hard coal assets beyond July 2025, the need to optimize the maintenance costs and the expectations of the Social Partners (work force), local government units and the local communities with respect to their continued operation or conversion. |
| 6. | The changes in the energy mix affecting the level of the utilization of the conventional generating units, hard coal inventories, end customer profile costs, the level of the electricity imports / exports and the available capacity reserve in the power system, thus impacting the level of the Group's revenues. |
| 7. | The market conditions in Poland, in the EU and in the global economy, including the prices of electricity, CO ₂ emission allowances and fuels, affecting the generated results (including maintaining of the IRGiT margins). |
| 8. | An effective and in line with the schedule implementation of TAURON Group's Strategy adopted on December 17, 2024, and the implementation of an early warning system for the deviations from the strategic plan in order to mitigate the identified risks. |
| 9. | The macroeconomic situation, including the inflation rate, the interest rates, the FX rates and the GDP growth rate, having an impact on the level of the demand for the products offered by the Group's subsidiaries (electricity, gas, heat) and on the valuation of the assets and the liabilities listed by the Company in the statement of the financial condition, |
| 10. | The availability of the financing and the possibility of obtaining the aid funds, in particular the European funds, supporting the investment projects and the energy transition. |
| 11. | The financial condition of the customers and counterparties (contractors), including the risk of an increase in the overdue accounts receivable and the deterioration of the liquidity position in the Group's environment. |

12. The legal and environmental changes, including the new requirements stemming from the national laws and the EU's climate policy, which may have an impact on the implementation of the investment projects.
 13. Shaping of the HR policy and the expectations with respect to the growth of the wages at TAURON Capital Group.
 14. An impact of the weather related factors, including the extreme ones, affecting the failure rate of TAURON Capital Group's assets and the seasonality of the revenues achieved and the costs incurred.
-

TAURON Capital Group's operations are characterized by the seasonality that is applicable, in particular, to the heat production, distribution and supply, the electricity distribution and supply to the consumers. The heat supply depends on the weather conditions, in particular on the outdoor temperature, and it is higher in the autumn and winter season. The volume of the electricity supply to the individual consumers depends on the length of the daytime which usually makes electricity supply to this group of the consumers lower in the spring and summer season and higher in the autumn and winter season. The seasonality of TAURON Capital Group's other lines of business is low.

The operations of the Group's individual lines of business may be affected by the current situation related to the war on the Ukrainian territory. However, given its impact on the market and the regulatory environment, which is highly volatile, the forecasting of its future effects is difficult due to a number of factors. Such aspects as the scale and duration of the conflict, any further developments, including a possible escalation of the hostilities, and their impact on the condition of the Polish and global economies will, in particular, have a material impact. In addition, any further regulatory actions taken at the European Union level and at the national level, in particular in the context of implementing any intervention measures and the shaping of the future energy market, may have an impact on the level of the financial performance in the coming quarters.

In addition, the ever increasingly important climate regulations at the European Union level and at the national level constitute a significant premise for analyzing the current and the future situation of TAURON Capital Group in the coming quarters.

3. ANALYSIS OF THE FINANCIAL POSITION AND ASSETS OF TAURON CAPITAL GROUP

3.1. Key operating data of TAURON Capital Group

Table no. 15 Key operating data posted by TAURON Capital Group in the first quarter of 2025 and in the first quarter of 2024

| Item | Unit | Q1 2025 | Q1 2024 | Change in % 2025 / 2024 |
|--|------------|-------------|-------------|-------------------------|
| Electricity generation (gross production) | TWh | 3.49 | 3.21 | 109% |
| including generation of electricity from renewable sources | TWh | 0.48 | 0.54 | 88% |
| <i>Production from biomass</i> | <i>TWh</i> | <i>0.05</i> | <i>0.07</i> | <i>83%</i> |
| <i>Production by hydroelectric, wind and photovoltaic power plants</i> | <i>TWh</i> | <i>0.42</i> | <i>0.47</i> | <i>89%</i> |
| Heat generation | PJ | 4.71 | 4.37 | 108% |
| Electricity distribution | TWh | 13.73 | 13.65 | 101% |
| Electricity supply | TWh | 9.97 | 9.49 | 102% |
| <i>Retail supply</i> | <i>TWh</i> | <i>7.00</i> | <i>7.40</i> | <i>95%</i> |
| <i>Wholesale</i> | <i>TWh</i> | <i>2.97</i> | <i>2.09</i> | <i>142%</i> |
| Number of customers - Distribution | '000 | 5 999 | 5 941 | 101% |

3.2. Sales structure by the Segments of Operations (Lines of Business)

Table no. 16 TAURON Capital Group's sales volumes and structure broken down into the individual Segments of operations (lines of business) in the first quarter of 2025 and in the first quarter of 2024

| Item | Unit | Q1 2025 | Q1 2024 (adjusted data) | Change in % 2025 / 2024 |
|--|------|---------|----------------------------|-------------------------|
| Generation Segment's electricity and heat sales | TWh | 3.31 | 2.70 | 122% |
| | PJ | 1.07 | 1.08 | 99% |
| Heat Segment's electricity and heat sales | TWh | 0.37 | 0.37 | 100% |
| | PJ | 5.34 | 4.87 | 110% |
| RES Segment's electricity sales | TWh | 0.50 | 0.47 | 106% |
| Distribution Segment's electricity distribution services sales | TWh | 13.73 | 13.65 | 101% |
| Supply Segment's retail electricity supply | TWh | 7.03 | 7.43 | 95% |

Generation Segment

The total achievable capacity of the Generation Segment's generating units had reached 4.2 GW of electric capacity and 0.9 GW of thermal capacity as of the end of March 2025. The Generation Segment had produced 2.65 TWh of electricity in total in the first quarter of 2025, i.e. more by 13% as compared to the same period of last year. The supply of the electricity from the in-house production, along with the electricity purchased for trading, had clocked in at 3.31 TWh in the first quarter of 2025, which had meant an increase by 22%, as compared to the same period of 2024. The heat supply had come in at 1.07 PJ in the first quarter of 2025, i.e. less by 1% as compared to the same period of 2024.

Heat Segment

The total achievable capacity of the Heat Segment's generating units had reached 0.4 GW of electric capacity and 1.2 GW of thermal capacity as of the end of March 2025. The Heat Segment had produced 0.41 TWh of electricity in total in the first quarter of 2025, i.e. more by 4% as compared to the same period of last year. The supply of the electricity – including both the electricity from the in-house production, as well as the electricity purchased for trading - had clocked in at 0.37 TWh in the first quarter of 2025, coming in roughly flat as compared to the first quarter of 2024. The heat supply had come in at 5.34 PJ in the same period, which had meant an increase by 10% year over year, which had been a consequence of the higher consumer demand from the consumers brought about by the lower outdoor temperatures.

RES Segment

The total installed capacity of the RES Segment's generating units had stood at 784 MW of electric capacity as of March 31, 2025, and it had been higher than the installed capacity reported as of March 31, 2024, by 178 MW as a result of the commissioning of the wind farm in Mierzyn with the capacity of 59 MW, the wind farm in Gamów with the capacity of 34 MW, the wind farm in Warblewo with the capacity of 30 MW and the photovoltaic farm in Proszówek with the capacity of 55 MW. The RES Segment had produced 0.42 TWh of electricity in the first quarter of 2025, i.e. less by 11% as compared to last year (0.47 TWh).

Distribution Segment

The Distribution Segment had delivered, in total, 13.73 TWh of electricity, including 13.23 TWh to the final consumers, in the first quarter of 2025. During that period the Distribution Segment had provided the distribution services for the benefit of 6.00 million consumers. In the same period of 2024, the Distribution Segment had delivered, in total, 13.65 TWh of electricity to 5.94 million consumers, including 13.26 TWh to the final consumers.

Supply Segment

The Supply Segment's subsidiaries had supplied, in total, 7.03 TWh of electricity on the retail market in the first quarter of 2025, i.e. less by 5% as compared to the same period of 2024. The Company is carrying out the supply of electricity to 5.79 million customers, both households, as well as businesses.

Other Operations

The sales revenue of the Other Operations Segment's subsidiaries had come in at PLN 370 million in the first quarter of 2025, and it had been higher by 1% as compared to the revenue posted in the same period of 2024, with the main reason behind this decline being the lower sales of the customer service as well as the support services provided by the Shared Service Centers (CUW) for the benefit of TAURON Capital Group's subsidiaries. As part of the Other Operations Segment's activities, 0.01 TWh of electricity had been produced by the gas fired engines, i.e. less by 8% as compared to last year (0.01 TWh).

3.3. TAURON Capital Group's financial position after the first quarter of 2025

This section presents the selected items from the Interim Abbreviated Consolidated Financial Statements of TAURON Polska Energia S.A. Capital Group, drawn up in compliance with the International Financial Reporting Standards approved by the European Union for the period of 3 months ended on March 31, 2025, as well as the selected financial ratios constituting Alternative Performance Measures within the meaning of the ESMA Guidelines on Alternative Performance Measures. These metrics present the additional information on the financial performance of TAURON Capital Group's business operations and, in the opinion of the Management Board of the Company, may constitute an additional important source of information for the investors on the financial and operational situation of TAURON Capital Group. The measures constitute the standard metrics commonly used in the financial analysis, the usefulness of which was analyzed in terms of the information provided to the investors on TAURON Capital Group's financial efficiency, cash flows and debt. The definitions of the metrics are provided directly next to the individual indicators. Due to the lack of the changes in the methodology for determining the metrics, the values of the individual metrics for the reporting period and for the comparable period are comparable.

Analysis of the financial position

Consolidated statement of comprehensive income

Table no. 17 TAURON Capital Group's interim abbreviated consolidated statement of comprehensive income for the first quarter of 2025 and for the first quarter of 2024¹

| Item (PLN m) | Q1 2025 (unaudited data) | Q1 2024 (adjusted data, unaudited) | Change in % 2025 / 2024 |
|--------------------------------------|-----------------------------|--|----------------------------|
| Sales revenue | 9 297 | 8 484 | 110% |
| Compensation payments | 335 | 1 178 | 28% |
| Cost of goods sold | (7 911) | (8 351) | 95% |
| Other revenue and operating expenses | 30 | 5 | 600% |
| Share in joint ventures' profits | 7 | 14 | 50% |
| Operating profit | 1 758 | 1 330 | 132% |
| <i>Operating profit margin (%)</i> | <i>18.3%</i> | <i>13.8%</i> | <i>133%</i> |
| Cost of interest on debt | (165) | (186) | 89% |
| Other financial revenue and costs | (144) | (70) | 206% |
| Pre-tax profit | 1 449 | 1 074 | 135% |
| <i>Pre-tax profit margin (%)</i> | <i>15.0%</i> | <i>11.1%</i> | <i>135%</i> |

| Item (PLN m) | Q1 2025 (unaudited data) | Q1 2024 (adjusted data, unaudited) | Change in % 2025 / 2024 |
|--|-----------------------------|--|----------------------------|
| Income tax | (318) | (266) | 120% |
| Net profit for the period | 1 131 | 808 | 140% |
| Net profit margin (%) | 11.7% | 8.4% | 140% |
| Total comprehensive income for the period | 1 108 | 811 | 137% |
| Profit attributable to: | | | |
| Shareholders of the parent entity | 1 130 | 808 | 140% |
| Non-controlling shares | 1 | 0 | - |
| EBIT and EBITDA | | | |
| EBIT | 1 758 | 1 330 | 132% |
| EBITDA | 2 331 | 1 883 | 124% |

¹ the selected items from the consolidated statement of comprehensive income of TAURON Capital Group for the 3 month period ended on March 31, 2025 and the comparative data for the 3 month period ended on March 31, 2024. These items are provided in accordance with the Interim abbreviated consolidated financial statements of TAURON Polska Energia S.A. Capital Group drawn up in compliance with the International Financial Reporting Standards approved by the European Union for the 3 month period ended on March 31, 2025

Figure no. 13 Structure of TAURON Capital Group's revenue for the first quarter of 2025 and for the first quarter of 2024



In the period of three months ending on March 31, 2025 an increase in sales revenue was recorded in comparison to the same period of the previous year, which was mainly a result of the higher revenue from the sales of electricity, and distribution and trading services. The increase had primarily been due to the higher sales volume on the balancing market by the company from Generation segment. In addition, in Q1 2025, TAURON Group received the revenue from the balancing power in an amount higher than the revenue from the Regulatory System Services obtained in the first quarter of 2024. The rise in the revenue from the electricity sales had partially been offset by a decline in the revenue from the retail electricity supply. On the other hand, higher revenue from the sales of the distribution and trading services, mainly as a consequence of an increase of the distribution and transmission service rate.

Having taken into account the compensation payments, the amount of the revenue had come in at a comparable level in relation to the first quarter of 2024.

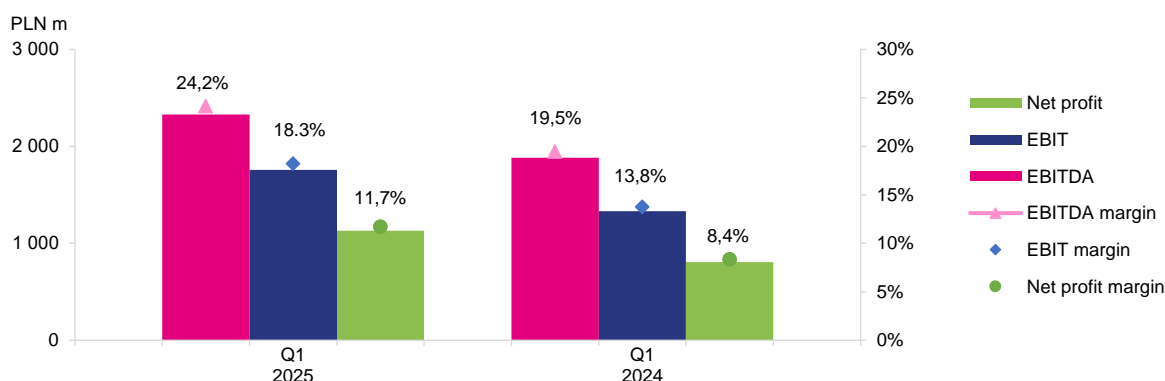
The costs of TAURON Capital Group's operations (operating expenses) incurred in the first quarter of 2025 had been lower by 5% than the costs borne in the same period of 2024, which had mainly been a consequence of the lower costs incurred to purchase the electricity, as a result of the decline of the prices, and the lower costs of the purchased gas, which is a consequence of the lower prices and the lower volume. In addition, the above mentioned decrease had been impacted by the lower costs of the hard coal fuel consumed in the production process, which had mainly been due to a reduction in the unit cost of its consumption as a consequence of the year on year decline in the market prices of the energy raw materials. The above decreases in the cost items had partially been mitigated by the increases of the costs of:

1. the depreciation, mainly as a result of an increase in the value of the assets of TAURON Capital Group,
2. the employee benefits, which is the result of the following factors:
 - 1) the booking in the costs in the first quarter of 2025 of the effects of the agreements signed with the social partners (workforce) over the course of 2024,
 - 2) an increase of the minimum wage in 2025,
3. the CO₂ emission allowances due to the higher volume of the electricity and heat production along with a simultaneous decrease in the unit cost,
4. the maintenance and overhaul services.

The EBITDA, EBIT and net profit margins posted in the first quarter of 2025 had come in at, respectively, 24.2%, 18.2% and 11.7% and it had been higher than the margins posted in the same period of 2024 by, respectively, 4.7 p.p., 4.5 p.p. and 3.4 p.p. The improvement in the profitability of the EBITDA and EBIT operating results is due to their, year on year, increases by 24% and 32%, respectively, while at the same time the level of the sales revenue

and the compensation payments obtained had been comparable. The reasons for such a trajectory of the above items of the income statement are indicated above.

Figure no. 14 TAURON Capital Group's financial results and the level of the margins earned in the first quarter of 2025 and in the first quarter of 2024



The comprehensive income attributable to the shareholders of the parent company had clocked in at PLN 1 107 million in the first quarter of 2025, as compared to PLN 811 million posted a year ago, while the net profit attributable to the shareholders of the parent company had come in at PLN 1 130 million in the first quarter of 2025, as compared to PLN 808 million posted in the same period of 2024.

Financial results by the Segments of operations (lines of business)

Table no. 18 TAURON Capital Group's EBITDA by the individual Segments of operations (lines of business) in the first quarter of 2025 and in the first quarter of 2024

| EBITDA (PLN m) | Q1 2025 (unaudited data) | | Q1 2024 (adjusted data, unaudited) | | Change in % 2025 / 2024 |
|---------------------------------|-----------------------------|-------------|---------------------------------------|-------------|----------------------------|
| | PLN m | Share in % | PLN m | Share in % | |
| Generation | 295 | 13% | 165 | 9% | 179% |
| Heat | 123 | 5% | 135 | 7% | 91% |
| RES | 180 | 8% | 229 | 12% | 79% |
| Distribution | 1 226 | 53% | 1 015 | 54% | 121% |
| Supply | 448 | 19% | 273 | 14% | 164% |
| Other operations | 102 | 4% | 113 | 6% | 90% |
| Unassigned items and exclusions | (43) | (2)% | (47) | (2.5)% | 91% |
| Total EBITDA | 2 331 | 100% | 1 883 | 100% | 124% |

Generation Segment

Table no. 19 Generation Segment's results for the first quarter of 2025 and for the first quarter of 2024

| Item (PLN m) | Q1 2025 (unaudited data) | Q1 2024 (adjusted data, unaudited) | Change in % 2025 / 2024 |
|--|-----------------------------|---------------------------------------|----------------------------|
| Sales revenue | 2 220 | 2 168 | 102% |
| <i>electricity</i> | 1 839 | 1 801 | 102% |
| <i>heat</i> | 104 | 109 | 95% |
| <i>services – capacity market</i> | 208 | 201 | 103% |
| <i>biomass</i> | 24 | 30 | 80% |
| <i>by-products of the combustion process and by-products of the mining process</i> | 29 | 20 | 145% |
| <i>other</i> | 16 | 7 | 229% |
| EBIT | 242 | 102 | 237% |
| Depreciation and impairment charges | 53 | 63 | 84% |

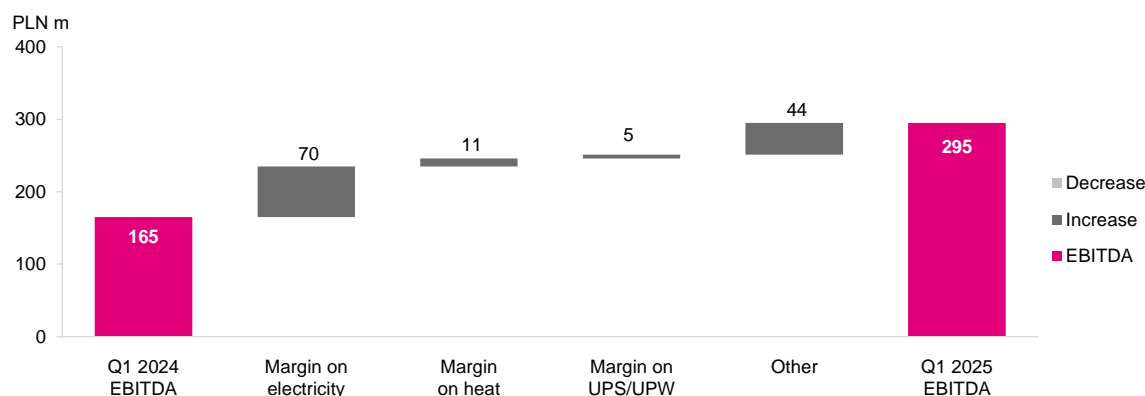
| Item (PLN m) | Q1 2025 (unaudited data) | Q1 2024 (adjusted data, unaudited) | Change in % 2025 / 2024 |
|---------------|-----------------------------|--|----------------------------|
| EBITDA | 295 | 165 | 179% |

The Generation Segment's sales revenue had been higher by 2% in the first quarter of 2025, as compared to the same period of 2024, mainly due to the higher revenue from the sales of the electricity stemming from the higher revenue from the Balancing Capacities than the revenue generated from the Regulatory System Services in the same period of last year.

The Generation segment's EBITDA and EBIT had been higher in the first quarter of 2025 than in the same period of 2024. The level of the earnings posted had been affected by the following factors:

1. the higher margin earned on the sales of the electricity as a consequence of the higher electricity sales volume resulting from the higher contracting on the forward market and the higher demand from the operator. In addition, the higher margin had been impacted by the higher revenue from the Balancing Capacities, related to the 2024 balancing market reform. The margin had been negatively impacted by a decrease of the electricity sales prices, partially offset by a decline of the hard coal and CO₂ emission allowance prices,
2. the higher margin on the heat sales mainly as a consequence of the lower heat production costs,
3. the higher margin on the sales of the combustion process by-products (UPS) and the mining process by-products (UPW), as a result of the rise of the sales prices of the ash and aggregates on the market,
4. other factors, including compensations received for the loss of profit resulting from unit outages.

Figure no. 15 Generation Segment's EBITDA, including the material factors impacting the change year on year



Heat Segment

Table no. 20 Heat Segment's results for the first quarter of 2025 and for the first quarter of 2024

| Item (PLN m) | Q1 2025 (unaudited data) | Q1 2024 (adjusted data, unaudited) | Change in % 2025 / 2024 |
|---|-----------------------------|--|----------------------------|
| Sales revenue and the compensation payments | 841 | 857 | 98% |
| <i>electricity</i> | <i>194</i> | <i>241</i> | <i>80%</i> |
| <i>heat</i> | <i>604</i> | <i>542</i> | <i>111%</i> |
| <i>property rights related to guarantees of origin of electricity (energy certificates)</i> | <i>1</i> | <i>14</i> | <i>7%</i> |
| <i>services – capacity market</i> | <i>11</i> | <i>10</i> | <i>110%</i> |
| <i>Compensation payments</i> | <i>28</i> | <i>47</i> | <i>60%</i> |
| <i>Other</i> | <i>3</i> | <i>3</i> | <i>100%</i> |
| EBIT | 90 | 103 | 87% |
| Depreciation and impairment charges | 33 | 32 | 103% |
| EBITDA | 123 | 135 | 91% |

The Heat Segment's sales revenue had come in lower by 2% in the first quarter of 2025, as compared to the same period of 2024, mainly due to the lower revenue from the sales of the electricity brought about by the lower sales prices.

The Heat segment's EBITDA and EBIT results had come in lower in the first quarter of 2025 than in the same period of 2024. The level of the earnings posted had been affected by the following factors:

1. the higher margin earned on the heat sales mainly as a consequence of the higher sales volume and the lower heat production costs,
2. the lower margin earned on the sales of the electricity as a result of the lower electricity sales prices, offset by the lower units production cost,
3. the lower result of the TAMEH subsidiary.

Figure no. 16 Heat Segment's EBITDA, including the material factors impacting the change year on year



RES Segment

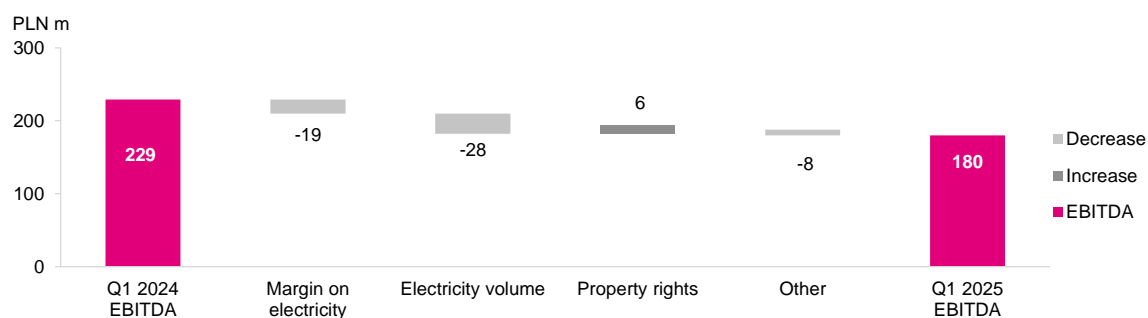
Table no. 21 RES Segment's results for the first quarter of 2025 and for the first quarter of 2024

| Item (PLN m) | Q1 2025 (unaudited data) | Q1 2024 (adjusted data, unaudited) | Change in % 2025 / 2024 |
|--|-----------------------------|--|----------------------------|
| Sales revenue | 295 | 292 | 101% |
| <i>electricity</i> | 249 | 250 | 100% |
| <i>guarantees of origin of electricity</i> | 39 | 27 | 144% |
| <i>other</i> | 7 | 15 | 47% |
| EBIT | 122 | 182 | 67% |
| Depreciation and impairment charges | 58 | 47 | 123% |
| EBITDA | 180 | 229 | 79% |

The RES segment's EBITDA had gone down in the first quarter of 2025, as compared to the same period of 2024. The level of the earnings posted had mainly been affected by the following factors:

1. a decline of the margin earned on electricity, mainly due to the lower electricity sales prices,
2. the lower electricity production volume, related, first and foremost, to the lower electricity generation by the hydroelectric power plants,
3. other factors, including mainly the lower revenue from the sales of the guarantees of origin of electricity.

Figure no. 17 RES Segment's EBITDA, including the material factors impacting the change year on year



Distribution Segment

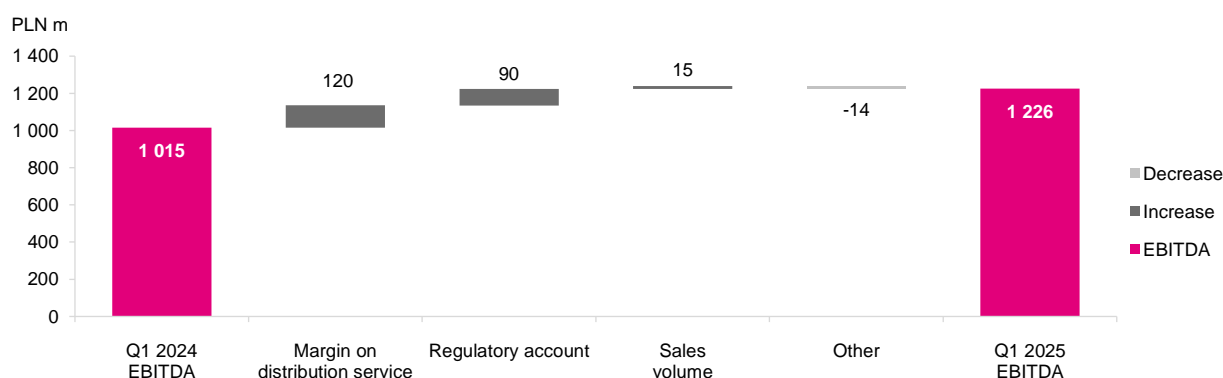
Table no. 22 Distribution Segment's results for the first quarter of 2025 and for the first quarter of 2024

| Item (PLN m) | Q1 2025 (unaudited data) | Q1 2024 (adjusted data, unaudited) | Change in % 2025 / 2024 |
|---|-----------------------------|---------------------------------------|----------------------------|
| Sales revenue and the compensation payments | 3 213 | 3 112 | 103% |
| distribution services | 3 100 | 2 876 | 108% |
| electricity from the reconciliation of the balancing difference | 9 | 127 | 7% |
| new grid connections | 28 | 38 | 74% |
| other | 75 | 71 | 106% |
| EBIT | 859 | 674 | 127% |
| Depreciation and impairment charges | 367 | 341 | 108% |
| EBITDA | 1 226 | 1 015 | 121% |

The Distribution Segment had reported an increase of the sales revenue by 3% in the first quarter of 2025, as compared to the same period of 2024, as well as the rises of EBIT and EBITDA by, respectively, 27% and 21%. The level of the earnings posted had been affected by the following factors:

1. the higher margin earned on the distribution service as a result of the higher Weighted Average Cost of Capital (WACC) year on year and the higher value of the Regulatory Asset Base (RAB) adopted in the tariff for the year 2025,
2. the positive impact of the settlements as part of the regulatory account related to the tariff for 2025,
3. the higher volume of the electricity distributed in total by 75 GWh, due to, among other things, an increase in the number of the consumers and the recovery of the exports,
4. a decrease of the other distribution revenue, including mainly the grid connection fees and the decline of the result on the other operations.

Figure no. 18 Distribution Segment's EBITDA, including the material factors impacting the change year on year



Supply Segment

Table no. 23 Supply Segment's results for the first quarter of 2025 and for the first quarter of 2024

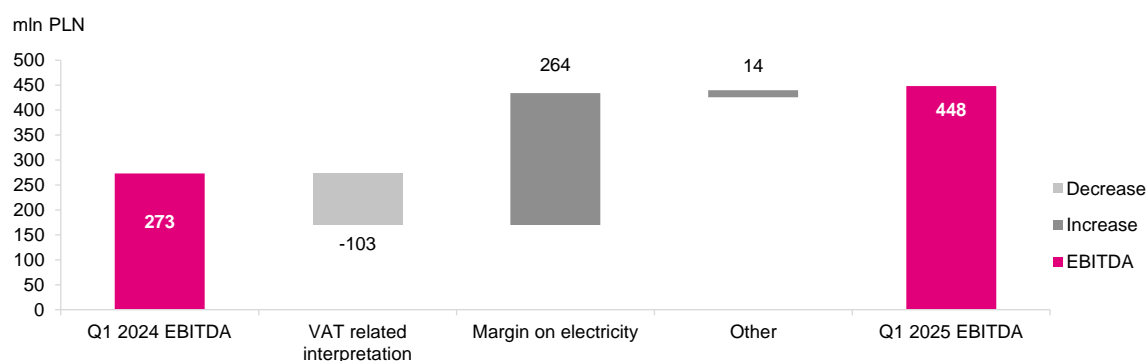
| Item (PLN m) | Q1 2025 (unaudited data) | Q1 2024 (adjusted data, unaudited) | Change in % 2025 / 2024 |
|--|-----------------------------|--|----------------------------|
| Supply | | | |
| Sales revenue and the compensation payments | 6 948 | 7 659 | 91% |
| <i>electricity, including:</i> | 4 568 | 4 622 | 99% |
| <i>revenue from retail electricity supply</i> | 3 854 | 4 173 | 92% |
| <i>greenhouse gas emission allowances</i> | 231 | 555 | 42% |
| <i>fuels</i> | 358 | 411 | 87% |
| <i>distribution service (passed on)</i> | 1 336 | 1 038 | 129% |
| <i>compensation payments</i> | 307 | 857 | 36% |
| <i>other services, including trading services</i> | 147 | 176 | 83% |
| EBIT | 447 | 272 | 164% |
| Depreciation and impairment charges | 1 | 1 | 100% |
| EBITDA | 448 | 273 | 164% |

The Supply Segment's sales revenue, along with the compensation payments, had been lower by 9% in the first quarter of 2025, as compared to the same period of 2024, the main reason for which had been the lower revenue from the electricity sales and the compensation payments obtained. The decline of the sales revenue had been brought about mainly by the lower volume as a consequence of the lower demand from the customers, mainly the business ones. In the case of the G tariff customers an increase of approximately 1% year on year in the number of the customers had been achieved, but this did not translate into a rise of the sales volume. Another area where the lower revenues had been reported had been the fuel sales area.

The Supply Segment's EBITDA and EBIT had come in higher in the period under review than in the same period of 2024. The level of the earnings posted had been affected by the following factors:

- the higher margin earned on the sales of electricity and gas, which is the result of:
 - the higher margin earned on the sales of electricity to the households due to the lower cost of the electricity purchase price,
 - the lower volume of the electricity sold to the business customers, being sold with the lower unit margin,
- recognition in the results of the first quarter of 2024 of the release of the provision in connection with the obtained interpretation of the tax authorities with respect to the settlement of the VAT tax for the liability pursuant to the Regulation of the Minister of Climate and Environment dated September 9, 2023, amending the regulation on the method of determining and calculating of the tariffs and the method to be applied to perform the settlements in the electricity trading,
- the lower value of the impairment charge related to the carrying amount of the accounts receivable due to the improvement of the customer ratings and a decrease in the level of the accounts receivable,

Figure no. 19 Supply Segment's EBITDA, including the material factors impacting the change year on year



Other Operations

Table no. 24 Other Operations Segment's results for the first quarter of 2025 and for the first quarter of 2024

| Item (PLN m) | Q1 2025 (unaudited data) | Q1 2024 (adjusted data, unaudited) | Change in % 2025 / 2024 |
|-------------------------------------|-----------------------------|---------------------------------------|----------------------------|
| Sales revenue | 369 | 372 | 99% |
| customer service | 109 | 111 | 98% |
| support services | 141 | 144 | 98% |
| street lighting | 46 | 42 | 110% |
| aggregates | 48 | 44 | 109% |
| other revenue | 25 | 31 | 81% |
| EBIT | 38 | 43 | 88% |
| Depreciation and impairment charges | 64 | 70 | 91% |
| EBITDA | 102 | 113 | 90% |

The Other Operations Segment's sales revenue posted in the first quarter of 2025 had come in at a level lower by 1%, as compared to the revenue posted in the same period of 2024, which had been primarily due to the lower sales of the customer service and support services provided by the Shared Services Centers (CUW) for the benefit of TAURON Capital Group's subsidiaries.

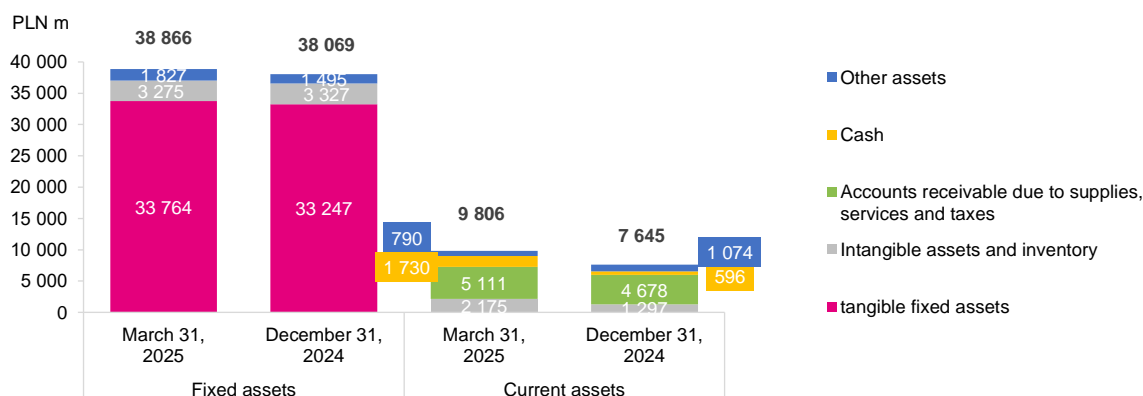
Assets

Table no. 25 Interim abbreviated consolidated statement of financial position – the assets (material items) as of March 31, 2025 and as of December 31, 2024

| | As of March 31, 2025 (unaudited data) | | As of December 31, 2024 | | Change in % 2025 / 2024 |
|--|---------------------------------------|------------|-------------------------|------------|-------------------------------|
| | PLN m | Share in % | PLN m | Share in % | |
| ASSETS | | | | | |
| Fixed assets | 38 866 | 79.9% | 38 069 | 83.3% | 102% |
| Tangible fixed assets | 33 764 | 69.4% | 33 247 | 72.7% | 102% |
| Current assets | 9 806 | 20.1% | 7 645 | 16.7% | 128% |
| Cash and equivalents | 1 730 | 3.6% | 596 | 1.3% | 290% |
| Fixed assets and the group's assets for disposal, classified as held for trade | 5 | 0.0% | 5 | 0.0% | 100% |
| TOTAL ASSETS | 48 672 | 100.0% | 45 714 | 100.0% | 106% |

As of March 31, 2025, TAURON Capital Group's statement of financial position shows the balance sheet total that is higher by 6%, as compared to the balance sheet total as of December 31, 2024.

Figure no. 20 Change in the structure and balance of the assets as of March 31, 2025, and as of December 31, 2024



The fixed assets represent the biggest item of the assets, with the share thereof accounting for 79.9% of the total assets, with a rise in their value by 2.1%, i.e. by PLN 797 million, which is the result of an increase in the value of the tangible fixed assets (property, plant and equipment) and of the other non-financial assets by 1.6%, i.e. by PLN 517 million, and by 89.8%, i.e. by PLN 299 million, respectively, and a decline of the value of the guarantees of

origin of electricity and the CO₂ emission rights to be redeemed by 86.8%, i.e. by PLN 33 million, and of the other intangible assets by 3.0%, i.e. by PLN 23 million.

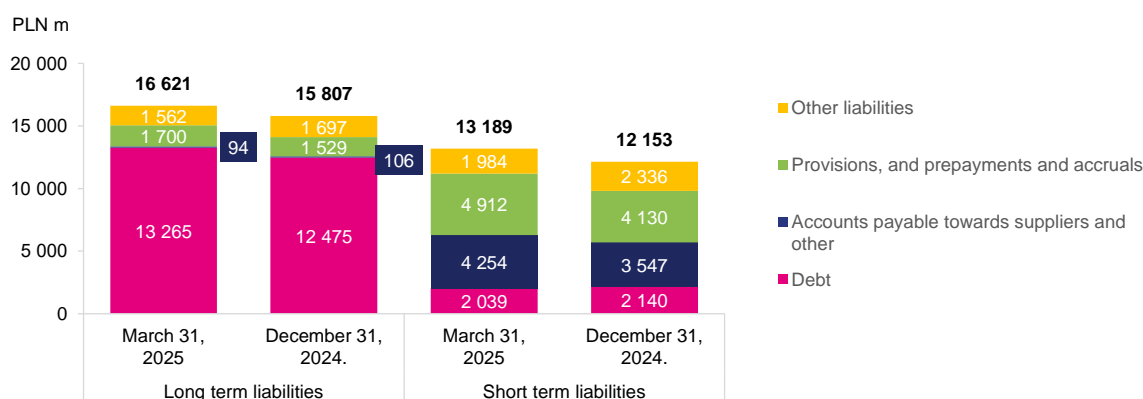
The value of the current assets had gone up by 28%, i.e. by PLN 2 161 million, which is the result of the changes due to:

1. an increase in the value of the cash balance and its equivalents by 190%, i.e. by PLN 1 134 million,
2. an increase in the value of the guarantees of origin of electricity and of the CO₂ emission allowances to be redeemed, by 276%, i.e. by PLN 992 million,
3. an increase in the value of the accounts receivable from the consumers by 5%, i.e. by PLN 208 million,
4. an increase in the value of the accounts receivable due to the other taxes and fees by 45%, i.e. by PLN 206 million,
5. a decrease in the value of the other financial assets by 52%, i.e. by PLN 383 million,
6. a decrease in the value of the inventory by 12%, i.e. by PLN 114 million.

Table no. 26 Interim abbreviated consolidated statement of financial position – equity and liabilities (material items) as of March 31, 2025 and as of December 31, 2024

| Statement of financial position (PLN m) | As of March 31, 2025 (unaudited data) | | As of December 31, 2024 | | Change in % 2025 / 2024 |
|--|---------------------------------------|------------|-------------------------|------------|----------------------------|
| | PLN m | Share in % | PLN m | Share in % | |
| EQUITY AND LIABILITIES | | | | | |
| Equity attributable to the shareholders of the parent entity | 18 820 | 38.7% | 17 713 | 38.7% | 106% |
| Non-controlling shares | 42 | 0.1% | 41 | 0.1% | 102% |
| Total equity | 18 862 | 38.8% | 17 754 | 38.8% | 106% |
| Long term liabilities | 16 621 | 34.1% | 15 807 | 34.6% | 105% |
| Liabilities due to debt | 13 265 | 27.3% | 12 475 | 27.3% | 106% |
| Short term liabilities | 13 189 | 27.1% | 12 153 | 26.6% | 109% |
| Liabilities due to debt | 2 039 | 4.2% | 2 140 | 4.7% | 95% |
| Total liabilities | 29 810 | 61.2% | 27 960 | 61.2% | 107% |
| TOTAL EQUITY AND LIABILITIES | 48 672 | 100.0% | 45 714 | 100.0% | 106% |

Figure no. 21 Change in the structure and balance of the long term and short term liabilities as of March 31, 2025, and as of December 31, 2024



The amount of TAURON Capital Group's long term liabilities had gone up by 5% in the first quarter of 2025, i.e. by PLN 814 million, mainly as a result of an increase in the value of the accounts payable due to debt by 6%, i.e. by PLN 790 million, and the prepayments and accruals, as well as the government subsidies by 25%, i.e. by PLN 155 million. The above mentioned changes had been partially offset by the decrease in the value of the accounts payable due to the deferred income tax by 14%, i.e. by PLN 218 million.

The amount of TAURON Capital Group's short term liabilities had gone up by 9%, i.e. by PLN 1 036 million, mainly as a result of an increase in the value of:

1. the provisions related to the obligations (liabilities) due to the guarantees of origin of electricity (energy certificates) and the CO₂ emission allowances by 27%, i.e. by PLN 926 million,
2. the accounts payable due to the income tax by 1 957%, i.e. by PLN 450 million,
3. the accounts payable due to the suppliers by 16%, i.e. by PLN 306 million,
4. the other non-financial liabilities by 9%, i.e. by PLN 105 million.

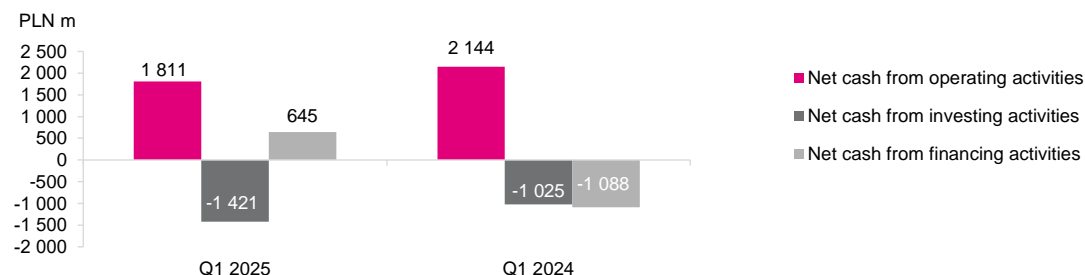
The above mentioned changes had partially been offset by the decreases, mainly, of the other financial liabilities by 61%, i.e. by PLN 450 million, the prepayments and accruals, as well as the government subsidies by 28%, i.e. by PLN 113 million, the debt related liabilities by 5%, i.e. by PLN 101 million, and the investments related commitments by 13%, i.e. by PLN 77 million.

Cash flows

Consolidated cash flow statement

The total amount of all of the net flows of cash from the operating, investing and financing activities in the first quarter of 2025 had been positive and had come in at PLN 1 035 million.

Figure no. 22 Cash flows in the first quarter of 2025 and in the first quarter of 2024



The amount of the cash flows from the operating activities had been positive and had come in at PLN 1 811 million in the first quarter of 2025, which had been the result of the following factors:

1. the generated EBITDA in the amount of PLN 2 331 million,
2. an adjustment related a share in the non-cash profits / losses of the joint ventures in the amount of PLN 7 million,
3. a negative change of the working capital in the amount of PLN 287 million, which is the result of:
 - 1) a positive change of the balance of the accounts receivable in the amount of PLN 111 million, due to a change of the balance of the accounts receivable from the consumers,
 - 2) a positive change of the inventory level in the amount of PLN 106 million,
 - 3) a negative change of the balance of the accounts payable in the amount of PLN 38 million,
 - 4) a negative change of the other long term and short term assets as well as the provisions in the total amount of PLN 325 million,
 - 5) a negative change of the prepayments and accruals, as well as the government subsidies in the amount of PLN 139 million, mainly as a consequence of the gratuitous (free of charge) receipt of the tangible fixed assets (property, plant and equipment), intangible assets and the rights to use, as well as the grants, including the subsidies that had been returned,
 - 6) a negative change in the balance of the collaterals transferred to IRGIT (Warsaw Commodity Exchange Clearing House) in the amount of PLN 2 million,
4. an expense in the amount of PLN 112 million due to the income tax,
5. the valuation of the derivative instruments in the amount of PLN -162 million relating to the FX derivatives, hedging the foreign exchange risk mainly related to the purchase of the CO₂ emission allowances,
6. the other factors: PLN +48 million, including mainly a non-cash adjustment to the profit related to the recognition (booking) and the use of an impairment charge related to the inventory during the reporting period.

The expenditures for the purchase of the tangible fixed assets had the biggest impact on the cash flow from the investing activities, which had been higher by 38% in the first quarter of 2025 than the spending incurred in the same period of 2024. The largest expenditures had been incurred by the Distribution Segment and they had accounted for 57% of the total capital spending.

The positive value of the cash flow from the financing activities is primarily due to the higher inflows from the financing obtained as compared to the expenses due to the repayment of the financial obligations. The amount of the proceeds received due to the taking out of the loans had clocked in at PLN 1 551 million, while the amount of the expenses due to the repaid credits (borrowings) and loans had come in at PLN 795 million. In addition, in the first quarter of 2025, TAURON Capital Group had paid the amount of PLN 90 million due to interest, mainly related to the financial obligations, had repaid the accounts payable due to the leases in the amount of PLN 84 million, and had received the subsidies in the amount of PLN 6 million as well as a refund due to interest in the amount of PLN 65 million.

Table no. 27 The Group's financial debt and TAURON Capital Group's net financial debt to EBITDA ratio as of March 31, 2025, and as of December 31, 2024

| | As of March 31, 2025 (unaudited data) | As of December 31, 2024 | Change in % (2024 / 2023) |
|-----------------------------------|---------------------------------------|-------------------------|---------------------------|
| Financial liabilities (PLN m) | 12 497 | 11 749 | 106% |
| Net financial liabilities (PLN m) | 10 767 | 11 153 | 97% |
| Net debt to EBITDA ratio | 1.6x | 1.7x | 94% |

As compared to the balance sheet date falling on December 31, 2024, the net debt to EBITDA ratio, as of the end of the first quarter of 2025, had come in at a lower level. A decline of the net financial debt by 3% had translated into an improvement of the ratio by 0.06x, while an increase of the rolling EBITDA result by PLN 0.4 billion for the period ended on March 31, 2025, as compared to the result for the financial year 2024, had translated into a decline of the ratio by another 0.11x. The reasons for a change in the operating EBITDA result are indicated in the description of the changes in the results of the operating segments and in the description of the changes in the consolidated statement of comprehensive income. On the other hand, the reasons for the change in the net debt level are shown in the chart below.

Figure no. 23 Factors behind the change in TAURON Capital Group's net financial debt in the first quarter of 2025

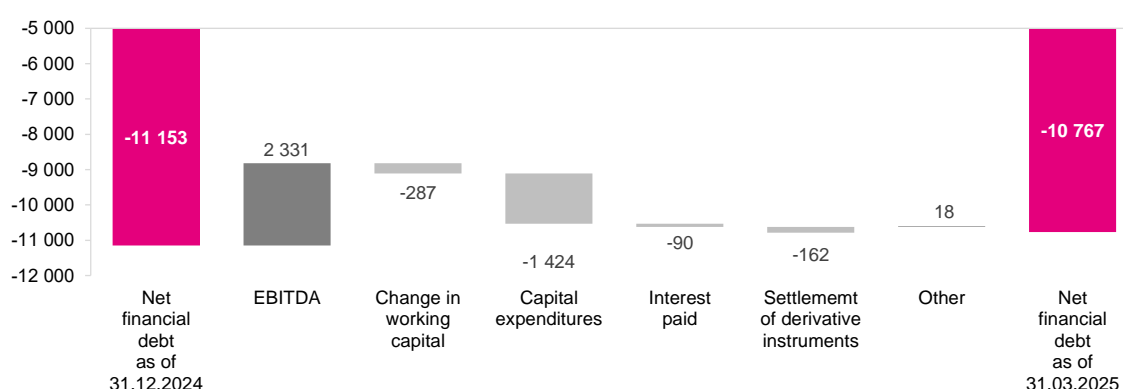
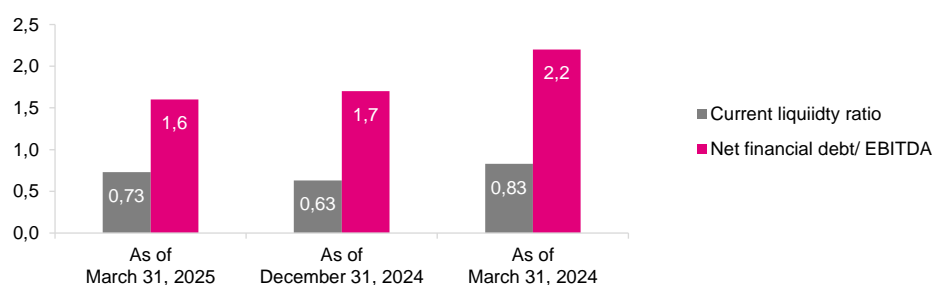


Figure no. 24 Current liquidity ratio and the net financial debt to EBITDA ratio as of March 31, 2025, as of December 31, 2024, and as of March 31, 2024



Agreements signed with banks impose on the Company legal and financial liabilities (covenants) that are used as a standard in this type of transactions. The key covenant is *net debt/EBITDA* ratio (for long term loan agreements and domestic bond issue programs) which defines the level of debt decreased by cash in relation to the EBITDA generated. The net debt/EBITDA covenant for banks is examined on the basis of consolidated data as of June 30 and December 31 and its allowed max value is 3.5 or 4.0 depending on the provisions of the financing agreements.

As of March 31, 2025 the *net debt/EBITDA* was 1.6 which means the covenant was at an acceptable level.

3.4. Position of the Management Board of TAURON Polska Energia S.A. with respect to the ability to perform in line with the earlier published forecasts of the results for the given year

TAURON Capital Group did not publish any forecasts of the financial results for 2025. TAURON Capital Group's financial position is stable and no negative events which could pose any threat to the continuity of its business operations or cause a material deterioration of its financial position have occurred.

The detailed description of the financial position, understood as ensuring the provision of funds for both the operating, as well as the investing activities, is provided in section 3.3 of this information.

4. SHARES AND SHAREHOLDERS OF TAURON POLSKA ENERGIA S.A.

4.1. Shareholding structure

As of January 1, 2025, as of March 31, 2025 and as of the date of drawing up of this information the Company's share capital, in accordance with an entry in the National Court Register, stood at PLN 8 762 746 970 and was split into 1 752 549 394 shares with a nominal value of PLN 5 per share, including 1 589 438 762 ordinary AA series bearer shares and 163 110 632 registered ordinary BB series shares.

Figure no. 25 Shareholding structure as of January 1, 2025, as of March 31, 2025, and as of the date of drawing up of this information



In accordance with the Company's best knowledge, the structure of the shareholders that hold, directly or indirectly through their subsidiaries, at least 5% of the total number of the votes at the General Meeting of the Company as of March 31, 2024, and as of the date of drawing up of this information did not change and it is as follows:

Table no. 28 Shareholders that hold, directly or indirectly through their subsidiaries, at least 5% of the total number of votes at the General Meeting of the Company, as of March 31, 2024, and as of the date of drawing up of this information

| Shareholders | Number of shares held | Percentage share in the share capital | Number of votes held ¹ | Percentage share in the total number of votes |
|--|-----------------------|---------------------------------------|-----------------------------------|---|
| 1. State Treasury | 526 848 384 | 30.06% | 526 848 384 | 30.06% |
| 2. KGHM Polska Miedź S.A. | 182 110 566 | 10.39% | 182 110 566 | 10.39% |
| 3. Nationale-Nederlanden Open Pension Fund ² | 98 630 000 | 5.63% | 98 630 000 | 5.63% |
| 4. Helikon Long Short Equity Fund Master ICAV ³ | 74 127 629 | 4.23% | 212 865 056 ⁵ | 12.15% ⁵ |
| 5. The Goldman Sachs Group, Inc. ⁴ | 27 670 985 | 1.58% | 104 767 877 ⁶ | 5.98% ⁶ |

¹Pursuant to the provisions of the Company's Articles of Association the voting right of the shareholders holding more than 10% of the total votes in the Company shall be limited in such a way that none of them is able to exercise more than 10% of the total votes in the Company at the General Meeting of the Shareholders. The cumulative votes belonging to the shareholders between whom there is a relationship of a dominance or dependence within the meaning of the provisions of the Company's Articles of Association shall be subject to an appropriate reduction. The above mentioned restriction on exercising of the voting right shall not apply to the State Treasury and the entities controlled by the State Treasury at the time when the State Treasury, together with the entities controlled by the State Treasury, hold a number of the Company's shares that entitle them to exercise at least 25% of the total votes in the Company.

²In accordance with the list of the shareholders holding at least 5% of the number of the votes at the Extraordinary General Meeting of the Company held on September 3, 2024.

³As of the date of this information, according to the notification filed by Helikon Long Short Equity Fund Master ICAV and received on December 9, 2024.

⁴As of the date of this information, according to the notification filed by The Goldman Sachs Group, Inc. and received on May 6, 2025.

⁵Out of which 7.92% of the total number of votes in the Company (138 737 427 votes) are attached to financial instruments other than shares and 4.23% of the total number of votes in the Company (74 127 629 votes) are attached to the Company's shares.

⁶Out of which 4.4% of the total number of votes in the Company (77 096 892 votes) are attached to financial instruments other than shares and 1.58% of the total number of votes (27 670 985 votes) are attached to the Company's shares.

In the first quarter of 2025 and by the date of drawing up of this information the Company had received the following notifications related to the changes in the holdings of TAURON shares and the financial instruments linked to TAURON shares:

1. a notification received on January 22, 2025, from The Goldman Sachs Group, Inc., according to which on January 17, 2025, The Goldman Sachs Group Inc.'s entities had topped the 5% threshold of the total number of the votes in the Company (in total, based on the number of the shares and the financial instruments other than the shares held). The said notification was corrected by The Goldman Sachs Group, Inc. on February 11, 2025. According to the corrected notification, as of January 17, 2025, The Goldman Sachs Group, Inc.'s entities had held the financial instruments entitling them, in total, to 5.51% of the total number of the votes in the Company (96 604 765 votes), out of which 3.20% of the total number of the votes in the Company (56 165 891

votes) had been related to the financial instruments other than equity shares, and 2.31% of the total number of the votes (40 438 874 votes) had been related to the shares in the Company,

2. a notification received on May 5, 2025, from The Goldman Sachs Group, Inc., on the reduction of the share in the total number of the votes in the Company to the level below 5% which had taken place on April 30, 2025. As of April 30, 2025, The Goldman Sachs Group, Inc.'s entities had held the financial instruments entitling them, in total, to 4.70% of the total number of the votes in the Company (82 424 667 votes), out of which 3.12% of the total number of the votes (54 753 682 votes) had been related to the financial instruments other than equity shares, and 1.58% of the total number of the votes (27 670 985 votes) had been related to the shares in the Company,
3. a notification received on January 22, 2025, from The Goldman Sachs Group, Inc., according to which on May 1, 2025, The Goldman Sachs Group Inc.'s entities had topped the 5% threshold of the total number of the votes in the Company (in total, based on the number of the shares and the financial instruments other than the shares held). In accordance with the notification, as of May 1, 2025, The Goldman Sachs Group, Inc.'s entities had held the financial instruments entitling them, in total, to 5.98% of the total number of the votes in the Company (104 767 877 votes), out of which 4.4% of the total number of the votes in the Company (77 096 892 votes) had been related to the financial instruments other than equity shares, and 1.58% of the total number of the votes (27 670 985 votes) had been related to the shares in the Company.

From the date of disclosing the previous interim report, i.e. the annual (full year) report for 2024, published on April 16, 2025, until the date of drawing up this information there had been no other changes to the structure of the shareholders that had held, directly or indirectly through their subsidiaries, at least 5% of the total number of the votes at the General Meeting of the Company.

4.2. Holdings of TAURON Polska Energia S.A. shares or the rights thereto by the Members of the Management Board and the Supervisory Board of TAURON Polska Energia S.A.

Table no. 29 Holdings of the Company's shares or the rights thereto by the Members of the Management Board of the Company as of March 31, 2025, and as of the date of drawing up of this information

| First and last name | Number of the Company's shares held | Nominal (par) value of the Company's shares held |
|----------------------|-------------------------------------|--|
| 1. Grzegorz Lot | 0 | 0 |
| 2. Piotr Gołębiowski | 0 | 0 |
| 3. Michał Orłowski | 0 | 0 |
| 4. Krzysztof Surma | 9 100 | 45 500 |

The Members of the Supervisory Board of the Company, as of March 31, 2024, and as of the date of drawing up of this information, did not hold any shares of TAURON, nor did they hold any rights thereto.

From the date of disclosing the previous interim report, i.e. the annual (full year) report for 2024, published on April 16, 2025, until the date of drawing up of this information, there had been no changes in the ownership of TAURON shares or the rights thereto by the Members of the Management Board of the Company and the Members of the Supervisory Board of the Company.

5. OTHER MATERIAL INFORMATION AND EVENTS

5.1. Material proceedings pending in front of the court, competent arbitration authority or public administration authority

The below table presents the material proceedings pending in front of the court, competent arbitration authority or the public administration authority in the first quarter of 2025.

Table no. 30 Summary of the material proceedings pending in front of the court, competent arbitration authority or public administration authority in the first quarter of 2025

| Parties to the proceedings | Description of the proceedings including the value of the object of litigation and the Company's position |
|---|---|
| Proceedings involving TAURON | |
| 1. Plaintiff: Huta Łaziska (Łaziska Steel Works) Defendants: TAURON (as a legal successor to GZE) and the State Treasury represented by the President of the Energy Regulatory Office (ERO) | <p>Object of litigation: a lawsuit for the payment of the compensation for the alleged damage caused by a non-performance by Górnośląski Zakład Elektroenergetyczny S.A. (GZE) of the decision of the President of the Energy Regulatory Office (ERO) of October 12, 2001, related to the resumption of the electricity supply to the plaintiff.</p> <p>Value of the object of litigation: PLN 182 060 000.00</p> <p>Initiation of the proceeding: the lawsuit of March 12, 2007</p> <p>Company's position: the Company considers the claims covered by the lawsuit as being without merit.</p> <p>On May 28, 2019, the Regional Court in Warsaw issued a ruling on the dismissal of Huta Łaziska's lawsuit in whole.</p> <p>Huta Łaziska had filed an appeal complaint on July 25, 2019, appealing against the above mentioned ruling in whole. Based on the ruling of the Court of Appeal in Warsaw of February 9, 2022, the appeal of Huta Łaziska had been dismissed. The ruling is final (legally binding). On October 13, 2022, Huta Łaziska brought a cassation appeal against the judgment to the Supreme Court. Both the Company and the State Treasury have filed responses to this complaint.</p> <p>The cassation complaint of Huta Łaziska was accepted for hearing.</p> |
| 2. Authority conducting the audit: Head of the Mazovian Customs and Tax Office, and after an appeal has been filed – the Director of the Tax Administration Chamber in Katowice and the Director of the Tax Administration Chamber in Warsaw Party: TAURON | <p>Object of litigation: examining of the accuracy of the tax base amounts declared by TAURON and the correctness of the calculations and payments of the VAT tax for the period from October 2013 until September 2014. The main subject of the two investigations (audits) are TAURON's deductions of the VAT assessed due to the purchase of electricity by TAURON on the German and Austrian electricity market from Castor Energy sp. z o.o. (Ltd.)</p> <p>Value of the object of litigation (the deducted VAT amount): with respect to the transaction with Castor Energy sp. z o.o.(Ltd.) – PLN 55 400 046.39.</p> <p>Date of initiating the proceeding: October 2014, August 2016</p> <p>Company's position: in the Company's opinion during the verification of the counterparty (business partner, contractor), the due diligence was actually adhered to, and the Company acted in good faith, so there are no grounds for refusing the Company the right to deduct the tax assessed on the invoices documenting the electricity purchase from Castor Energy sp. z o.o. (Ltd.).</p> <p>On October 7, 2020, the Company had received the decision of the Head of the Mazovian Customs and Tax Office, ending one of the audit proceedings, specifying the amount of its VAT tax liability for the following months: October, November, December 2013 and the first quarter of 2014, which had resulted in the obligation for the Company to pay additional VAT due to the transaction with Castor Energy sp. z o.o. in the total amount of PLN 51 818 857, along with the interest on the tax arrears. The Company has filed an appeal against the decision.</p> <p>On January 15, 2021, as part of the second audit proceedings, a decision had been issued by the Head of the Mazovian Customs and Tax Office in which the Authority stated that the Company had not been eligible to deduct the VAT assessed from the invoice issued by Castor Energia Sp. z o.o. (Ltd.) in April 2014, and thus the Company had overstated the amount of the VAT assessed recognized in the tax statement filing for the second quarter of 2014 by the amount of PLN 677 815.39. The Company had filed an appeal against the decision on February 12, 2021.</p> <p>On February 23, 2023, the Provincial Administrative Court (Wojewódzki Sąd Administracyjny - WSA) in Gliwice overturned the decision of the second instance authority that the Company had filed an appeal against, with respect to the VAT tax liability for the periods from October to December 2013 and for the first quarter of 2014. The Director of the Tax Administration Chamber in Katowice filed a cassation appeal with the Supreme Administrative Court (NSA) on April 22, 2022, representing a complaint against the February 23, 2023, ruling of the Provincial Administrative Court (WSA) in Gliwice, which had been in TAURON's favor.</p> |
| 3. Plaintiff: Enea Defendant: TAURON | <p>Object of litigation: a lawsuit for the payment due to the Company's alleged unjust enrichment (benefit) in connection with the settlements related to the imbalance of the Balancing Market with PSE between January and December 2012</p> <p>Value of the object of litigation: PLN 17 085 846.49</p> <p>Initiation of the proceeding: the lawsuit of December 10, 2015</p> <p>Company's position: the Company considers the claims covered by the lawsuit as being without merit.</p> <p>On March 22, 2021, the Regional Court in Katowice had dismissed Enea's lawsuit in its entirety. Enea had filed an appeal in June 2021. The Company has filed a response to the appeal. At a hearing on March 12, 2025, the Court of Appeals in Katowice dismissed Enea's appeal in its entirety. The ruling is final (legally binding).</p> |
| 4. Authority conducting the audit: Head of the First Mazovian Tax Office in Warsaw, the Director of the Tax Administration Chamber in Warsaw Party: TAURON | <p>In 2023 and 2024, TAURON and its selected subsidiaries had been paying the income tax as part of the Tax Capital Group (Podatkowa Grupa Kapitałowa - PGK) registered in 2022 by the Head of the First Mazovian Tax Office in Warsaw for the years 2023 - 2025. As a result of the process of merging of the companies carried out in 2024, on July 1, 2024, the merger of the TAURON Zielona Energia subsidiary owned by PGK (the acquiring company) with 10 limited partnerships (the acquired companies), for which, until the merger, TAURON Zielona Energia had been the sole limited partner holding almost 100% of all of their rights and obligations, had been registered in the National Court Register (KRS). As part of the legal actions involving the merger and an increase of the share capital of TAURON Zielona Energia, the Company identified an occurrence of a situation fulfilling the prerequisites of a material error, as referred to in Article 84 of the Act of April 23, 1964, the Civil Code, with regard to the share exchange parity, as a result of which the registration of the share capital increase had led to a reduction of the Company's share in the share capital of TAURON Zielona Energia from 100% to 62.5%.</p> <p>As a consequence, the Company and the acquiring company, as well as the shareholders of the acquired companies, had taken the legal steps, in particular in the form of submitting of the relevant declarations of intent and the relevant petitions to the Registry Court, aimed at bringing about the annulment of the legal effects of the Registry Court's</p> |

| Parties to the proceedings | Description of the proceedings including the value of the object of litigation and the Company's position |
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| | <p>decision on the registration of the merger and the increase of the share capital of TAURON Zielona Energia, carried out on the basis of the legal actions burdened with, in the opinion of the Company and the entities participating in the merger, an error.</p> <p>On December 27, 2024, TAURON, as the parent company of PGK, had received a decision from the Head of the First Mazovian Tax Office in Warsaw stating that the decision to register the agreement on the establishment of TAURON PGK had expired on July 1, 2024, as a result of a breach of the condition that the Company should hold at least 75% of the shares in the share capital of TAURON Zielona Energia, a member of PGK.</p> <p>On January 10, 2025, TAURON had filed an appeal against the above mentioned decision, due to its view that the process of merging TAURON Zielona Energia with the acquired companies had been ineffective, and thereby the reduction of TAURON's share in the share capital of TAURON Zielona Energia had also been ineffective, which had determined that the PGK status had been maintained.</p> <p>On February 11, 2025, as a result of a successful appeal, the Company had received a decision from the Director of the Tax Administration Chamber in Warsaw on the revoking of the above mentioned decision of the Head of the Tax Office in its entirety and on the referring of the case for a reconsideration by this body. In the opinion of the Director of the Tax Administration Chamber in Warsaw, the first instance authority had not taken into consideration the evidence and circumstances presented by TAURON prior to the issuing of its decision, in particular the circumstance of TAURON Zielona Energia's filing of a lawsuit, on December 5, 2024, to declare the resolution of the general meeting of the shareholders adopted in connection with the merger of the companies and the increase of the share capital of TAURON Zielona Energia null and void, and it had not taken into consideration TAURON's request to suspend the tax proceedings until a common court had resolved the issue of the effectiveness of the merger.</p> <p>On February 4, 2025, the District Court in Katowice, in its ruling issued, had declared the resolution of the Extraordinary General Meeting of the Shareholders of TAURON Zielona Energia on the merger of the acquiring company with the acquired companies to be null and void.</p> <p>On March 21, 2025, TAURON Zielona Energia had learned that, at its request, the Regional Court of Katowice Wschód, the 7th Commercial Division of the National Court Register had struck out, from the National Court Register (KRS), the entry of July 1, 2024, with respect to the merger of TAURON Zielona Energia with 10 limited partnerships.</p> <p>On March 24, 2025, TAURON had received a decision of the Head of the First Mazovian Tax Office in Warsaw on the discontinuing of the tax proceedings with respect to the expiration of the decision to register the agreement on the establishment of TAURON PGK. The receipt of the above mentioned decision has been the result of the reconsideration of the case by this authority and means that TAURON's Tax Group status has been maintained. As a consequence, the tax proceedings conducted in this case have become pointless.</p> <p>TAURON had disclosed the information on the above events in current reports no. 67/2024 of December 27, 2024, no. 4/2025 of February 11, 2025, no. 11/2025 of March 21, 2025 and no. 12/2025 of March 24, 2025.</p> |
| Lawsuits pertaining to the termination, by the PEPKH subsidiary, of the agreements related to the sales of electricity and property rights arising from the guarantees of origin (energy certificates) | |
| <p>1. Plaintiff: Dobiesław Wind Invest sp. z o.o. (Ltd.) (Dobiesław Wind Invest)</p> <p>Defendant: TAURON</p> | <p>Object of litigation: a lawsuit for the payment of the damages and the determination of the liability for the future.</p> <p>Current value of the object of litigation: PLN 94 769 522.68</p> <p>Initiation of the proceeding: the lawsuit of June 30, 2017</p> <p>During the course of the court proceedings under way, the plaintiff had expanded its claim two times to include the new claims.</p> <p>In the course of the court proceedings under way, the parties had exchanged the pleadings (submissions) and the hearings had been held at which witnesses had been heard. The evidentiary proceedings are still in progress. The further hearings were held in March 2025. The case is pending in the first instance.</p> <p>Company's position: the Company considers the claims covered by the lawsuit as being without merit.</p> |
| <p>2. Plaintiff: Gorzyca Wind Invest sp. z o.o. (Ltd.)</p> <p>Defendant: TAURON</p> | <p>Object of litigation: a lawsuit for the payment of the damages and the determination of TAURON's liability for the losses that may arise in the future due to tort, including due to the acts of an unfair competition.</p> <p>Current value of the object of litigation: PLN 150 069 533.00</p> <p>Initiation of the proceeding: the lawsuit of June 29, 2017</p> <p>Company's position: the Company considers the claims covered by the lawsuit as being without merit.</p> <p>During the course of the court proceedings under way, the plaintiff had expanded its claim two times to include the new claims.</p> <p>On December 5, 2024, the Regional Court in Katowice issued a ruling dismissing the claims of the lawsuit in their entirety, along with all of the extensions of this lawsuit filed by the plaintiff. The ruling is not final and it can be appealed against.</p> |
| <p>3. Plaintiff: Pękanino Wind Invest sp. z o.o. (Ltd.)</p> <p>Defendant: TAURON</p> | <p>Object of litigation: a lawsuit for the payment of the damages and the determination of TAURON's liability for the losses that may arise in the future due to tort, including due to the acts of an unfair competition.</p> <p>Current value of the object of litigation: PLN 44 817 060.00</p> <p>Initiation of the proceeding: the lawsuit of June 29, 2017</p> <p>Company's position: the Company considers the claims covered by the lawsuit as being without merit.</p> <p>During the course of the court proceedings under way, the plaintiff had expanded its claim two times to include the new claims.</p> <p>In the course of the court proceedings under way, the parties had exchanged the pleadings (submissions) and the hearings had been held at which the witnesses had been heard. The evidentiary proceedings are still in progress. The case is pending in the first instance.</p> |
| <p>4. Plaintiff: Nowy Jarosław Wind Invest sp. z o.o. (Ltd.)</p> <p>Defendant: TAURON</p> | <p>Object of litigation: a lawsuit for the payment of the damages and the determination of TAURON's liability for the losses that may arise in the future due to tort, including due to the acts of an unfair competition.</p> <p>Current value of the object of litigation: PLN 83 600 774.00</p> <p>Initiation of the proceeding: the lawsuit of June 29, 2017</p> <p>Company's position: the Company considers the claims covered by the lawsuit as being without merit.</p> <p>During the course of the court proceedings under way, the plaintiff had expanded its claim two times to include the new claims.</p> <p>The evidentiary proceedings is under way. The case is pending in the first instance.</p> |

| Parties to the proceedings | Description of the proceedings including the value of the object of litigation and the Company's position |
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| 5. Co-participation on the plaintiff's side: Amon and Talia Defendant: TAURON | <p>Object of litigation: a lawsuit for the payment of the damages and the determination of TAURON's liability for the losses that may arise in the future due to tort, including due to the acts of an unfair competition.</p> <p>Current value of the object of litigation: Amon – PLN 107 873 696.42; Talia – PLN 72 405 047.22</p> <p>Initiation of the proceeding: the lawsuit of April 30, 2018</p> <p>Company's position: the Company considers the claims covered by the lawsuit as being without merit.</p> <p>On April 28, 2025 (an event that took place after the balance sheet date), the parties had entered into a settlement agreement, as discussed in more detail in section 1.5 of this information. On May 8, 2025 the court issued decision to discontinue the proceedings.</p> |
| Proceedings involving TAURON Capital Group's subsidiaries related to the termination, by a subsidiary, of the agreements related to the sale of electricity and property rights arising from the guarantees of origin of electricity (energy certificates) | |
| 1. Plaintiff: Gorzyca Wind Invest sp. z o.o. (Ltd.), Pękanino Wind Invest sp. z o.o. (Ltd.), Dobiesław Wind Invest sp. z o.o. (Ltd.) Defendant: PEPKH | <p>Object of litigation: a plea to declare the termination, by PEPKH, of the agreements related to the purchase of electricity and the property rights arising from the guarantees of origin of electricity (energy certificates) null and void, and to award the damages.</p> <p>Value of the object of litigation: Gorzyca Wind Invest sp. z o.o. (Ltd.) – PLN 259 385 823,64; Pękanino Wind Invest sp. z o.o. (Ltd.) – PLN 75 187 289,06</p> <p>Initiation of the proceeding: Gorzyca Wind Invest sp. z o.o. (Ltd.) – May 18, 2015, Pękanino Wind Invest sp. z o.o. (Ltd.) – May 20, 2018, Dobiesław Wind Invest sp. z o.o. (Ltd.) – May 18, 2015</p> <p>Company's position: the Company considers the claims covered by the lawsuit as being without merit.</p> <p>The cases had been combined for a joint hearing in 2018. In the course of the court proceedings under way, the plaintiffs had expanded their claims, as well as had filed the new claims (the current value of the object of the litigation is indicated above). The case is pending in the first instance.</p> |
| 2. Plaintiff: Dobiesław Wind Invest sp. z o.o. (Ltd.) Defendant: PEPKH | <p>Object of litigation: a plea to award damages and the liquidated damages.</p> <p>Value of the object of litigation: PLN 159 427 682.00</p> <p>Initiation of the proceeding: the lawsuit of June 14, 2017</p> <p>Company's position: the Company considers the claims covered by the lawsuit as being without merit.</p> <p>In the course of the court proceedings under way, the plaintiff had expanded its claims. The case is pending in the first instance.</p> |
| 3. Plaintiff: Nowy Jarosław Wind Invest sp. z o.o. (Ltd.) Defendant: PEPKH | <p>Object of litigation: a plea to declare the termination, by PEPKH, of the agreements related to the sale of electricity and the property rights arising from the guarantees of origin of electricity (energy certificates) null and void, and to award the damages.</p> <p>Value of the object of litigation: PLN 145 833 222,86</p> <p>Initiation of the proceeding: the lawsuit of June 3, 2015</p> <p>Company's position: the Company considers the claims covered by the lawsuit as being without merit.</p> <p>In the course of the court proceedings under way, the plaintiff had expanded its claims five times. The case is pending in the first instance. In the first quarter of 2024, there had been no material events in the pending proceedings.</p> |
| 4. Plaintiff: Amon Defendant: PEPKH | <p>Object of litigation: a plea to declare the termination, by PEPKH, of the agreements related to the purchase of electricity and the property rights arising from the guarantees of origin of electricity null and void, and to award the damages.</p> <p>Value of the object of litigation: PLN 40 478 983.22</p> <p>Initiation of the proceeding: the lawsuit of May 22, 2015</p> <p>Company's position: the Company considers the claims covered by the lawsuit as being without merit.</p> <p>On April 28, 2025 (an event that took place after the balance sheet date), the parties entered into a settlement agreement, as discussed in more detail in section 1.5 of this information.</p> |
| 5. Plaintiff: Amon Defendant: PEPKH | <p>Object of litigation: a plea to determine awarding of the damages due to a failure to perform, by PEPKH, of the agreements related to the purchase of electricity and the property rights arising from the guarantees of origin of electricity (energy certificates).</p> <p>Value of the object of litigation: PLN 49 096 783,00 29</p> <p>Initiation of the proceeding: August 20, 2019</p> <p>Company's position: the Company considers the claims covered by the lawsuit as being without merit.</p> <p>On April 28, 2025 (an event that took place after the balance sheet date), the parties entered into a settlement agreement, as discussed in more detail in section 1.5 of this information.</p> |
| 6. Plaintiff: Talia Defendant: PEPKH | <p>Object of litigation: a plea to declare the termination, by PEPKH, of the agreements related to the purchase of electricity and property rights arising from the guarantees of origin of electricity (energy certificates) null and void, and to award the damages.</p> <p>Value of the object of litigation: PLN 46 078 047.43</p> <p>Initiation of the proceeding: the lawsuit of May 21, 2015</p> <p>Company's position: the Company considers the claims covered by the lawsuit as being without merit.</p> <p>On April 28, 2025 (an event that took place after the balance sheet date), the parties entered into a settlement agreement, as discussed in more detail in section 1.5 of this information.</p> |
| 7. Plaintiff: PEPKH Defendant: Amon | <p>Object of litigation: a plea to determine awarding of the damages due to a failure to perform, by Amon, of the agreements related to the purchase of electricity and the payment of the liquidated damages under the agreement for the sale of the property rights arising from the guarantees of origin of electricity (energy certificates).</p> <p>Value of the object of litigation: PLN 61 576 284.89</p> <p>Initiation of the proceeding: the lawsuit had been filed on March 31, 2023</p> <p>On April 28, 2025 (an event that took place after the balance sheet date), the parties entered into a settlement agreement, as discussed in more detail in section 1.5 of this information.</p> |

| Parties to the proceedings | Description of the proceedings including the value of the object of litigation and the Company's position |
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| 8. Plaintiff: PEPKH Defendant: Talia | <p>Object of litigation: a plea to determine awarding of the damages due to a failure to perform, by Talia, of the agreements related to the purchase of electricity and the payment of the liquidated damages under the agreement for the sale of the property rights arising from the guarantees of origin of electricity (energy certificates).</p> <p>Value of the object of litigation: PLN 75 334 631.53</p> <p>Initiation of the proceeding: the lawsuit had been filed on December 28, 2023</p> <p>On April 28, 2025 (an event that took place after the balance sheet date), the parties entered into a settlement agreement, as discussed in more detail in section 1.5 of this information.</p> |

Other proceedings

Petitions of TAURON Sprzedaż for a change of the approved tariff

As of January 1, 2020, pursuant to the decision of the President of the Energy Regulatory Office (ERO) of December 17, 2019, the electricity tariff for the G tariff groups consumers had entered into force, resulting in an increase in the payments for the household consumers by 19.9% as compared to the payments incurred in the 2018 / 2019 time frame.

Due to the fact that the said decision had prevented TAURON Sprzedaż from passing on the justified costs of the activities related to the electricity trading, on January 8, 2020, TAURON Sprzedaż had submitted to the President of the Energy Regulatory Office (ERO) a petition for a change of the tariff approved for 2020, which had led to the initiating the administrative proceedings.

Due to the particularly complex nature of the case and the COVID-19 pandemic, the deadline for resolving the case had been set as July 29, 2020. By way of the decision of July 8, 2020, the President of the Energy Regulatory Office (ERO) did not approve the above mentioned change of the tariff.

In the opinion of TAURON Sprzedaż, the change of the decision to approve the tariff had been justified by the legitimate interest of the party and the provisions of the applicable law, stipulating that the tariff should ensure that the justified costs of the activities conducted by the Company are covered, while the decision approving the tariff, in the opinion of the Company, did not ensure this.

On July 30, 2020, TAURON Sprzedaż had filed an appeal to the Court of Competition and Consumer Protection in Warsaw, against the decision of the President of the Energy Regulatory Office (ERO) of July 8, 2020, motioning for an amendment of the challenged decision in its entirety by approving the electricity tariff in accordance with the petition of TAURON Sprzedaż or revoking the decision in its entirety and ruling that the decision had been issued in the violation of the law. The case is pending under the reference file number XVII AmE 242/20.

The Court of Competition and Consumer Protection Company, by way of its decision of July 28, 2022, had admitted the evidence in the form of the opinion of a court expert in the field of the energy market and accounting. The expert had prepared an opinion, which had been served on the Company's power of attorney representative on December 4, 2023. At a hearing on March 26, 2024, the court had dismissed the Company's claim against the President of the ERO. The Company had filed an appeal against the ruling.

Arbitration proceedings with ArcelorMittal group companies

TAMEH HOLDING is a joint venture in which currently TAURON and ArcelorMittal Group's companies (the Group's lead partner (shareholder), i.e. AM Global Holding S.a r.l., with its registered office in the Grand Duchy of Luxembourg (AM Global Holding) and ArcelorMittal Poland S.A. with its registered office in Dąbrowa Górnicza (AMP)) each hold 50% of the shares. The main subject of the business operations of TAMEH HOLDING is the production of the blast furnace blowing, compressed air, process steam, production and sales of the electricity and the heat for the district heating purpose. TAMEH HOLDING is a holder of 100% of the shares in two operating companies: TAMEH POLSKA and TAMEH Czech.

In the Shareholders' Agreement entered into on August 11, 2014, between TAURON Group's subsidiaries and ArcelorMittal Group companies (collectively referred to as the Parties), defining the terms and conditions of the Parties' cooperation within TAMEH HOLDING (the Shareholders' Agreement), the Parties had made irrevocable offers to each other to buy and sell the shares in TAMEH HOLDING. Each of the Parties had the right to accept the irrevocable purchase offer made by the other Party, among other things, in the event that one of the prerequisites set forth in the Shareholders' Agreement would materialize as of the elapse of December 31, 2023.

As a result of the materialization, as of the elapse of December 31, 2023, of one of the prerequisites set forth in the Shareholders' Agreement, on January 2, 2024, a representative of TAURON, in the presence of the bailiff recording the act of the serving of the statement, had left at AM Global Holding's registered office a statement on TAURON's acceptance of AM Global Holding's offer to purchase all of 3 293 403 shares held by TAURON in TAMEH HOLDING for the amount of PLN 598 098 090.30 (Sale Price). In accordance with the Shareholders' Agreement, the transfer of the ownership of the shares shall take place upon the crediting of the bank account with an amount equal to the Sale Price, which should take place no later than on the 30th business day from TAURON's acceptance of the offer, i.e. from the date of serving the statement to AM Global Holding.

On January 4, 2024, TAURON had received a message sent on behalf of AM Global Holding containing the information that AM Global Holding had been disputing the effectiveness of the serving of the above mentioned statement.

On January 9, 2024, TAURON had received a letter from AM Global Holding, which, according to AM Global Holding, had constituted a statement of the acceptance of TAURON's offer to purchase all of the shares in TAMEH HOLDING owned by the ArcelorMittal Group companies for PLN 598 098 090.30. In the light of TAURON's earlier actions and the steps taken by AM Global Holding, a risk of the arising of a dispute between the Parties with respect to the effectiveness of the serving of the above mentioned statements had been identified.

In reference to the above mentioned events, on January 12, 2024, TAURON had sent a letter to AM Global Holding in which it expressed its consent to enter into the negotiations in accordance with the procedure set forth in the Shareholders' Agreement.

In connection with the expiration of the above mentioned deadline of 30 working days and a failure to make the payment of the Sale Price for the shares in TAMEH HOLDING by such a deadline, the Parties have submitted to each other the summons to pay, while at the same time upholding their readiness to negotiate and amicably resolve the dispute arisen.

On October 1, 2024, due to the lack of an agreement on the effectiveness of the serving of the statements regarding the acceptance of the offers to purchase the shares in TAMEH HOLDING, TAURON had summoned AM Global Holding (the Lead Partner), AMP and AMLP, to an arbitration to resolve the dispute regarding the Lead Partner's failure to pay the sale price for the shares held by TAURON in the company TAMEH HOLDING.

The value of the subject of the dispute stands at PLN 598 098 090.30, with AMP and AMLP being jointly and severally liable along with the Lead Partner (Shareholder) for the payment of this amount.

The arbitration will be conducted in accordance with the rules set forth in the United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules 2021 by an ad hoc arbitral tribunal.

On October 30, 2024, TAURON had received a response to the summons to the arbitration from the Lead Partner, AMP and AMLP regarding the resolution of the above mentioned dispute. In response to the summons, the Lead Partner had filed a counterclaim, in which it had demanded the payment by TAURON of PLN 598 098 090.30 plus the statutory interest for a late payment assessed (accrued) as of February 14, 2024, until the date of the payment of the price for the shares held by the Lead Partner (Shareholder) and AMP in TAMEH. In TAURON's opinion, the claims of the Lead Partner (Shareholder) are without merit. The proceedings are in their early stages.

Lawsuit for the payment of a compensation for the mobbing alleged by a former employee

On August 8, 2024, a former TAURON employee had filed a lawsuit with the District Court in Katowice, in which she had demanded an award of PLN 1 500 000 000 plus the statutory interest assessed (accrued) as of August 8, 2024, until the date of the payment as a compensation for the mobbing during the employment relationship.

The Company had filed a response to the lawsuit, requesting that the claim be dismissed in its entirety as being without merit. In the Company's opinion, in particular on the basis of the legal opinion obtained, as well as taking into account the previous rulings (case law of the courts) issued in the similar cases, the probability of the amount of the compensation requested by the plaintiff if the claim were to be upheld being awarded is negligible. The Company will not set up a provision for this event.

5.2. Transactions with related entities on terms other than at arm's length

All of the transactions with the related entities are concluded at arm's length.

The detailed information on the transactions with the related entities is provided in note 52 to the Consolidated Financial Statements of TAURON Capital Group.

5.3. Credit or loan sureties (co-signings) granted and guarantees granted

Credit or loan sureties (co-signings) granted

In the first quarter of 2025, TAURON had raised, up to the amount of PLN 64 million, the surety for EC Stalowa Wola's liabilities towards BGK stemming from the loan agreement concluded in 2018. TAURON's surety is in effect until March 11, 2026. As a result of the repayment of a part of the loan agreement, as of April 16, 2025, the surety has been reduced to PLN 48 million.

The subsidiaries did not issue any loan or credit sureties in the first quarter of 2025.

Guarantees granted

In the first quarter of 2025, neither the Company, nor its subsidiaries had provided any new corporate guarantees

As of March 31, 2025, the total amount of the sureties (co-signings) and the corporate guarantees (bonds) granted by the Company had stood at PLN 1 873 million.

As of March 31, 2025, the amount of the sureties and guarantees issued by the subsidiaries had stood at EUR 19 million (PLN 81 million) and PLN 580 million in total.

In the first quarter of 2025, as part of the framework (master) agreements in force, the bank guarantees had been issued at the instruction of TAURON for the liabilities of TAURON Capital Group's subsidiaries and the related entities. As of March 31, 2025, the amount of the bank guarantees (bonds) in effect, issued at the instruction of TAURON, had stood at PLN 436 million.

In addition, the bank guarantees issued at the instruction of TAURON Czech Energy s.r.o. had been in effect in the first quarter of 2025, and they had clocked in at PLN 19 million (CZK 65 million and EUR 1.9 million) in total.

The information on the material guarantees (bonds) granted is provided in note 51 to the Interim Abbreviated Consolidated Financial Statements of TAURON Polska Energia S.A. Capital Group drawn up in compliance with the International Financial Reporting Standards approved by the European Union, for the period of 3 months ended on March 31, 2025.

5.4. Other information that could be material for the evaluation of TAURON Capital Group's personnel, assets, financial position, financial result and the changes thereof, as well as the information that could be material for the evaluation of the ability of TAURON Capital Group to meet its obligations

Apart from the events indicated in this information, no other events had occurred in the first quarter of 2025 that had been material for the evaluation of the personnel, assets, financial position and the financial result of TAURON Capital Group and the changes thereof, as well as for the evaluation of the ability of TAURON Capital Group to meet its obligations.

Katowice, May 20, 2025

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| Grzegorz Lot | – President of the Management Board |
| Piotr Gołębiowski | – Vice President of the Management Board |
| Michał Orłowski | – Vice President of the Management Board |
| Krzysztof Surma | – Vice President of the Management Board |

Appendix A: GLOSSARY OF TERMS AND LIST OF ABBREVIATIONS

The glossary of the trade terms and the list of the abbreviations and acronyms most commonly used in this report is presented below.

Table no. 31 Explanation of the abbreviations and acronyms as well as the trade terms

| Abbreviation and trade term | Full name / explanation |
|-----------------------------|--|
| 1. Amon | Amon sp. z o.o. (Ltd.) with its registered office in Łebcz. |
| 2. ARA | Dollar based carbon price index in the EU. Loco Amsterdam - Rotterdam - Antwerp ports |
| 3. ARE | Agencja Rynku Energii S.A. (Energy Market Agency Joint Stock Company) with its registered office in Warsaw. |
| 4. BASE (BASE Contract) | A baseload contract for the supply of electricity at all hours of the period, for example the BASE contract for March 2025 is related to the supply of the same amount of electricity during all hours of the month of March 2025. |
| 5. BGK | Bank Gospodarstwa Krajowego with its registered office in Warsaw. |
| 6. Bioeko Grupa TAURON | Bioeko Grupa TAURON Sp. z o.o. (Ltd.) with its registered office in Stalowa Wola. |
| 7. CAPEX | Capital Expenditures. |
| 8. Cash pool | True real time (online) <i>cash pool</i> structure, implemented under the cash management agreement, is based on the daily limits. As a result of the implementation of the <i>cash pool</i> mechanism, cash transfers are made between the accounts of the service participants and the Pool Leader's account. |
| 9. Color certificates | Property rights based on the guarantees of origin of electricity (energy certificates) generated in the way that is subject to support, the so-called color certificates: green - guarantees of origin of electricity (energy certificates) from RES, blue - guarantees of origin of electricity (energy certificates) generated from agricultural biogas. white - energy efficiency certificates (mechanism stimulating and forcing pro-savings behaviors) yellow - guarantees of origin of electricity (energy certificates) generated in co-generation from gas-fired sources or with the total installed capacity below 1 MW, red - guarantees of origin of electricity (energy certificates) from co-generation (CHP certificates - Combined Heat and Power), violet - guarantees of origin of electricity (energy certificates) generated in co-generation fired using methane released and captured during underground mining works in active, in liquidation or liquidated hard coal mines, or using gas obtained from biomass processing. |
| 10. COVID-19 | Coronavirus Disease 2019 - acute respiratory system contagious disease caused by the SARS-CoV-2 virus infection. The disease was first diagnosed and described in November 2019 in central China in the city of Wuhan, Hubei Province. |
| 11. CUW | Shared Services Center (Centrum Usług Wspólnych - CUW) - separate organizational units responsible for providing a specific range of support services (CUW R – accounting services, CUW HR – human resources services, CUW IT – IT services, CUW Insurance, CUW Protection). |
| 12. EBIT | Earnings Before Interest and Taxes. |
| 13. EBITDA | Earnings Before Interest, Taxes, Depreciation and Amortization. |
| 14. EC Stalowa Wola | Elektrociepłownia Stalowa Wola S.A. (Joint Stock Company) with its registered office in Stalowa Wola (Stalowa Wola Combined Heat and Power Plant (CHP)). |
| 15. Enea | Enea S.A. (Joint Stock Company) with its registered office in Poznań. |
| 16. Energa | Energa S.A. (Joint Stock Company) with its registered office in Gdańsk. |
| 17. EU ETS | European Union Emission Trading System - European Union's System for the Trading of the CO ₂ Emission Allowances. |
| 18. EUA | European Union Allowance - an allowance to introduce the carbon dioxide (CO ₂) equivalent to the air, within the meaning of Article 2 section 4 of the <i>Act of July 17, 2009, on the management system of emissions of greenhouse gases and other substances</i> , which is used for settlements of emission level within the system and which can be managed under the rules provided in the <i>Act of April 28, 2011, on the system of greenhouse gases emission allowances trading</i> |

| Abbreviation and trade term | Full name / explanation |
|--|---|
| 19. EUR | Euro - a common European currency introduced in some EU member states |
| 20. FF PARK PV1 | FF PARK PV1 sp. z o.o. (Ltd.) with its registered office in Katowice. |
| 21. WSE (GPW) | Warsaw Stock Exchange (WSE) (Giełda Papierów Wartościowych w Warszawie S.A. (Joint Stock Company)) with its registered office in Warsaw. |
| 22. TAURON Capital Group | TAURON Capital Group Polska Energia S.A. (Joint Stock Company) |
| 23. GZE | Górnośląski Zakład Elektroenergetyczny S.A. (Joint Stock Company) with its registered office in Gliwice. |
| 24. ICE (ICE exchange) | InterContinental Exchange – the commodity and financial exchange, where, among others, the contracts for oil, coal, natural gas and the CO ₂ emission allowances are traded. |
| 25. IRGiT (Warsaw Commodity Exchange Clearing House) | Izba Rozliczeniowa Giełd Towarowych S.A. (Warsaw Commodity Exchange Clearing House) with its registered office in Warsaw. |
| 26. KGHM | KGHM Polska Miedź S.A. (Polish Copper Mining Joint Stock Company) with its registered office in Lubin. |
| 27. Ksh | <i>Act of September 15, 2000, Code of Commercial Companies</i> |
| 28. Kopalnia Wapienia Czatkowice | Kopalnia Wapienia (Limestone Mine) "Czatkowice" sp. z o.o. (Ltd.) with its registered office in Krzeszowice. |
| 29. Mg | Megagram - million gram (1 000 000 g), i.e. ton. |
| 30. Business Model | Document under the title <i>TAURON Group's Business Model</i> . |
| 31. IFRS (MSSF) | International Financial Reporting Standards. |
| 32. NBP | National Bank of Poland (Narodowy Bank Polski) with its registered office in Warsaw. |
| 33. Line of Business (Segment) | Six areas (lines of business, segments) of TAURON Capital Group's core operations: Generation, Heat, RES, Distribution, Trading and Supply. |
| 34. DSO (OSD) | Distribution System Operator (Operator Systemu Dystrybucyjnego - OSD). |
| 35. TSO (OSP) | Transmission System Operator (Operator Systemu Przesyłowego - OSP) |
| 36. RES (OZE) | Renewable Energy Sources (Odnawialne Źródła Energii - OZE) |
| 37. PEAK (PEAK contract) | Peak contract for the supply of electricity during business hours (8-22) on business days, for example the PEAK contract for March 2025 is related to the supply of the same amount of electricity on all business days in March 2025 between 8 and 22. |
| 38. PEPKH | Polska Energia - Pierwsza Kompania Handlowa sp. z o.o. (Ltd.) with its registered office in Warsaw. |
| 39. PGE | PGE Polska Grupa Energetyczna S.A. (Joint Stock Company) with its registered office in Warsaw. |
| 40. PGK | Tax Capital Group (Podatkowa Grupa Kapitałowa – PGK). |
| 41. GDP (PKB) | Gross Domestic Product (Produkt Krajowy Brutto). |
| 42. PLN | Polish zloty currency symbol – zł (PLN) |
| 43. PMEF | Property rights related to the energy efficiency certificates |
| 44. PMOZE | Property rights related to the certificates of origin confirming generation of electricity in RES before March 1, 2009. |
| 45. PMOZE_A | Property rights related to the certificates of origin confirming generation of electricity in RES after March 1, 2009. |
| 46. PMOZE-BIO | Property rights related to the certificates of origin confirming generation of electricity from agricultural biogas from July 1, 2016 |
| 47. PSE (TSO) | Polskie Sieci Elektroenergetyczne S.A. (Joint Stock Company) with its registered office in Konstancin-Jeziorna. |
| 48. Balancing Market (Rynek Bilansujący – RB) | Balancing Market (Rynek Bilansujący) - technical market on which the demand for and supply of electricity in the National Power System (KSE) is balanced. |

| Abbreviation and trade term | Full name / explanation |
|---|---|
| 49. RDB (Intraday Market) | Intraday Market - a market operating on the POLPX TGE), where trading is carried out in a continuous trading formula, 24 hours a day. Instruments with delivery on the next day are traded, with their trading starting at 14:00 the day before the delivery and gradually exiting the market one hour before the start of the delivery. |
| 50. RDN (Day Ahead Market) | Day Ahead Market - a market operating on the POLPX (TGE), where trading is carried out one and two days ahead of the delivery. |
| 51. RDNg (Day Ahead Gas Market) | Day Ahead Gas Market - a market operating on the POLPX (TGE), where trading is carried out every day and is conducted in the continuous trading system. |
| 52. SARS-CoV-2 | Severe Acute Respiratory Syndrome - virus that causes the COVID-19 disease. |
| 53. Segment, Segments of Operations (Operating Segments) | TAURON Capital Group's segments of operations used in the statutory reporting process. TAURON Capital Group's results from operations are allocated to the following 6 main Segments: Generation, Heat, RES, Distribution and Supply, as well as, additionally, Other Operations. |
| 54. Consolidated Financial Statements of TAURON Capital Group | Document under the title <i>Consolidated financial statements of TAURON Polska Energia S.A. Capital Group in accordance with the International Financial Reporting Standards approved by the European Union for the year ended on December 31, 2024.</i> |
| 55. Financial Statements of TAURON | Document under the title <i>Financial statements of TAURON Polska Energia S.A. in accordance with the International Financial Reporting Standards approved by the European Union for the year ended on December 31, 2024.</i> |
| 56. SPOT (SPOT market) | With respect to electricity, it is the place where trade transactions for electricity are concluded with delivery not later than 3 days after the date of the transaction's conclusion (most often it is one day before the date of the delivery). The operation of the SPOT market for electricity is strongly tied to the operation of the Balancing Market run by the TSO. |
| 57. Company | TAURON Polska Energia S.A. (Joint Stock Company) with its registered office in Katowice. |
| 58. Company's Articles of Association | Document entitled <i>Articles of Association of TAURON Polska Energia S.A. (Joint Stock Company)</i> |
| 59. Strategy | Document under the title <i>TAURON Group's Strategy for the years 2025 - 2035 New Energy</i> , adopted on December 17, 2024. |
| 60. TAMEH HOLDING | TAMEH HOLDING sp. z o.o. (Ltd.) with its registered office in Dąbrowa Górnicza. |
| 61. TAMEH POLSKA | TAMEH POLSKA sp. z o.o. (Ltd.) with its registered office in Dąbrowa Górnicza. |
| 62. TAURON | TAURON Polska Energia S.A. (Joint Stock Company) with its registered office in Katowice. |
| 63. TAURON Ciepło | TAURON Ciepło sp. z o.o. (Ltd.) with its registered office in Katowice. |
| 64. TAURON Czech Energy | TAURON Czech Energy s.r.o. with its registered office in Ostrava (Czech Republic). |
| 65. TAURON Dystrybucja | TAURON Dystrybucja S.A. (Joint Stock Company) with its registered office in Cracow. |
| 66. TAURON Ekoenergia | TAURON EKOENERGIA sp. z o.o. (Ltd.) with its registered office in Jelenia Góra. |
| 67. TAURON Inwestycje | TAURON Inwestycje sp. z o.o. (Ltd.) with its registered office in Będzin. |
| 68. TAURON Nowe Technologie | TAURON Nowe Technologie S.A. (Joint Stock Company) (formerly: TAURON Dystrybucja Serwis S.A. (Joint Stock Company)) with its registered office in Wrocław. |
| 69. TAURON Obsługa Klienta | TAURON Obsługa Klienta sp. z o.o. (Ltd.) with its registered office in Wrocław. |
| 70. TAURON Serwis | TAURON Serwis sp. z o.o. (Ltd.) with its registered office in Katowice. |
| 71. TAURON Sprzedaż | TAURON Sprzedaż sp. z o.o. (Ltd.) with its registered office in Cracow. |
| 72. TAURON Sprzedaż GZE | TAURON Sprzedaż GZE sp. z o.o. (Ltd.) with its registered office in Gliwice. |
| 73. TAURON Wytwarzanie | TAURON Wytwarzanie S.A. (Joint Stock Company) with its registered office in Jaworzno. |
| 74. TAURON Zielona Energia | TAURON Zielona Energia sp. z o.o. (Ltd.) with its registered office in Katowice. |
| 75. TEC1 | TEC1 sp. z o.o. (Ltd.) with its registered office in Katowice. |

| Abbreviation and trade term | Full name / explanation |
|-----------------------------|---|
| 76. PPX (TGE) | Towarowa Giełda Energii S.A. (Joint Stock Company) (Polish Power Exchange – POLPX) with its registered office in Warsaw. |
| 77. TGEozebio | Property rights that confirm the production of electricity from renewable energy sources using agricultural biogas. |
| 78. EU (UE) | European Union (Unia Europejska - UE) |
| 79. UOKiK | Office of Competition and Consumer Protection (Urząd Ochrony Konkurencji i Konsumentów – UOKiK) |
| 80. ERO (URE) | Energy Regulatory Office (Urząd Regulacji Energetyki - URE) |
| 81. USA | United States of America. |
| 82. USD | United States Dollar - US dollar's international acronym |
| 83. Usługi Grupa TAURON | Usługi Grupa TAURON sp. z o.o. (Ltd.) with its registered office in Tarnów. |
| 84. WACC | Weighted Average Cost of Capital - the weighted average cost of capital of the company, weighted respectively by the share of debt and equity in the company's capital structure. |
| 85. WIND T2 | WIND T2 sp. z o.o. (Ltd.) with its registered office in Pieńków. |
| 86. WIND T30MW | WIND T30MW sp. z o.o. (Ltd.) with its registered office in Pieńków. |
| 87. WIND T4 | WIND T4 sp. z o.o. (Ltd.) with its registered office in Katowice. |
| 88. WINDPOWER Gamów | WINDPOWER Gamów sp. z o.o. (Ltd.) with its registered office in Katowice. |
| 89. GM (WZ / ZW) | General Meeting (GM) / Shareholders' (Partners') Meeting (Walne Zgromadzenie – WZ / Zgromadzenie Wspólników - ZW) |

Appendix B: INDEX OF TABLES AND FIGURES

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