TAURON Polska Energia S.A. Capital Group

Interim condensed consolidated financial statements compliant with the International Financial Reporting Standards approved by the European Union for the 3-month period ended 31 March 2026

compliant with the IFRS approved by the European Union (in PLN million)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited restated figures)*
Sales revenue	**11**	9 507	9 297
Recompensation	**12**	–	335
Cost of sales	**13**	(7 695)	(7 531)
Profit on sale		**1 812**	**2 101**
Selling and distribution expenses	**13**	(219)	(198)
Administrative expenses	**13**	(200)	(182)
Other operating income		59	74
Other operating expenses		(70)	(44)
Share in profit/(loss) of joint ventures	**21**	31	7
Operating profit		**1 413**	**1 758**
Interest expense on debt	**14**	(134)	(165)
Gain/loss on derivative instruments	**14**	–	(215)
Other finance income and costs	**14**	(27)	71
Profit before tax		**1 252**	**1 449**
Income tax expense	**15**	(273)	(318)
Net profit		**979**	**1 131**
Measurement of hedging instruments	**31.4**	74	(32)
Income tax	**15**	(14)	6
Other comprehensive income to be reclassified in the financial result		**60**	**(26)**
Actuarial gains	**34**	4	4
Income tax	**15**	(1)	(1)
Other comprehensive income not to be reclassified in the financial result		**3**	**3**
Other comprehensive income, net of tax		**63**	**(23)**
Total comprehensive income		**1 042**	**1 108**
Net profit:			
Attributable to equity holders of the Parent		979	1 130
Attributable to non-controlling interests		–	1
Total comprehensive income:			
Attributable to equity holders of the Parent		1 042	1 107
Attributable to non-controlling interests		–	1
Profit per share basic and diluted (in PLN)		0.56	0.64

compliant with the IFRS approved by the European Union (in PLN million)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
ASSETS			
Non-current assets			
Property, plant and equipment	**16**	37 105	36 566
Right-of-use assets	**17**	2 683	2 591
Goodwill	**18**	26	26
Energy certificates and CO_2 emission allowances for surrender	**19.1**	5	47
Other intangible assets	**20**	811	846
Investments in joint ventures	**21**	269	239
Loans granted to joint ventures	**22**	505	494
Derivative instruments	**23**	65	45
Other financial assets	**24**	232	233
Other non-financial assets	**25.1**	986	980
Deferred tax assets	**26**	49	46
		42 736	**42 113**
Current assets			
Energy certificates and CO_2 emission allowances for surrender	**19.2**	258	227
Inventories	**27**	771	807
Receivables from buyers	**28**	4 259	4 056
Income tax receivables	**41**	66	63
Receivables arising from other taxes and charges	**29**	372	441
Derivative instruments	**23**	55	63
Other financial assets	**24**	50	320
Other non-financial assets	**25.2**	219	133
Cash and cash equivalents	**30**	1 037	489
Assets classified as held for sale		4	5
		7 091	**6 604**
TOTAL ASSETS		**49 827**	**48 717**

compliant with the IFRS approved by the European Union (in PLN million)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - CONTINUED

	Note	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Parent			
Issued capital	**31.1**	8 763	8 763
Reserve capital	**31.3**	2 948	2 948
Revaluation reserve from valuation of hedging instruments	**31.4**	19	(42)
Foreign exchange differences from translation of foreign entity		(2)	(2)
Retained earnings/(Accumulated losses)	**31.5**	10 098	9 116
		21 826	**20 783**
Non-controlling interests	**31.6**	**3**	**3**
Total equity		**21 829**	**20 786**
Non-current liabilities			
Debt	**33**	11 721	11 911
Provisions for employee benefits	**34**	838	820
Provisions for the costs of dismantling fixed assets and reclaiming land	**35**	291	293
Accruals, deferred income and government grants	**38**	2 004	1 670
Deferred tax liabilities	**26**	1 672	1 529
Derivative instruments	**23**	66	91
Capital commitments	**40**	26	38
Other financial liabilities	**43**	22	40
Liabilities arising from contracts with customers and advance payments received	**44**	1	1
		16 641	**16 393**
Current liabilities			
Debt	**33**	1 146	1 207
Liabilities to suppliers	**39**	1 755	1 852
Capital commitments	**40**	522	916
Provisions for employee benefits	**34**	146	171
Provisions for liabilities due to energy certificates and CO_2 emission allowances	**36**	4 379	3 327
Other provisions	**37**	336	637
Accruals, deferred income and government grants	**38**	370	241
Income tax liabilities	**41**	149	475
Liabilities arising from other taxes and charges	**42**	785	843
Derivative instruments	**23**	181	259
Other financial liabilities	**43**	325	471
Liabilities arising from contracts with customers and advance payments received	**44**	1 263	1 139
		11 357	**11 538**
Total liabilities		**27 998**	**27 931**
TOTAL EQUITY AND LIABILITIES		**49 827**	**48 717**

compliant with the IFRS approved by the European Union (in PLN million)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

3-MONTH PERIOD ENDED 31 MARCH 2026 *(unaudited)*

	Equity attributable to the equity holders of the Parent							
	Issued capital	Reserve capital	Revaluation reserve on valuation of hedging instruments	Foreign exchange differences from translation of foreign entity	Retained earnings/ (Accumulated losses)	Total	Non-controlling interests	Total equity
As at 1 January 2026	**8 763**	**2 948**	**(42)**	**(2)**	**9 116**	**20 783**	**3**	**20 786**
Net profit	–	–	–	–	979	**979**	–	**979**
Other comprehensive income	–	–	60	–	3	**63**	–	**63**
Total comprehensive income	**–**	**–**	**60**	**–**	**982**	**1 042**	**–**	**1 042**
Settlement of the effective portion of hedging on assets	–	–	1	–	–	**1**	–	**1**
As at 31 March 2026 *(unaudited)*	**8 763**	**2 948**	**19**	**(2)**	**10 098**	**21 826**	**3**	**21 829**

3-MONTH PERIOD ENDED 31 March 2025 *(unaudited)*

	Equity attributable to the equity holders of the Parent							
	Issued capital	Reserve capital	Revaluation reserve on valuation of hedging instruments	Foreign exchange differences from translation of foreign entity	Retained earnings/ (Accumulated losses)	Total	Non-controlling interests	Total equity
As at 1 January 2025	**8 763**	**2 438**	**139**	**(3)**	**6 376**	**17 713**	**41**	**17 754**
Net profit	–	–	–	–	1 130	**1 130**	1	**1 131**
Other comprehensive income	–	–	(26)	–	3	**(23)**	–	**(23)**
Total comprehensive income	**–**	**–**	**(26)**	**–**	**1 133**	**1 107**	**1**	**1 108**
As at 31 March 2025 *(unaudited)*	**8 763**	**2 438**	**113**	**(3)**	**7 509**	**18 820**	**42**	**18 862**

compliant with the IFRS approved by the European Union (in PLN million)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited restated figures)*
Cash flows from operating activities			
Profit before tax		**1 252**	**1 449**
Share in (profit)/loss of joint ventures		(31)	(7)
Depreciation and amortization		670	614
Impairment losses on loans granted		(11)	(12)
Exchange differences		42	(60)
Interest and commissions		134	169
Valuation of derivatives		(33)	53
Other adjustments of profit before tax		5	4
Change in working capital	**45.1**	558	(287)
Income tax paid	**45.1**	(478)	(112)
Net cash from operating activities		**2 108**	**1 811**
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets	**45.2**	(1 467)	(1 424)
Total payments		**(1 467)**	**(1 424)**
Grants received		15	6
Proceeds from sale of property, plant and equipment and intangible assets		5	3
Total proceeds		**20**	**9**
Net cash used in investing activities		**(1 447)**	**(1 415)**
Cash flows from financing activities			
Redemption of debt securities	**45.3**	(400)	–
Repayment of loans and borrowings	**45.3**	(83)	(795)
Interest paid	**45.3**	(87)	(90)
Repayment of lease liabilities		(95)	(84)
Other payments		(9)	(8)
Total payments		**(674)**	**(977)**
Proceeds from contracted loans and borrowings	**45.3**	584	1 551
Bond interest refund proceeds		27	65
Total proceeds		**611**	**1 616**
Net cash from financing activities		**(63)**	**639**
Net increase/(decrease) in cash and cash equivalents		**598**	**1 035**
Cash and cash equivalents at the beginning of the period	**30**	**320**	**557**
Cash and cash equivalents at the end of the period, of which:	**30**	**918**	**1 592**
restricted cash	**30**	310	504

compliant with the IFRS approved by the European Union (in PLN million)

INFORMATION ON THE GROUP AND THE BASIS FOR THE PREPARATION OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General information about the TAURON Polska Energia S.A. Capital Group and its parent company

TAURON Polska Energia S.A. Capital Group (the "Group", the "Capital Group", "TAURON Group") consists of TAURON Polska Energia S.A. (the "parent entity", the "Company", the "Parent Company") and its subsidiaries. TAURON Polska Energia S.A. operates as a joint-stock company, incorporated by a notarial deed on 6 December 2006. Until 16 November 2007, the Company operated under the name Energetyka Południe S.A.

Basic information on the Company

Name	TAURON Polska Energia S.A.
Registered office of the parent entity	Poland, 40-202 Katowice, Aleja Walentego Roździeńskiego 1B
Registration	District Court Katowice-Wschód, 8th Commercial Department of the National Court Register
KRS	271562
REGON	240524697
NIP	9542583988
Core area of business	• Activities of head offices and holdings, excluding financial holdings - PKD 70.10 Z • Electricity trading - PKD 35.14 Z • Gas fuel trading in the network system - PKD 35.23 Z

The duration of the Parent Company and entities included in the Capital Group is unlimited. The activity is carried out based on the relevant licences granted to individual entities belonging to the Group.

The TAURON Group's core business is reflected in the breakdown into segments: Distribution, Renewable Energy Sources, Heat, Sales and Wholesale, Generation and other operations, including customer service, as discussed in more detail in Note 10 to these interim condensed consolidated financial statements.

The interim condensed consolidated financial statements of the Group cover a 3-month period ended 31 March 2026 and contain comparative figures for the 3-month period ended 31 March 2025 and as at 31 December 2025. The data included in these interim condensed consolidated financial statements for the 3-month period ended 31 March 2026 and the comparative data for the 3-month period ended 31 March 2025 have not been audited or reviewed by the statutory auditor. The comparative figures as at 31 December 2025 were subject to the audit by the statutory auditor.

These interim condensed consolidated financial statements were approved for publication by the Management Board on 18 May 2026.

Composition of the Management Board

As at 1 January 2026, the composition of the Management Board was as follows:

- Grzegorz Lot - President of the Management Board,
- Michał Orłowski - Vice President of the Management Board,
- Krzysztof Surma - Vice President of the Management Board,
- Krzysztof Zawadzki – acting Vice President of the Management Board.

On 24 March 2026, the Supervisory Board of the Company appointed Mr Krzysztof Zawadzki to the Management Board of the Company as of 25 March 2026 and nominated him to the position of Vice President of the Management Board for Trade.

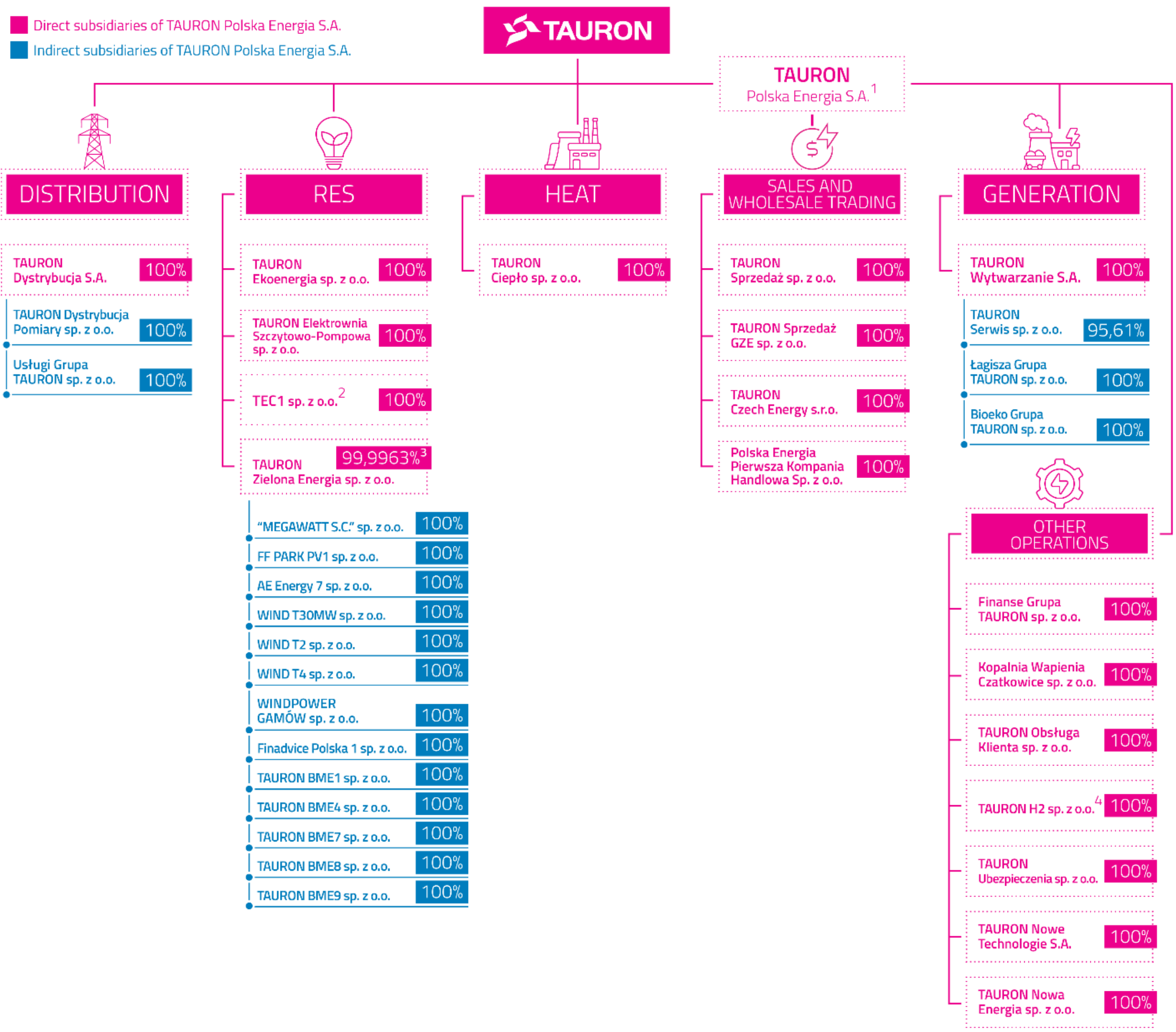
On the balance sheet date and as at the date of approval of these interim condensed consolidated financial statements for publication, the Management Board consisted of:

- Grzegorz Lot - President of the Management Board,
- Michał Orłowski - Vice President of the Management Board,
- Krzysztof Surma - Vice President of the Management Board,
- Krzysztof Zawadzki - Vice President of the Management Board.

2. Composition of TAURON Group and joint ventures

2.1. TAURON Group

As at 31 March 2026, TAURON Polska Energia S.A. held, directly and indirectly, shares in the following key subsidiaries:

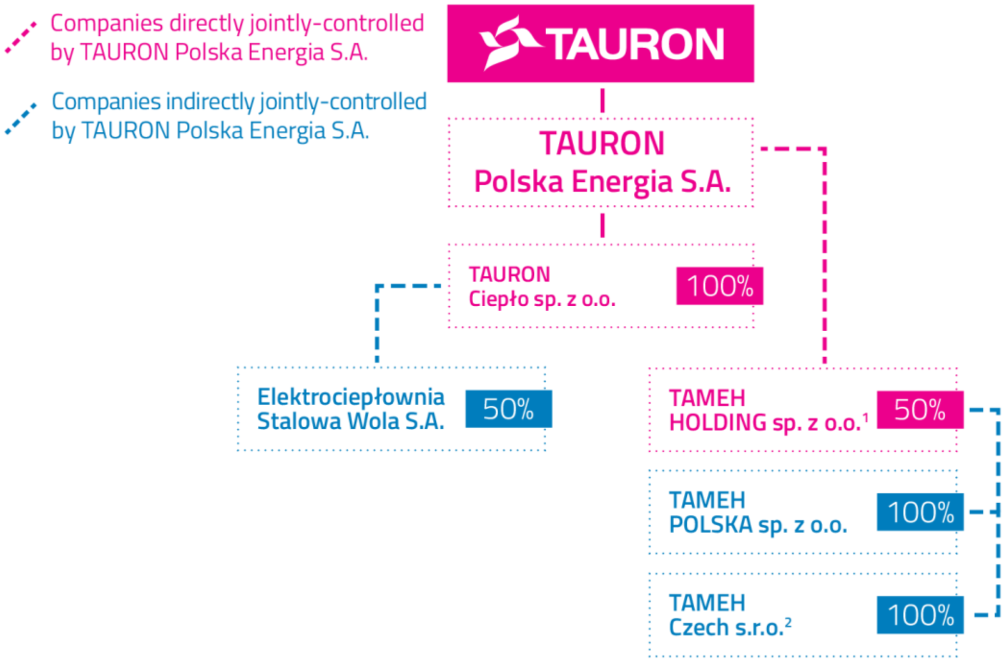


[1] TAURON Polska Energia S.A. is included in the Sales and Wholesale segment.
[2] After the balance sheet date, from 14 May 2026, company TEC1 sp. z o.o. operates under name TEC1 sp. z o.o. in liquidation.
[3] After the balance sheet date, on 21 April 2026, the Company acquired 10 shares of TAURON Zielona Energia sp. z o.o., becoming the sole shareholder of TAURON Zielona Energia sp. z o.o..
[4] From 5 February 2026 TAURON Inwestycje sp. z o.o. changed its name to TAURON H2 sp. z o.o.

As at 31 March 2026, the share of TAURON Polska Energia S.A. in the capital and in the governing body of the remaining key subsidiaries has not changed since 31 December 2025.

2.2. Joint ventures

As at 31 March 2026, TAURON Polska Energia S.A. held direct and indirect interest in the following key jointly-controlled companies in the Heat segment:



[1]Ownership of the shares is subject to the arbitration proceedings referred to in note 49 of these interim condensed consolidated financial statements.

[2] On 9 August 2024, TAMEH Czech s.r.o. was declared bankrupt by liquidation which translated into the loss of joint control over the above company on that date within the meaning of IFRS.

3. Statement of compliance

These interim condensed consolidated financial statements were prepared in accordance with the International Accounting Standard no. 34 *Interim Financial Reporting* ("IAS 34") according to the model approved by the European Union (the "EU").

The interim condensed consolidated financial statements do not comprise all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the consolidated financial statements of the Group prepared in accordance with the International Financial Reporting Standards ("IFRS") for the year ended 31 December 2025.

4. Going concern

These interim condensed consolidated financial statements have been prepared with the assumption of continuation of activities by the Group as a going concern in the foreseeable future, i.e. in the period not shorter than one year following the balance sheet day. As at the date of approval of these interim condensed consolidated financial statements for publication, no circumstances are identified which would indicate a risk to the capacity of the Company to continue as a going concern.

The Group identifies and actively manages liquidity risk, understood as the possibility of losing or limiting the capacity to settle current expenses. Despite the existence of an excess of current liabilities over current assets (the so-called negative working capital), the Group has full capacity to settle its liabilities when they fall due. As at the balance sheet day the Group has available guaranteed lending facilities with the value of PLN 6 300 million, as described in note 33.1 of interim condensed consolidated financial statements. The Group manages its liquidity in a conscious manner and uses available funding when specific liquidity needs arise, thereby optimising the cost of fund raising.

In the area of liquidity, financing and securing the continuity of operating activities, the Management Board, having analysed the financial position of the Company and the Group, does not identify any risk to the continuity of operations as a going concern in the foreseeable future, i.e. within a period not shorter than 1 year from the balance sheet day.

5. Functional currency and presentation currency

The functional currency of the parent entity and its subsidiaries, except for TAURON Czech Energy s.r.o., covered by these interim condensed consolidated financial and the presentation currency of these interim condensed consolidated financial statements is the Polish zloty. The functional currency of TAURON Czech Energy s.r.o. is the Czech koruna ("CZK"). Items in the financial statements of TAURON Czech Energy s.r.o. are translated into the TAURON Group's presentation currency using the relevant exchange rates.

These interim condensed consolidated financial statements are presented in the Polish zloty ("PLN") while all figures are provided in PLN million ("PLN million"), unless indicated otherwise.

6. Material values based on professional judgement and estimates

In the process of applying the accounting policy, professional judgement of the management, besides accounting estimates, was of key importance, which has an impact on the figures disclosed in these interim condensed consolidated financial statements. The assumptions underlying these estimates are based on the best knowledge of the Management Board related to the current and future actions and events in individual areas. In the period covered by these interim condensed consolidated financial statements, no significant changes occurred in the estimates or estimation methods applied, which could affect the current or future periods, other than those described below and hereinafter in these interim condensed consolidated financial statements.

Items of the interim condensed consolidated financial statements involving a material risk of significant adjustment to the carrying amounts of assets and liabilities are presented below.

Item	Note	Estimates and assumptions
Sales revenues	Note 11	TAURON Group makes revenue estimates, in particular with regard to revenue from the sale of electricity, gaseous fuel, thermal energy and distribution services. The Group companies operating in *the Sales and Wholesale* segment generate revenue from sales of electricity, gaseous fuel and distribution services to retail and wholesale customers. As at each balance sheet date, subject to the compliance with the prudence principle, an estimate is made of the amount of revenue from the sale of electricity, gaseous fuel and distribution services relating to the reporting period which, due to the settlement cycle established in agreements with customers and the fact that invoicing is performed for a significant number of customers in periods other than the reporting periods, will be invoiced in the consecutive reporting period. As at the balance sheet date, the Distribution segment estimates the amount of revenue from the sale of distribution services relating to a particular reporting period, which will be invoiced in the consecutive reporting period due to the settlement cycle longer than one month established in contracts with customers. Sales of heat are carried out on the basis of readings of metering and billing systems taken on the indicated working days of each calendar month, therefore, for reporting purposes, an estimation of sales from the date of the reading to the end of the month is made.
Property, plant and equipment	Note 16	As at each balance sheet date the Group assesses whether objective indication of impairment occurred in relation to tangible fixed assets. Where relevant indications exist, the Group is required to perform impairment tests of tangible fixed assets. Within the impairment tests the Group estimates the recoverable amount of an asset or the cash-generating unit ("CGU") to which the specific asset belongs. The recoverable value of an asset or CGU corresponds to the higher of the fair value less costs of sales or the value in use. Estimation of the value in use of cash generating units is based on their future cash flows discounted to the current value with a discount rate. As at the balance sheet date, an analysis was performed of the indications of impairment of non-financial fixed assets, in particular the changes that occurred in the first quarter of 2026 in the area of prices of electricity, raw materials and CO_2 emission allowances, as well as the current market situation and their impact on the assumptions and long-term forecasts included in the impairment tests. After conducting the analyses to take into account the above market and regulatory developments, it was concluded that they were consistent with the pricing assumptions calculated in the fourth quarter of 2025 and therefore do not significantly affect the need to change the long-term projections relative to the information available as at 31 December 2025. Therefore, the results of the most recent impairment tests on non-financial non-current assets carried out as at 31 December 2025 are valid. The Group reviews, at least at the end of each financial year, the useful lives of property, plant and equipment.

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Right-of-use assets	Note 17	At the date of commencement of the lease, the Group measures an rights-of-use assets including in the current value of the lease payments remaining to be paid on that date. Lease payments are discounted by the Group using the interest rate of the lease if that rate can be easily determined. Otherwise, the Group applies the marginal interest rate. The lease incremental borrowing rate is estimated as a weighted average cost of TAURON Group's debt adjusted for the individual rating of the companies, taking into account a breakdown by lease term. The Group applies the portfolio approach to similar leases regarding unified assets with similar use. When accounting for leases under the portfolio approach, the Group applies estimates and assumptions corresponding to the size and composition of the portfolio, including estimates of the weighted average lease term. In order to determine the lease period, e.g. for contracts for an indefinite period, the Group makes an estimate. The rights to use the assets are subject to impairment test estimates on a similar basis to property, plant and equipment.
Loans granted to joint ventures	Note 22	The Group classifies and measures loans granted to joint ventures accordingly. As at the balance sheet date, loans granted to the joint venture, Elektrociepłownia Stalowa Wola S.A., with a total carrying amount of PLN 505 million, were classified as financial assets measured at a fair value through profit or loss. Accordingly, the Group estimated the fair value taking into account the estimated future cash flows to be generated by Elektrociepłownia Stalowa Wola S.A. in the future, discounted at a rate based on the cost of equity expected for the business profile of the company.
Financial derivatives	Note 23	The Group measures financial derivatives at a fair value as at each balance sheet date. The derivatives related to non-financial assets and held to hedge own needs are not subject to measurement as at the balance sheet date.
Deferred tax assets	Note 15 Note 26	The Group assesses the enforceability of deferred tax assets at each balance sheet date. As at 31 March 2026, the Group has not recognised a deferred tax asset of PLN 1 259 million as a result of conducted feasibility assessment.
Inventory	Note 27	The Group's inventories mainly comprise coal stocks for production purposes. Inventory is measured at a lower of two values: purchase price or manufacturing cost and attainable net sales price. Inventory allocated for use in the production process, including in particular coal stocks, are not written down to the amount lower than the purchase price or manufacturing cost if the finished goods for the production of which they will be used are expected to be sold at or above the purchase price or manufacturing cost. If a decrease in the price of materials indicates that the purchase price or the cost of finished goods will be higher than the net achievable value, the value of materials is written down to the net realisable value, which is estimated at their replacement cost. As at the balance sheet date, the Group had not recognised an impairment loss on its coal fuel stocks.
Receivables from buyers	Note 28	As at each balance sheet day, the Group estimates impairment losses on receivables from buyers attributable to expected credit losses. An impairment loss is recognised on both overdue and non-overdue receivables based on the probability-weighted expected credit loss that will be incurred in particular if any of the following events occur: payment is overdue by more than 90 days, the debtor goes into liquidation or bankruptcy or is restructured, or the receivables are subject to administrative enforcement, litigation or court enforcement. For the portfolio of strategic counterparties, the risk of insolvency of strategic counterparties is assessed based on ratings assigned to the counterparties using an internal scoring model and appropriately restated to account for the probability of default. The expected credit loss is calculated based on the estimated potential recoveries from security interests. In case of receivables from other counterparties, historical repayment figures are expected to reflect the credit risk (including the factor reflecting the current macroeconomic conditions) that will be incurred in future periods. The expected credit losses for this group of counterparties were estimated using the receivables ageing matrix and the percentage ratios assigned to the various ranges and groups (including receivables claimed at court, receivables from counterparties in bankruptcy) allowing to estimate the value of receivables from buyers expected to be outstanding. As at 31 March 2026, the Group estimated expected credit losses on receivables from buyers in the amount of PLN 290 million.

compliant with the IFRS approved by the European Union (in PLN million)

Debt liabilities	Note 33	When measuring liabilities at amortised cost using the effective interest rate method, the Group estimates future cash flows considering all contractual terms of a given financial instrument, including the early repayment option. At the same time, the classification of the liability is made on the basis of the existence of a right to defer settlement of the liability. If the Group has the right to defer settlement of a liability for at least 12 months after the balance sheet date, the liability is classified as non-current, even if the Group has the intention of repaying it within one year of the balance sheet date or when the drawdown period for individual tranches of financing is less than 12 months, but the financing is of a revolving nature and the availability period of the agreement exceeds 12 months from the balance sheet date. As at the balance sheet date, the Company had access to financing of the above-mentioned nature under a credit facility agreement concluded with a consortium of banks; however, as at 31 March 2026, the Company had no outstanding debt under this agreement. The Group is a party to loan agreements from the funds of the National Recovery and Resilience Plan concluded with Bank Gospodarstwa Krajowego, which, in the Company's opinion, as loans bearing interest rates below market rates, is preferential. Accordingly, the Company estimates the initial fair value of the loan tranches received in amount of present value of future contractual cash flows discounted using the interest rate that the Company believes reflects market conditions as at the date of raising the funding. At the same time, in accordance with IAS 20 *Government Grants and Disclosure of Government Assistance*, the Group recognizes as at deferred income the estimated benefit of applying the interest rate below market rates, representing the difference between the cash received and the initial carrying amount of the loan tranches, as a subsidy to assets. In the 3-month period ended 31 March 2026 the Group drew down tranches of loans in the total amount of PLN 580 million, with a fair value of PLN 224 million at inception and a recognised asset subsidy of PLN 356 million. The lease liability is measured at the present value of the outstanding lease payments, discounted using either the contractual interest rate (if determinable) or the incremental borrowing rate.
Provisions (including provisions for onerous contracts)	Note 34 Note 35 Note 36 Note 37	The Group estimates the amount of provisions created based on the assumptions, methodology and calculations appropriate for a given type of provisions, evaluating the probability of spending funds that incorporate economic benefits and determining the reliable level of funds necessary to perform the obligation. Provisions are created by the Group if the probability of spending funds that incorporate economic benefits is higher than 50%. As at each balance sheet date, the Group assesses whether it is a party to onerous contracts, i.e. contracts under which the unavoidable costs of fulfilling the obligation outweigh the benefits expected to be received under the contract and, if it is determined that it is a party to such contracts, the present obligation under such contracts is recognised and measured as a provision. As at the balance sheet date of 31 March 2026, the Group recognised provisions for onerous contracts in the amount of PLN 125 million, mainly relating to contracts for the sale of electricity of companies in the *Sales and Wholesale* segment. The discount rate applied to the valuation of long-term provisions, estimated as at the balance sheet date, was 5.1% and was compliant with the rate adopted for measurements as at 31 December 2025.

Besides the foregoing, the Group makes significant estimates as regards the contingent liabilities recognised, in particular in the scope of legal proceedings where the Group companies are parties (Note 49).

As at the balance sheet date, the main factors and areas where the Group identifies the impact of climate change on the interim condensed consolidated financial statements remain consistent with those indicated as at 31 December 2025 and further described in note 10 of the consolidated financial statements for the year ended 31 December 2025.

7. Standards published and amendments to standards which have not yet entered into force until the balance sheet date

The Group did not choose earlier application of any standards or amendments to standards which were published but have not entered into force by 31 March 2026.

- **Standard issued by the International Accounting Standards Board which has been endorsed by the European Union but has not yet entered into force**

Standard	Date of entry into force by the EU (annual periods starting on or after that date)
IFRS 18 *Presentation and disclosure in financial statements*	1 January 2027

compliant with the IFRS approved by the European Union (in PLN million)

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 *Presentation and Disclosures in Financial Statements* ("IFRS 18") will replace the current IAS 1 *Presentation of Financial Statements*. The main requirements introduced by IFRS 18 relate to:

- change in the structure of the statement of comprehensive income. IFRS 18 requires the classification of items of income and expenses within the statement of comprehensive income into five categories, in particular the newly introduced operating, investing and financing categories. At the same time, IFRS 18 requires the mandatory presentation of new subtotals in the statement of comprehensive income, allowing the presentation of the result by category of activity, i.e. operating result, including income and expenses classified in operating activities, and result before financing and taxation, including operating result and income and expenses classified in investing activities,
- making disclosures of management-defined performance measures (MPMs), defining an MPM as a sub-item constituting the difference between revenue and expenses that an entity uses in communications published outside the financial statements and used to communicate to users of the financial statements management's view of certain aspects of the entity's operations as a whole; and
- principles of aggregation and disaggregation of information in the financial statements, in particular specifying that the aggregation of assets, liabilities, income, expenses and cash flows to items should be based on common characteristics and disaggregation based on characteristics that are not common.

The Group continues its work and analysis to assess the impact of IFRS 18 on its consolidated financial statements and the accounting policies applied by the Group. In particular, the work comprises the assignment of individual revenue and expense headings to categories of activity under IFRS 18, the development of a new format for the statement of comprehensive income and statement of cash flows tailored to the Group's specific circumstances, the development of a new format for the notes tailored to the requirements of IFRS 18, and the analysis of the information presented publicly by the Group with a view to identifying and defining MPM targets.

In particular, the Group identifies a significant impact of entry into force of IFRS 18 on the subtotal presented by the Group to date within the consolidated statement of comprehensive income in the form of operating profit, which is the basis for the calculation of the EBITDA performance measure included in the calculation of the *net debt/EBITDA* covenant. In accordance with IFRS 18, the operating result will be a mandatory subtotal in the statement of comprehensive income, including income and expenses classified as operating under IFRS 18. On the basis of the work carried out to date, the Group identifies that some of the income and expenses classified prior to the date of entry into force of IFRS 18 as income and expenses from financing activities may ultimately be classified as operating activities (in particular items related to interest and exchange rate differences arising from activities related to the sale of products and services) and investment activities (in particular items related to interest and the change in valuation of cash and loans granted). At the same time, the Group identifies that the share of the result of joint ventures, currently classified as operating activities, will be part of investing activities and will not affect the Group's operating result.

- **Standards and amendments to standards issued by the International Accounting Standards Board which have not been endorsed by the European Union and have not entered into force yet**

Standard	Date of entry into force by standard, not approved by the EU (annual periods starting on or after that date)
IFRS 14 *Regulatory Deferral Accounts*	1 January 2016*
Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures: Transactions of sale or contribution of assets between an investor and its associate or joint venture as amended*	the date of entry into force of the amendments has been postponed
IFRS 19 *Subsidiaries without Public Accountability: Disclosures* and Amendments to IFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates*	1 January 2027

** The European Commission decided to refrain from launching the process of endorsement of this interim standard for use in the territory of the EU until the publication of the final version of IFRS 14 Regulatory Deferral Accounts.*

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IFRS 14 *Regulatory Deferral Accounts*

The International Accounting Standards Board is working on a standard on regulated activities. The standard is aimed to determine a model for the accounting treatment of assets and liabilities associated with regulated activities. The new standard, if issued, will replace IFRS 14 *Regulatory Accruals*. According to the draft standard, the standard is intended to apply to entities that are party to a contract specifying regulated rates that the entity charges to its customers for goods and services provided, and when part of the total consideration for goods and services provided in a given period is charged to customers through regulated rates in another period (so-called time differences arise). The Group monitors the work carried out by the International Accounting Standards Board regarding the final version of the standard on regulatory assets and liabilities in terms of determining the impact on TAURON Group, particularly in the Distribution segment. As at the date of authorisation of these interim condensed consolidated financial statements for publication, the final version of the standard has not been issued. The International Accounting Standards Board plans to publish the new standard, which will replace IFRS 14 *Regulatory Accruals* in the second quarter of 2026. The Group will assess the impact of the standard on the Group's financial results and financial position once the International Accounting Standards Board has issued the final version of the standard.

Other standards and amendments to standards

IFRS 19 *Subsidiaries without Public Accountability: disclosures* applies to group subsidiaries that do not have public accountability and have a parent company that prepares consolidated financial statements available for public use that comply with IFRS. IFRS 19 *Subsidiaries without Public Accountability: disclosures* provides such entities with the opportunity to reduce the disclosure requirements of IFRS. Based on the analysis performed to date, the Company assesses that IFRS 19 *Subsidiaries without Public Accountability: disclosures* will have no impact on the Group's consolidated financial statements.

The amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency* clarify the criteria for assessing when a currency is no longer considered to be convertible due to the level of inflation and specify the presentation and disclosures in the event of non-convertibility. Based on the analyses performed to date, the Company assesses that the amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency* will have no impact on the Group's consolidated financial statements.

Due to the deferral of the date of entry into force of the amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures*, the Group will assess the impact of the final amendments to the above standards on the Group's accounting policies once the effective date of the amendments has been determined.

8. Changes in accounting policies and presentation used and restatement of comparable data

Changes in accounting policies applied and in presentation

The accounting principles (policy) adopted for the preparation of these interim condensed consolidated financial statements are consistent with those used for the preparation of the annual consolidated financial statements of the Group for the year ended 31 December 2025, except for the following amendments to the standards that entered into force on 1 January 2026.

Standard	Date of entry into force in the EU *(annual periods starting on or after that date)*
Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments - Disclosures - changes related to agreements for energy from renewable sources*	1 January 2026
Amendments to IFRS 9 *Financial* Instruments and IFRS 7 *Financial Instruments: Disclosures - changes to the classification and measurement of financial instruments*	1 January 2026
Amendments to various standards, Amendments to IFRS (IFRS 1 *First-time Adoption of International Financial Reporting Standards;* IFRS 7 *Financial Instruments: Disclosures;* IFRS 9 *Financial Instruments;* IFRS 10 *Consolidated Financial* Statements*;* IAS 7 *Statement of Cash Flows*)	1 January 2026

Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures* concerning agreements for energy from renewable sources clarify and simplify the use of the exemption from the fair value measurement for Power Purchase Agreements ("PPA") dependent on natural factors. In particular, it was specified that an entity will be entitled to use the exemption from fair value measurement relating to contracts concluded for own use if the entity has been and expects to be a net purchaser of electricity over the term of the contract, i.e. if it buys enough electricity to offset any sales of unused energy. At the same time, these amendments extended the disclosure obligations for renewable energy agreements.

Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures - Amendments to Classification and Measurement of Financial Instruments*, in particular, clarify the recognition and derecognition dates for certain financial assets and liabilities, add guidance for assessing whether a financial asset meets the criteria for the SPPI *(Solely Payments of Principal and Interest)* test, as well as expand and update disclosure obligations for instruments with contractual terms that may change cash flows and equity instruments measured at fair value through other comprehensive income.

Following the analyses performed, the Group assesses that the above changes will not have a material impact on the accounting policies applied to date.

Amendments to various standards. The amendments to IFRS are clarifying in nature and do not have a material impact on the accounting policies applied so far.

In addition, in 2025, the Group changed its accounting policy in the scope of hedging instruments covered by hedge accounting and changed the method of presentation of grants received in the consolidated statement of cash flows, as well as other operating income and other operating expenses and the result on derivatives in the consolidated statement of comprehensive income. These changes are presented below.

Change in the accounting policy in the scope of hedging instruments subject to hedge accounting

On 1 October 2025, the Group changed its accounting principles regarding the recognition of hedging instruments covered by hedge accounting. From 1 October 2025, upon the commencement of hedge accounting for FX forward transactions hedging currency risk for purchases of CO_2 emission allowances in EUR, the Group applies the accounting rules for hedging instruments subject to hedge accounting in accordance with IFRS 9 *Financial Instruments*. The change in the accounting policy in the aforementioned scope was a prospective change and does not require a restatement of comparable data. In the comparable period, i.e. in the 3-month period ended 31 March 2025, the Group applied the accounting principles for hedging instruments covered by hedge accounting in accordance with IAS 39 *Financial Instruments: recognition and measurement*.

Change in the method of presentation of subsidies received in the consolidated statement of cash flows

Starting from the interim condensed consolidated financial statements for the 6-month period ended 30 June 2025, the Group decided to change the presentation in the consolidated statement of cash flows of the grants received related to the investment tasks carried out by the Group companies and the expenses incurred for non-financial fixed assets as their part. Prior to the change, such subsidies were presented within cash flows from financing activities, given that they are part of financing of ongoing investment tasks. Following the change, subsidies of the aforementioned nature are presented under investing activities. In the Group's opinion, the revised approach better reflects the nature of the cash received, given that it is directly linked to the Group's capital expenditure and, moreover, is of non-debt nature and does not result in a liability on the part of Group companies.

The comparative figures for the 3-month period ended 31 March 2025 have been restated accordingly: cash inflows from subsidies received in the 3-month period ended 31 March 2025, amounted to PLN 6 million, which were previously presented under cash flows from financing activities, have been reclassified and are now presented within cash flows from investing activities.

Change in the method of presentation of other operating income and other operating expenses and the result on derivatives in the consolidated statement of comprehensive income

Starting from the consolidated financial statements for the year ended 31 December 2025, the Group decided to change the presentation of other operating income and other operating expenses in the consolidated statement of comprehensive income. Prior to the change, the Group presented other operating income and other operating expenses jointly, within a single line in the consolidated statement of comprehensive income. Following the change, the Group presents other operating income and other operating expenses separately in the consolidated statement of comprehensive income. The Group believes that the revised presentation allows for a clearer presentation in the consolidated statement of comprehensive income of the level of income earned and expenses incurred by the Group relating to other operating activities and reflects their scale in relation to the Group's other income and expenses.

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Starting from the interim condensed consolidated financial statements for the 6-month period ended 30 June 2025, the Group decided to change the presentation of the result on derivatives in the separate statement of comprehensive income. Prior to the change, the Group presented the result on derivatives as *Other financial income and expenses*. Following the change, the Group presents the result on derivatives in the consolidated statement of comprehensive income under a separate item. The Group believes that the revised presentation allows for a more transparent presentation of the level and characteristics of financial income and expenses earned by the Company in the consolidated statement of comprehensive income.

The comparative figures for the 3-month period ended 31 March 2025 have been restated accordingly.

	3-month period ended 31 March 2025 ***(unaudited approved figures)***	**Change of presentation of other operating profits and other operating costs**	**Change in the presentation of the gain/loss on derivative instruments**	**3-month period ended 31 March 2025** ***(unaudited restated figures)***
Profit on sale	**2 101**	**–**	**–**	**2 101**
Other operating profits and costs	30	(30)	–	–
Other operating profits	–	74	–	74
Other operating costs	–	(44)	–	(44)
Operating profit	**1 758**	**–**	**–**	**1 758**
Gain/(loss) on derivative instruments	–	–	(215)	(215)
Other finance income and costs	(144)	–	215	71
Profit before tax	**1 449**	**–**	**–**	**1 449**
Net profit	**1 131**	**–**	**–**	**1 131**

9. Seasonality of operations

The Group's business is characterised by seasonality.

Sales of heat depends on the atmospheric conditions, in particular, on air temperature, and it is higher in the autumn and winter season for individual customers. The level of electricity sales to individual consumers depends on the length of a day, which usually makes electricity sales in this group of consumers lower in the spring and summer season and higher in the autumn and winter season. The level of production and sales of electricity generated in renewable energy sources is affected by meteorological conditions.

The seasonality of the remaining areas of the Group operations is limited.

BUSINESS SEGMENTS

10. Information on operating segments

The Group presents information concerning segments for the current and comparable reporting periods in accordance with IFRS 8 *Operating Segments*.

The organisation and management of the Group is carried out on a segment basis, taking into account the type of products and services offered. Each segment constitutes a strategic business entity offering different products and operating on different markets.

The Group applies the same accounting principles (policy) to all operating segments. The Group accounts for transactions between segments as if they referred to unrelated parties, i.e. using current market prices. Revenue from transactions between segments is eliminated in the consolidation process.

After the elimination of costs arising from intercompany transactions, general and administrative expenses of the Parent Company are presented under unallocated expenses. General and administrative expenses of the Parent Company are incurred for the benefit of the entire Group and cannot be directly attributed to the specific operating segment.

Segment assets do not include deferred tax, income tax assets, income tax receivables and financial assets, except for receivables from buyers and other financial receivables (including, on account of recompensations), assets relating to gain on measurement of commodity financial derivative instruments as well as cash and cash equivalents, which represent segment assets.

Segment liabilities do not include current and deferred income tax liabilities and financial liabilities, except for liabilities to suppliers, capital commitments, payroll liabilities as well as liabilities relating to loss on measurement of commodity derivative instruments, which represent liabilities of the segment.

The Group's financing (including financial revenue and costs) and income tax are monitored at the Group level and they are not allocated to segments.

None of the Group's operating segments has been combined with another segment to create reporting segments.

The Management Board separately monitors operating results of the segments in order to take decisions concerning allocation of the resources, to assess the effects of the allocation and to evaluate performance. The evaluation of performance is based on EBITDA and operating profit or loss. The Group defines EBITDA as EBIT increased by depreciation, amortisation and write-offs for non-financial assets. TAURON Group recognises write-downs on non-financial assets of entities consolidated using the full method and share in write-downs on non-financial assets of entities measured using the equity method as write-downs on non-financial assets. EBIT is defined by the Group as the profit/(loss) on continuing operations before tax, financial income and costs, i.e. operating profit/(loss).

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Operating segments	Core business	Key operational and financial data in first quarter 2026
DISTRIBUTION	*Distribution of electricity through a network located in southern Poland, in the following voivodships: Małopolskie, Dolnośląskie, Opolskie and Śląskie, and partly in Świętokrzyskie, Podkarpackie, Łódzkie, Wielkopolskie and Lubuskie.*	• 6.05 million clients • 57.9 thousand km^2 area of operation, i.e. 18.5% of the total area of Poland • 14.07 TWh of electricity distributed • segment revenue PLN 3 244 million • segment EBITDA PLN 1 184 million • capital expenditure PLN 800 million
RES	*Generation of electricity from renewable sources (hydroelectric power plants, wind farms and photovoltaic farms) located in Poland.* *Construction and operation of electricity storage facilities.*	• 16 wind farms, 34 hydroelectric power plants, 6 photovoltaic farms and 2 battery energy storages • gross electricity production 0.44 TWh • segment revenue PLN 202 million • segment EBITDA PLN 131 million • capital expenditure PLN 183 million
HEAT	*Generation, distribution and sale of district heating from coal, gas and biomass fired sources located in southern Poland, mainly in the Śląskie Voivodship.*	• 5 co-generation plants and 26 heating plants with the electrical capacity of 0.4 GWe and the heating capacity of 1.4 GWt • heat production 3.58 PJ • segment revenue PLN 880 million • segment EBITDA PLN 205 million • capital expenditure PLN 24 million
SALES AND WHOLESALE TRADING	*Sales of electricity and other products/services offered by TAURON Group to end customers are carried out nationwide and, on a smaller scale, on the Czech market.* *Conducting commercial activity and optimising commercial margins along the entire value creation chain from electricity and heat production up to sales to end users.*	• 5.85 million clients • 7.68 TWh of electricity retail sales • segment revenue PLN 6 235 million • segment EBITDA PLN 279 million
GENERATION	*Electricity and heat production in coal-fired power plants and with the use of biomass.* *Provision of technical maintenance services.* *Power supply services from units providing reserve capacity in the capacity market.*	• 5 power plants with the electrical capacity of 4.2 GWe and the heating capacity of 0.8 GWt • gross electricity production 2.97 TWh • segment revenue PLN 2 076 million • segment EBITDA PLN 252 million • capital expenditure PLN 65 million
OTHER OPERATIONS	*In particular, the following activities are classified as other activities of the Group:* *Activities in the area of limestone quarrying for the energy, metallurgical, construction and road construction industries and in the area of the production of sorbents intended for flue gas desulphurisation plants.* *Maintenance of street lightning.* *Activities related to green hydrogen production.* *External and internal customer service.* *Insurance services.*	• revenue from other activities PLN 383 million • EBITDA as part of other activity PLN 96 million

The allocation of TAURON Group companies and joint ventures to operating segments and other activities can be found in Note 2 of these interim condensed consolidated financial statements.

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3-month period ended 31 March 2026 or as at 31 March 2026 *(unaudited)*

	Operating segments					Other	Unallocated items / Eliminations	Total
	Distribution	Renewable Energy Sources	Heat	Sales and Wholesale	Generation			
Revenue								
Sales to external customers	1 741	9	697	5 770	1 173	117	–	**9 507**
Inter-segment sales	1 503	193	183	465	903	266	(3 513)	**–**
Total segment revenue	**3 244**	**202**	**880**	**6 235**	**2 076**	**383**	**(3 513)**	**9 507**
	–	–	–	–	–	–		
Cost of sales	(2 306)	(106)	(736)	(5 819)	(1 891)	(160)	3 323	**(7 695)**
Other revenues and costs of segment	(151)	(22)	11	(139)	(35)	(200)	137	**(399)**
EBIT, of which:	**787**	**74**	**155**	**277**	**150**	**23**	**(53)**	**1 413**
Share in profit/(loss) of joint ventures	–	–	*31*	–	–	–	–	***31***
Depreciation/amortization	**(397)**	**(57)**	**(50)**	**(2)**	**(102)**	**(73)**	**3**	**(678)**
Impairment	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
EBITDA	**1 184**	**131**	**205**	**279**	**252**	**96**	**(56)**	**2 091**
EBIT								**1 413**
Finance income (costs)							(161)	**(161)**
Profit/(loss) before income tax								**1 252**
Income tax expense							(273)	**(273)**
Net profit/(loss) for the period								**979**
Assets and liabilities								
Segment assets, of which:	29 087	6 712	2 777	4 165	4 071	2 068	–	**48 880**
Investments in joint ventures	–	–	*269*	–	–	–	–	***269***
Unallocated assets							947	**947**
Total assets								**49 827**
Segment liabilities	4 781	349	945	1 599	4 547	731	–	**12 952**
Unallocated liabilities							15 046	**15 046**
Total liabilities								**27 998**
Other segment information								
Capital expenditure *	800	183	24	1	65	75	–	**1 148**

** Capital expenditure includes expenditure on property, plant and equipment, intangible assets and rights to use assets excluding the acquisition of CO_2 emission allowances and property rights of energy origin.*

3-month period ended 31 March 2025 *(unaudited)* or as at 31 December 2025

	Operating segments					Other	Unallocated items / Eliminations	Total
	Distribution	Renewable Energy Sources	Heat	Sales and Wholesale	Generation			
Revenue								
Sales to external customers	1 722	8	619	5 839	1 000	109	–	**9 297**
Inter-segment sales	1 491	287	194	802	1 220	260	(4 254)	**–**
Total segment revenue	**3 213**	**295**	**813**	**6 641**	**2 220**	**369**	**(4 254)**	**9 297**
Recompensation	**–**	**–**	**28**	**307**	**–**	**–**	**–**	**335**
Cost of sales	(2 205)	(153)	(737)	(6 347)	(1 982)	(157)	4 050	**(7 531)**
Other revenues and costs of segment	(149)	(20)	(14)	(154)	4	(174)	164	**(343)**
EBIT, of which:	**859**	**122**	**90**	**447**	**242**	**38**	**(40)**	**1 758**
Share in profit/(loss) of joint ventures	–	–	*7*	–	–	–	–	***7***
Depreciation/amortization	**(367)**	**(58)**	**(33)**	**(1)**	**(101)**	**(64)**	**3**	**(621)**
Impairment	**–**	**–**	**–**	**–**	**48**	**–**	**–**	**48**
EBITDA	**1 226**	**180**	**123**	**448**	**295**	**102**	**(43)**	**2 331**
EBIT								**1 758**
Finance income (costs)							(309)	**(309)**
Profit/(loss) before income tax								**1 449**
Income tax expense							(318)	**(318)**
Net profit/(loss) for the period								**1 131**
Assets and liabilities as at 31 December 2025								
Segment assets, of which:	28 512	6 566	2 915	3 804	4 072	1 929	–	**47 798**
Investments in joint ventures	–	–	*239*	–	–	–	–	***239***
Unallocated assets							919	**919**
Total assets								**48 717**
Segment liabilities	4 386	426	916	2 021	3 852	719	–	**12 320**
Unallocated liabilities							15 611	**15 611**
Total liabilities								**27 931**
Other segment information								
Capital expenditure *	768	191	23	1	23	66	–	**1 072**

** Capital expenditure includes expenditure on property, plant and equipment, intangible assets and rights to use assets excluding the acquisition of CO_2 emission allowances and property rights of energy origin.*

compliant with the IFRS approved by the European Union (in PLN million)

EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

11. Sales revenue

	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited)*
Sale of goods for resale, finished goods and materials without elimination of excise, of which:	**5 927**	**5 823**
Excise	(30)	(26)
Sale of goods for resale, finished goods and materials	**5 897**	**5 797**
Electricity	5 136	4 876
Heat energy	564	517
Gas	118	308
Energy certificates and similar	8	10
Other goods for resale, finished goods and materials	71	86
Rendering of services	**3 588**	**3 479**
Distribution and trade services	3 208	3 111
Capacity Market	234	225
Maintenance of road lighting	45	43
Connection fees	21	28
Other services	80	72
Other revenue	**22**	**21**
Total sales revenue	**9 507**	**9 297**
Revenues provided on a continuous basis	9 387	9 153
Revenues recognised at a point in time	120	144

In the 3-month period ended 31 March 2026, compared to the corresponding period of the previous year, an increase in the TAURON Group's sales revenue was recorded. This increase was primarily the result of higher:

- revenues from electricity sales, mainly due to higher electricity sales volumes and higher revenues from balancing power (also as a result of higher volumes), which offset the decrease in energy sales prices;
- revenues from the sale of heat due to higher volumes as a consequence of lower external temperatures in relation to the comparable period;
- revenues from distribution and trading services, resulting from an increase in electricity distribution volumes, as well as higher heat transmission volumes associated with lower temperatures year to year and a higher heat transmission rate.

At the same time, a reduction in gas sales revenue was recorded, resulting from significantly lower sales volumes and the lower price obtained.

Sales revenue by operating segment is shown in the tables below.

Interim condensed consolidated financial statements for the 3-month period ended 31 March 2026 compliant with the IFRS approved by the European Union (in PLN million)

3-month period ended 31 March 2026 *(unaudited)*

	Distribution	Renewable Energy Sources	Heat	Sales and Wholesales	Generation	Other	Total
Sale of goods for resale, finished goods and materials	**1**	**2**	**526**	**4 382**	**951**	**35**	**5 897**
Electricity	–	–	1	4 241	894	–	**5 136**
Heat energy	–	–	520	–	43	1	**564**
Gas	–	–	–	118	–	–	**118**
Energy certificates and similar	–	2	5	1	–	–	**8**
Other goods for resale, finished goods and materials	1	–	–	22	14	34	**71**
Rendering of services	**1 731**	**7**	**168**	**1 388**	**219**	**75**	**3 588**
Distribution and trade services	1 685	–	154	1 369	–	–	**3 208**
Capacity Market	–	7	12	16	199	–	**234**
Maintenance of road lighting	–	–	–	–	–	45	**45**
Connection fees	21	–	–	–	–	–	**21**
Other services	25	–	2	3	20	30	**80**
Other revenue	**9**	**–**	**3**	**–**	**3**	**7**	**22**
Total sales revenue	**1 741**	**9**	**697**	**5 770**	**1 173**	**117**	**9 507**

3-month period ended 31 March 2025 *(unaudited)*

	Distribution	Renewable Energy Sources	Heat	Sales and Wholesales	Generation	Other	Total
Sale of goods for resale, finished goods and materials	**1**	**5**	**474**	**4 456**	**823**	**38**	**5 797**
Electricity	–	–	–	4 111	765	–	**4 876**
Heat energy	–	–	473	–	43	1	**517**
Gas	–	–	–	308	–	–	**308**
Energy certificates and similar	–	5	1	4	–	–	**10**
Other goods for resale, finished goods and materials	1	–	–	33	15	37	**86**
Rendering of services	**1 711**	**2**	**142**	**1 383**	**175**	**66**	**3 479**
Distribution and trade services	1 656	–	130	1 325	–	–	**3 111**
Capacity Market	–	2	11	56	156	–	**225**
Maintenance of road lighting	–	–	–	–	–	43	**43**
Connection fees	28	–	–	–	–	–	**28**
Other services	27	–	1	2	19	23	**72**
Other revenue	**10**	**1**	**3**	**–**	**2**	**5**	**21**
Total sales revenue	**1 722**	**8**	**619**	**5 839**	**1 000**	**109**	**9 297**

Revenue from sales of electricity broken down by customer groups is presented in the table below.

	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited)*
Revenue from sales of electricity	**5 136**	**4 876**
Retail sale	**3 941**	**3 640**
Business clients	1 842	1 718
Mass clients - Group G	1 676	1 482
Mass clients - SME	427	437
Other	25	28
Excise duty	(29)	(25)
Wholesale	**1 058**	**1 158**
Other	**137**	**78**

12. Recompensations

	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited)*
Recompensation electricity	–	307
Recompensation heat energy and heat distribution services	–	28
Total	**–**	**335**

In the 3-month period ended 31 March 2026, the Group companies did not recognise any revenue on account of recompensations due to the termination of effectiveness of the regulations imposing the obligation to apply maximum prices to selected customer groups in 2025.

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In the 3-month period ended 31 March 2025, pursuant to the Act of 27 October 2022 on *Extraordinary measures to limit the level of electricity prices and support certain consumers in the years 2023-2025*, the Group companies recognised recompensation revenues relating to individual customers, local government units and special entities subject to the obligation to apply maximum prices in the first quarter of 2025.

13. Costs by type

	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited)*
Depreciation and amortization	(678)	(621)
Materials and energy	(700)	(829)
Maintenance and repair services	(67)	(57)
Distribution services	(933)	(882)
Other external services	(259)	(249)
Cost of obligation to remit the CO_2 emission allowances	(1 114)	(872)
Other taxes and charges	(245)	(229)
Employee benefits expense	(940)	(879)
Allowance for trade receivables expected credit losses	(15)	(18)
Allowance for inventories	–	48
Other	(37)	(34)
Total costs by type	**(4 988)**	**(4 622)**
Cost of goods produced for internal purposes	227	197
Selling expenses	219	198
Administrative expenses	200	182
Cost of goods for resale and materials sold	(3 353)	(3 486)
Cost of sales	**(7 695)**	**(7 531)**

In the 3-month period ended 31 March 2026, an increase in own cost of sales was recorded compared with the corresponding period of the previous year. This was primarily a consequence of an increase in:

- the cost of the redemption obligation of CO_2 emission allowances resulting from higher emissions associated with increased electricity and heat production. This was a consequence of a higher demand from customers resulting from lower external temperatures year to year. At the same time, this impact was partly mitigated by the higher operational efficiency of the generating units;
- depreciation and amortisation costs, primarily following the increase in the value of the TAURON Group's assets;
- employee benefit costs, resulting from the recognition of the effects of concluded collective agreements and the increase in the minimum wage in 2026;
- costs of distribution services, resulting mainly from mandatory rate increases.

At the same time, in the 3-month period ended 31 March 2026, a decrease in the following costs was recorded, compared to the corresponding period:

- costs of material and energy consumption, which resulted primarily from the reduction in unit consumption costs as a consequence of lower raw material acquisition prices and more efficient operation of the generating units. At the same time, this was partly counteracted by the effect of higher consumption resulting from increased electricity and heat production as a consequence of lower temperatures;
- the value (costs) of goods and materials sold, mainly due to a significant reduction in the cost of gas purchases - both as a result of lower volumes associated with a decline in sales and lower purchase prices due to decreased market prices. This decrease was partly offset by higher electricity purchase costs, resulting from an increase in the average purchase price with a slightly higher volume.

compliant with the IFRS approved by the European Union (in PLN million)

14. Financial revenues and costs

	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited restated figures)*
Income and costs from financial instruments	**(146)**	**(296)**
Interest costs	(134)	(165)
Gain (loss) on derivative instruments	–	(215)
Exchange differences	(37)	60
Commission relating to borrowings and debt securities	(6)	(6)
Remeasurement of loans granted	11	12
Interest income	20	18
Other finance income and costs	**(15)**	**(13)**
Interest on employee benefits	(11)	(10)
Interest on discount of other provisions	(4)	(3)
Other finance income	5	5
Other finance costs	(5)	(5)
Total, including recognized in the statement of comprehensive income:	**(161)**	**(309)**
Interest expense on debt	(134)	(165)
Gain (loss) on derivative instruments	–	(215)
Other finance income and costs	(27)	71

The decrease in interest expenses on debt results mainly from a lower level of use of external financing.

The change in the result on derivatives in the 3-month period ended 31 March 2026 in relation to the comparable period results mainly from the application of hedge accounting in the current period. The result on derivatives in comparable period relates to FX derivatives, mainly hedging the foreign exchange risk associated with the purchase of CO_2 emission allowances. On 1 October 2025, the company applied hedge accounting to FX forward derivatives hedging the purchase of CO_2 emission allowances to meet its CO_2 emission redemption obligation. The change in the measurement of instruments until the date of their inclusion in hedge accounting and after the date of inclusion in the ineffective portion was recognised in result on derivatives. In the comparable period, these instruments were not subject to hedge accounting. The result on derivatives also includes changes in the measurement of other derivatives not included in hedge accounting.

15. Tax charges in the statement of comprehensive income

	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited)*
Current income tax	**(149)**	**(543)**
Current income tax expense	(151)	(543)
Adjustments to current income tax from previous years	2	–
Deferred income tax	**(124)**	**225**
Income tax expense in profit/(loss)	**(273)**	**(318)**
Income tax expense relating to other comprehensive income, which:	**(15)**	**5**
can be reclassified to profit or loss	(14)	6
cannot be reclassified to profit or loss	(1)	(1)

The decrease in current income tax charge is mainly related to the achievement of a lower tax result in the companies of the *Sales and Wholesale* and *Distribution* segment in the 3-month period ended 31 March 2026 in relation to the comparable period.

In the 3-month period ended 31 March 2026, TAURON Polska Energia S.A. and selected subsidiaries accounted for income tax within the Tax Capital Group ("PGK"). The PGK agreement was registered on 27 November 2025 for 2026-2028 by the Head of the First Tax Office for the Mazowieckie Province in Warsaw. Main companies forming the Tax Capital Group since 1 January 2026 include: TAURON Polska Energia S.A., TAURON Wytwarzanie S.A., TAURON Dystrybucja S.A., TAURON Sprzedaż sp. z o.o., TAURON Sprzedaż GZE sp. z o.o., TAURON Obsługa Klienta sp. z o.o., TAURON Ekoenergia sp. z o.o., TAURON Ciepło sp. z o.o., TAURON Zielona Energia sp. z o.o. and TAURON Nowe Technologie S.A.

compliant with the IFRS approved by the European Union (in PLN million)

EXPLANATORY NOTE TO THE INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

16. Property, plant and equipment

3-month period ended 31 March 2026 *(unaudited)*

	Land	Buildings, premises and civil engineering structures	Plant and machinery	Other	Assets under construction	Property, plant and equipment, total
COST						
Opening balance	**166**	**38 660**	**29 101**	**1 153**	**3 245**	**72 325**
Direct purchase	–	–	–	–	1 032	**1 032**
Borrowing costs	–	–	–	–	24	**24**
Transfer of assets under construction	–	730	664	26	(1 420)	**–**
Sale	–	–	(71)	(11)	–	**(82)**
Liquidation	–	(20)	(36)	(4)	–	**(60)**
Received free of charge	–	12	–	–	–	**12**
Overhaul expenses	–	–	–	–	42	**42**
Items generated internally	–	–	–	–	13	**13**
Other movements	–	9	5	1	(2)	**13**
Closing balance	**166**	**39 391**	**29 663**	**1 165**	**2 934**	**73 319**
ACCUMULATED DEPRECIATION						
Opening balance	**–**	**(17 181)**	**(17 754)**	**(787)**	**(37)**	**(35 759)**
Depreciation for the period	–	(282)	(288)	(18)	–	**(588)**
Sale	–	–	70	11	–	**81**
Liquidation	–	19	35	4	–	**58**
Other movements	–	(6)	–	–	–	**(6)**
Closing balance	**–**	**(17 450)**	**(17 937)**	**(790)**	**(37)**	**(36 214)**
NET CARRYING AMOUNT AT THE BEGINNING OF THE PERIOD	**166**	**21 479**	**11 347**	**366**	**3 208**	**36 566**
NET CARRYING AMOUNT AT THE END OF THE PERIOD	**166**	**21 941**	**11 726**	**375**	**2 897**	**37 105**
of which operating segments:						
Distribution	**96**	**17 336**	**6 600**	**286**	**1 886**	**26 204**
Renewable Energy Sources	**10**	**1 812**	**2 345**	**4**	**668**	**4 839**
Heat	**6**	**964**	**665**	**22**	**97**	**1 754**
Generation	**38**	**881**	**1 903**	**18**	**133**	**2 973**
Other segments	**16**	**948**	**213**	**45**	**113**	**1 335**

3-month period ended 31 March 2025 *(unaudited)*

	Land	Buildings, premises and civil engineering structures	Plant and machinery	Other	Assets under construction	Property, plant and equipment, total
COST						
Opening balance	**160**	**36 120**	**27 800**	**1 025**	**2 517**	**67 622**
Direct purchase	–	–	–	1	1 005	**1 006**
Borrowing costs	–	–	–	–	15	**15**
Transfer of assets under construction	1	500	323	15	(839)	**–**
Sale	–	–	(67)	(4)	–	**(71)**
Liquidation	–	(10)	(74)	(2)	–	**(86)**
Received free of charge	–	15	–	–	–	**15**
Overhaul expenses	–	–	–	–	14	**14**
Items generated internally	–	–	–	–	7	**7**
Other movements	–	–	4	(2)	(15)	**(13)**
Closing balance	**161**	**36 625**	**27 986**	**1 033**	**2 704**	**68 509**
ACCUMULATED DEPRECIATION						
Opening balance	**–**	**(16 200)**	**(17 369)**	**(756)**	**(50)**	**(34 375)**
Depreciation for the period	–	(265)	(261)	(14)	–	**(540)**
Sale	–	–	66	3	–	**69**
Liquidation	–	9	74	2	–	**85**
Other movements	–	–	1	–	15	**16**
Closing balance	**–**	**(16 456)**	**(17 489)**	**(765)**	**(35)**	**(34 745)**
NET CARRYING AMOUNT AT THE BEGINNING OF THE PERIOD	**160**	**19 920**	**10 431**	**269**	**2 467**	**33 247**
NET CARRYING AMOUNT AT THE END OF THE PERIOD	**161**	**20 169**	**10 497**	**268**	**2 669**	**33 764**
of which operating segments:						
Distribution	**92**	**16 025**	**5 944**	**191**	**1 581**	**23 833**
Renewable Energy Sources	**10**	**1 426**	**1 874**	**3**	**777**	**4 090**
Heat	**6**	**884**	**635**	**19**	**234**	**1 778**
Generation	**38**	**929**	**1 834**	**19**	**24**	**2 844**
Other segments	**15**	**905**	**210**	**36**	**53**	**1 219**

compliant with the IFRS approved by the European Union (in PLN million)

In the 3-month period ended 31 March 2026, the Group purchased property, plant and equipment (including capitalised borrowing costs) in the amount of PLN 1 056 million. The major purchases were performed in connection with investment in the following operating segments:

Operating segment	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited)*
Distribution	780	758
Renewable Energy Sources	179	187
Generation	22	11
Heat	17	18
Sales and Wholesales	1	1

Impairment tests

As at the balance sheet date, an analysis was carried out of the changes that occurred in the first quarter of 2026 relative to the fourth quarter of 2025 in the scope of prices of electricity, raw materials and CO_2 emission allowances, as well as the current market situation and their impact on the assumptions and long-term forecasts included in the impairment tests as at 31 December 2025.

The analysis showed that in the first quarter of 2026, the energy markets maintained their previous growth rate. Minor adjustments were only recorded in electricity prices, which remained related to the changes observed in the commodity markets compared to the level of average prices in the fourth quarter of 2025, in particular:

- the volume-weighted average price of the reference annual gas contract GAS_BASE_Y-27 listed on TGE S.A. was slightly higher (up 2.9%). The main factors that had a significant impact on the European gas market included: data showing gas storage levels in the EU that were low for this time of year, significant drops in temperatures below seasonal norms in January across Europe and the United States, stable supplies from the Norwegian Continental Shelf, and substantial LNG imports into Europe;
- analysis of the impact of the conflict in the Middle East has shown that the pressure on energy commodity prices is temporary. The Company believes that this conflict does not determine changes in long-term electricity and CO_2 price trends, and the volatility observed in the analyzed period is within acceptable deviation limits from the adopted baseline scenarios.
- the average price of coal in ARA ports for the annual rollover contract was higher (up 11%). The main reasons included the developments in the gas market, the plan to significantly reduce domestic production in Indonesia and the decline of coal stocks at ARA ports to multi-month lows (below 2.9 million tonnes);
- the price of CO_2 allowances was lower (down 4.7%), mainly due to statements by European politicians on the planned scope of reform in the EU ETS market and declines in financial markets in March due to the developments in the Middle East conflict;
- the average weighted electricity price on the forward market in Poland for the BASE_Y-27 product was lower (down 2.3%). This change was in consistent with the decline in the price of steam coal in Poland and a significant decrease in the prices of CO_2 emission allowances as the main component of variable costs in coal-fired power plants.

After conducting the analyses to take into account the above market and regulatory developments, it was concluded that they were consistent with the pricing assumptions calculated in the fourth quarter of 2025 and therefore do not significantly affect the need to change the long-term projections relative to the information available as at 31 December 2025.

Therefore, the results of the most recent impairment tests on non-financial non-current assets carried out as at 31 December 2025 are valid. The impairment tests carried out as at 31 December 2025, including the key assumptions adopted in the scope of tests are described in Note 13 to the consolidated financial statements of TAURON Polska Energia S.A. Capital Group for the year ended 31 December 2025.

compliant with the IFRS approved by the European Union (in PLN million)

17. Right-of-use assets

3-month period ended 31 March 2026 *(unaudited)*

	Land	Perpetual usufruct right	Buildings, premises and civil engineering structures	Plant and machinery	Motor vehicles	Transmission easements	Right-of-use assets in progress	Right-of-use assets total
COST								
Opening balance	**1 542**	**1 179**	**336**	**50**	**15**	**249**	**8**	**3 379**
Direct purchase	–	–	–	–	–	–	18	**18**
Transfer of right-of-use assets in progress	–	–	–	–	–	13	(13)	**–**
Increase due to a new lease contract	49	–	51	–	1	–	–	**101**
Increase(decrease) due to lease changes	10	2	3	–	1	–	–	**16**
Liquidation	(9)	–	–	–	(1)	–	–	**(10)**
Other movements	–	(2)	–	–	–	1	–	**(1)**
Closing balance	**1 592**	**1 179**	**390**	**50**	**16**	**263**	**13**	**3 503**
ACCUMULATED DEPRECIATION								
Opening balance	**(253)**	**(309)**	**(131)**	**(13)**	**(9)**	**(73)**	**–**	**(788)**
Depreciation for the period	(16)	(7)	(6)	(3)	(1)	(3)	–	**(36)**
Liquidation	1	–	–	–	1	–	–	**2**
Other movements	–	2	–	–	–	–	–	**2**
Closing balance	**(268)**	**(314)**	**(137)**	**(16)**	**(9)**	**(76)**	**–**	**(820)**
NET CARRYING AMOUNT AT THE BEGINNING OF THE PERIOD	**1 289**	**870**	**205**	**37**	**6**	**176**	**8**	**2 591**
NET CARRYING AMOUNT AT THE END OF THE PERIOD	**1 324**	**865**	**253**	**34**	**7**	**187**	**13**	**2 683**

3-month period ended 31 March 2025 *(unaudited)*

	Land	Perpetual usufruct right	Buildings, premises and civil engineering structures	Plant and machinery	Motor vehicles	Transmission easements	Right-of-use assets in progress	Right-of-use assets, total
COST								
Opening balance	**1 433**	**1 142**	**316**	**22**	**13**	**227**	**8**	**3 161**
Increase due to a new lease contract	23	–	1	–	–	–	–	**24**
Increase/(decrease) due to lease changes	(3)	3	8	–	1	–	–	**9**
Other movements	(2)	–	–	–	–	7	–	**5**
Closing balance	**1 451**	**1 145**	**325**	**22**	**14**	**234**	**8**	**3 199**
ACCUMULATED DEPRECIATION								
Opening balance	**(195)**	**(281)**	**(113)**	**(8)**	**(6)**	**(63)**	**–**	**(666)**
Depreciation for the period	(15)	(8)	(6)	(1)	(1)	(3)	–	**(34)**
Closing balance	**(210)**	**(289)**	**(119)**	**(9)**	**(7)**	**(66)**	**–**	**(700)**
NET CARRYING AMOUNT AT THE BEGINNING OF THE PERIOD	**1 238**	**861**	**203**	**14**	**7**	**164**	**8**	**2 495**
NET CARRYING AMOUNT AT THE END OF THE PERIOD	**1 241**	**856**	**206**	**13**	**7**	**168**	**8**	**2 499**

18. Goodwill

Operating segment	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Distribution	26	26
Total	**26**	**26**

compliant with the IFRS approved by the European Union (in PLN million)

19. Energy certificates and CO2 emission allowances for surrender

19.1. Long-term energy origin certificates and CO_2 emission allowances

	3-month period ended 31 March 2026 *(unaudited)*		3-month period ended 31 March 2025 *(unaudited)*	
	Energy certificates	Total	Energy certificates	Total
Opening balance	**47**	**47**	**38**	**38**
Direct purchase	5	**5**	5	**5**
Reclassification	(47)	**(47)**	(38)	**(38)**
Closing balance	**5**	**5**	**5**	**5**

19.2. Short-term energy origin certificates and CO_2 emission allowances

	3-month period ended 31 March 2026 *(unaudited)*			3-month period ended 31 March 2025 *(unaudited)*		
	Energy certificates	CO_2 emission allowances	Total	Energy certificates	CO_2 emission allowances	Total
Opening balance	**79**	**148**	**227**	**35**	**325**	**360**
Direct purchase	4	92	**96**	32	917	**949**
Generated internally	5	–	**5**	6	–	**6**
Surrendered	(64)	(53)	**(117)**	(1)	–	**(1)**
Reclassification	47	–	**47**	38	–	**38**
Closing balance	**71**	**187**	**258**	**110**	**1 242**	**1 352**

20. Other intangible assets

3-month period ended 31 March 2026 *(unaudited)*

	Development expenses	Software, concessions, patents, licenses and similar items	Other intangible assets	Intangible assets not made available for use	Intangible assets total
COST					
Opening balance	**19**	**1 587**	**312**	**199**	**2 117**
Direct purchase	–	–	–	18	**18**
Transfer of intangible assets not made available for use	–	45	–	(45)	**–**
Sale/Liquidation	–	(24)	(10)	–	**(34)**
Other changes	–	5	(5)	1	**1**
Closing balance	**19**	**1 613**	**297**	**173**	**2 102**
ACCUMULATED AMORTIZATION					
Opening balance	**(13)**	**(1 071)**	**(182)**	**(5)**	**(1 271)**
Amortization for the period	(1)	(49)	(4)	–	**(54)**
Sale/Liquidation	–	24	10	–	**34**
Closing balance	**(14)**	**(1 096)**	**(176)**	**(5)**	**(1 291)**
NET CARRYING AMOUNT AT THE BEGINNING OF THE PERIOD	**6**	**516**	**130**	**194**	**846**
NET CARRYING AMOUNT AT THE END OF THE PERIOD	**5**	**517**	**121**	**168**	**811**

3-month period ended 31 March 2025 *(unaudited)*

	Development expenses	Software, concessions, patents, licenses and similar items	Other intangible assets	Intangible assets not made available for use	Intangible assets total
COST					
Opening balance	**18**	**1 484**	**289**	**94**	**1 885**
Direct purchase	–	–	–	24	**24**
Transfer of intangible assets not made available for use	–	11	–	(11)	**–**
Sale/Liquidation	(2)	(16)	(1)	–	**(19)**
Closing balance	**16**	**1 479**	**288**	**107**	**1 890**
ACCUMULATED AMORTIZATION					
Opening balance	**(13)**	**(932)**	**(171)**	**(1)**	**(1 117)**
Amortization for the period	(1)	(43)	(3)	–	**(47)**
Sale/Liquidation	2	16	1	–	**19**
Closing balance	**(12)**	**(959)**	**(173)**	**(1)**	**(1 145)**
NET CARRYING AMOUNT AT THE BEGINNING OF THE PERIOD	**5**	**552**	**118**	**93**	**768**
NET CARRYING AMOUNT AT THE END OF THE PERIOD	**4**	**520**	**115**	**106**	**745**

compliant with the IFRS approved by the European Union (in PLN million)

21. Investments in joint ventures

	As at 31 March 2026 or for the 3-month period ended 31 March 2026 *(unaudited)*			As at 31 December 2025 or for the 3-month period ended 31 March 2025 *(unaudited)*		
	Elektrociepłownia Stalowa Wola S.A.	TAMEH HOLDING sp. z o.o. *	Total	Elektrociepłownia Stalowa Wola S.A.	TAMEH HOLDING sp. z o.o. *	Total
Non-current assets	1 620	1 054	**2 674**	1 638	1 071	**2 709**
Current assets, including:	258	594	**852**	321	321	**642**
cash and cash equivalents	*13*	*69*	***82***	*37*	*21*	**58**
Non-current liabilities (-), including:	(1 900)	(56)	**(1 956)**	(1 879)	(78)	**(1 957)**
debt	*(1 892)*	*(24)*	***(1 916)***	*(1 871)*	*(25)*	**(1 896)**
Current liabilities (-), including:	(599)	(583)	**(1 182)**	(758)	(366)	**(1 124)**
debt	*(114)*	*(2)*	***(116)***	*(107)*	*(2)*	**(109)**
Total net assets	**(621)**	**1 009**	**388**	**(678)**	**948**	**270**
Share in net assets (50%)	**(311)**	**505**	**194**	**(339)**	**474**	**135**
Investment in joint ventures	**–**	**269**	**269**	**–**	**239**	**239**
Sales revenue	473	464	**937**	357	587	**944**
Net profit (loss), including:	57	61	**118**	(14)	14	**–**
Depreciation	*(17)*	*(34)*	***(51)***	*(15)*	*(33)*	***(48)***
Interest income	–	–	**–**	–	*1*	***1***
Interest expenses	*(27)*	*(1)*	***(28)***	*(33)*	*(3)*	***(36)***
Income tax	–	*(4)*	***(4)***	–	*(5)*	***(5)***
Share in profit/(loss) of joint ventures	–	31	**31**	–	7	**7**

** The information presented relate to the TAMEH HOLDING sp. z o.o. Group. The value of the interest held in TAMEH HOLDING sp. z o.o. differs from the value of net assets attributable to the Group, due to the fact that the purchase price for the shares in TAMEH HOLDING sp. z o.o. was calculated taking into account the fair value of the shareholding contributed to the joint venture by the ArcelorMittal Group companies and due to the recognition of an impairment loss on the shareholding in TAMEH Holding sp. z o.o.*

Elektrociepłownia Stalowa Wola S.A.

Elektrociepłownia Stalowa Wola S.A. is a special purpose vehicle established in 2010 on the initiative of TAURON Polska Energia S.A. and PGNiG S.A. (currently ORLEN S.A.), through which the partners implemented the investment project consisting in the construction of a natural gas-fired CCGT unit in Stalowa Wola with a gross electric capacity of 450 MWe and a net thermal capacity of 240 MWt. On 30 September 2020, Elektrociepłownia Stalowa Wola was commissioned.

TAURON Polska Energia S.A. has an indirect shareholding of 50% in the capital of the company and in the governing body, exercised through TAURON Ciepło sp. z o.o. Due to the fact that the previous accumulated share in losses of the joint venture and the adjustment to the results of transactions between the Group companies and the joint venture exceeded the value of the interest in the joint venture, the Company discontinued to recognise its share of any further losses of the joint venture. The unrecognised share of losses up to the balance sheet date amounted to PLN 311 million.

In addition, the Company has receivables on account of loans granted to Elektrociepłownia Stalowa Wola S.A. in the carrying amount of PLN 505 million, as further discussed in Note 22 to these interim condensed consolidated financial statements.

TAMEH HOLDING sp. z o.o. and its subsidiaries

In 2014, the shareholders' agreement was concluded between TAURON Group and ArcelorMittal Group regarding TAMEH HOLDING sp. z o.o., which is responsible for investment and operational projects in the area of industrial energy. Both groups hold a 50% interest in TAMEH HOLDING sp. z o.o. each.

TAMEH HOLDING sp. z o.o. is the owner of 100% of the shares in TAMEH POLSKA sp. z o.o., formed by a contribution in kind by the TAURON Group: Zakład Wytwarzania Nowa and Elektrownia Blachownia as well as Elektrociepłownia in Kraków contributed by the ArcelorMittal Group. In addition, TAMEH HOLDING sp. z o.o. holds 100% of TAMEH Czech s.r.o. shares, which consisted of the Ostrava Combined Heat and Power Plant. On 9 August 2024, at the request of the management board of TAMEH Czech s.r.o., the Ostrava District Court issued an order transforming the reorganisation of TAMEH Czech s.r.o. into liquidation bankruptcy. As a result of the aforementioned decision, on 9 August 2024 the Company lost joint control over TAMEH Czech s.r.o.

The carrying amount of the shares in TAMEH HOLDING sp. z o.o. as at the balance sheet date is PLN 269 million. As at the balance sheet date, the Group performed the measurement of its shares in TAMEH HOLDING sp. z o.o. using the equity method at a level of PLN 464 million and reduced it by the amount of the impairment loss recognised in the previous years in the amount of PLN 195 million. In the Group's opinion, as at the balance sheet date, there were no indications of the need to conduct the impairment tests on the shares in TAMEH Holding sp. z o.o.

compliant with the IFRS approved by the European Union (in PLN million)

The ownership of shares in TAMEH HOLDING sp. z o.o. is the subject to the arbitration proceedings as further described in Note 49 of these interim condensed consolidated financial statements.

As at the balance sheet date, the Group assesses that the criteria of IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* have not been met for the classification of the Group's interest in TAMEH HOLDING sp. z o.o. as assets held for sale classified as held for sale.

22. Loans granted to joint ventures

As at the balance sheet date, the Group granted loans to Elektrociepłownia Stalowa Wola S.A. joint venture, classified as assets measured at a fair value.

	As at 31 March 2026 *(unaudited)*		As at 31 December 2025		Maturity date according to agreement	Interest rate
	Repayable principal amount and interest contractually accrued	Carrying amount	Repayable principal amount and interest contractually accrued	Carrying amount		
Loans granted to EC Stalowa Wola S.A.	820	505	810	494	30/06/2033	fixed
Total, of which:	**820**	**505**	**810**	**494**		
Non-current		505		494		

23. Derivatives

Derivative	Methodology for determining the fair value	As at 31 March 2026 *(unaudited)*	Application of hedge accounting
IRS	The difference in discounted interest cash flows based on a floating interest rate and a fixed interest rate. The data input is the interest rate curve from the LSEG Workspace platform.	IRS (Interest Rate Swap) instruments are used to hedge a part of the interest rate risk in relation to the cash flows associated with the 6M WIBOR exposure designated under the dynamic risk management strategy, i.e. interest on bonds and a loan with a total nominal value of PLN 1 080 million, for periods expiring consecutively in the years 2026-2029. In accordance with the terms of the transaction, the Company pays interest accrued based on a fixed interest rate in PLN, while receiving payments at a floating interest rate in PLN.	Covered by hedge accounting
Currency forward	The difference in discounted future cash flows between the forward price as at the valuation date and the transaction price, multiplied by the nominal value of the contract in foreign currency. The input data comprise the NBP fixing and the interest rate curve implied from the FX swap transaction for the relevant currency from the LSEG Workspace platform.	FX forward derivatives comprise forward transactions aimed to hedge currency flows generated due to the purchase of CO_2 emission allowances.	Covered by hedge accounting
		FX forward derivatives comprise forward transactions aimed at hedging the foreign currency flows generated from operations, in connection with the Company's transactions other than related to the purchase of CO_2 emission allowances.	Measured at a fair value through the profit and loss other than subject to hedge accounting
CCIRS	The difference in the discounted interest cash flows of the stream paid and the stream received, in two different currencies, expressed in the valuation currency. The input data are interest rate curves, basis spreads and the NBP fixing for the relevant currencies from the LSEG Workspace platform.	CCIRS (Coupon Only Cross Currency Swap fixed-fixed) derivatives aim to hedge the currency flows generated by interest payments on issued Eurobonds. CCIRS derivatives involve an exchange of interest payments on the total notional amount of EUR 500 million. The transaction matures in July 2027. In accordance with the terms of the transaction, the Company pays interest accrued based on a fixed interest rate in PLN, while receiving payments at a fixed interest rate in EUR.	Measured at a fair value through the profit and loss other than subject to hedge accounting
Commodity forward/futures	The fair value of forward transactions for the purchase and sale of commodities is determined based on prices quoted in an active market or based on cash flows representing the difference between the price reference index (forward curve) and the contract price.	Commodity derivatives comprise forward transactions for the purchase and sale of CO_2 emission allowances and other commodities.	Measured at a fair value through the profit and loss other than subject to hedge accounting

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The measurement of derivatives as at the respective balance sheet dates is presented in the table below.

	As at 31 March 2026 *(unaudited)*				As at 31 December 2025			
	Total		Charged to profit or loss	Charged to revaluation reserve from valuation of hedging instruments	Total		Charged to profit or loss	Charged to revaluation reserve from valuation of hedging instruments
	Assets	**Liabilities**			**Assets**	**Liabilities**		
Derivatives subject to hedge accounting								
IRS	**81**	**–**	8	73	**60**	**–**	1	59
Currency forwards*	**8**	**(207)**	(150)	(49)	**–**	**(290)**	(180)	(110)
Derivatives measured at fair value through profit or loss not covered by hedge accounting								
CCIRS	**–**	**(10)**	(10)	n.a.	**–**	**(11)**	(11)	n.a.
Commodity forwards/futures	**29**	**(29)**	–	n.a.	**46**	**(46)**	–	n.a.
Currency forwards	**2**	**(1)**	1	n.a.	**2**	**(3)**	(1)	n.a.
Total	**120**	**(247)**			**108**	**(350)**		
Non-current	65	(66)			45	(91)		
Current	55	(181)			63	(259)		

**The valuation as at the balance sheet date of FX forward contracts comprises the valuation change for the period before the hedging relationship was established recognised in the financial result, i.e. outside the hedge accounting.*

The derivatives shown in the table above relate to futures contracts covered within the scope of IFRS 9 *Financial Instruments.* The derivatives acquired and held to hedge own needs as excluded from the scope of IFRS 9 *Financial Instruments* are not subject to measurement as at the balance sheet date.

On 1 October 2025, the Company established hedging relationships and accounted for FX forward derivatives hedging currency risk for purchases of CO_2 emission allowances in EUR. The change in the valuation prior to the implementation of hedge accounting, i.e. in the period until 30 September 2025, was recognised in the statement of profit or loss. After that date, the change in the effective portion of the valuation is recognised in other comprehensive income.

24. Other financial assets

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Shares	205	205
Deposits and term deposits for Mining Decommissioning Fund	4	4
Receivables due to recompensation	–	204
Other financial receivables, including:	73	140
Bid bonds, deposits and collateral transferred	*47*	*87*
Other	*26*	*53*
Total	**282**	**553**
Non-current	232	233
Current	50	320

In the 3-month period ended 31 March 2026, the companies in the *Sales and Wholesale* segment received the recompensation payments for 2025 amounting to PLN 204 million from the Settlement Administrator (Zarządca Rozliczeń S.A).

25. Other non-financial assets

25.1. Other non-current non-financial assets

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Prepayments for assets under construction and intangible assets, including:	932	923
related to the construction of wind farms and photovoltaics	*872*	*862*
Contract acquisition costs and costs of discounts	26	22
Prepayments for debt charges	9	9
Property and tort insurance	4	8
Other	15	18
Total	**986**	**980**

The prepayments for assets under construction and intangible assets are mainly related to the construction of the Miejska Górka wind farm project as part of the activities of the subsidiary Finadvice Polska 1 sp. z o.o.

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25.2. Other current non-financial assets

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Costs settled over time	**203**	**122**
Transfers made to the Social Benefit Fund	86	–
Property and tort insurance	63	67
Contract acquisition costs and costs of discounts	27	32
IT and telecom services	15	17
Prepayments for debt charges	3	3
Other	9	3
Other current non-financial assets	**16**	**11**
Advances for deliveries	14	8
Other	2	3
Total	**219**	**133**

26. Deferred income tax

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Deferred tax liabilities		
difference between tax base and carrying amount of property, plant and equipment, intangible assets and right-of-use assets	2 396	2 345
different timing of recognition of sales revenue and cost of sale for tax purposes	652	485
difference between tax base and carrying amount of financial assets	131	210
other	21	24
Total	**3 200**	**3 064**
Deferred tax assets		
provisions and accruals	1 188	1 012
difference between tax base and carrying amount of financial assets and financial liabilities	620	605
different timing of recognition of sales revenue and cost of sales for tax purposes	406	330
difference between tax base and carrying amount of property, plant and equipment, intangible assets and right-of-use assets	499	519
tax losses	97	348
power infrastructure received free of charge and received connection fees	5	5
other	21	19
Total	**2 836**	**2 838**
Deferred tax assets not recognized	(1 259)	(1 257)
Recognized deferred tax assets	**1 577**	**1 581**
After setting off balances at the level of individual Group companies, deferred tax for the Group is presented as:		
Deferred tax asset	**49**	**46**
Deferred tax liability	**(1 672)**	**(1 529)**

As at 31 March 2026 and 31 December 2025, the deferred tax assets and deferred tax liabilities of the companies that constitute the Tax Capital Group from 2026 onwards have been offset, due to the fact that these companies file a joint tax return from 2026 onwards.

The Group assesses the enforceability of deferred tax assets at each balance sheet date. As a result of the assessment performed as at the balance sheet date, deferred tax assets in the amount of PLN 1 259 million were not recognised, mainly with regard to the company in the Generation segment.

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27. Inventories

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Gross value		
Coal	443	501
CO_2 emission allowances	61	44
Other inventories	298	293
Total	**802**	**838**
Write down		
Other inventories	(31)	(31)
Total	**(31)**	**(31)**
Net realisable value		
Coal	443	501
CO_2 emission allowances	61	44
Other inventories	267	262
Inventories measured at net realisable value	**771**	**807**

28. Receivables from buyers

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Gross value		
Receivables from buyers, of which:	4 245	4 024
Additional assessment of revenue from sales of electricity and distribution services	*1 392*	*1 128*
Receivables claimed at court	311	325
Total	**4 556**	**4 349**
Allowance/write-down		
Receivables from buyers	(82)	(70)
Receivables claimed at court	(208)	(215)
Total	**(290)**	**(285)**
Net value		
Receivables from buyers	4 163	3 954
Receivables claimed at court	103	110
Total	**4 266**	**4 064**
Non-current	7	8
Current	4 259	4 056

29. Receivables arising from other taxes and charges

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
VAT receivables	368	437
Other	4	4
Total	**372**	**441**

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30. Cash and cash equivalents

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Cash and cash equivalents presented in the statement of financial position, of which:	**1 037**	**489**
restricted cash, including:	379	241
collateral of settlements with Izba Rozliczeniowa Giełd Towarowych S.A.	*236*	*150*
cash on VAT bank accounts (split payment)	*123*	*57*
bank accounts related to subsidies received	*18*	*33*
Bank overdrafts	(50)	(160)
Collateral of settlements with Izba Rozliczeniowa Giełd Towarowych S.A.	(69)	(9)
Cash and cash equivalents presented in the statement of cash flows	**918**	**320**

31. Equity

31.1. Issued capital

Issued capital as at 31 March 2026 *(unaudited)*

Class/ issue	Type of shares	Number of shares	Nominal value of one share (in PLN)	Value of class/issue at nominal value	Method of payment
AA	bearer shares	1 589 438 762	5	7 947	cash/in-kind
BB	registered shares	163 110 632	5	816	in-kind contribution
	Total	**1 752 549 394**		**8 763**	

Shareholding structure as at 31 March 2026 *(to the best of the Company's knowledge)*

Shareholder	As at 31 March 2026 *(unaudited)*			As at 31 December 2025		
	Number of shares	Nominal value of shares	Percentage of share capital	Number of shares	Nominal value of shares	Percentage of share
State Treasury	526 848 384	2 634	30.06%	526 848 384	2 634	30.06%
KGHM Polska Miedź S.A.	182 110 566	911	10.39%	182 110 566	911	10.39%
Nationale - Nederlanden Otwarty Fundusz Emerytalny[1]	98 630 000	493	5.63%	98 630 000	493	5.63%
Helikon Long Short Equity Fund Master ICAV[2]	74 127 629	371	4.23%	74 127 629	371	4.23%
The Goldman Sachs Group, Inc.[3]	21 536 648	108	1.23%	27 670 985	138	1.58%
Other shareholder	849 296 167	4 246	48.46%	843 161 830	4 216	48.11%
Total	**1 752 549 394**	**8 763**	**100%**	**1 752 549 394**	**8 763**	**100%**

[1] In accordance with the list of shareholders entitled to participate in the Company's AGM on 20 May 2026, holding at least 5% of the votes.
[2] In accordance with the Helikon Long Short Equity Fund Master ICAV notice received on 9 December 2024.
[3] In accordance with the Goldman Sachs Group, Inc. notifications received on 18 March 2026 and 6 May 2025.

As at 31 March 2026, the value of issued capital, the number of shares and the nominal value of the shares has not changed compared to the status as at 31 December 2025.

Detailed information regarding the shareholder structure is described in note 2.7 of *Other information to the Extended Consolidated Report of TAURON Group for Q1 2026*.

31.2. Shareholder rights

The State Treasury, together with its subsidiaries, during the period in which it holds a number of shares in the Company authorising it to exercise at least 25% of the total votes in the Company, is authorised to appoint and dismiss the majority of the members of the Supervisory Board of the Company. Given that the State Treasury, together with its subsidiaries, holds more than 25% of the total votes in the Company and is therefore entitled to appoint and dismiss the majority of the members of the Company's Supervisory Board, the Company is an entity controlled by the State Treasury.

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The voting rights of the shareholders holding more than 10% of the total votes in the Company have been limited in such a manner that none of them is authorised to exercise the right to more than 10% of votes in the Company at the General Meeting. The limitation does not apply to the State Treasury and State Treasury owned companies in the period when the State Treasury and State Treasury owned companies hold shares in the Company authorising to at least 25% of the total votes in the Company.

31.3. Reserve capital

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Amounts from distribution of prior years results	2 948	2 948
Total reserve capital	**2 948**	**2 948**

The reserve capital of the Company as of the balance sheet day up to the level of one-third of the Company issued capital, i.e. PLN 2 921 million, may be used only to cover losses.

31.4. Revaluation reserve from valuation of hedging instruments

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Cash flow hedge reserve – interest rate risk	73	59
Cash flow hedge reserve – foreign currency risk	(50)	(110)
Revaluation reserve of hedging instruments before deferred tax	**23**	**(51)**
Deferred tax	(4)	9
Hedging instruments revaluation reserve	**19**	**(42)**

The provision for cash flow hedging results from the measurement of interest rate swap instruments (IRS) hedging interest rate risk on account of debt and the measurement of FX forward instruments hedging foreign currency risk related to the purchased CO_2 emission allowances, as described in more detail in note 23 to these interim condensed consolidated financial statements. For the transactions concluded, the Group applies hedge accounting.

As at 31 March 2026, the Company recognised the amount of PLN 19 million in the provision for cash flow hedging. This amount represents:

- asset resulting from the measurement of IRS instruments as at the balance sheet date, adjusted by the portion of the measurement relating to interest accrued as at the balance sheet date on debt, in the amount of PLN 73 million, and
- a portion of the assets and liabilities from the measurement of FX forward instruments as at the balance sheet date representing the effective portion of the hedge from the date these instruments were subject to hedge accounting in the amount of PLN (50) million,

including deferred tax.

31.5. Retained earnings and restrictions on dividends

The amounts of retained earnings arising from the settlement of mergers with subsidiaries as well as actuarial gains and losses on post-employment benefit provisions recognised through other comprehensive income are not distributed.

As at 31 March 2026 and as at the date these interim condensed consolidated financial statements were authorised for publications, there are no other restrictions concerning the payment of dividends.

31.6. Non-controlling interests

Non-controlling interests as at the balance sheet date relate to the subsidiary, TAURON Serwis sp. z o.o.

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32. Dividends paid and declared

On 30 March 2026, the Management Board of the Company adopted a resolution on the proposal to the Ordinary General Meeting of the Company to distribute the net profit earned by the Company for the financial year 2025 in the amount of PLN 3 307 million as follows:

- allocation of the amount of PLN 350 million for the payment of dividends to the shareholders of the Company, which translates into PLN 0.20 per share,
- allocation of the amount of PLN 2 957 million to the reserve capital of the Company.

At the same time, the Management Board decided to propose to the Ordinary General Meeting of the Company that the dividend record date should be set for 17 June 2026 while the dividend payment date - for 2 July 2026. On 30 March 2026, the above proposal of the Management Board received a positive opinion of the Supervisory Board of the Company. The final decision on the distribution of profit for 2025 will be taken by the Ordinary Shareholder Meeting of the Company, which is planned at 20 May 2026.

33. Debt

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Loans and borrowings	7 276	7 230
Unsubordinated bonds	3 662	3 590
Subordinated bonds	–	401
Lease liabilities	1 929	1 897
Total	**12 867**	**13 118**
Non-current	11 721	11 911
Current	1 146	1 207

33.1. Loans and borrowings

Loans and borrowings as at 31 March 2026 *(unaudited)*

Currency	Interest rate	Value of loans and borrowings as at the balance sheet date	of which maturing within (after the balance sheet date):					
			less than 3 months	3-12 months	1-2 years	2-3 years	3-5 years	over 5 years
PLN	floating	5 875	100	761	442	446	1 793	2 333
	fixed	1 326	15	50	40	43	78	1 100
Total PLN		**7 201**	**115**	**811**	**482**	**489**	**1 871**	**3 433**
Total		**7 201**	**115**	**811**	**482**	**489**	**1 871**	**3 433**
Interest increasing carrying amount		75						
Total		**7 276**						

Loans and borrowings as at 31 December 2025

Currency	Interest rate	Value of loans and borrowings as at the balance sheet date	of which maturing within (after the balance sheet date):					
			less than 3 months	3-12 months	1-2 years	2-3 years	3-5 years	over 5 years
PLN	floating	6 045	245	718	367	446	1 793	2 476
	fixed	1 110	17	48	54	41	80	870
Total PLN		**7 155**	**262**	**766**	**421**	**487**	**1 873**	**3 346**
Total		**7 155**	**262**	**766**	**421**	**487**	**1 873**	**3 346**
Interest increasing carrying amount		75						
Total		**7 230**						

compliant with the IFRS approved by the European Union (in PLN million)

Specification of credits and loans drawn as at 31 March 2026 *(unaudited)* and as at 31 December 2025

Borrowing institution	Interest rate	Currency	Maturity date/ validity date	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Consortium of banks	floating	PLN	2029	911	899
Bank Gospodarstwa Krajowego	floating	PLN	2027-2032	757	771
			2026-2033	811	800
European Investment Bank	fixed	PLN	2026-2027	29	44
			2026-2040	384	378
	floating		2026-2040	1 120	1 152
			2026-2041	1 164	1 221
Erste Group Bank AG	floating	PLN	2026	509	505
Bank Gospodarstwa Krajowego - NRP loans	fixed	PLN	2034-2049	739	513
			2028-2045	135	127
Powszechna Kasa Oszczędności Bank Polski S.A.	floating	PLN	2026-2040	453	447
Regional Fund for Environmental Protection and Water Management	floating	PLN	2026-2027	4	4
National Fund for Environmental Protection and Water Management	fixed	PLN	2026-2030	50	53
	floating		2026-2038	136	137
Overdraft facility	floating	PLN	2027	50	160
Other loans and borrowings				24	19
Total				**7 276**	**7 230**
Non-current				6 275	6 127
Current				1 001	1 103

Loans from the National Recovery and Resilience Plan

In 2024 and 2025, loan agreements were concluded between the Company and Bank Gospodarstwa Krajowego ("BGK") from the funds of the National Recovery and Resilience Plan ("NRP Loans"), which support the implementation of the key business priorities defined in the TAURON Group's Strategy, such as the dynamic development of the Distribution and RES segments. The funds are disbursed successively, based on payment requests submitted in accordance with the progress of project implementation in the subsidiaries. Project funds are transferred to the companies through intra-group loan agreements, the parameters of which reflect the terms of the agreement between the Company and BGK.

Year of conclusion of the contract	Purpose - financing of eligible expenses	Subsidiary company implementing the project	Repayment period	Interest		Contract amount	As at 31 March 2026 *(unaudited)*		
							Nominal value of financing launched	Initial valuation	Carrying amount
2024	for the development and adaptation of the power grid to the needs of energy transformation and climate change	TAURON Dystrybucja S.A.	semi-annual installments in the years 2034-2049	fixed	0.50%	15 867	1 996	719	739
2025	for advanced digital transformation	TAURON Dystrybucja S.A.	quarterly installments in the years 2028-2045	fixed	0.50%	310	243	133	135
2025			quarterly installments in the years 2031-2045	fixed	0.50%	110	–	–	–
2025	for the construction of two photovoltaic farms with accompanying infrastructure	TAURON Zielona Energia sp. z o.o.	semi-annual installments in the years 2029-2044	variable	NBP reference rate reduced by 2 pp., not less than 1 pp.	269	–	–	–

In the Company's opinion, the NRP loans are of preferential nature bearing an interest rate below market rates. Therefore, individual tranches of the NRP loans were initially recognised at a fair value, while the benefit resulting from the application of the interest rate lower than market rates, amounting to PLN 1 387 million, representing the difference between the cash received and the initial carrying amount of the loans, was recognised in accordance with IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance* as a subsidy to assets and is presented in deferred income (note 38.1).

The initial measurement of the NRP loans was performed as the present value of future cash flows taking into account the contractual terms discounted using the interest rate that the Company believes reflects market conditions as at the date of drawing individual tranches of financing. As at subsequent balance sheet dates, NRP loans are measured at amortised cost, taking into account the interest rate estimated as part of the initial measurement.

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Other funding available under the concluded financing agreements

The Group has funding available under other financing agreements concluded:

- Non-revolving loan agreement for the amount of PLN 2 450 million with BGK

  The Company has financing available in the amount of PLN 1 000 million (tranche A), with the repayment within 8 years following the date of releasing the funds. The remaining amount of PLN 1 450 million (Tranche B) will be made available upon application by the Company and acceptance of the application by BGK. The Company may request the disbursement of Tranche B within 24 months of the date of conclusion of the loan agreement, i.e. from 29 October 2024. Tranche B must be repaid within 7 years of the date of disbursement of the funds, but no later than 20 October 2033. The Company will be able to draw down the loan in the two-year availability period of a given tranche.

  The overall funds made available under the loan agreement will be used to cover TAURON Group's expenses related to the financing or refinancing expenses in the area of renewable energy sources, the development of distribution networks, the construction of energy storage facilities and investment in the area of heat (in terms of replacing heat sources from coal fuel to zero- and low-emission sources).

  As at the balance sheet day, the Company has not drawn down available financing under the aforementioned loan agreement.

- Agreements with bank consortia with revolving funding limits of up to:
  - PLN 4 000 million by 2029;
  - PLN 500 million by 2027.

  As at the balance sheet day, the Company did not have any debt under these agreements.

- Overdraft agreements:
  - up to the amount of PLN 500 million with a maturity date of date 1 October 2027, and
  - up to the amount of PLN 350 million with a maturity date of 6 December 2027.

  As at the balance sheet day, the Company recognised debt due to overdrafts in the amount of PLN 50 million. After the balance sheet date, the Company concluded the loan agreement in the foreign currency account of up to EUR 9 million with a repayment date of 2 April 2027.

In the 3-month period ended 31 March 2026, the Group performed the following drawings and repayments of loans and borrowings (at a nominal value), excluding overdraft facilities:

Lender	3-month period ended 31 March 2026 *(unaudited)*	
	Drawdown	Repayment
Bank Gospodarstwa Krajowego - NRP loans	580	–
European Investment Bank	–	(79)
Other	4	(4)
Total, including:	**584**	**(83)**
Cash flows	584	(83)

33.2. Bonds issued

Issuer	Investor	Interest rate	Currency	Nominal value of bonds issued in currency	Redemption date	Carrying amount	
						As at 31 March 2026 *(unaudited)*	As at 31 December 2025
TAURON Polska Energia S.A.	Bank Gospodarstwa Krajowego	floating, based on WIBOR 6M	PLN	750	2028-2029	755	746
	Eurobonds	fixed	EUR	500	2027	2 180	2 135
Finanse Grupa TAURON sp. z o.o.	International investors	fixed	EUR	168	2029	727	709
Unsubordinated bonds						**3 662**	**3 590**
TAURON Polska Energia S.A.	Bank Gospodarstwa Krajowego	floating, based on WIBOR 6M	PLN	400		–	401
Subordinated bonds						**–**	**401**
Total bonds, of which:						**3 662**	**3 991**
Non-current						3 605	3 963
Current						57	28

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Subordinated (hybrid) bonds subscribed by Bank Gospodarstwa Krajowego with a nominal value of PLN 400 million, which as at 31 December 2025 were classified as a long-term liability due to their contractual redemption date after two financing periods, were redeemed in accordance with the Company's original intention in March 2026 after the end of the first financing period.

Bond issuance programmes not used as at balance sheet date

On 19 September 2024, the Company established the bond issue programme on the basis of a programme agreement with Bank Polska Kasa Opieki S.A., Powszechna Kasa Oszczędności Bank Polski S.A. and Erste Bank Polska S.A. (the "Programme"). As part of the Programme, the Company has the option to issue bonds linked to sustainability indicators or so-called green bonds, up to a maximum of PLN 3 000 million, with the value of the issue and the type of bonds to be determined on a case-by-case basis at the time of the decision to issue. The funds raised through the bond issue will support the implementation of the TAURON Group's energy transformation and will be used to finance and refinance expenditure in line with the European taxonomy. Until the date of approval of these interim condensed consolidated financial statements for publication, the bond programme was not used.

33.3. Debt agreement covenants

The agreements signed with banks impose the legal and financial covenants on the Company, standard for this type of transactions. The key covenant is the *net debt/EBITDA* ratio (for domestic long-term loans agreements and domestic bond issue schemes) which determines the debt less cash in relation to generated EBITDA. The net debt/EBITDA covenant for financing institutions is examined on the basis of consolidated data as at 30 June and 31 December while its permissible limit value, depending on the provisions of financing agreements, is 3.5 or 4.0.

As at 31 December 2025 (i.e. the last reporting period for which the Company was required to calculate the covenant), the net debt/EBITDA ratio amounted to 1.4, accordingly, the covenant was met.

33.4. Lease liability

The lease liability of the Group primarily relates to the perpetual usufruct of land, contracts for occupation of the road lane, land lease and rental agreements, transmission easements and the lease of office and warehouse premises as well as premises for energy or heat infrastructure.

Ageing of the lease liability

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Within 1 year	164	146
Within 1 to 5 years	623	573
Within 5 to 10 years	714	660
Within 10 to 20 years	1 160	1 159
More than 20 years	1 098	1 129
Gross lease liabilities	**3 759**	**3 667**
Discount	(1 830)	(1 770)
Present value of lease payments	**1 929**	**1 897**
Non-current	1 841	1 821
Current	88	76
Lease agreements that do not meet the conditions for recognition as a finance lease as defined in the financing agreements	1 929	1 897

34. Provisions for employee benefits

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Provision for post-employment benefits and jubilee bonuses	890	898
Provision for employment termination benefits and other provisions for employee benefits	94	93
Total	**984**	**991**
Non-current	838	820
Current	146	171

compliant with the IFRS approved by the European Union (in PLN million)

Provisions for post-employment benefits and jubilee bonuses

	3-month period ended 31 March 2026 *(unaudited)*				3-month period ended 31 March 2025 *(unaudited)*			
	Provision for retirement, disability and similar benefits	Social Fund	Jubilee bonuses	Provisions total	Provision for retirement, disability and similar benefits	Social Fund	Jubilee bonuses	Provisions total
Opening balance	**342**	**305**	**251**	**898**	**325**	**223**	**253**	**801**
Current service costs	4	2	4	**10**	4	2	3	**9**
Actuarial gains and losses	(4)	–	(4)	**(8)**	(4)	–	(4)	**(8)**
Benefits paid	(13)	(2)	(6)	**(21)**	(11)	(2)	(4)	**(17)**
Interest expense	4	4	3	**11**	4	3	3	**10**
Closing balance	**333**	**309**	**248**	**890**	**318**	**226**	**251**	**795**
Non-current	292	300	214	**806**	281	218	217	**716**
Current	41	9	34	**84**	37	8	34	**79**

Measurement of provisions for employee benefits

Provisions for post-employment benefits and for long service awards have been estimated using actuarial methods.

The valuation of provisions for employee benefits as at 31 March 2026 was based on the underwriting projections indicated in the underwriting reports prepared as at 31 December 2025. The assumptions used by the actuary to prepare the 2026 forecast were the same as those used to measure the provisions as at 31 December 2025. In particular, the Group has included a discount rate level of 5.1% consistent with the assumptions adopted by the actuary as at 31 December 2025 in the valuation of the provisions for employee benefits as at 31 March 2026.

The main assumptions adopted by the actuary as at 31 December 2025 for calculation of the liability amount are as follows:

	As at 31 December 2025
Employee turnover ratio (%)	0.5% - 10.30%
Expected rate of remuneration growth (%)	3.1% in 2026, 2.5% in subsequent years
Expected rate of increase in the value of the allowance for the Company Social Benefits Fund (ZFŚS) (%)	7.4%
Remaining average period of employment	5.73 – 13.13

35. Provisions for the costs of dismantling fixed assets and reclaiming land

	3-month period ended 31 March 2026 *(unaudited)*			3-month period ended 31 March 2025 *(unaudited)*		
	Provisions for disassembly of wind and photovoltaic farm	Provisions for the costs of reclamation and liquidation of fixed assets, including mining plant decommissioning	Provisions total	Provisions for disassembly of wind and photovoltaic farm	Provisions for the costs of reclamation and liquidation of fixed assets, including mining plant decommissioning	Provisions total
Opening balance	**195**	**111**	**306**	**145**	**71**	**216**
Unwinding of the discount	3	1	**4**	2	1	**3**
Utilisation	–	(4)	**(4)**	–	(2)	**(2)**
Closing balance	**198**	**108**	**306**	**147**	**70**	**217**
Non-current	198	80	**278**	147	52	**199**
Current	–	28	**28**	–	18	**18**

As at 31 March 2026, the Group recognised the following provisions within the provision for the costs of rehabilitation and decommissioning of fixed assets:

- the provision for costs of liquidation of fixed assets in the amount of PLN 74 million;
- the provision for costs related to the reclamation of waste landfill sites in the amount of PLN 24 million;
- the provision for costs of liquidation of mining plants in the amount of PLN 10 million.

In the consolidated statement of financial position, the Group recognises the long-term portion of provisions for the costs of dismantling fixed assets and reclaiming land including the long-term portion of other provisions in position *Provisions for the costs of dismantling fixed assets and reclaiming land.*

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	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Provisions for the costs of dismantling fixed assets and reclaiming land	278	279
Other provisions	13	14
Total in statement in financial position in *Provisions for the costs of dismantling fixed assets and reclaiming land*	**291**	**293**

36. Provisions for liabilities due to energy certificates of origin and CO_2 emission allowances

	3-month period ended 31 March 2026 *(unaudited)*			3-month period ended 31 March 2025 *(unaudited)*		
	Provisions for liabilities due to CO_2 emission allowances	Provision for obligation to submit energy certificates	Provisions total	Provisions for liabilities due to CO_2 emission allowances	Provision for obligation to submit energy certificates	Provisions total
Opening balance	**3 157**	**170**	**3 327**	**3 204**	**182**	**3 386**
Recognition	1 126	58	**1 184**	933	74	**1 007**
Reversal	(12)	(3)	**(15)**	(61)	(19)	**(80)**
Utilisation	(53)	(64)	**(117)**	–	(1)	**(1)**
Closing balance	**4 218**	**161**	**4 379**	**4 076**	**236**	**4 312**

37. Other provisions

3-month period ended 31 March 2026 *(unaudited)*

	3-month period ended 31 March 2026 *(unaudited)*				
	Provision for non-contractual use of property	Provision for onerous contracts	Provision for effects of proceedings by the President of the ERO concerning write-downs for the Price Difference Payment Fund	Provision for counterparty claims, court dispute and other provisions	Provisions total
Opening balance	**71**	**163**	**277**	**113**	**624**
Recognition/(reversal), net	2	1	–	12	**15**
Utilisation	–	(39)	(277)	(2)	**(318)**
Closing balance	**73**	**125**	**–**	**123**	**321**
Non-current	–	7	–	6	**13**
Current	73	118	–	117	**308**

3-month period ended 31 March 2025 *(unaudited)*

	3-month period ended 31 March 2025 *(unaudited)*			
	Provision for non-contractual use of property	Provision for onerous contracts	Provision for counterparty claims, court dispute and other provisions	Provisions total
Opening balance	**73**	**9**	**154**	**236**
Recognition/(reversal), net	(2)	–	(1)	**(3)**
Utilisation	–	(2)	(4)	**(6)**
Closing balance	**71**	**7**	**149**	**227**
Non-current	–	–	18	**18**
Current	**71**	7	131	**209**

In the consolidated statement of financial position, under *Other provisions*, the Group reports the short-term portion of other provisions, including the short-term portion of provisions for the costs of dismantling fixed assets and land reclamation.

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	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Other provisions	308	610
Provisions for the costs of dismantling fixed assets and reclaiming land	28	27
Total in statement in financial position in *Other provisions*	**336**	**637**

37.1. The provision for use of real estate without a contract

The Group companies create provisions for all court claims filed by owners of properties on which distribution networks and heat installations are located. As at 31 March 2026, the provision on this account amounted to PLN 73 million and was related to the segments:

- Distribution - PLN 37 million;
- Heat - PLN 32 million;
- Generation - PLN 4 million.

37.2. Provisions for onerous contracts

As at 31 March 2026, the Group recognised provisions for onerous contracts in the amount of PLN 125 million within the Sales and Wholesale segment, of which an amount of PLN 110 million relates to contracts for the sale of electricity to customers in G tariff groups at prices from the tariff approved by the President of the Energy Regulatory Office for 2026, for which the Group assesses that revenues from the sale of electricity taking into account the selling price approved under the tariff do not fully cover the costs incurred in connection with the need to produce or purchase the electricity required to perform these contracts.

In the 3-month period ended 31 March 2026, the Group partially utilised the provision in connection with the implementation of the above-mentioned contracts in the amount of PLN 36 million.

37.3. Provision for effects of proceedings by the President of the ERO concerning the calculation of allowances for the Price Difference Payment Fund

In the 3-month period ended 31 March 2026, the Group fully utilised the provisions of PLN 277 million recognised as at 31 December 2025 in respect of the proceedings conducted by the President of the Energy Regulatory Office ("President of the ERO") concerning the procedure used by TAURON Sprzedaż sp. z o.o. and TAURON Sprzedaż GZE sp. z o.o. to recognise the write-down to the Price Difference Payment Fund ("Write-down").

In November 2025, the President of the ERO initiated inspections of TAURON Sprzedaż sp. z o.o. and TAURON Sprzedaż GZE sp. z o.o. to verify the accuracy of the calculations of the write-downs accrued and paid to Zarządca Rozliczeń S.A. in accordance with the provisions of the Act of 27 October 2022 on Extraordinary measures to limit the level of electricity prices and support certain consumers in 2023, for the period from December 2022 to December 2023, as well as payments made to Zarządca Rozliczeń S.A.

As a result of the inspections performed, on 5 February 2026, TAURON Sprzedaż sp. z o.o. and TAURON Sprzedaż GZE sp. z o.o. received:

- notices on the initiation of *ex offici*o proceedings by the President of the ERO to issue an administrative decision on the obligation of the aforementioned subsidiaries to transfer to the account of the Price Difference Payment Fund of the amounts constituting the differences between the Write-downs calculated by the President of the ERO and the Write-downs paid by TAURON Sprzedaż sp. z o.o. and TAURON Sprzedaż GZE sp. z o.o.;
- reports of inspections initiated by the President of the ERO in November 2025.

On 12 February 2026, TAURON Sprzedaż sp. z o.o. and TAURON Sprzedaż GZE sp. z o.o. submitted their reservations to the inspection report.

On 10 March 2026, TAURON Sprzedaż sp. z o.o. and TAURON Sprzedaż GZE sp. z o.o. received administrative decisions from the President of the ERO on the obligation to transfer to the Price Difference Payment Fund account a total amount of PLN 277 million, representing the difference between the value of the write-down due, calculated by the President of the ERO during the inspection, and the value of the write-down to the Price Difference Payment Fund determined and paid by the companies, within 30 days of the date of delivery of the decision, including statutory interest calculated from the date of receipt of the decision.

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On 23 March 2026, TAURON Sprzedaż sp. z o.o. and TAURON Sprzedaż GZE sp. z o.o. lodged appeals against the decision of the President of the ERO with the Regional Court in Warsaw, 17th Department of Competition and Consumer Protection, applying, among other things, for repeal of the contested decisions in their entirety and for an order suspending the enforcement of the decisions until the case is finally resolved.

On 26 March 2026, TAURON Sprzedaż sp. z o.o. and TAURON Sprzedaż GZE sp. z o.o. paid the amounts indicated in the decision of the President of the ERO to the Fund's account including the statutory interest, as a result of which the provision recognised as at 31 December 2025 was fully utilised.

37.4. Provisions for counterparty claims, court disputes and other provisions

Material provisions recognised within other provisions are described below.

Title	Operating segment	Description	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Provision for reimbursement of undue benefit	Distribution	The provision relates to the risk arising from the judgement of the Regional Court in Wrocław of 19 June 2023 in a case for the reimbursement by the TAURON Dystrybucja S.A. company of an undue benefit resulting from distribution service fees incurred by the counterparty.	23	23
Provision for real estate tax	Generation	Provision for the economic risk in the scope of real estate tax relating to assets constituting the railway infrastructure.	14	16

38. Accruals, deferred income and government subsidies

38.1. Deferred income and government grants

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Deferred income	**54**	**51**
Donations, subsidies received for the purchase or fixed assets received free-of-charge	38	39
Other	16	12
Government grants	**2 057**	**1 707**
Settlement of loan valuation from the NRP funds	1 345	1 001
Subsidies obtained from EU funds	654	648
Settlement of other preferential loans and borrowings	39	35
Forgiven loans from environmental funds	16	16
Other	3	7
Total	**2 111**	**1 758**
Non-current	2 003	1 669
Current	108	89

As part of the settlement of the evaluation of the loans from the NRP as at 31 March 2026, the amount of PLN 1 345 million was recognised, representing the estimate, unsettled as at the balance sheet date, of the benefit resulting from the interest rate on the received tranches of preferential loans in the amount of PLN 2 239 million from the NRP at an interest rate lower than market interest rates, as described in more detail in Note 33 of these interim condensed consolidated financial statements. In accordance with the Accounting Policy of TAURON Group, the settlement of the above benefit will be recognised in other operating income in proportion to the depreciation of assets related to the eligible expenses incurred by TAURON Dystrybucja S.A. for the development and adaptation of the power grid to the needs of energy transition and climate change as well as for advanced digital transformation, determining the receipt of a preferential loan.

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38.2. Accrued expenses

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Accrued expenses due to bonuses	138	81
Unused holidays	89	55
Environmental protection charges	6	–
Other	30	17
Total	**263**	**153**
Non-current	1	1
Current	262	152

39. Liabilities to suppliers

Operating segment	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Distribution, including:	857	720
liability to Polskie Sieci Elektroenergetyczne S.A.	*742*	*594*
Renewable Energy Sources	31	165
Heat	175	167
Sales and Wholesales	282	369
Generation	333	429
Other	77	2
Total	**1 755**	**1 852**

40. Capital commitments

Operating segment	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Distribution	344	545
Renewable Energy Sources	23	102
Heat	8	28
Sales and Wholesale	1	1
Generation	35	44
Other	137	234
Total	**548**	**954**
Non-current	26	38
Current	522	916

Commitments to incur capital expenditure

As at 31 March 2026 and as at 31 December 2025, the Group committed to incur expenditure of PLN 8 145 million and PLN 7 437 million, respectively, on property, plant and equipment and intangible assets, the key items of which are shown in the table below.

Operating segment	Agreement / investment project	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Distribution	Construction of new electrical connections	4 256	3 913
	Modernization and reconstruction of existing networks	1 478	1 274
Renewable Energy Sources	Construction of wind and photovoltaic farms	762	729
Heat	Expansion of heat sources in new capacities	324	325
Other	Construction of a fiber optic network (KPO)	48	60

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41. Income tax liabilities

As at 31 March 2026, income tax receivables amounted to PLN 66 million, of which PLN 55 million relates to TAURON Wytwarzanie S.A. and results from the surplus of income tax advances paid over the tax burden of the company for 2025.

As at 31 March 2026, income tax liabilities amounted to PLN 149 million, of which the amount of PLN 143 million relates to the advance of the Tax Capital Group for the 3-month period ended 31 March 2026. The advance was paid on time, after the balance sheet date.

42. Liabilities arising from other taxes and charges

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
VAT	472	464
Social security	242	261
Personal Income Tax	55	83
Other	16	35
Total	**785**	**843**

43. Other financial liabilities

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Wages, salaries	175	289
Bid bonds, deposits and collateral received	60	76
Liabilities due to insurance contracts	50	73
Other	62	73
Total	**347**	**511**
Non-current	22	40
Current	325	471

44. Liabilities arising from contracts with customers and advance payments received

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Payments from customers relating to future periods	**1 150**	**1 140**
Amounts overpaid by customers	671	665
Prepayments for connection fees	315	312
Other	164	163
Other current non-financial liabilities	**114**	**–**
Surplus of Social Found liabilities over assets	113	–
Other	1	–
Total	**1 264**	**1 140**
Non-current	1	1
Current	1 263	1 139

compliant with the IFRS approved by the European Union (in PLN million)

EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

45. Significant items of the interim condensed consolidated statement of cash flows

45.1. Cash flows from operating activities

Change in working capital

	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited)*
Change in receivables	**39**	**111**
Change in receivables from buyers in statement of financial position	(203)	(208)
Change in receivables due to recompensation	204	323
Change in other financial receivables	66	61
Adjustment of other financial receivables by receivables connected with investing and financing activities	(28)	(65)
Change in inventories	**26**	**106**
Change in inventories in statement of financial position	36	114
Adjustment related to transfer of inventories to/from property, plant and equipment	(10)	(8)
Change in payables excluding loans and borrowings	**(267)**	**(38)**
Change in liabilities to suppliers in statement of financial position	(97)	306
Change in payroll, social security and other financial liabilities	(164)	(453)
Change in liabilities arising from contracts with customers and advances received in statement of financial position	124	105
Change in liabilities arising from taxes excluding income tax	(58)	28
Adjustment of VAT change related to capital commitments	(75)	(17)
Other adjustments	3	(7)
Change in other non-current and current assets	**(5)**	**(1 239)**
Change in other current and non-current non-financial assets in statement of financial position	(92)	(380)
Change in receivables arising from taxes excluding income tax	69	(206)
Change in non-current and current CO_2 emission allowances	(39)	(917)
Change in non-current and current energy certificates	50	(42)
Change in advance payments for property, plant and equipment and intangible assets	9	302
Other adjustments	(2)	4
Change in deferred income, government grants and accruals	**79**	**(139)**
Change in deferred income, government grants and accruals in statement of financial position	463	42
Adjustment related to property, plant and equipment, intangible assets and right-of-use assets received free of charge	(13)	(17)
Adjustment related to subsidies received and refunded	(15)	(6)
Adjustment for the valuation of a preferential loan	(356)	(159)
Other adjustments	–	1
Change in provisions	**746**	**914**
Change of short term and long term provisions in statement of financial position	742	911
Adjustment related to actuarial gains/losses from provisions for post-employment benefits charged to other comprehensive income	4	4
Other adjustments	–	(1)
Change of collaterals transfered to IRGiT	**(60)**	**(2)**
Total	**558**	**(287)**

Income tax paid

In the 3-month period ended 31 March 2026, TAURON Polska Energia S.A. and selected subsidiaries accounted for income tax within the Tax Capital Group ("PGK"), which was registered for 2026-2028.

In 2026, the Tax Capital Group calculates and pays advance corporate income tax in quarterly instalments. In the comparative period, advance income tax payments were made using the simplified method, i.e. monthly in fixed amounts.

Interim condensed consolidated financial statements for the 3-month period ended 31 March 2026 compliant with the IFRS approved by the European Union (in PLN million)

	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited)*
Tax paid regarding the first quarter of the financial year, including by:	**(6)**	**(70)**
Tax Capital Group	*–*	*(55)*
TAURON Wytwarzanie S.A.	*n.a.*	*(9)*
Tax paid regarding the previous financial year, including by:	**(472)**	**(42)**
Tax Capital Group	*(470)*	*(35)*
Total	**(478)**	**(112)**

45.2. Cash flows from investing activities

Purchase of property, plant and equipment and intangible assets

	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited)*
Purchase of property, plant and equipment and right-off-used assets	(1 043)	(1 015)
Purchase of intangible assets	(18)	(25)
Change in the balance of capital commitments	(332)	(73)
Change in the balance of advance payments	(9)	(297)
Costs of overhaul and internal manufacturing	(46)	(20)
Other	(19)	6
Total	**(1 467)**	**(1 424)**

45.3. Cash flows from financing activities

Redemption of debt securities

	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited)*
Redemption of debt securities acquired by:		
Bank Gospodarstwa Krajowego	(400)	–
Total	**(400)**	**–**

Repayment of loans and borrowings

	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited)*
Repayment of tranches of loans:		
European Investment Bank	(79)	(41)
SMBC BANK EU AG	–	(500)
Consortiums of banks	–	(250)
Bank Gospodarstwa Krajowego	(4)	(4)
Total	**(83)**	**(795)**

Interest paid

	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited)*
Interest paid in relation to loans and borrowings	(86)	(92)
Interest paid in relation to debt securities	(8)	–
Interest paid in relation to the lease	(5)	(5)
Total	**(99)**	**(97)**
constituting investing expense	(12)	(7)
constituting financing expense	(87)	(90)

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The Group presents costs of external financing incurred activated in the current period on assets as expenditures for acquisition of property, plant and equipment and intangible assets in cash flows from investment activities. In the 3-month period ended 31 March 2026, paid interest representing external financing costs subject to capitalisation in the value of fixed assets and intangible assets amounted to PLN 12 million, whereas in the comparable period, it amounted to PLN 7 million.

Proceeds from contracted loans and borrowings

	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited)*
The launch of loans from the Bank Gospodarstwa Krajowego under the NRP	580	238
The launch of financing under loan agreements:		
Consortiums of banks	–	1 300
Other	4	13
Total	**584**	**1 551**

FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

46. Financial instruments

Categories and classes of financial assets	As at 31 March 2026 *(unaudited)*		As at 31 December 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
1 Financial assets measured at amortized cost	**4 324**		**4 390**	
Receivables from buyers	4 266	4 266	4 064	4 064
Deposits	4	4	4	4
Receivables due to recompensation	–	–	204	204
Other financial receivables	54	54	118	118
2 Financial assets measured at fair value through profit or loss (FVTPL)	**1 790**		**1 250**	
Derivative instruments	31	31	48	48
Shares	205	205	205	205
Loans granted	505	505	494	494
Other financial receivables	12	12	14	14
Cash and cash equivalents	1 037	1 037	489	489
3 Derivative hedging instruments	**89**	**89**	**60**	**60**
4 Financial assets excluded from the scope of IFRS 9 Financial Instruments	**269**		**239**	
Investments in joint ventures	269		239	
Total financial assets, of which in the statement of financial position:	**6 472**		**5 939**	
Non-current assets	**1 071**		**1 011**	
Investments in joint ventures	269		239	
Loans granted to joint ventures	505		494	
Derivative instruments	65		45	
Other financial assets	232		233	
Current assets	**5 401**		**4 928**	
Receivables from buyers	4 259		4 056	
Derivative instruments	55		63	
Other financial assets	50		320	
Cash and cash equivalents	1 037		489	

compliant with the IFRS approved by the European Union (in PLN million)

Categories and classes of financial liabilities	As at 31 March 2026 *(unaudited)*		As at 31 December 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
1 Financial liabilities measured at amortized cost	**13 588**		**14 538**	
Preferential loans and borrowings	924	888	693	734
Arm's length loans and borrowings	6 302	6 325	6 377	6 415
Bank overdrafts	50	50	160	160
Bonds issued	3 662	3 600	3 991	3 937
Liabilities to suppliers	1 755	1 755	1 852	1 852
Other financial liabilities	122	122	149	149
Capital commitments	548	548	954	954
Salaries and wages	175	175	289	289
Insurance contracts	50	50	73	73
2 Financial liabilities measured at fair value through profit or loss (FVTPL)	**40**		**60**	
Derivative instruments	40	40	60	60
3 Derivative hedging instruments	**207**	**207**	**290**	**290**
4 Financial liabilities excluded from the scope of IFRS 9 *Financial Instruments*	**1 929**		**1 897**	
Liabilities under leases	1 929		1 897	
Total financial liabilities, of which in the statement of financial position:	**15 764**		**16 785**	
Non-current liabilities	**11 835**		**12 080**	
Debt	11 721		11 911	
Derivative instruments	66		91	
Capital commitments	26		38	
Other financial liabilities	22		40	
Current liabilities	**3 929**		**4 705**	
Debt	1 146		1 207	
Liabilities to suppliers	1 755		1 852	
Capital commitments	522		916	
Derivative instruments	181		259	
Other financial liabilities	325		471	

The fair value measurement methodology applied to financial instruments and fair value hierarchy levels assigned to these instruments are presented in the following tables.

Classes of financial assets/liabilities	Level of the fair value hierarchy	Methodology for determining the fair value
Financial assets/liabilities measured at a fair value		
Derivatives, including:		Financial derivatives were measured in accordance with the methodology described in Note 23 of these interim condensed consolidated financial statements.
IRS and CCIRS	2	
Forward FX contracts	2	
Commodity contracts (forward, futures)	1	
Shares	3	Shares in jointly controlled entities excluded from the scope of IFRS 9 *Financial Instruments* are measured using the equity method. Shares in entities other than jointly controlled entities are measured by the Group at a fair value. The estimated fair value of shares in companies not listed on active markets is generally determined using the adjusted net asset method, taking into account the share in net assets and adjusting the value for significant factors affecting the valuation, such as the discount for lack of control and the discount for limited liquidity of the above instruments. The Group may reasonably accept historical cost as an acceptable approximation of the fair value of shares where, in the Group's opinion, the key factors affecting the value of the shares have not changed at the balance sheet date from the time of initial recognition.
Loans granted	3	The fair value measurement of loans granted to the joint venture was performed as the present value of future cash flows. The discount rate is based on the cost of equity expected for the lender's business profile.
Financial liabilities for which the fair value is disclosed		
Loans, borrowings and bonds issued	2	Fixed interest rate debt liabilities were measured at a fair value. The fair value measurement was performed as the current value of future cash flows discounted by the currently applicable interest rate for the specific bonds, loan or borrowing, i.e. applying market interest rates.

The fair value of other financial instruments as at 31 March 2026 and 31 December 2025 (except from those excluded from the scope of IFRS 9 *Financial Instruments*) did not differ considerably from the amounts presented in the financial statements for the following reasons:

- the potential discounting effect relating to short-term instruments is not significant;
- the instruments are related to arm's length transactions.

47. Objectives and principles of financial risk management

The objectives and principles of financial risk management have not changed compared to 31 December 2025.

48. Finance and capital management

In the period covered by these interim condensed consolidated financial statements, no significant changes in the objectives, principles and procedures of capital and finance management occurred.

OTHER INFORMATION

49. Contingent liabilities

Actions related to termination of long-term contracts

Actions relating to termination of long-term contracts against subsidiary Polska Energia-Pierwsza Kompania Handlowa sp. z o.o.

In 2015, companies belonging to the Wind Invest group brought an action against Polska Energia-Pierwsza Kompania Handlowa sp. z o.o. ("PE-PKH") to declare ineffective the statements made by PE-PKH on the termination of the agreements concluded with the above-mentioned companies for the purchase of electricity and property rights. In the course of court proceedings, plaintiffs extend their scope raising claims for damages and contractual penalty claims related to contract termination.

As at the date of approval of these interim condensed consolidated financial statements for publication, the damages claimed in the lawsuits by Wind Invest group companies amount to PLN 640 million.

To date, as part of the ongoing proceedings, on 6 November 2019, the Court of Appeal in Warsaw issued a final decision on security measures, ordering PE-PKH to perform the provisions of the agreements in full under the existing terms and conditions, in accordance with their content, until the final conclusion of the proceedings brought by Pękanino Wind Invest Sp. z o.o. against PE-PKH, pending before the Regional Court in Warsaw. This decision does not prejudge the merits of the action, which can only take place in a binding judgement, but only temporarily regulates the parties' relations for the duration of the proceedings. All cases are held before the first instance courts.

Taking into account the current status of the lawsuits and the circumstances surrounding them, the Group believes that the chances of losing the remaining lawsuits related to both declarations of ineffectiveness of termination of agreements and claims for damages are not higher than the chances of winning the lawsuits in question, and therefore it does not recognise a provision for related costs.

Actions against TAURON Polska Energia S.A. related to the termination of long-term contracts

In 2017 and 2018, companies belonging to the Wind Invest group filed actions against TAURON Polska Energia S.A. regarding payment of damages and determining liability for potential future losses resulting from tort, including unfair competition. According to the plaintiffs, the actual basis for the claims is the termination by the subsidiary, PE-PKH of long-term agreements for the purchase of electricity and property rights arising from certificates of origin, as well as the alleged management of this process by TAURON Polska Energia S.A.

As at the date of approval of these interim condensed consolidated financial statements for publication, the damages claimed in the lawsuits by Wind Invest group companies amount to PLN 373 million.

Moreover, the plaintiff companies indicate in their lawsuits a total of PLN 1 119 million as the amount of estimated damages.

To date, as part of the pending proceedings, a non-final judgment was issued by the Regional Court in Katowice on 5 December 2024, dismissing the claims of Gorzyca Wind Invest Sp.z.o.o. in their entirety, together with all extensions to this lawsuit. Gorzyca Wind Invest Sp.z.o.o. lodged an appeal against the judgement and the Company submitted its response to the appeal. All other cases are pending before the first instance courts in camera.

As at the date of approval of these interim condensed consolidated financial statements for publication, the chances of the Group of obtaining a favourable resolution of the disputes should be assessed positively, i.e. the chances of losing are not higher than the chances of winning.

Claim towards Polskie Elektrownie Jądrowe sp. z o.o. (former: PGE EJ 1 sp. z o.o.)

TAURON Polska Energia S.A. as a former shareholder holding 10% of shares in the share capital of Polskie Elektrownie Jądrowe sp. z o.o. until the date of sale, i.e. 26 March 2021, jointly with the other former shareholders of the company (PGE Polska Grupa Energetyczna S.A, KGHM Polska Miedź S.A. and ENEA S.A.), is a party to the agreement with Polskie Elektrownie Jądrowe sp. z o.o. regulating the issues of potential liabilities and benefits of the parties resulting from the settlement of the dispute between Polskie Elektrownie Jądrowe sp. z o.o. and the consortium composed of WorleyParsons Nuclear Services JSC, WorleyParsons International Inc, WorleyParsons Group Inc (hereinafter: "WorleyParsons consortium").

In 2015, the WorleyParsons consortium, which is the research contractor for the investment process related to the construction of a nuclear power plant by Polskie Elektrownie Jądrowe sp. z o.o., submitted claims against Polskie Elektrownie Jądrowe sp. z o.o. for the total amount of PLN 92 million in a call for payment and then filed a lawsuit for approximately PLN 59 million, extended in 2017 and 2019 to the amount of approximately PLN 128 million.

In accordance with the agreement, the shareholders in proportion to their previously held number of shares in Polskie Elektrownie Jądrowe sp. z o.o. are responsible for liabilities or proportionally entitled to benefits potentially arising as a result of the settlement of the dispute with the WorleyParsons consortium up to the maximum level of claims including interest set as at 26 March 2021, amounting respectively to PLN 140 million for claims asserted by the WorleyParsons consortium against Polskie Elektrownie Jądrowe sp. z o.o. and PLN 71 million for claims asserted by Polskie Elektrownie Jądrowe sp. z o.o. against the WorleyParsons consortium.

To the best of the Group's knowledge, Polskie Elektrownie Jądrowe sp. z o.o. has not recognised the claims reported against it, therefore the Group does not create any provisions in connection with the above events.

Claims filed by Huta Łaziska S.A.

In connection with the merger of the Company with Górnośląski Zakład Elektroenergetyczny S.A. ("GZE") - TAURON Polska Energia S.A. became a party to the court dispute with Huta Łaziska S.A. ("Huta") against GZE and the State Treasury represented by the President of the ERO.

By the statement of claim of 12 March 2007 Huta demands from GZE and the State Treasury - the President of ERO (in solidum) to adjudicate the amount of PLN 182 million including interest accrued from the date of filing the statement of claim to the date of payment as compensation for the alleged damage caused by the failure of GZE to implement the decision of the ERO President of 12 October 2001 concerning the resumption of deliveries of electricity to Huta.

As part of the pending proceedings, judgments of the courts of first and second instance favourable for GZE and the Company were issued twice, which were repealed as a result of cassation appeals lodged by Huta. At present, the case was referred back to the Court of Appeals by a judgment of 20 August 2025 of the Supreme Court.

Based on the conducted legal analysis of the claims, the Group believes that they are unjustified and the risk that they must be satisfied is remote. Consequently, the Group did not create a provision for costs associated with those claims.

Proceedings initiated by the President of the Office of Competition and Consumer Protection and the President of the Energy Regulatory Office

Administrative proceedings initiated by the President of the Office of Competition and Consumer Protection and the President of the Energy Regulatory Office are pending against companies of the Group. The companies provide clarifications in the respective cases on an ongoing basis and undertakes remedying actions.

In the scope of proceedings concerning the imposition of fines for which the ERO President issued decisions imposing fines, the companies of the Group established provisions for pending proceedings in the total amount of PLN 7 million.

In addition, in the first quarter of 2026, the companies TAURON Sprzedaż sp. z o.o. and TAURON Sprzedaż GZE sp. z o.o., in connection with administrative decisions received from the President of the ERO on the obligation to transfer the total amount of PLN 277 million to the account of the Price Difference Payment Fund, which is related to the control carried out by the President of the ERO on the manner in which these companies apply write-downs to the Price Difference Payment Fund, made payment of the amount indicated in the decisions of the President of the ERO and thus used the provision created as at 31 December 2025 in full.

Apart from the above-mentioned proceedings, the companies do not create any provisions for potential penalties related to initiated proceedings, since in the opinion of the Management Boards of the companies the risk of unfavourable resolution of cases and imposition of a penalty is low.

Non-contractual use of real estate

The companies belonging to Group do not hold legal titles to all plots of land on which the distribution grids and the related equipment and installations are situated. In the future, the Group may be required to incur costs for the use of real estate without the underlying contracts; however, it must be emphasised that the risk of loss of assets is minor. The Group creates the provision for all court disputes filed in this respect. The provision is not established for unreported potential claims by owners of land of unregulated status due to the lack of detailed record of unregulated land and the resulting inability to reliably estimate the amount of potential claims.

As at the balance sheet date, provisions in the amount of PLN 73 million were created for reported court disputes, which are recognised in the statement of financial position under other provisions (Note 37.1).

Arbitration proceedings concerning shares in TAMEH HOLDING sp. z o.o.

In 2014, the shareholders' agreement was concluded between TAURON Group and ArcelorMittal Group regarding TAMEH HOLDING sp. z o.o., which is responsible for investment and operational projects in the area of industrial energy. Both groups hold a 50% interest in TAMEH HOLDING sp. z o.o. each.

In the shareholders' agreement, the parties made mutual irrevocable offers to buy and sell shares in TAMEH HOLDING sp. z o.o. Each party had the right to accept an irrevocable purchase offer made by the other party if, among others, one of the conditions set out in the shareholders' agreement materialised. As a result of the materialisation on 31 December 2023 of one of the prerequisites set out in the shareholders' agreement, on 2 January 2024, a representative of TAURON, in the presence of the bailiff recording the act of service, left at the registered office of the leading shareholder of the ArcelorMittal Group, i.e. AM Global Holding S.à r.l. with its registered office in the Grand Duchy of Luxembourg, a statement of acceptance by the Company of the offer by AM Global Holding S.à r.l. to purchase all 3 293 403 shares held by the Company in TAMEH HOLDING sp. z o.o. for PLN 598 million. On 4 January 2024, the Company was informed that AM Global Holding S.à r.l. disputes the effectiveness of the service of the above statement. On 9 January 2024, the Company received a letter from AM Global Holding S.à r.l., which, in the opinion of AM Global Holding, constitutes a statement of acceptance of the Company's offer to purchase all shares in TAMEH HOLDING sp. z o.o. owned by companies belonging to the ArcelorMittal capital group for the amount of PLN 598 million.

On 1 October 2024, due to the lack of agreement on the effectiveness of the submission of declarations regarding the acceptance of offers to purchase shares in TAMEH HOLDING sp. z o.o. The Management Board of the Company has decided to summon and called AM Global Holding S.à r.l., ArcelorMittal Poland S.A. and ArcelorMittal Long Products Europe Holding S.à r.l. to arbitration to resolve a dispute concerning the non-payment by AM Global Holding S.à r.l. of the sale price for the shares held by the Company in TAMEH HOLDING sp. z o.o. in the amount of PLN 598 million. The arbitration will be conducted in accordance with the rules set out in the United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules 2021 by an ad hoc arbitration tribunal. On 30 October 2024, the Company received a response to the notice of arbitration from AM Global Holding S.à r.l., ArcelorMittal Poland S.A. and ArcelorMittal Long Products Europe Holding S.à r.l. In response to the notice, AM Global Holding S.à r.l. filed a counterclaim demanding payment by the Company of PLN 598 million plus statutory interest for delay calculated from 14 February 2024 until the date of payment as the price for the shares held by AM Global Holding S.à r.l. and ArcelorMittal Poland S.A. in TAMEH HOLDING sp. z o.o. In the Company's opinion, the claims of AM Global Holding S.à r.l. are unfounded. The proceedings are pending.

compliant with the IFRS approved by the European Union (in PLN million)

50. Collaterals for repayment of liabilities

As part of its operations, the Group uses a number of instruments to hedge its own liabilities and liabilities of joint ventures under the concluded agreements and transactions. The main types of collateral, in addition to the collateral for the Group's transactions concluded on the Polish Power Exchange (Towarowa Giełda Energii S.A.), described due to their materiality later in this note, are presented below.

Collateral	As at 31 March 2026 *(unaudited)*	AS at 31 December 2025
Declarations of submission to enforcement	60 545	60 691
Blank promissory notes	2 236	1 937
Corporate guarantees	1 015	1 211
Bank account mandates	670	670
Collaterals type project finance	784	784
Sureties granted	362	285
Bank guarantees	251	303

As at 31 March 2026, the major hedging items include:

- a declaration of submission to enforcement up to the amount of PLN 43 549 million, valid until 17 December 2051, signed by the Company on 27 January 2025 in connection with the loan agreement concluded from the funds of the National Recovery and Resilience Plan ("NRP") as part of Investment G3.1.4, *Support for the national power system (Energy Support Fund)*.
- a declaration of submission to enforcement up to the maximum amount of PLN 4 800 million with the effective date to 30 November 2030, signed by the Company in connection with the conclusion of the syndicated loan agreement in the amount of PLN 4 000 million on 15 July 2022;
- a package of collaterals standard for *project finance* in the form of registered pledges and financial pledges on all shares in the subsidiaries, WIND T30MW sp. z o.o. and Windpower Gamów sp. z o.o. ("SPV"), on the SPV's collection of property and rights and on the SPV's bank accounts together with powers of attorney to those accounts, assignments of receivables from insurance policies, from lease agreements and from material contracts of the SPV to secure receivables from loan agreements in the amount of PLN 238 million and PLN 210 million and security agreements concluded by the SPV with PKO Bank Polski S.A. The collaterals are valid until the liabilities under the loan and security agreements have been paid in full;
- a corporate guarantee granted by the Company in 2014 to secure the bonds issued by Finanse Grupa TAURON sp. z o.o. The guarantee shall be effective until 3 December 2029, i.e. the redemption date of the bonds and amounts to EUR 168 million (PLN 721 million), while the beneficiaries of the guarantee are the investors who purchased the bonds issued;

Collaterals for transactions concluded on the Polish Power Exchange (Towarowa Giełda Energii S.A.) as at 31 March 2026

Type of collateral	Description
Declaration of submission to enforcement	On 15 June 2023, the Company signed the declaration of submission to enforcement to secure its own liabilities to Izba Rozliczeniowa Giełd Towarowych S.A. ("IRGiT") up to the amount of PLN 6 000 million, with the effective term until 30 June 2027.
Bank guarantees	As at the balance sheet date, bank guarantees totalling PLN 109 million were in force in the Group, including those issued to secure the Company's liabilities in the amount of PLN 84 million and those of the subsidiary TAURON Wytwarzanie S.A. in the amount of PLN 25 million.
Compensation agreement for margin deposits	Pursuant to the Agreement defining the principles for the establishment of financial collateral concluded with the IRGiT, TAURON Group applies a mechanism for setting off the margins. In terms of the transactions performed, the margins required by the IRGiT are calculated against the positions offset within the Group, which translates into the reduction in the funds involved on a Group-wide basis in maintaining the collateral required by the IRGiT.
Surety agreement	On 20 November 2025, the Company signed a surety agreement with its subsidiary, TAURON Ciepło sp. z o.o. and the IRGiT, up to the amount of PLN 161 million, with an effective term until 20 August 2026. The agreement secures the Company's obligations in respect of due margin payments arising from the settlement of transactions concluded with the IRGiT, while the Company, as beneficiary of the agreement, is entitled to use the collateral established.
Transfer of CO_2 emission allowances	As at the balance sheet day, the total amount of CO_2 emission allowances deposited by the Group in the IRGiT account was 496 869 tons. The allowances were transferred by the subsidiary, TAURON Ciepło sp. z o.o. under the agreement concluded with the IRGiT on 27 November 2025 to secure the obligations of the subsidiary, TAURON Ciepło sp. z o.o. under the surety agreement described above.

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Provision of funds to cover future decommissioning costs

As at the balance sheet date, the Mine Liquidation Fund created to secure funds to cover future decommissioning costs relates to the subsidiary, Kopalnia Wapienia Czatkowice sp. z o.o.

51. Related party disclosures

51.1. Transactions with joint ventures

The group has interest in the following joint ventures: Elektrociepłownia Stalowa Wola S.A. and the TAMEH HOLDING sp. z o.o. group, which are further described in Note 21 to these interim condensed consolidated financial statements.

The total value of transactions with jointly-controlled entities is presented in the table below.

	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited)*
Revenue	82	54
Costs	(193)	(152)

The main item of settlements with jointly-controlled companies are the loans granted to Elektrociepłownia Stalowa Wola S.A. (Note 22).

As at 31 March 2026, the Group has collateral to its joint subsidiary, Elektrociepłownia Stalowa Wola S.A. in the form of bank guarantee and sureties for the total amount of PLN 270 million, mainly to secure BGK's receivables under the loan agreement concluded on 8 March 2018 between the borrower, Elektrociepłownia Stalowa Wola S.A. and BGK and ORLEN S.A. (formerly: PGNiG S.A.).

51.2. Transactions with the participation of State Treasury companies

The main shareholder of the Group is the State Treasury of the Republic of Poland, therefore the State Treasury companies are treated as related parties.

The total value of transactions with State Treasury companies are presented in the table below.

Revenues and costs

	3-month period ended 31 March 2026 *(unaudited)*	3-month period ended 31 March 2025 *(unaudited)*
Revenue	1 062	1 107
Costs	(2 475)	(2 101)

Receivables and liabilities

	As at 31 March 2026 *(unaudited)*	As at 31 December 2025
Receivables*	467	475
Liabilities	1 116	1 031

**As at 31 March 2026 and as at 31 December 2025, the receivables item in the table above comprises advance payments for the purchase of fixed assets in the amount of PLN 32 million and PLN 29 million, respectively.*

Among the State Treasury companies, the largest customers of TAURON Polska Energia S.A. Group in the 3-month period ended 31 March 2026 included PSE S.A., KGHM Polska Miedź S.A., Południowy Koncern Węglowy S.A., Huta Częstochowa sp. z o.o. and Polska Grupa Górnicza S.A. The largest purchase transactions in the 3-month period ended 31 March 2026 were concluded by the Group with PSE S.A., Południowy Koncern Węglowy S.A. and Polska Grupa Górnicza S.A.

The Group conducts material transactions on the energy markets through Izba Rozliczeniowa Giełd Towarowych S.A. Due to the fact that this entity only arranges stock exchange trading, the purchase and sale transactions performed through it are not treated as related party transactions.

Transactions with State Treasury companies are mainly related to the operating activities of the Group and are performed on an arm's length terms.

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The Group also enters into transactions with banks under the control of the State Treasury, primarily Bank Gospodarstwa Krajowego, PKO BP S.A. and Bank Pekao S.A.. These transactions involve the provision of financing and financial services, such as concluding derivative contracts to hedge interest rate and currency risks and granting bank guarantee limits. Information on these transactions is included in the relevant notes to these interim condensed consolidated financial statements.

51.3. Remuneration of the management staff

The level of remuneration and other benefits paid and/or due members of the Management Board, Supervisory Boards and other key management personnel of the parent company and the subsidiaries paid and due in the period of three months ended 31 March 2026 and in the comparative period is presented in the table below.

	3-month period ended 31 March 2026 *(unaudited)*		**3-month period ended 31 March 2025** *(unaudited)*	
	Parent	**Subsidiaries**	**Parent**	**Subsidiaries**
Management Board	**1**	**6**	**1**	**4**
Short-term benefits (with surcharges)	1	6	1	4
Supervisory Board	**–**	**1**	**–**	**–**
Short-term employee benefits (salaries and surcharges)	–	1	–	–
Other key management personnel	**3**	**17**	**3**	**14**
Short-term employee benefits (salaries and surcharges)	3	16	3	13
Other	–	1	–	1
Total	**4**	**24**	**4**	**18**

The table above takes into account the amounts paid and due by 31 March 2026. In addition, in accordance with the accounting policy adopted, the Group creates provisions for benefits due to members of the Management Board on account of termination of their management contracts and to other key executives on account of termination of their employment, which may be paid or payable in subsequent reporting periods.

These interim condensed consolidated financial statements of TAURON Polska Energia S.A. Capital Group prepared for the 3-month period ended 31 March 2026 in compliance with International Accounting Standard No. 34 comprise 56 pages.

Katowice, 18 May 2026

Grzegorz Lot - President of the Management Board

Michał Orłowski - Vice President of the Management Board

Krzysztof Surma - Vice President of the Management Board

Krzysztof Zawadzki - Vice President of the Management Board.

Oliwia Tokarczyk - Executive Director for Accounting and Taxes

This is a translation of the document originally issued and signed in Polish