

*In case of divergence between the language versions, the Polish version shall prevail*

**Polenergia S.A. Group**

**CONSOLIDATED QUARTERLY REPORT**

**FOR THE THIRD QUARTER OF 2021**

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Warsaw, 23 November 2021

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**A. INTRODUCTION TO THE CONSOLIDATED QUARTERLY REPORT**

## 1. Consolidated profit and loss account for a 9-month period ended on 30 September 2021

Within the 9-month period ended on 30 September 2021, the results of Polenergia Group (the "Group") in terms of the adjusted (normalized) EBITDA and net profit amounted to PLN 282.3m and PLN 148.8m, respectively, which means growth compared to the corresponding period of the preceding year by PLN 81.5, and PLN 62.9m, respectively.

Polenergia Group Income Statement (PLN m)	9M 2021	9M 2020	Difference YOY	Difference YOY [%]	Q3 2021	Q3 2020	Difference YOY	Difference YOY [%]
<b>Sales revenues, including:</b>	<b>1 932,5</b>	<b>1 329,5</b>	<b>603,0</b>	<b>45%</b>	<b>720,3</b>	<b>507,5</b>	<b>212,8</b>	<b>42%</b>
trading and sales segment	1 499,4	840,8	658,6		576,1	356,7	219,4	
other	433,1	488,7	(55,6)		144,2	150,8	(6,6)	
<b>Cost of goods sold, including:</b>	<b>(1 669,0)</b>	<b>(1 171,5)</b>	<b>(497,5)</b>	<b>-42%</b>	<b>(621,3)</b>	<b>(466,5)</b>	<b>(154,7)</b>	<b>-33%</b>
trading and sales segment	(1 443,6)	(810,1)	(633,5)		(557,2)	(343,1)	(214,1)	
other	(225,4)	(361,4)	136,0		(64,1)	(123,4)	59,3	
<b>Gross profit on sales</b>	<b>263,5</b>	<b>158,0</b>	<b>105,5</b>	<b>67%</b>	<b>99,0</b>	<b>41,0</b>	<b>58,0</b>	<b>142%</b>
Selling expenses and general overheads	(52,7)	(33,6)	(19,1)	-57%	(27,8)	(11,8)	(16,0)	-136%
Other operating revenue/expense	(10,8)	2,9	(13,8)	-473%	(12,5)	0,6	(13,1)	-2291%
<b>A Operating profit (EBIT)</b>	<b>199,9</b>	<b>127,3</b>	<b>72,6</b>	<b>57%</b>	<b>58,7</b>	<b>29,7</b>	<b>28,9</b>	<b>97%</b>
Depreciation/Amortization	68,3	73,0	(4,7)		22,6	23,1	(0,5)	
Impairment losses	0,2	0,5	(0,3)		0,0	0,3	(0,2)	
Cost connected with net result on sale of assets ***	13,9	-	13,9		13,9	-	13,9	
<b>EBITDA</b>	<b>282,3</b>	<b>200,8</b>	<b>81,5</b>	<b>41%</b>	<b>95,1</b>	<b>53,1</b>	<b>42,0</b>	<b>79%</b>
Normalizing adjustments:								
Purchase price allocation (PPA)	-	-	-		-	-	-	
<b>Adjusted EBITDA*</b>	<b>282,3</b>	<b>200,8</b>	<b>81,5</b>	<b>41%</b>	<b>95,1</b>	<b>53,1</b>	<b>42,0</b>	<b>79%</b>
<b>B Financial income</b>	<b>227,5</b>	<b>4,5</b>	<b>223,1</b>		<b>0,4</b>	<b>0,9</b>	<b>(0,5)</b>	
<b>C Financial costs</b>	<b>(30,6)</b>	<b>(34,1)</b>	<b>3,5</b>		<b>(10,1)</b>	<b>(10,6)</b>	<b>0,5</b>	
<b>A+B+C Gross profit (loss)</b>	<b>396,9</b>	<b>97,7</b>	<b>299,2</b>	<b>306%</b>	<b>48,9</b>	<b>20,1</b>	<b>28,9</b>	<b>144%</b>
Income tax	(77,9)	(17,1)	(60,8)	-355%	(9,9)	(4,0)	(5,9)	-147%
<b>Net profit (loss) from continuing operations</b>	<b>319,0</b>	<b>80,6</b>	<b>238,4</b>	<b>296%</b>	<b>39,0</b>	<b>16,1</b>	<b>23,0</b>	<b>143%</b>
Profit from discontinued operating activities	(1,6)	-	(1,6)		(1,6)	-	(1,6)	
Profit on disposal of discontinued operations	4,4	-	4,4		4,4	-	4,4	
<b>Net profit (loss)</b>	<b>321,7</b>	<b>80,6</b>	<b>241,2</b>	<b>299%</b>	<b>41,8</b>	<b>16,1</b>	<b>25,7</b>	<b>160%</b>
Normalizing adjustments:								
Purchase price allocation (PPA)	0,5	3,8	(3,3)		0,2	0,3	(0,1)	
Foreign exchange differences	0,2	(0,0)	0,3		0,1	(0,1)	0,2	
Loan valuation using the amortized cost method	1,0	1,1	(0,0)		0,4	0,3	0,0	
Impairment losses **	0,2	0,5	(0,3)		0,0	0,3	(0,2)	
Net result on sale of assets ***	(174,9)	-	(174,9)		11,2	-	11,2	
<b>Adjusted net profit (loss)*</b>	<b>148,8</b>	<b>85,9</b>	<b>62,9</b>	<b>73,2%</b>	<b>53,7</b>	<b>16,9</b>	<b>36,8</b>	<b>218%</b>
<b>Adjusted EBITDA*</b>	<b>282,3</b>	<b>200,8</b>	<b>81,5</b>	<b>41%</b>	<b>95,1</b>	<b>53,1</b>	<b>42,0</b>	<b>79%</b>
Adjusted EBITDA Margin*	14,6%	15,1%	-0,5%		13,2%	10,5%	2,7%	
<b>Adjusted EBITDA (excl. trading segment)</b>	<b>239,0</b>	<b>180,4</b>	<b>58,6</b>	<b>32%</b>	<b>80,9</b>	<b>43,3</b>	<b>37,5</b>	<b>87%</b>
Adjusted EBITDA margin (excl. trading segment)	55,2%	36,9%	18,3%		56,1%	28,7%	27,4%	

\*) Adjusted for non-monetary one-off revenue (cost) recognized in a given financial year

\*\*) Reversal of the impairment losses connected with projects development

\*\*\*) Earn-out for sale of shares in offshore projects

The sales revenues of Polenergia Group for the three quarters of 2021 were higher by PLN 603.3m, mainly due to higher revenues in the trading and sales segment (by PLN 658.6m), which were partly offset by lower revenues in the gas and clean fuels segment (by PLN 27.4m) and the onshore wind farm segment (by PLN 23.5m).

The adjusted EBITDA in that period amounted to PLN 282.3m and was higher by PLN 81.5m compared to the corresponding period of the preceding year. This has been mainly due to a higher result in the gas and clean fuels segment (increase by PLN 89.3m) and in the trading and sales segment (increase by PLN 22.9m) in connection with the implementation of the optimization process of Nowa Sarzyna Heat and Power Plant, in accordance with the provisions of the agreement for the Portfolio Management Services and Sale of Electricity, Gas Fuels and Emission Allowances ("SLA"). The higher result has been partly offset by lower performance of the onshore wind farm segment (decrease by PLN 29.1m) due to lower production volume resulting from poorer windiness.

In the third quarter of 2021, sales revenues of Polenergia Group were higher by PLN 212.8m year on year, due to higher revenues in the trading and sales segment (by PLN 219.4m) partly offset by a drop in revenues in the gas and clean fuels segment (by PLN 11.1m).

The adjusted EBITDA in that period amounted to PLN 95.1m and was higher by PLN 42.0m year on

year. This has been mainly due to higher results in the gas and clean fuels segment (by PLN 33.9m) and in the trading and sales segment (by PLN 4.5m) in view of the implementation of the optimization process in ENS, in line with the provisions of SLA.

## **2. Detailed commentary regarding financial performance for the 9-month period ended on 30 September 2021 and other significant information on the Group's standing.**

In the three quarters of 2021, the onshore wind farm segment yielded EBITDA which was lower by PLN 29.1m year on year, while in the third quarter alone, EBITDA increased by PLN 3.5m. The drop in the segment's performance in 2021 is mainly the effect of lower production volume (poorer windiness) and higher operating costs of wind farms, partly offset by the commencement of electricity production by Szymankowo Wind Farm and higher sales prices of green certificates on the segment level.

EBITDA of the PV segment for the three quarters of 2021 was lower by PLN 0.6m year on year, predominantly due to higher PV projects development costs (PLN -0.3m) in their development phase and due to poorer insolation, which resulted in lower volumes and lower income generated under the portfolio of projects in operation - Sulechów I (PLN -0.2m). In Q3, the result of the segment was lower by PLN 0.2m year on year, with the performance of Sulechów I project being similar to that of Q3 2020 (PLN -0.1m).

In the three quarters of 2021, EBITDA of the gas and clean fuels segment increased by PLN 89.3m year on year, with the result in the third quarter alone being PLN 33.9m, mainly due to the optimization process in ENS. The outcome of the optimization included the reversal of the forward transactions hedging the production and sales of ENS in Q3 and Q4 2021 and in 2022 as part of the plant's performance optimization process. Changes in the level of margin resulting from the changes in the level of prices of electricity, gas and CO<sub>2</sub> allowances in connection with the generation of electricity in ENS so called Clean Spark Spread (CSS) permitted to make a decision to curb the planned generation and close the position in the forward market for the a/m periods. The measurement of relevant financial instruments related to the a/m transactions, as per IFRS 9, means that the following items were recognized under the Q3 2021 result at the Group level: (i) the result on the anticipated ENS production for the abovementioned future periods that the concluded transactions referred to, i.e. PLN 7.5m (PLN 18.7m YTD) - a time shift, and (ii) the impact of additional optimization factors and positive CSS changes of PLN 22.5m (PLN 45.8m YTD). The impact of measurement of these transactions on EBITDA in Q3 2021 has been disclosed under the trading and sales segment in the amount of PLN 9.2m (PLN 17.9m YTD) and in the gas and clean fuels segment in the amount of PLN 20.7m (PLN 46.6m YTD). The impact of the transactions concluded with respect to Q3 2021, the measurement of which was recognized in the financial statements for HY1 2021, has been included in the realized result of PLN 17.1m reducing the measurement figure as at 30 September 2021. In addition, better results compared to the preceding year were also enhanced by revenues from the capacity market (as the capacity obligation performance began in January 2021), partly offset by no revenues from the stranded costs compensation (as the compensation scheme came to an end in May 2020) and higher revenues from the gas costs compensation (PLN 21.9m), partly offset by the final adjustment of the stranded costs compensation being lower by PLN 9m (final clearance under the compensation scheme took place in August 2021).

In the initial three quarters of 2021, EBITDA in the trading and sales segment increased by PLN 22.9m year on year, with the growth in the third quarter alone being PLN 4.5m. The higher result in 2021 YTD is mainly the effect of: i) short-term optimizations in the current year and mid-term optimizations performed under SLA in terms of hedging production and sales of ENS, resulting in the measurement of PLN 17.9m worth of forward transactions for Q4 2021 and for 2022, ii) higher result on the wind farm energy trading following the optimized volume fixing and positive effect of lower profile cost, iii) the implementation of the new strategy in respect of the sale to strategic customers and proprietary trading.

Said increase has been partly offset by: i) lower result on trading in green certificates from wind farms, mainly due to the impact of the green certificate inventory measurement being lower by PLN 2.2m, ii) lower result on the trading portfolio given lower result on short-term trading and one-off events adversely affecting the result in 2021, iii) lower result on the RES aggregation business line, iv) higher operating costs and commission costs resulting from the business scale expansion. On top of that, the result in Q3 was enhanced by: i) the optimization under SLA resulting in the PLN 9.2m worth measurement of forward transactions hedging the production and sales of ENS in the period from Q2 to Q4 2022, ii) the effect of implementation of the new strategy in respect of the sale to strategic customers and proprietary trading. Such increase was partly offset by: i) lower result on the trading portfolio due to lower result on the short-term trading in view of the market constraints, ii) a drop in the result on the wind farm energy trading in view of the lower production coupled with higher SPOT prices and the adverse impact of the profile cost, iii) a drop in the result on trading in the wind farm certificates due to the impact of the green certificates inventory measurement being lower by PLN 3.2m, iv) lower result on the RES aggregation business line and v) higher operating costs and commission costs resulting from the business scale expansion.

After nine months of 2021, EBITDA of the distribution segment was higher by PLN 1.1m year on year, while in Q3 alone it was higher by PLN 0.9m. The increased result has been mainly the effect of the enactment of the new tariff and the increased demand for energy compared to 2020 in connection with the diminished scale of epidemic constraints. This result has been partly offset by higher operating costs, lower result of Polenergia Kogeneracja on gas distribution (mainly due to lower volume), as well as the costs incurred for the e-mobility pilot project. In addition, in Q3 2021 alone, higher result was achieved on energy sales due to higher unit margin.

The result in the unallocated segment, in the period from January to September 2021, was lower by PLN 2.1m, with the result in Q3 2021 alone being lower by PLN 0.6m year on year. The change of EBITDA was influenced by discontinuing of the biomass processing business and by higher HQ operating expenses.

As a consequence of the abovementioned developments, the adjusted EBITDA margin excluding the trading and sales segment amounted to 55.2%, and was higher by 18.3 pp year on year. In turn, in Q3 the adjusted EBITDA margin amounted to 56.1% and was higher by 27.4 pp year on year.

The result on the financial operations in the three quarters of 2021 was higher than one in the preceding year by PLN 226.5m and was impacted, in the first place, by the financial income from the earn-out in the amount of PLN 225.8m received in respect of the sale of shares in the companies MFW Bałtyk II Sp. z o.o. and MFW Bałtyk III Sp. z o.o. that took place in 2018, the result on the sale of the Wińsko project, the higher f/x gains (by PLN 0.6m), the revenues from sureties (PLN 0.4m) and the winding-up of an associate (by PLN 0.3m), the lower interest expenses (by PLN 5.0m), partly offset by lower interest gains on deposits (by PLN 2.2m), the measurement of the financial contracts (by PLN 1.0m), the selling expenses of the Mercury Sp. o.o. project (PLN 0.2m) and higher commission cost (by PLN 0.9m), the interest notes (PLN 0.2m) and the measurement of financial instruments in the gas and clean fuels segment (PLN 1.1m).

Higher income tax (by PLN 60.8m) mainly due to the higher profit before tax of the Group in 2021 (higher operating profit and financial income).

### **Impact of COVID-19 pandemic**

In view of the persisting COVID-19 outbreak, risk factors that may potentially impact the business and financial performance of Polenergia Group have been being monitored and identified on an ongoing basis. The Management Board has taken measures to mitigate the adverse impact of the coronavirus, however the final severity and magnitude of such impact are difficult to estimate.

The Management Board is of the opinion that Polenergia Group has so far been resilient to adverse

economic environment caused by the COVID-19 outbreak. Good financial performance achieved in the first three quarters of 2021 show that the continued pandemic has not materially affected the operation of the companies within the Group.

Most of the Group's staff continued teleworking using remote communication equipment. All vital operating processes have been on schedule, with significant management processes handled remotely. The Company identifies risk factors related to the variable scale of COVID-19 infections, in particular with respect to activities and processes that cannot be fully performed remotely. This is true, in particular, of the gas and clean fuels segment which is largely dependent on the individual manufacturing staff traffic and of the wind farm projects in their construction phase. In order to mitigate the impact of the risk on the operation of the Company Elektrociepłownia Nowa Sarzyna, strict OHS rules were applied to operating activity and renovation works. Moreover, an emergency plan has been prepared for the Company to maintain the production process continuity by the staff working with accommodation on-site. The implementation of wind farm projects in construction phase has so far experienced no significant adverse impact of COVID-19. Safety procedures and occupational health measures have been implemented on site, such as questionnaires and statements to verify good health conditions and no contact with infected individuals, the distancing requirement, the measuring of temperature, points of disinfection, COVID-19 testing new staff members and invariable composition of the worker teams on site (it is prohibited to exchange staff members among the sites).

By the end of Q1 2021, the impact of COVID-19 pandemic on the performance in the distribution segment was manifested by a drop in the demand for electricity on the part of, among others, industrial plants and shopping malls. In Q2 2021, after the sanitary restrictions were reduced, a gradual growth in demand for electricity was observed. In view of the extended pandemic period in Poland, entailing high uncertainty, the Company has been monitoring in detail the collection of receivables and has been maintaining an increased bad debt provision established in 2020.

In the trading and sales segment, in view of the COVID-19 pandemic and the resultant shortage of goods, increasing prices of raw materials and the inflation pressure that occurred after the lockdown period, an increased risk of business operations continues. This has been due to, among others, high volatility of prices of natural gas, electrical energy, CO<sub>2</sub> allowances and the currency exchange rates. In addition, a factor that increases the risk of commercial business is the increased risk of counterparty insolvency. The abovementioned risk factors may also materially affect liquidity by increasing the requirements concerning the security deposits and the bad debt level. In the face of increased likelihood of those risks materializing, ongoing monitoring and analytical activities were intensified in those areas and more stringent verification methods have been applied when entering into new transactions.

The wind power segment remains in 2021, and will remain in 2022, largely immune to the current volatility of electricity prices, given the fact that for the large portion of the portfolio the prices of energy and green certificates have been fixed on the forward market. Should the drop in energy and green certificate prices continue for a long time and result in a forward contract quotes reduction, the financial performance potential of the segment may be limited in subsequent years.

#### **Implementation of the Polenergia Group Strategy for the years 2020-2024**

There have been no material impediments to the implementation process of the Group's Strategy for the years 2020-2024.

In the third quarter of 2021 the Group has been continuing works aimed at the implementation of three wind farm projects of the total capacity of 161 MW which secured auction offtake under the RES support auction scheme.

Construction of Szymankowo wind farm has been completed. The wind farm in question obtained the operating permit and the concession and entered the operation phase on 13 September 2021. Construction of Dębsk and Kostomłoty wind farms has been progressing according to the schedule.



At Dęsk wind farm construction and assembly works are in progress. The completed works include foundations, service yards and roads with respect to all turbines (55/55). HV lines and MV lines have been completed. Deliveries of turbine components are in progress, as are pre-installing and installing works on the turbines. The current status of assembly is 12/55 turbines. The permit to apply voltage and a temporary operating permit have been obtained, test energy generation has begun.

At Kostomłoty wind farm construction and electrical works are in progress. 100% of service roads, 9/9 foundations and 5/9 service yards have been built. 100% MV lines and 90 % HV lines have been completed. Deliveries and assembly of main components at GPZ station are planned.

Sulechów II, Sulechów III and Buk I PV projects of the aggregate capacity of ca. 28 MWp that secured the offtake under the RES auction are in construction. Structural frames for the PV panels have been built and container stations and inverters have been delivered and deployed. LV system is in place. Presently, the MV system is under construction. Deliveries of the panels commenced as of 20 October 2021. Completion of construction with respect to those projects has been intended in the first half of 2022.

According to the Information of the President of the Energy Regulatory Office dated 25 June 2021, the subsidiaries: Polenergia Farma Wiatrowa Olbrachcice sp. z o.o. developing the PV farm projects Świebodzin I of the total capacity of 10.5MW, Polenergia Obrót 2 sp. z o.o. developing the PV project Strzelino of the total capacity of 45.15MW and Polenergia Farma Wiatrowa Grabowo sp. z o.o. developing the PV project of the total capacity of 37.4MW were unsuccessful in securing the offtake under the renewable energy source auction. The Group does not exclude any alternate forms of securing revenues for the abovementioned projects, i.e. entering into PPAs (Power Purchase Agreements) or selling energy at merchant risk supported by the forward market hedge, as well as their participation in further auctions.

The Group continues further development of wind and photovoltaic projects with a view to attain the goals identified in the Group's Strategy for the years 2020-2024. As a result, the Group does not exclude potential participation of the subsidiaries developing wind farm and PV projects in further RES auctions. There will be various forms of commercialization considered for individual projects, including decisions to participate in auctions, sale of energy under PPAs or at merchant risk supported by the forward market hedge.

Development work in the offshore wind power segment is continued. The Group holds 50% of the shares in the companies MFW Bałtyk I Sp. z o.o, MFW Bałtyk II Sp. z o.o. and MFW Bałtyk III Sp. z o.o. preparing to develop three offshore wind farms located in the Baltic Sea with total capacity up to 3000 MW. On 4 May 2021 the President of the Energy Regulatory Office issued decisions with respect to the project companies MFW Bałtyk II sp. z o.o. and MFW Bałtyk III sp. z o.o. granting to each of those companies the right to cover the negative balance for electricity generated, respectively, in the offshore wind farms MFW Bałtyk II and MFW Bałtyk III of the capacity of 720 MW each.

As of 1 January 2021 the Power and Heat Plant Nowa Sarzyna, as ("ENS") the participant in the Capacity Market, has been performing its capacity obligation, as per the contract with Polskie Sieci Elektroenergetyczne and has been continuing to provide the black start and system restoration services for PSE. ENS has also been successfully participating in the capacity aftermarket, where trading in capacity obligations takes place, as well as re-allocation of capacity obligations among capacity suppliers. On top of that, based on the SLA, ENS has been dynamically operating on the energy market due to its optimized model of operation.

Based on the letter of intent executed in June 2020 by Polenergia and Siemens Energy, works are in progress in terms of developing new gas cogeneration projects and hydrogen projects. Together with its Partner Polenergia has been developing a high profile project for generation and storage of hydrogen produced by water electrolysis with participation of its own renewable energy. In cooperation with the

Partners, steps have been taken to prepare ENS to co-combustion of hydrogen with natural gas.

The large-scale hydrogen project filed by Polenergia SA in the hydrogen technologies and systems contest (under the IPCEI scheme), after formal vetting and compliance verification with the criteria (performed by the Minister of the Development, Labor and Technology and the Minister of Climate and the Environment) was approved in May 2021 for further development and is now on the path for pre-notification to the European Commission.

Polenergia S.A. and ENS will be co-originators of the first Polish hydrogen valley. The letter of intent signed in June 2021 in Jasionka near Rzeszów for the establishment of the Podkarpacie Hydrogen Valley is meant to help build a coordinated and integrated "ecosystem" which will promote the development of the technology, knowledge, research and business.

Also, in 2021 Nowa Sarzyna joined an international consortium cooperating for the sake of using hydrogen as a zero-emission fuel in gas turbines in the existing European facilities. ENS has two Frame6B gas turbines by Thomassen Intentional working, each of the capacity of 40 MW, which will be modified in future to be able to handle co-combustion of hydrogen with natural gas, with the final goal of shifting to clean hydrogen fuel completely. In addition to Ansaldo Thomassen and ENS, the partners to the agreement include: Vattenfall, DOW, Nouryon, EmmTec, Hygear, TU Delft, TU Eindhoven, DLR and OPRA Turbines.

The Group implements the new strategy in the trading and sales segment by developing both new and existing business areas. As part of the optimizing process of the operation of Nowa Sarzyna, a decision has been made to reverse the forward transactions hedging the production and sale of energy in Q3 and Q4 2021 and in 2022, which resulted in the effect of the measurement of those financial instruments being recognized in 2021. As part of the geographical expansion, operations commenced in the Ukrainian and Hungarian energy markets. Testing is in progress in the gas trading market in Ukraine, as well as the analyses of profitability entering the Baltic States energy markets. In 2021 the Company significantly increased the volume of its sales to industrial customers with concurrent active prospecting of customers for the years 2022-2024. The company Polenergia Sprzedaż has been actively continuing renewable energy sales to end customers. Green energy produced in the Group's generation assets is being sold as "Energy 2051" product through the website and teleshopping channels. Also, business has been developed in terms of the third party RES producers aggregation. Short-term and long-term products are in preparation for independent RES producers and for end customers. Under the flexibility services business line, a contract has been signed for the provision of DSR services with Polskie Sieci Elektroenergetyczne. Intensive works are in progress on the development of the aggregation of flexibility services and a single approach for external and internal assets of Polenergia Group to the participation in further auctions and the secondary capacity market.

In the distribution segment, on 21 October 2020 new electricity distribution and sales tariff for Polenergia Dystrybucja Sp. z o.o. became effective, with RAB at PLN 109.6m. Also, the approved Investment Plan III for the years 2019-2022 worth PLN 51m has been under implementation. By the end of the third quarter of 2021, 100 connection agreements have been signed. In 2021 connection agreements were finalized and connection readiness was notified for 33 projects/project phases and extension of the concession was obtained for 11 projects, with further 6 projects expected to obtain concession.

In addition, after having obtained the approval of the Supervisory Board, Polenergia Dystrybucja commenced implementation of Investment Plan IV for the years 2021- 2026 worth PLN 105m in total. On 15 January 2021 the company executed an annex to the facility agreement with ING Bank Śląski S.A. which granted financing to the company for the implementation of Investment Plan IV in the amount of PLN 75.3m. Said Plan provides for launching investments with respect to the design and construction of electrical energy infrastructure aimed at supplying power to new facilities and customers, in particular with respect to new residential condominiums. By the end of Q3 2021, the company signed 49 connection agreements under Plan IV in the year 2021, with the total level of capex resulting from

liabilities incurred reaching PLN 45m, which is 43% of the investment portfolio IV.

### **Other significant information on the Group's condition**

On 18 June 2021 an Annual General Meeting of the Company took place, as a result of which Mr. Grzegorz Stanisławski, Mr. Ignacio Paz-Ares Aldanondo and Mr. Thomas O'Brien were appointed Members of the Supervisory Board of the Issuer, while Ms. Marjolein Helder was revoked from the Supervisory Board. In addition, resolutions were passed with respect to, without limitation: amendment to the Company Statutes in order to authorize the Management Board to increase the share capital within the authorized share capital, including the option for the Management Board to waive the preemptive rights with respect to the shares issued within the authorized capital in whole or in part subject to the consent of the Company Supervisory Board.

On 31 May 2021 Mr. Sebastian Kulczyk resigned from his position of the Member of the Issuer's Supervisory Board.

On 29 January 2021 the company developing the offshore wind farm project MFW Bałtyk I signed a grid connection agreement with PSE. According to the agreement, the total maximum power output of the Project has been determined at 1560MW.

On 5 March 2021 the companies MFW Bałtyk II sp. z o.o. and MFW Bałtyk III sp. z o.o. (jointly the "Project Companies") in which Polenergia S.A. holds 50% of shares, developing - under a joint venture with the Equinor group - the construction projects of two offshore wind farms with the intended capacity of 720MW each ("MFW"), filed, after relevant analyses and corporate decisions, their requests to the President of the Energy Regulatory Office ("ERO President") under the procedure provided for in the Act of 17 December 2020 on the promoting of electricity generation in offshore wind farms (the "MFW Act") for the award, pursuant to a decision of the ERO President, of the entitlement to have any deficit compensated with respect to electricity generated in an offshore wind farm and fed into the grid ("Support").

The Support will apply to electricity generated in MFW and will be tantamount to the granting of the entitlement to have the negative balance compensated resulting from the difference between the price of electric energy specified for a given project in the decision of the ERO President that will be issued at a further procedural stage (adjusted annually for inflation) ("Support Price") and the periodic reference price identified in line with the terms specified by the MFW Act.

On 16 April 2021, Polenergia S.A. together with Wind Power AS (the Equinor Group), passed shareholders resolutions in the Project Companies concerning the consent to sustain the applications for Support filed on 5 March 2021 to the President of the Energy Regulatory Office by the Project Companies. In consequence of the shareholders resolutions, the Project Companies made decisions to sustain their Applications.

The abovementioned shareholders resolutions and decisions of the Project Companies were made in view of the fact that on 30 March 2021 the Minister of Climate and the Environment (the "Minister") issued an ordinance concerning the maximum price for electricity generated in an offshore wind farm and fed to the grid, in PLN per 1 MWh, which is the basis for the settlement of the right to cover the negative balance, in which the Minister set the maximum price for electricity generated in an offshore wind farm and fed to the grid at the level of PLN 319.6 / MWh (the "Maximum Price"). Facing the so determined Maximum Price level, the Issuer and Wind Power AS, as the shareholders to the Project Companies decided that the Project Companies should file applications for the Support.

The Support will require the approval of the European Commission ("EC"). After EC takes its position, the ERO President will issue an administrative decision in which the individual Support Price will be set that will be the basis for settlement of the negative balance of each of the Project Companies. The ERO President may set the Support Price at the level equal to or lower than the Maximum Price. In case the

Support Price is lower than the Maximum Price, the Project Companies will have the right to waive the right to cover the negative balance granted to them. Should such scenario materialize, the Issuer and Wind Power AS, as the shareholders to the Project Companies, will assess the advisability of waiving the right to cover the negative balance granted to the Project Companies.

Once the Support is obtained, an obligation arises on the part of the Project Companies to generate and provide to the grid for the first time electrical energy generated in offshore wind farms, or in part thereof, following the obtaining of the concession, within 7 years of the day the ERO President issued the decision specifying the Support Price.

In order to fulfill the abovementioned obligation, significant capital expenditures will be required. The total capital expenditures to be borne by the Project Companies following the obtaining of the Support in connection with the preparation of both projects in the period until the final investment decision and commencement of construction scheduled for 2024 have been currently estimated at PLN 630m. On top of the amounts referred to above, the estimated construction expenditures amount to between PLN 16,130m and PLN 18,220m, the major share of which will be borne after the final investment decision is made and construction commences. The Issuer, as the shareholder to the Project Companies, will be obligated to pay part of the capital expenditures pro rata to the Issuer's interest in the Project Companies, with due regard to the project finance loan to finance the expenditures during construction intended to be incurred by the Project Companies.

On 4 May 2021 the President of the Energy Regulatory Office issued decisions with respect to the project companies MFW Bałtyk II sp. z o.o. and MFW Bałtyk III sp. z o.o. granting to each of the Project Companies the right to cover the negative balance for electricity generated, respectively, in the offshore wind farms MFW Bałtyk II and MFW Bałtyk III of the capacity of 720 MW each.

On 25 May 2021, the Issuer received additional payments from the Project Companies shareholder, Wind Power AS, resulting from the agreement concerning, without limitation, the sale of shares in the Project Companies entered into on 5 March 2018 with Statoil Holding Netherlands B.V. in the amount of EUR 25,028,640 with respect to MFW Bałtyk III sp. z o.o. company and EUR 25,200,000 with respect to MFW Bałtyk II sp. z o.o. company.

On 5 February 2021 Mansa Investments and BIF IV Europe Holdings Limited with registered office in London entered into annexes to the investment agreement dated 3 November 2020. In addition, BIF IV Europe Holdings Limited informed about an increase of the price per share of the Company in the call for subscription from PLN 47 to PLN 63. The subscription deadline expired on 17 February 2021. As a result of the call, BIF IV Europe Holdings Limited acquired 10,370,213 shares of stock in the Company, which corresponds to 22.82% of the total number of votes in the Company.

On 20 February 2021 the Management Board of Polenergia S.A. was notified about the fact that the shareholders of Mansa Investments Sp. z o.o. and BIF IV Europe Holdings Limited, entered into an additional memorandum of understanding to the investment agreement of 3 November 2020 and the shareholders agreement of the same date. The notification included, among others, the intention to increase the Company's share capital via the issue of new shares. Such share issue will involve preemptive right or shall otherwise prevent share dilution.

On 23 September 2021 the Management Board of Polenergia S.A. passed a resolution concerning the issue of no less than one and no more than 21,426,807 AA series ordinary bearer shares at the issue price of PLN 47 per share. The share issue will take place as a private subscription and will permit each shareholder, except for Mansa Investments and BIF IV Europe Holdings Limited, to maintain such percentage share in the share capital of the Company, as a given shareholder held at the end of the day the Company prospectus was approved (the Preference Day). Mansa Investments company will be offered 5,150,211 new shares of the new issue, while BIF IV Europe Holdings Limited will be offered no less than 10,804,185 shares and no more than 14,361,702 shares of the new issue, depending on the

number of shares that will be offered to other shareholders. The offering will be available only to those shareholders who held any shares at the end of the Preference Day. The Company envisages the issue will take place in Q1 2022.

On 10 May 2021 the subsidiary Polenergia Farma Wiatrowa 17 Sp. z o.o. entered into a facility agreement with ING Bank Śląski S.A. providing for an investment loan totaling PLN 21.5m for the financing of construction of the photovoltaic farm Sulechów II and the VAT loan during construction up to PLN 5.5m. The Facility Agreement provides for the repayment of the investment loan no later than by 30 June 2036 and of the VAT loan no later than within half a year following completion of construction of the project.

On 12 May 2021, the subsidiary Polenergia Farma Wiatrowa Rudniki Sp. z o.o. entered into a facility agreement with mBank S.A. in the form of an investment loan totaling up to PLN 13m for the financing of the photovoltaic farm Buk I construction and the VAT loan during construction up to PLN 3.2m. The Facility Agreement provides for the repayment of the investment loan no later than by 21 December 2037 and of the VAT loan no later than by 31 January 2023.

On 12 May 2021, the subsidiary Polenergia Farma Fotowoltaiczna 9 Sp. z o.o. entered into a facility agreement with mBank S.A. in the form of an investment loan totaling up to PLN 18m for the refinancing of the construction of the photovoltaic farms Sulechów III. The facility agreement provides for the repayment of the investment loan no later than by 21 December 2037. This project is developed by the company Polenergia Farma Wiatrowa Grabowo Sp. z o.o. with the operating phase projected to be handled by the company Polenergia Farma Fotowoltaiczna 9 Sp. z o.o.

On 28 April 2021 the company Polenergia Farma Wiatrowa Dębice/Kostomłoty Sp. o.o. concluded an interest rate swap transaction with mBank S.A. hedging 90% of the interest rate risk.

On 29 July 2021 the Management Board of the Company released information that the President of the Energy Regulatory Office had issued a decision for the company Polenergia Elektrociepłownia Nowa Sarzyna sp. z o.o. which determined the cost of consumption of the collected natural gas and the cost of uncollected natural gas for the year 2020 in the correction period since 1 January 2020 until 1 June 2020 due to ENS under the Act of 29 June 2007 on the terms of paying the costs incurred by the generators due to premature termination of long term power purchase agreements at the level of PLN 30,366,227.

Moreover, the Issuer's management board informs that the ERO President issued a decision for ENS which determined the amount of the annual adjustment of stranded costs for the year 2020 in the adjustment period since 1 January 2020 until 1 June 2020 equal to PLN 3,964,267 and another decision of the ERO President of 31 August 2021 which determined the amount of the final adjustment of the stranded costs compensation, in connection with the end of the adjustment period which lasted from 1 April 2008 to 1 June 2020, such amount being PLN 3,758,459.

On 24 August 2021, Polenergia S.A. entered into a consultancy agreement with Master BIF IV UK Holdings Limited as the advisor, being an associate of one of the Issuer's shareholders, i.e. BIF IV Europe Holdings Limited. The Supervisory Board of Polenergia S.A. consented to the appointment of the advisor with the resolution of 18 August 2021. It will be the role of the advisor, as a firm experienced in asset management in the renewable energy sector on a global scale, to provide advisory services and recommendations in support of the work of the Operational Supervision Committee appointed by the Supervisory Board at the meeting on 18 August 2021. The duties of the Committee include, without limitation, operational supervision over the development, financial activities and investment potential of the Group.

On 31 August 2021 an agreement for the sale of shares in the company Mercury Energia Sp. z o.o and the transfer of all rights and obligations of the limited partner in the company Mercury Energia Sp. z o.o. i Wspólnicy Sp. K. was executed.



On 8 October 2021 the company Polenergia Farma Wiatrowa Rudniki Sp. z o.o. developing the projects of photovoltaic farms Buk I entered into an IRS transaction with mBank S.A. hedging 75% of the interest rate risk until the end of 2031.

On 4 October 2021 the company Polenergia Farma Wiatrowa 17 Sp. z o.o. developing the projects of photovoltaic farms Sulechów III entered into an IRS transaction with mBank S.A. hedging 90% of the interest rate risk until the end of 2035.

On 4 November 2021 the Management Board of Polenergia S.A. signed a Preliminary Share Sale Agreement (PSSA) under which the shareholders of Edison Energia S.A. (Edison Energia) with registered office in Warsaw made a commitment to enter into the Final Share Sale Agreement (FSSA) concerning the sale of 100% of the company shares to the Issuer by the current shareholders of Edison Energia. According to PSSA, the price for 100% of the shares of Edison Energia has been initially established at PLN 76,500,000, however the exact amount payable at the time FSSA is executed will be subject to certain adjustments connected with the closing accounts procedures referred to in PSSA. Still, the final price for the company shares sold under FSSA may not exceed PLN 86,000,000. The execution of FSSA is contingent upon the approval of the Antimonopoly Office (UOKIK) and other conditions precedent referred to in PSSA. FSSA shall be executed within 10 business days of the day all conditions precedent provided for in PSSA have been met or on such other date as the parties may mutually agree.

Edison Energia is one of the fastest growing Polish photovoltaic companies. It offers innovative solutions in terms of photovoltaics, heat and energy consumption optimization. Thanks to this transaction, the Polenergia Group will expand its operations to include new business segments and will gain access to a nationwide sales network, a large customer base and a wide portfolio of innovative products and services. It will also help diversify the current areas of the Group's business and become a significant player in the newly emerged market segment.

On 10 November 2021, Polenergia Obrót S.A. concluded credit agreements with Deutsche Bank Polska for a multi-purpose credit limit of up to PLN 100 million, under which an overdraft limit and a guarantee limit were made available. The loan agreement was concluded for a period of 12 months with the possibility of extending it for subsequent periods. In connection with the above, Polenergia S.A. granted a surety up to the amount of PLN 30 million.

9M 2021 (m PLN)	Onshore Wind Power	Photovoltaics	Gas and Clean Fuel	Trading	Distribution	Unallocated	Purchase price allocation	TOTAL
Sales revenues*	172,8	2,8	173,9	1 499,4	78,9	4,8	-	1 932,5
Operating costs, including operating costs (without granted green certificates adjustment)	(91,9)	(1,6)	(58,5)	(1 443,6)	(66,2)	(6,6)	(0,7)	(1 669,0)
depreciation/amortization	(33,2)							(33,2)
granted green certificates adjustment	(48,4)	(0,6)	(12,1)	(0,1)	(4,6)	(1,8)	(0,7)	(68,3)
granted green certificates adjustment	(10,3)							(10,3)
<b>Gross profit on sales</b>	<b>80,9</b>	<b>1,2</b>	<b>115,4</b>	<b>55,8</b>	<b>12,7</b>	<b>(1,8)</b>	<b>(0,7)</b>	<b>263,5</b>
Gross profit on sales margin	46,8%	43,9%	66,3%	3,7%	16,1%	"n/a"	"n/a"	13,6%
General overheads	(2,7)	(0,2)	(5,5)	(13,7)	(4,6)	(25,7)	-	(52,4)
Other operating activities	2,3	0,0	(14,7)	1,0	0,1	0,1	-	(11,2)
including impairment losses	(0,1)	-	-	-	-	(0,0)	-	(0,2)
<b>Operating profit</b>	<b>80,5</b>	<b>1,0</b>	<b>95,2</b>	<b>43,1</b>	<b>8,2</b>	<b>(27,5)</b>	<b>(0,7)</b>	<b>199,9</b>
<b>EBITDA</b>	<b>129,0</b>	<b>1,6</b>	<b>107,3</b>	<b>43,3</b>	<b>12,8</b>	<b>(11,8)</b>	<b>-</b>	<b>282,3</b>
EBITDA Margin	74,7%	58,8%	61,7%	"n/a"	16,2%	"n/a"	"n/a"	14,6%
Purchase price allocation (PPA)	-	-	-	-	-	-	-	-
<b>Adjusted EBITDA</b>	<b>129,0</b>	<b>1,6</b>	<b>107,3</b>	<b>43,3</b>	<b>12,8</b>	<b>(11,8)</b>	<b>-</b>	<b>282,3</b>
Adjusted EBITDA Margin	74,7%	58,8%	61,7%	"n/a"	16,2%	"n/a"	"n/a"	14,6%
Profit (loss) on financial activities	(23,5)	(0,4)	(0,9)	(2,6)	(2,3)	226,7	-	196,9
<b>Profit (loss) before tax</b>	<b>57,0</b>	<b>0,6</b>	<b>94,3</b>	<b>40,6</b>	<b>5,9</b>	<b>199,2</b>	<b>(0,7)</b>	<b>396,9</b>
Income tax								(77,9)
<b>Net profit (loss) from continuing operations</b>								<b>319,0</b>
Profit from discontinued operating activities								(1,6)
Profit on disposal of discontinued operations								4,4
<b>Net profit (loss) for period</b>								<b>321,7</b>
Normalizing adjustments:								
Purchase price allocation (PPA)								0,5
Foreign exchange differences								0,2
Loan valuation using amortized cost method								1,0
Impairment losses								0,2
Net result on the sale of assets								(174,9)
<b>Adjusted net profit</b>								<b>148,8</b>

\*Revenues from granted but not sold green certificates are presented as decrease of direct costs in accordance with IFRS 15.

9M 2020 (m PLN)	Onshore Wind Power	Photovoltaics	Gas and Clean Fuel	Trading	Distribution	Unallocated	Purchase price allocation	TOTAL
Sales revenues*	196,3	3,0	201,3	840,8	70,9	17,3	-	1 329,5
Operating costs, including operating costs (without granted green certificates adjustment)	(86,3)	(1,2)	(191,2)	(810,1)	(59,8)	(18,2)	(4,7)	(1 171,5)
depreciation/amortization	(30,6)							(30,6)
granted green certificates adjustment	(47,6)	(0,6)	(14,1)	(0,1)	(4,1)	(1,9)	(4,7)	(73,0)
granted green certificates adjustment	(8,1)	-	-	-	-	-	-	(8,1)
<b>Gross profit on sales</b>	<b>110,0</b>	<b>1,8</b>	<b>10,1</b>	<b>30,7</b>	<b>11,1</b>	<b>(1,0)</b>	<b>(4,7)</b>	<b>158,0</b>
Gross profit on sales margin	56,0%	59,5%	5,0%	3,7%	15,7%	"n/a"	"n/a"	11,9%
General overheads	(1,9)	(0,2)	(4,9)	(11,2)	(4,0)	(11,1)	-	(33,3)
Other operating activities	2,2	0,0	(1,2)	0,8	0,5	0,2	-	2,6
including impairment losses	(0,3)	-	-	-	-	(0,2)	-	(0,5)
<b>Operating profit</b>	<b>110,3</b>	<b>1,6</b>	<b>3,9</b>	<b>20,3</b>	<b>7,7</b>	<b>(11,8)</b>	<b>(4,7)</b>	<b>127,3</b>
<b>EBITDA</b>	<b>158,2</b>	<b>2,2</b>	<b>18,0</b>	<b>20,4</b>	<b>11,8</b>	<b>(9,8)</b>	<b>-</b>	<b>200,8</b>
EBITDA Margin	80,6%	75,2%	9,0%	2,4%	16,6%	"n/a"	"n/a"	15,1%
Purchase price allocation (PPA)	-	-	-	-	-	-	-	-
<b>Adjusted EBITDA</b>	<b>158,2</b>	<b>2,2</b>	<b>18,0</b>	<b>20,4</b>	<b>11,8</b>	<b>(9,8)</b>	<b>-</b>	<b>200,8</b>
Adjusted EBITDA Margin	80,6%	75,2%	9,0%	2,4%	16,6%	"n/a"	"n/a"	15,1%
Profit (loss) on financial activities	(29,3)	(0,4)	1,4	(2,1)	(2,1)	3,0	-	(29,6)
<b>Profit (loss) before tax</b>	<b>81,0</b>	<b>1,2</b>	<b>5,3</b>	<b>18,2</b>	<b>5,5</b>	<b>(8,8)</b>	<b>(4,7)</b>	<b>97,7</b>
Income tax								(17,1)
<b>Net profit (loss) for period</b>								<b>80,6</b>
Profit from discontinued operating activities								-
Profit on disposal of discontinued operations								-
<b>Net profit (loss) for period</b>								<b>80,6</b>
Normalizing adjustments:								
Purchase price allocation (PPA)								3,8
Foreign exchange differences								(0,0)
Loan valuation using amortized cost method								1,1
Impairment losses								0,5
<b>Adjusted net profit</b>								<b>85,9</b>
<b>Change of adjusted EBITDA yoy</b>	<b>(29,1)</b>	<b>(0,6)</b>	<b>89,3</b>	<b>22,9</b>	<b>1,1</b>	<b>(2,1)</b>	<b>-</b>	<b>81,5</b>

\*Revenues from granted but not sold green certificates are presented as decrease of direct costs in accordance with IFRS 15.

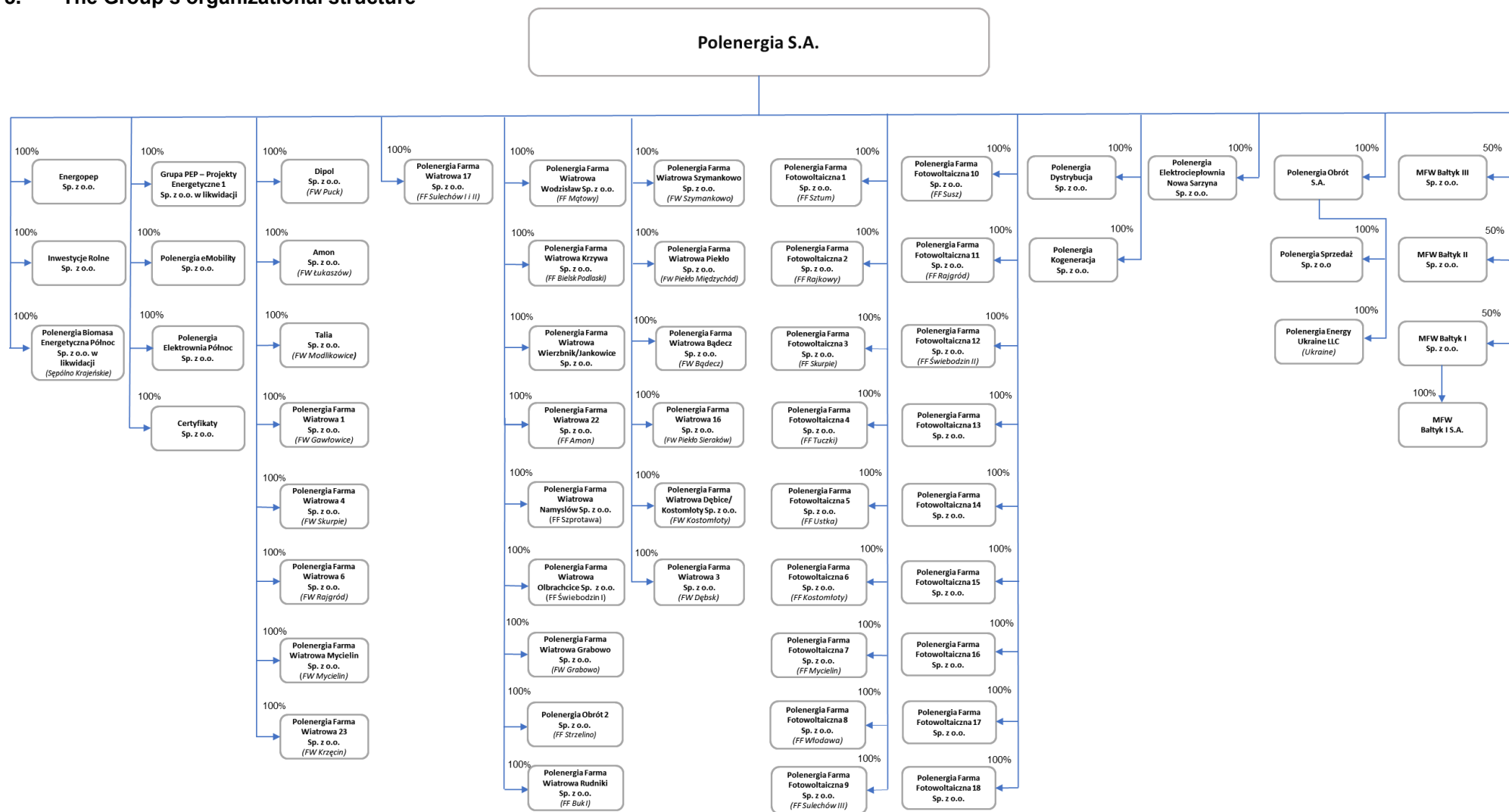
3Q 2021 (m PLN)	Onshore Wind Power	Photovoltaics	Gas and Clean Fuel	Trading	Distribution	Unallocated	Purchase price allocation	TOTAL
Sales revenues*	49,2	1,1	64,4	576,1	27,7	1,7	-	720,3
Operating costs, including operating costs (without granted green certificates adjustment)	(31,3)	(0,5)	(7,0)	(557,2)	(22,8)	(2,2)	(0,2)	(621,3)
depreciation/amortization	(8,1)	-	-	-	-	-	-	(8,1)
granted green certificates adjustment	(16,6)	(0,2)	(3,3)	(0,1)	(1,6)	(0,6)	(0,2)	(22,6)
granted green certificates adjustment	(6,6)	-	-	-	-	-	-	(6,6)
<b>Gross profit on sales</b>	<b>17,9</b>	<b>0,6</b>	<b>57,4</b>	<b>18,9</b>	<b>4,9</b>	<b>(0,5)</b>	<b>(0,2)</b>	<b>99,0</b>
Gross profit on sales margin	36,4%	53,1%	89,1%	3,3%	17,6%	"n/a"	"n/a"	13,7%
General overheads	(1,0)	(0,1)	(2,1)	(5,1)	(1,6)	(18,0)	-	(27,7)
Other operating activities	0,8	0,0	(13,6)	0,4	(0,1)	(0,0)	-	(12,6)
including impairment losses	(0,0)	-	-	-	-	(0,0)	-	(0,0)
<b>Operating profit</b>	<b>17,7</b>	<b>0,5</b>	<b>41,7</b>	<b>14,2</b>	<b>3,2</b>	<b>(18,5)</b>	<b>(0,2)</b>	<b>58,7</b>
<b>EBITDA</b>	<b>34,4</b>	<b>0,7</b>	<b>45,0</b>	<b>14,3</b>	<b>4,8</b>	<b>(4,0)</b>	<b>-</b>	<b>95,1</b>
EBITDA Margin	69,9%	65,7%	69,8%	2,5%	17,3%	-229,7%	-	13,2%
Purchase price allocation (PPA)	-	-	-	-	-	-	-	-
<b>Adjusted EBITDA</b>	<b>34,4</b>	<b>0,7</b>	<b>45,0</b>	<b>14,3</b>	<b>4,8</b>	<b>(4,0)</b>	<b>-</b>	<b>95,1</b>
Adjusted EBITDA Margin	69,9%	65,7%	69,8%	2,5%	17,3%	-229,7%	"n/a"	13,2%
Profit (loss) on financial activities	(8,0)	(0,1)	0,2	(0,8)	(0,8)	(0,1)	-	(9,7)
<b>Profit (loss) before tax</b>	<b>9,7</b>	<b>0,4</b>	<b>41,9</b>	<b>13,4</b>	<b>2,4</b>	<b>(18,6)</b>	<b>(0,2)</b>	<b>48,9</b>
Income tax	-	-	-	-	-	-	-	(9,9)
<b>Net profit (loss) from continuing operations</b>								<b>39,0</b>
Profit from discontinued operating activities	-	-	-	-	-	-	-	(1,6)
Profit on disposal of discontinued operations	-	-	-	-	-	-	-	4,4
<b>Net profit (loss) for period</b>								<b>41,8</b>
Normalizing adjustments:								
Purchase price allocation (PPA)	-	-	-	-	-	-	-	0,2
Foreign exchange differences	-	-	-	-	-	-	-	0,1
Loan valuation using amortized cost method	-	-	-	-	-	-	-	0,4
Impairment losses	-	-	-	-	-	-	-	0,0
Net result on sale of assets ***	-	-	-	-	-	-	-	11,2
<b>Adjusted net profit</b>								<b>53,7</b>
*Revenues from granted but not sold green certificates are presented as decrease of direct costs in accordance with IFRS 15.								

3Q 2020 (m PLN)	Onshore Wind Power	Photovoltaics	Gas and Clean Fuel	Trading	Distribution	Unallocated	Purchase price allocation	TOTAL
Sales revenues*	44,1	1,2	75,5	356,7	24,6	5,4	-	507,5
Operating costs, including operating costs (without granted green certificates adjustment)	(29,4)	(0,4)	(67,0)	(343,1)	(20,7)	(5,6)	(0,4)	(466,5)
depreciation/amortization	(10,7)	-	-	-	-	-	-	(30,6)
granted green certificates adjustment	(15,8)	(0,2)	(4,7)	(0,0)	(1,4)	(0,6)	(0,4)	(23,1)
granted green certificates adjustment	(2,8)	-	-	-	-	-	-	(8,1)
<b>Gross profit on sales</b>	<b>14,8</b>	<b>0,7</b>	<b>8,5</b>	<b>13,6</b>	<b>3,9</b>	<b>(0,2)</b>	<b>(0,4)</b>	<b>41,0</b>
Gross profit on sales margin	33,5%	"n/a"	11,3%	3,8%	15,7%	"n/a"	"n/a"	8,1%
General overheads	(0,6)	(0,1)	(1,7)	(4,2)	(1,4)	(3,8)	-	(11,7)
Other operating activities	0,6	0,0	(0,4)	0,4	0,0	(0,0)	-	0,5
including impairment losses	(0,2)	-	-	-	-	(0,0)	-	(0,3)
<b>Operating profit</b>	<b>14,8</b>	<b>0,7</b>	<b>6,4</b>	<b>9,8</b>	<b>2,5</b>	<b>(4,1)</b>	<b>(0,4)</b>	<b>29,7</b>
<b>EBITDA</b>	<b>30,9</b>	<b>0,9</b>	<b>11,1</b>	<b>9,8</b>	<b>3,9</b>	<b>(3,4)</b>	<b>-</b>	<b>53,1</b>
EBITDA Margin	69,9%	"n/a"	14,7%	"n/a"	15,7%	"n/a"	"n/a"	10,5%
Purchase price allocation (PPA)	-	-	-	-	-	-	-	-
<b>Adjusted EBITDA</b>	<b>30,9</b>	<b>0,9</b>	<b>11,1</b>	<b>9,8</b>	<b>3,9</b>	<b>(3,4)</b>	<b>-</b>	<b>53,1</b>
Adjusted EBITDA Margin	69,9%	"n/a"	14,7%	2,7%	15,7%	"n/a"	"n/a"	10,5%
Profit (loss) on financial activities	(8,7)	(0,1)	0,5	(1,0)	(0,9)	0,6	-	(9,6)
<b>Profit (loss) before tax</b>	<b>6,0</b>	<b>0,6</b>	<b>6,9</b>	<b>8,7</b>	<b>1,6</b>	<b>(3,4)</b>	<b>(0,4)</b>	<b>20,1</b>
Income tax	-	-	-	-	-	-	-	(4,0)
<b>Net profit (loss) for period</b>								<b>16,1</b>
Profit from discontinued operating activities	-	-	-	-	-	-	-	-
Profit on disposal of discontinued operations	-	-	-	-	-	-	-	-
<b>Net profit (loss) for period</b>								<b>16,1</b>
Normalizing adjustments:								
Purchase price allocation (PPA)	-	-	-	-	-	-	-	0,3
Foreign exchange differences	-	-	-	-	-	-	-	(0,1)
Loan valuation using amortized cost method	-	-	-	-	-	-	-	0,3
Impairment losses	-	-	-	-	-	-	-	0,3
Net result on sale of assets	-	-	-	-	-	-	-	-
<b>Adjusted net profit</b>								<b>16,9</b>
<b>Change of adjusted EBITDA yoy</b>	<b>3,5</b>	<b>(0,2)</b>	<b>33,9</b>	<b>4,5</b>	<b>0,9</b>	<b>(0,6)</b>	<b>-</b>	<b>42,0</b>
*Revenues from granted but not sold green certificates are presented as decrease of direct costs in accordance with IFRS 15.								



### 3. The Group's organizational structure



**B. INTERIM CONDENSED FINANCIAL STATEMENTS FOR A 9-MONTH PERIOD ENDED ON  
30 SEPTEMBER 2021**

**INTERIM CONDENSED CONSOLIDATED BALANCE SHEET**  
**As at 30 September 2021**
**ASSETS**

	<b>30.09.2021</b>	<b>31.12.2020</b>
<b>I. Non-current assets</b>	<b>2 771 894</b>	<b>2 229 951</b>
1. Tangible fixed assets	2 164 103	1 946 761
2. Intangible assets	4 048	4 746
3. Subordinated entities goodwill	69 129	69 566
4. Financial assets	300 603	21 358
5. Financial assets measured using the equity method	225 093	175 143
6. Long term receivables	3 897	3 498
7. Deferred income tax assets	4 978	8 836
8. Prepayments and accrued income	43	43
<b>II. Current assets</b>	<b>2 474 316</b>	<b>788 498</b>
1. Inventories	28 122	36 836
2. Trade receivables	123 160	77 041
3. Income tax receivable	4 455	976
4. Other short term receivables	368 971	142 154
5. Prepayments and accrued income	6 290	5 712
6. Short term financial assets	1 275 385	151 432
7. Cash and equivalent	667 933	374 347
<b>Total assets</b>	<b>5 246 210</b>	<b>3 018 449</b>

**EQUITY AND LIABILITIES**

	<b>30.09.2021</b>	<b>31.12.2020</b>
<b>I. Shareholders' equity</b>	<b>1 791 050</b>	<b>1 418 368</b>
<b>Equity attributable to the shareholders of the parent company</b>	<b>1 791 050</b>	<b>1 417 468</b>
1. Share capital	90 887	90 887
2. Share premium account	557 983	557 983
3. Reserve capital from option measurement	13 207	13 207
4. Other capital reserves	567 683	459 811
5. Retained profit (loss)	239 486	185 037
6. Net profit	321 801	110 551
7. F/X translation differences	3	(8)
<b>Non-controlling interests</b>	<b>-</b>	<b>900</b>
<b>II. Long term liabilities</b>	<b>1 604 922</b>	<b>1 189 190</b>
1. Bank loans and borrowings	1 178 115	934 036
2. Deferred income tax provision	88 178	74 419
3. Provisions	23 240	23 420
4. Accruals and deferred income	44 502	46 897
5. Lease liabilities	94 301	97 815
6. Futures and forward contracts measurement	175 086	9 886
7. Other liabilities	1 500	2 717
<b>III. Short term liabilities</b>	<b>1 850 238</b>	<b>410 891</b>
1. Bank loans and borrowings	122 798	71 368
2. Trade payables	86 848	99 969
3. Income tax payable	7 695	1 079
4. Lease liabilities	11 292	11 240
5. Futures and forward contracts measurement	1 221 216	132 721
6. Other liabilities	367 360	69 169
7. Provisions	3 991	3 064
8. Accruals and deferred income	29 038	22 281
<b>Total equity and liabilities</b>	<b>5 246 210</b>	<b>3 018 449</b>

**INTERIM CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT  
for a 9-month period ended on 30 September 2021**

	Note	For 9 months ended		unaudited For 3 months ended	
		30.09.2021	30.09.2020	30.09.2021	30.09.2020
Revenues from contracts with clients	4.1	1 810 965	1 315 936	661 709	497 352
Other revenues	4.1	121 555	13 546	58 547	10 132
<b>Sales revenues</b>	4.1	<b>1 932 520</b>	<b>1 329 482</b>	<b>720 256</b>	<b>507 484</b>
Cost of goods sold	4.2	(1 669 007)	(1 171 466)	(621 264)	(466 530)
<b>Gross sales profit</b>		<b>263 513</b>	<b>158 016</b>	<b>98 992</b>	<b>40 954</b>
Other operating revenues	4.3	3 407	4 523	1 109	1 088
Selling expense	4.2	(344)	(351)	(74)	(80)
General overheads	4.2	(52 404)	(33 278)	(27 730)	(11 723)
Other operating expenses	4.4	(14 253)	(1 617)	(13 639)	(516)
Financial income	4.5	227 531	4 477	373	915
Financial costs	4.6	(30 590)	(34 084)	(10 092)	(10 560)
<b>Profit before tax</b>		<b>396 860</b>	<b>97 686</b>	<b>48 939</b>	<b>20 078</b>
Income tax		(77 895)	(17 134)	(9 897)	(4 013)
<b>Net profit from continuing operations</b>		<b>318 965</b>	<b>80 552</b>	<b>39 042</b>	<b>16 065</b>
Profit/Loss from discontinued operating activities		(1 626)	-	(1 626)	-
Profit on disposal of discontinued operations		4 366	-	4 366	-
<b>Net profit</b>		<b>321 705</b>	<b>80 552</b>	<b>41 782</b>	<b>16 065</b>
<b>Net profit attributed to:</b>		<b>321 705</b>	<b>80 552</b>	<b>41 782</b>	<b>16 065</b>
Parent company shareholders		321 801	80 564	41 803	16 074
Non-controlling shareholders		(96)	(12)	(21)	(9)
<b>Earnings per share:</b>					
- basic earnings (loss) for period attributable to parent company shareholders		7,08	1,77	0,92	0,35
- diluted earnings (loss) for period attributable to parent company shareholders		7,08	1,77	0,92	0,35

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
for a 9-month period ended on 30 September 2021**

	For 9 months ended		unaudited For 3 months ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
<b>Net profit for period</b>	<b>321 705</b>	<b>80 552</b>	<b>41 782</b>	<b>16 065</b>
<b>Other comprehensive income that may be reclassified to profit and loss account once specific conditions are met</b>				
Cash flow hedges	52 247	3 154	29 613	6 676
F/X translation differences	11	(7)	8	(4)
<b>Other net comprehensive income</b>	<b>52 258</b>	<b>3 147</b>	<b>29 621</b>	<b>6 672</b>
<b>COMPREHENSIVE INCOME FOR PERIOD</b>	<b>373 963</b>	<b>83 699</b>	<b>71 403</b>	<b>22 737</b>
Comprehensive income for period:	373 963	83 699	71 403	22 737
Parent company shareholders	374 059	83 711	71 424	22 746
Non-controlling shareholders	(96)	(12)	(21)	(9)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**for a 9-month period ended on 30 September 2021**

	<b>For 9 months ended</b>	
	<b>30.09.2021</b>	<b>30.09.2020</b>
<b>A.Cash flow from operating activities</b>		
<b>I.Profit (loss) before tax</b>	<b>399 600</b>	<b>97 686</b>
<b>II.Total adjustments</b>	<b>(245 597)</b>	<b>103 250</b>
1.Depreciation	68 334	73 047
2.Foreign exchange losses (gains)	(6)	206
3.Interest and profit shares (dividends)	24 012	30 904
4.Losses (gains) on investing activities	(225 190)	1 358
5. Income tax	(59 368)	(18 693)
6.Changes in provisions	959	359
7.Changes in inventory	8 350	11 158
8.Changes in receivables	(1 594 988)	(66 111)
9.Changes in liabilities, excluding bank loans and borrowings	1 524 653	60 606
10.Changes in accruals	4 849	1 429
11. Other adjustments	2 798	8 987
<b>III.Net cash flows from operating activities (I+/-II)</b>	<b>154 003</b>	<b>200 936</b>
<b>B.Cash flows from investing activities</b>		
<b>I. Cash in</b>	<b>229 861</b>	<b>31</b>
1. Disposal of intangibles and tangible fixed assets	57	31
2. From financial asstes, including:	231 695	-
a) disposal of financial asstes	227 375	-
b) repayment of long-term loans given	4 000	-
c) interest	64	-
d) other inflows from financial asstes	256	-
3. Cash from disposal/liquidation of subsidiary	(1 891)	-
<b>II.Cash out</b>	<b>348 585</b>	<b>223 835</b>
1. Acquisition of tangible fixed assets	286 306	207 055
2. For financial asstes, including:	62 279	16 780
a) acquisition of financial assets	62 279	16 750
b) long term loans given	-	30
<b>III.Net cash flows from investing activities (I-II)</b>	<b>(118 724)</b>	<b>(223 804)</b>
<b>C.Cash flows from financing activities</b>		
<b>I.Cash in</b>	<b>362 491</b>	<b>178 494</b>
1.Loans and borrowings	362 491	178 494
<b>II.Cash out</b>	<b>104 267</b>	<b>101 586</b>
1.Repayment of loans and borrowings	74 548	69 122
2.Lease payables	4 629	3 452
3.Interest	24 897	28 601
4.Other financial expenses	193	411
<b>III.Net cash flows from financing activities (I-II)</b>	<b>258 224</b>	<b>76 908</b>
<b>D.Total net cash flows (A.III+/-B.III+/-C.III)</b>	<b>293 503</b>	<b>54 040</b>
<b>E.Increase/decrease in cash in the balance sheet, including:</b>	<b>293 586</b>	<b>54 024</b>
- change in cash due to fx differences	83	(16)
<b>F.Cash at beginning of period</b>	<b>374 347</b>	<b>345 705</b>
<b>G.Cash at end of period, including:</b>	<b>667 933</b>	<b>399 729</b>
- restricted cash	37 387	34 102

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
for a 9-month period ended on 30 September 2021**

	Share capital	Share premium account	Reserve capital from option measurement	Other capital reserves	Retained profit	Net profit	F/X translation differences	Equity attributable to the shareholders of the parent company	Non-controlling interest	Total equity
<b>As at 1 January 2021</b>	90 887	557 983	13 207	459 811	295 588	-	(8)	1 417 468	900	1 418 368
<b>Comprehensive income for reporting period</b>										
- Net profit (loss) for reporting period	-	-	-	-	-	321 801	-	321 801	(96)	321 705
- Other comprehensive income for period	-	-	-	52 247	-	-	11	52 258	-	52 258
<b>Transactions with owners of the parent recognized directly in equity</b>										
- Other comprehensive income for period	-	-	-	(477)	-	-	-	(477)	(804)	(1 281)
- Allocation of profit/loss	-	-	-	56 102	(56 102)	-	-	-	-	-
<b>As at 30 September 2021</b>	90 887	557 983	13 207	567 683	239 486	321 801	3	1 791 050	-	1 791 050

	Share capital	Share premium account	Reserve capital from option measurement	Other capital reserves	Retained profit	Net profit	F/X translation differences	Equity attributable to the shareholders of the parent company	Non-controlling interest	Total equity
<b>As at 1 January 2020</b>	90 887	557 983	13 207	403 661	228 578	-	-	1 294 316	928	1 295 244
<b>Comprehensive income for reporting period</b>										
- Net profit (loss) for reporting period	-	-	-	-	-	80 564	-	80 564	(12)	80 552
- Other comprehensive income for period	-	-	-	3 154	-	-	(7)	3 147	-	3 147
<b>Transactions with owners of the parent recognized directly in equity</b>										
- Allocation of profit/loss	-	-	-	43 541	(43 541)	-	-	-	-	-
<b>As at 30 September 2020</b>	90 887	557 983	13 207	450 356	185 037	80 564	(7)	1 378 027	916	1 378 943

## 1. Information on the rules applied in preparation of the interim condensed consolidated financial statements

### 1.1 The rules underlying the interim condensed consolidated financial statements

These interim condensed consolidated financial statements have been prepared in accordance with the International Accounting Standard 34 and cover a 9-month period commencing on 1 January and ending on 30 September 2021, as well as the comparable period since 1 January until 30 September 2020, and in the case of the balance sheet - as at 31 December 2020. In accordance with the applicable laws, these interim condensed consolidated financial statements for the 9-month period ended on 30 September 2021 and the comparative data for the 9-month period ended on 30 September 2020 have not been subject to a review by an independent auditor, while the comparative data for the financial year ended 31 December 2020 has been audited by an independent auditor.

These consolidated financial statements have been prepared in accordance with the historical cost method, except for the following material items in the balance sheet:

- derivatives which have been measured at fair value.

IFRS include standards and interpretations approved by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

Some entities within the Group keep their own accounting books in line with the accounting policies (principles) set forth by the Accounting Act of 29 September 1994 (the "Act") as amended and rules issued based on such Act ("Polish Accounting Standards"). These consolidated financial statements include adjustments which have not been included in the Group entities' accounting books, in order to align the financial statements of such entities with the requirements of IFRS.

These interim condensed consolidated financial statements have been prepared on the assumption that the Company and the Group companies will continue as going concerns in the foreseeable future, that is for at least 12 months after the reporting date, i.e. 30 September 2021.

### 1.2 Rules applied in preparation of the financial statements

The accounting principles applied by the Group have been outlined in the consolidated financial statements of Polenergia Group for 2020 published on 30 March 2021. Said Financial Statements provided detailed information on the principles and methods of measuring assets and liabilities, as well as measuring the financial result, the method of preparing financial statements and gathering comparable data. Such principles have been applied on a consistent basis.

### 1.3 Functional and reporting currency

The functional currency of the parent company and other companies (except for the company Polenergia Energy Ukraine LLC) included in these consolidated financial statements, as well as the reporting currency of these consolidated financial statements, is Polish Zloty.

The following exchange rates were used for measurement purposes:

	2021-09-30	2020-12-31	2020-09-30
USD	3.9925	3.7584	3.8658
EUR	4.6329	4.6148	4.5268
GBP	5.3653	5.1327	4.9560

### 1.4 Seasonality and cyclical nature of operations

The Group has been operating in the business of electrical energy generation from renewable sources. Wind conditions which determine the electricity production in wind farms are unevenly

distributed throughout the year. In autumn and winter they are significantly better than in spring and summer. The Group resolved to build wind farms in locations selected based on professional wind measurements confirmed by independent and reputable experts. However, there can be no assurance that the actual wind conditions will be no different than those in the Group's models for specific investment projects. Likewise, for PV farms it is the sun exposure conditions, which also are unevenly distributed throughout the year, that determine the uneven distribution of the electricity generation by those farms. During the summer season, the sun exposure is significantly better than in winter.

The Group also operates on the industrial power market. The Group's key customers use heat and electricity supplied by the Group for production purposes at their industrial facilities. Heat and electricity supply business is not subject to seasonal fluctuations.

## 2. Adjusted EBITDA and Adjusted Net Profit

The Group presents data on its EBITDA, adjusted EBITDA and the adjusted net profit allocated to the parent company shareholders in order to present the Group's results to the exclusion of certain elements that have no impact on the core business of the Group and that lead to no cashflows in the reporting period. The Group presents data on its EBITDA, adjusted EBITDA and the adjusted net profit allocated to the parent company shareholders in order to present the Group's results to the exclusion of certain elements that have no impact on the core business of the Group and that lead to no cashflows in the reporting period.

### EBITDA and Adjusted EBITDA

	For 9 months ended		For 3 months ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
			unaudited	unaudited
Profit before tax	396 860	97 686	48 939	20 078
Financial revenues	(227 531)	(4 477)	(373)	(915)
Financial costs	30 590	34 084	10 092	10 560
Depreciation/Amortization	68 334	73 047	22 575	23 102
Cost connected with result of result of control over subsidiaries	13 863	-	13 863	-
Development - related impairment loss	177	491	37	277
<b>EBITDA</b>	<b>282 293</b>	<b>200 831</b>	<b>95 133</b>	<b>53 102</b>
<b>Adjusted EBITDA</b>	<b>282 293</b>	<b>200 831</b>	<b>95 133</b>	<b>53 102</b>

### Adjusted net profit (loss) attributed to parent shareholders

	For 9 months ended		For 3 months ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
			unaudited	unaudited
<b>NET PROFIT attributed to parent shareholders</b>	<b>321 801</b>	<b>80 564</b>	<b>41 803</b>	<b>16 074</b>
Unrealized foreign exchange net (gains)/losses	242	(28)	119	(114)
(Income)/Cost from measurement of long-term borrowings	1 041	1 068	351	339
(Net profit) on loss of control over subsidiaries	(174 908)	-	11 229	-
Development - related impairment loss	177	491	37	277
Purchase price allocation:				
Depreciation/Amortization	657	4 696	219	357
Tax	(126)	(892)	(42)	(69)
<b>Adjusted NET PROFIT attributed to parent shareholders</b>	<b>148 884</b>	<b>85 899</b>	<b>53 716</b>	<b>16 864</b>

Neither the level of EBITDA, the adjusted EBITDA nor the adjusted net profit allocated to the parent company shareholders have been defined in IFRS, hence these figures may be derived differently by other entities. The definitions of the foregoing indices have been provided in the Consolidated financial statements of Polenergia Group for 2020 published on 30 March 2021. Definitions of the foregoing indices applied by other entities may be different from those used by the Group.

## 3. Operating segments

On 18 May 2020 the Supervisory Board approved the Strategy of Polenergia Group for the years 2020-2024 prepared by the Issuer's Management Board ("Polenergia Group Strategy"). When



devising the Polenergia Group Strategy, current and forecast situation in the power sector was considered, the analysis of the macroeconomic, marketplace and regulatory environment was performed and assumptions were made regarding the directions of the sector's development in the five years' time horizon. The Polenergia Group Strategy was prepared so as to enable the Group to reach the optimal level of development while maintaining stable financial standing. Facing a huge transformation process of the Polish energy market, it is an ambition of Polenergia Group to support any efforts related to the Polish energy transformation process and the development of low-emission economy.

The following operating segments have been identified, being identical with the reporting segments:

- Onshore wind farms – development, construction and maintenance of facilities generating electrical energy from onshore wind,
- Photovoltaics – development, construction and maintenance of facilities generating electrical energy using the solar radiation,
- Offshore wind farms – development, construction and maintenance of facilities generating electrical energy from wind at sea,
- Gas and clean fuels - development, construction and maintenance of facilities generating electrical energy in gas cogeneration and development work in the manufacture of hydrogen and generation of energy from hydrogen based on the renewable sources originating energy,
- Trading and sales - commercial business in terms– trading in electricity and certificates of origin, as well as in other energy market instruments, as well as sale of electricity to industrial customers and provision of market access services to energy producers using renewable energy sources,
- Distribution and eMobility - provision of electrical energy and gas distribution and sale services to commercial, industrial and household customers, as well as the development of e-mobility.

The Management Board has been separately monitoring the operating performance of the segments in order to make decisions regarding allocation of resources, evaluation of the effects of such allocation and the operating performance. Such evaluation is based on the EBITDA result and gross sale profit or loss. Income tax is monitored at the Group level and is not allocated to operating segments. Company's cash is disclosed under Unallocated Assets.

Transaction prices used in transactions between the operating segments are determined on an arm's length basis, similarly to the transactions with non-related parties. Any and all consolidation adjustments are allocated to individual segments.

The Warsaw Commodity Clearing House (Izba Rozliczeniowa Giełd Towarowych) is the only customer with whom the Group generated no less than 10% of total revenues of the Group.

For 9 months ended 30.09.2021	RES Generation			Gas and Clean Fuels	Trading and sales	Distribution and eMobility	Unallocated	Purchase price allocation	Total
	On shore wind farms	Photovoltaics	Off shore wind farms						
Revenues from contracts with clients	172 775	2 781	-	92 662	1 459 049	78 930	4 768	-	1 810 965
Other revenues	-	-	-	81 230	40 325	-	-	-	121 555
<b>Total revenues</b>	<b>172 775</b>	<b>2 781</b>	<b>-</b>	<b>173 892</b>	<b>1 499 374</b>	<b>78 930</b>	<b>4 768</b>	<b>-</b>	<b>1 932 520</b>
<b>Net sales profit (loss)</b>	<b>80 903</b>	<b>1 220</b>	<b>-</b>	<b>115 377</b>	<b>55 814</b>	<b>12 690</b>	<b>(1 834)</b>	<b>(657)</b>	<b>263 513</b>
General overheads	(2 710)	(204)	-	(5 453)	(13 676)	(4 621)	(25 740)	-	(52 404)
Interest income/(expense)	(20 956)	(361)	-	-	(779)	(2 005)	328	-	(23 773)
Other financial revenue/(expense)	(2 573)	(41)	-	(929)	(1 793)	(292)	226 342	-	220 714
Other operating revenue/(expense)	2 312	2	-	(14 693)	1 010	113	66	-	(11 190)
<b>Profit/loss before tax</b>	<b>56 976</b>	<b>616</b>	<b>-</b>	<b>94 302</b>	<b>40 576</b>	<b>5 885</b>	<b>199 162</b>	<b>(657)</b>	<b>396 860</b>
Income tax	-	-	-	-	-	-	(78 021)	126	(77 895)
<b>Net profit/loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>318 965</b>
<b>EBITDA **)</b>	<b>129 048</b>	<b>1 635</b>	<b>-</b>	<b>107 316</b>	<b>43 297</b>	<b>12 823</b>	<b>(11 826)</b>	<b>-</b>	<b>282 293</b>
Segment assets	2 205 310	93 462	225 093	233 585	1 950 405	180 858	357 497	-	5 246 210
Segment liabilities	1 405 754	43 944	-	40 135	1 826 230	107 910	31 187	-	3 455 160
Depreciation/Amortization	48 398	617	-	12 085	149	4 641	1 787	657	68 334

\*) EBITDA - definition in Note 2

For 9 months ended 30.09.2020	RES Generation						Unallocated	Purchase price allocation	Total
	On shore wind farms	Photovoltaics	Off shore wind farms	Gas and Clean Fuels	Trading and sales	Distribution and eMobility			
Revenues from contracts with clients	196 300	2 974	-	188 170	840 311	70 928	17 253	-	1 315 936
Other revenues	-	-	-	13 093	453	-	-	-	13 546
<b>Total revenues</b>	<b>196 300</b>	<b>2 974</b>	<b>-</b>	<b>201 263</b>	<b>840 764</b>	<b>70 928</b>	<b>17 253</b>	<b>-</b>	<b>1 329 482</b>
<b>Net sales profit (loss)</b>	<b>109 995</b>	<b>1 771</b>	<b>-</b>	<b>10 062</b>	<b>30 710</b>	<b>11 141</b>	<b>(967)</b>	<b>(4 696)</b>	<b>158 016</b>
General overheads	(1 913)	(155)	-	(4 948)	(11 170)	(3 989)	(11 103)	-	(33 278)
Interest income/(expense)	(26 338)	(378)	-	(20)	(245)	(1 599)	2 225	-	(26 355)
Other financial revenue/(expense)	(2 973)	(63)	-	1 371	(1 842)	(533)	788	-	(3 252)
Other operating revenue/(expense)	2 232	2	-	(1 178)	755	507	237	-	2 555
<b>Profit/loss before tax</b>	<b>81 003</b>	<b>1 177</b>	<b>-</b>	<b>5 287</b>	<b>18 208</b>	<b>5 527</b>	<b>(8 820)</b>	<b>(4 696)</b>	<b>97 686</b>
Income tax	-	-	-	-	-	-	(17 359)	225	(17 134)
<b>Net profit/loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80 552</b>
<b>EBITDA **)</b>	<b>158 170</b>	<b>2 237</b>	<b>-</b>	<b>18 040</b>	<b>20 388</b>	<b>11 751</b>	<b>(9 755)</b>	<b>-</b>	<b>200 831</b>
Segment assets	1 738 511	28 304	169 643	237 139	203 714	162 504	208 165	-	2 747 980
Segment liabilities	1 035 691	16 988	-	76 422	135 629	95 634	8 673	-	1 369 037
Depreciation/Amortization	47 551	619	-	14 105	93	4 092	1 891	4 696	73 047

For 9 months ended 30.09.2021		RES Generation					Unallocated	Total
		On shore wind farms	Photovoltaics	Gas and Clean Fuels	Trading and sales	Distribution and eMobility		
- revenue from sale and distribution of electricity	over time	101 370	2 779	58 576	1 216 162	72 322	-	1 451 209
- revenue from certificates of origin	over time	71 394	-	-	24 168	-	-	95 562
- revenue from sale of heat	point in time	-	-	13 286	-	-	-	13 286
- revenue from consulting and advisory services	over time	-	-	-	-	-	4 485	4 485
- revenue from lease and operator services	over time	-	-	-	-	2 981	-	2 981
- revenue from sale and distribution of gas	over time	-	-	-	215 339	3 607	-	218 946
- revenue from lease	over time	11	-	-	-	7	267	285
- revenue from the capacity market and blackstart services	point in time	-	-	20 799	-	-	-	20 799
- other	over time	-	2	1	3 380	13	16	3 412
<b>Total revenue from clients</b>		<b>172 775</b>	<b>2 781</b>	<b>92 662</b>	<b>1 459 049</b>	<b>78 930</b>	<b>4 768</b>	<b>1 810 965</b>
- revenues from the valuation of futures contracts	over time	-	-	46 605	37 365	-	-	83 970
- revenues from the stranded costs and cost of gas	over time	-	-	34 625	-	-	-	34 625
- revenues from CO2 emission allowances	point in time	-	-	-	2 960	-	-	2 960
<b>Total other revenue</b>		<b>-</b>	<b>-</b>	<b>81 230</b>	<b>40 325</b>	<b>-</b>	<b>-</b>	<b>121 555</b>
<b>Total sales revenue</b>		<b>172 775</b>	<b>2 781</b>	<b>173 892</b>	<b>1 499 374</b>	<b>78 930</b>	<b>4 768</b>	<b>1 932 520</b>

For 9 months ended 30.09.2020		RES Generation					Unallocated	Total
		On shore wind farms	Photovoltaics	Gas and Clean Fuels	Trading and sales	Distribution and eMobility		
- revenue from sale and distribution of electricity	over time	116 840	2 974	171 707	819 220	63 867	-	1 174 608
- revenue from certificates of origin	over time	79 389	-	1 004	13 270	-	-	93 663
- revenue from sale of heat	point in time	-	-	15 325	-	-	-	15 325
- revenue from consulting and advisory services	over time	-	-	-	-	-	3 146	3 146
- revenue from lease and operator services	over time	-	-	-	-	3 786	-	3 786
- revenue from sale and distribution of gas	over time	-	-	-	6 225	3 252	-	9 477
- revenue from sale of pellets	over time	-	-	-	-	-	13 876	13 876
- revenue from lease	over time	10	-	-	-	-	221	231
- other	over time	61	-	134	1 596	23	10	1 824
<b>Total revenue from clients</b>		<b>196 300</b>	<b>2 974</b>	<b>188 170</b>	<b>840 311</b>	<b>70 928</b>	<b>17 253</b>	<b>1 315 936</b>
- revenues from the valuation of futures contracts	over time	-	-	-	(1 129)	-	-	(1 129)
- revenues from the stranded costs and cost of gas	over time	-	-	13 093	-	-	-	13 093
- revenues from CO2 emission allowances	point in time	-	-	-	1 582	-	-	1 582
<b>Total other revenue</b>		<b>-</b>	<b>-</b>	<b>13 093</b>	<b>453</b>	<b>-</b>	<b>-</b>	<b>13 546</b>
<b>Total sales revenue</b>		<b>196 300</b>	<b>2 974</b>	<b>201 263</b>	<b>840 764</b>	<b>70 928</b>	<b>17 253</b>	<b>1 329 482</b>

## 4. Other notes

### 4.1 Sales revenue

	For 9 months ended		For 3 months ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
- revenue from sale and distribution of electricity	1 451 209	1 174 608	512 197	459 792
- revenue from certificates of origin	95 562	93 663	35 984	24 560
- revenue from sale of heat	13 286	15 325	3 663	3 847
- revenue from consulting and advisory services	4 485	3 146	1 640	1 081
- revenue from lease and operator services	2 981	3 786	1 203	893
- revenue from sale and distribution of gas	218 946	9 477	99 322	2 318
- revenue from sale of pellets	-	13 876	-	4 189
- revenue from lease	285	231	103	114
- revenue from the capacity market and blackstart services	20 799	-	7 176	-
- other	3 412	1 824	421	558
<b>Total revenue from clients</b>	<b>1 810 965</b>	<b>1 315 936</b>	<b>661 709</b>	<b>497 352</b>
- revenues from the valuation of futures contracts	83 970	(1 129)	22 542	(1 461)
- revenues from the stranded costs and cost of gas	34 625	13 093	34 625	10 011
- revenues from CO2 emission allowances	2 960	1 582	1 380	1 582
<b>Total other revenue</b>	<b>121 555</b>	<b>13 546</b>	<b>58 547</b>	<b>10 132</b>
<b>Total sales revenue</b>	<b>1 932 520</b>	<b>1 329 482</b>	<b>720 256</b>	<b>507 484</b>

### 4.2 Cost according to type

	For 9 months ended		For 3 months ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
- depreciation	68 334	73 047	22 575	23 102
- materials and power consumption	38 665	144 324	33 058	45 810
- third party services	58 742	32 628	30 193	10 636
- taxes, duties and fees	12 834	15 900	1 338	5 607
- salaries	31 832	30 449	10 157	10 639
- social security and other benefits	4 808	4 181	1 259	1 328
- other cost by type	1 359	1 310	499	414
<b>Total cost by type</b>	<b>216 574</b>	<b>301 839</b>	<b>99 079</b>	<b>97 536</b>
- merchandise and materials sold (+)	1 494 869	895 136	547 063	378 001
- selling certificates of origin	71 405	78 151	19 311	18 326
- income from granted certificates of origin	(61 093)	(70 031)	(16 385)	(15 530)
- selling expenses (-)	(344)	(351)	(74)	(80)
- general overheads (-)	(52 404)	(33 278)	(27 730)	(11 723)
<b>Total cost of goods sold</b>	<b>1 669 007</b>	<b>1 171 466</b>	<b>621 264</b>	<b>466 530</b>

### 4.3 Other operating revenues

	For 9 months ended		For 3 months ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
- reversal of impairment losses, including:	320	211	-	1
- expected credit loss	320	65	-	1
- non-current fixed assets impairment losses	-	146	-	-
- reversal of provisions, including:	-	135	-	-
- litigation provision	-	135	-	-
- other, including:	3 087	4 177	1 109	1 087
- compensation and additional payments	22	1 063	14	2
- grant settlement	2 411	2 434	800	818
- gains on disposal of non financial fixed assets	52	81	-	4
- other	602	599	295	263
<b>Total other operating revenues</b>	<b>3 407</b>	<b>4 523</b>	<b>1 109</b>	<b>1 088</b>

### 4.4 Other operating costs

	For 9 months ended		For 3 months ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
- asset impairment losses, including:	13 542	1 128	13 282	297
- expected credit loss	13 365	452	13 245	(19)
- inventories	-	39	-	39
- non-current fixed assets	177	637	37	277
- other, including:	711	489	357	219
- penalties, fines compensation payable	57	7	-	2
- other development-related cost	401	368	203	176
- other	253	114	154	41
<b>Total other operating costs</b>	<b>14 253</b>	<b>1 617</b>	<b>13 639</b>	<b>516</b>

### 4.5 Financial income

	For 9 months ended		For 3 months ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
- financial income from interest on deposit and loans	164	2 343	57	124
- interest from lease	99	161	-	52
- fx differences, including:	427	499	19	146
- unrealized	334	364	119	78
- realized	93	135	(100)	68
- other surety - related fees	423	-	205	-
- valuation of financial instruments	-	1 311	-	571
- disposal of shares in a subsidiary	225 531	-	(244)	-
- other	887	163	336	22
<b>Total financial revenue</b>	<b>227 531</b>	<b>4 477</b>	<b>373</b>	<b>915</b>

The item "Disposal of shares in subsidiary" includes mainly revenue from additional payments related to the sale of the shares in companies MFW Bałtyk II Sp. z o.o. and MFW Bałtyk III Sp. z o.o.

### 4.6 Financial expenses

	For 9 months ended		For 3 months ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
- interest expenses	24 036	28 859	8 387	8 511
- fx differences, including:	1 191	1 874	244	799
- unrealized	633	330	266	(62)
- realized	558	1 544	(22)	861
- commission and other fees	2 827	1 973	1 198	899
- measurement of financial liabilities *)	1 285	1 318	433	418
- other	1 251	60	(170)	(67)
<b>Total financial cost</b>	<b>30 590</b>	<b>34 084</b>	<b>10 092</b>	<b>10 560</b>

\*) refers to bank loans measured at amortized cost

## 4.7 Cash flows

<b>Restricted cash</b>	<b>For 9 months ended</b>	
	<b>30.09.2021</b>	<b>30.09.2020</b>
- cash frozen for loan repayment	24 928	24 300
- frozen cash for deposit	-	4 311
- frozen cash for long-term and mid-term refurbishment	-	1 203
- frozen cash - split payment	12 279	4 288
- frozen cash - social benefit fund	180	-
<b>Total</b>	<b>37 387</b>	<b>34 102</b>

## 4.8 Goodwill

As at 30 September 2021, goodwill amounted to PLN 69m and included the following segments and cash generating centers:

- PLN 25m - distribution - including the companies Polenergia Dystrybucja and Polenergia Kogeneracja;
- PLN 44m - trading - including the company Polenergia Obrót.

## 4.9 Fair value of futures and forward contracts

### Fair value of futures and forward contracts

Futures and forward contracts to buy or sell electricity entered into by Polenergia Obrót S.A., a subsidiary, are classified as derivatives, in line with IFRS 9 - Financial Instruments. Accordingly, such contracts are measured at fair value, with changes in fair value recognized under the profit and loss account. Gains or losses on the measurement of contracts are disclosed on a net basis under revenue or selling expenses, as appropriate. Measurement is performed with respect to the outstanding part of the contracts broken down into a current portion to be completed within 12 months from the reporting date, and a long term portion to be completed in subsequent years.

	<b>For 9 months ended</b>	
	<b>30.09.2021</b>	<b>30.09.2020</b>
Result of measurement of derivatives	83 970	(1 129)

### Financial instrument category

<b>30.09.2021</b>	<b>30.09.2021</b>	<b>30.09.2021</b>
	<b>Level 2</b>	<b>Total</b>
Short term assets	1 264 459	1 264 459
Long term assets	223 624	223 624
<b>Total</b>	<b>1 488 083</b>	<b>1 488 083</b>

<b>30.09.2021</b>	<b>Level 2</b>	<b>Total</b>
Short term liabilities	1 221 216	1 221 216
Long term liabilities	175 086	175 086
<b>Total</b>	<b>1 396 302</b>	<b>1 396 302</b>

<b>Net fair value</b>	<b>91 781</b>	<b>91 781</b>
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The table below includes information on financial assets and liabilities the Group measured at fair value and classified at specific levels of the fair value hierarchy:

- Level 2 – assets and liabilities measurement inputs other than quoted market prices included under Level 1 that are observable for the variables from active markets,

Level 2: The fair value is measured based on other inputs that are observable either directly or indirectly. As similar contracts are traded in an active market, the prices reflect results of actual transactions in similar derivative instruments. The fair value of loans is determined at amortized cost i.e. the discounted cash flow analysis at the assumed effective interest rate as a discount rate.

Forward contracts are entered into on stock exchanges for speculative purposes and measured with the model using market parameters, i.e. the market price of an instrument discounted using relevant interest rates. The impact of applying unobserved data, if any, was immaterial to the measurement of derivatives (level 2).

The aggregate effect of the increase of the market prices of electricity, gas and CO<sub>2</sub> emission allowances by 1% will make the gross sales profit drop by PLN 176k. The calculation was performed with respect to futures and forward contracts to buy or sell electricity, natural gas and CO<sub>2</sub> emission allowances classified as derivatives measured at fair value.

### Fair values of other financial assets and liabilities

Fair value of other financial assets and liabilities enumerated below is not materially different from their carrying amount:

- long term receivables,
- trade debtors and other receivables.
- cash and equivalent,
- bank loans and borrowings,
- trade creditors and other payables.

	Category	Carrying amount		Fair Value	
		30.09.2021	31.12.2020	30.09.2021	31.12.2020
<b>Financial asstes</b>					
Futures and forward contracts	Level 2	1 488 083	151 082	1 488 083	151 082
Derivative instruments	Poziom 2	70 842	18 463	70 842	18 463
<b>Financial liabilities</b>					
Bank loans	n/a	1 300 913	1 005 404	1 300 913	1 005 404
Derivative instruments	Level 2	7 533	8 407	7 533	8 407
Futures and froward contracts	Level 2	1 396 302	142 607	1 396 302	142 607

### Security

As at 30 September 2021, the Group recognized PLN 52,247k (30 September 2020: PLN 3,154k) in other comprehensive income being a component of equity, on account of the effective portion of the hedging instrument's fair value.

Hedging transactions are entered into with a view to mitigate the impact of:

- interest rate variation on the amount of the future highly probable payments of loan installments.
- foreign exchange rates changes on the amount of the future highly probable foreign currency denominated payments under the investment agreements.

Hedge accounting seeks to eliminate the risk of an accounting mismatch between the time when gains or losses on a hedging instrument and those on the hedged item are recognized.

As at 30 September 2021, the Group held the following hedging instruments for hedge accounting purposes.



## Interest rate risk hedges

<b>Maturity date of hedging instrument</b>	<b>Hedged value</b>	<b>Interest rate hedged</b>	<b>Instrument</b>
26.02.2027	13 023	1,25%	IRS
29.09.2025	59 617	0,52%	IRS
10.09.2035	87 300	1,20%	IRS
29.03.2028	140 365	0,79%	IRS
29.06.2026	31 900	0,56%	IRS
30.06.2034	13 416	0,89%	IRS
26.02.2027	3 017	1,25%	IRS
11.03.2036	1 800	2,22%	IRS
15.06.2021	122 491	0,75%	IRS
11.06.2035	151 732	1,10%	IRS
<b>Total</b>	<b>624 661</b>		

## Cash flow hedges

<b>Maturity date of hedging instrument</b>	<b>Hedged value</b>	<b>Exchange rate hedged</b>	<b>Instrument</b>
2021.10	926 EUR	4,4916	Forward
2021.10	20 737 EUR	4,4368	Forward
2021.11	27 096 EUR	4,4101	Forward
2021.12	21 113 EUR	4,4436	Forward
2022.01	7 429 EUR	4,4464	Forward
2022.02	6 978 EUR	4,4998	Forward
2022.03	1 087 EUR	4,4532	Forward
2022.06	4 649 EUR	4,5426	Forward
2022.07	517 EUR	4,4600	Forward
<b>Total</b>	<b>90 532 EUR</b>		

**4.10 Trade creditors and other receivables**

As at 30 September 2021 impairment losses on trade receivables deemed uncollectible were increased up to PLN 16,172k compared to PLN 3,681k as at 31 December 2020. The reason for the increase of such impairment losses was the Decision of the ERO President of 31 August 2021 determining the amount of the final adjustment of the stranded costs compensation in view of the end of the adjustment period. Detailed description to be found in Note 9.

Below is a classification of trade receivables as per individual impairment model stages:

	<b>Total</b>	<b>Step 2</b>	<b>Step 3</b>
Gross value as at 1.1.2021	80 722	76 274	4 448
Arisen	121 505	121 505	-
Paid	(62 898)	(76 208)	13 313
Gross value as at 30.09.2021	139 329	121 571	17 761

The payment default rates and the calculation of credit losses as at 30 September 2021 have been presented in the table below:

	Total	Receivables from individual customers				
		Current 0-30 days	30-60 days	60-90 days	>90 days	
30.09.2021	21 331	19 308	504	-	205	1 724
Expected credit losses	1 520	-	-	-	-	1 520
31.12.2020	23 265	20 957	421	-	94	1 793
Expected credit losses	1 688	-	-	-	-	1 688

	Total	Receivables from corporate customers				
		Current 0-30 days	30-60 days	60-90 days	>90 days	
30.09.2021	101 829	101 948	16	-	-	135
Expected credit losses	14 652	13 214	-	-	-	1 438
31.12.2020	56 546	54 519	19	-	264	1 744
Expected credit losses	1 993	-	-	-	249	1 744

#### 4.11 Effective tax rate

	For 9 months ended	
	30.09.2021	30.09.2020
<b>Income tax charged to the profit and loss account, including</b>	<b>77 895</b>	<b>17 134</b>
Current tax	62 962	16 845
Deferred tax	14 933	289
<b>Profit (Loss) before tax</b>	<b>396 860</b>	<b>97 686</b>
Tax on gross profit at effective tax rate of 19%	75 403	18 560
Adjustments to prior years current income tax	(235)	84
Adjustments to prior years differed income tax	164	690
Current tax of limited partnerships	304	-
Differed tax of limited partnerships	381	-
<b>Non-deductible costs:</b>	<b>1 924</b>	<b>(2 166)</b>
- permanent differences	555	299
- asset from tax losses in the Special Economic Zone	-	(200)
- temporary difference on which no tax asset/provision is established	1 369	(2 265)
<b>Non-taxable income:</b>	<b>(46)</b>	<b>(34)</b>
- other	(46)	(34)
<b>Income tax in the profit and loss account</b>	<b>77 895</b>	<b>17 134</b>

#### 4.12 Changes in provisions

Change in short term and long term provisions

	30.09.2021	31.12.2020
<b>Provisions at beginning of the period</b>	<b>26 484</b>	<b>24 500</b>
- recognition of provisions	1 010	2 618
- reversal of provisions	(263)	(634)
<b>Provisions at end of the period</b>	<b>27 231</b>	<b>26 484</b>

## 5. Interest bearing bank loans and borrowings

In the third quarter ended 30 September 2021, on 29 September 2021 Polenergia Obrót S.A. signed Annex 8 to the facility agreement for a multifaceted credit limit, according to which, with respect to the overdraft, the availability period was extended until 30 September 2022 and the limit was increased up to PLN 80,000k. The aggregate limit amount including the overdraft and the guarantee cap remained unchanged.

## 6. Information on the issue, redemption and repayment of debentures and equity securities

During the third quarter ended 30 September 2021 and until the date of this report, the Group has not issued any debt or equity securities.

In view of the passing of a pertinent resolution by the Annual General Meeting on 18 June 2021, the Management Board of Polenergia S.A. passed a resolution on 23 September 2021 concerning the issue of no less than one and no more than 21,426,807 AA series ordinary bearer shares at the issue price of PLN 47 per share. The share issue will take place as a private subscription and will permit each shareholder, except for Mansa Investments and BIF IV Europe Holdings Limited, to maintain such percentage share in the share capital of the Company, as a given shareholder held at the end of the day the Company prospectus was approved (the Preference Day). Mansa Investments company will be offered 5,150,211 new shares of the new issue, while BIF IV Europe Holdings Limited will be offered no less than 10,804,185 shares and no more than 14,361,702 shares of the new issue, depending on the number of shares that will be offered to other shareholders. The offering will be available only to those shareholders who held any shares at the end of the Preference Day. The Company envisages the issue will take place in Q1 2022.

## 7. Information on dividend distributed (or declared) in total and per share, broken down into ordinary and preferred shares

No dividend distribution took place within the 9-month period ended on 30 September 2021.

## 8. Information on changes in contingent liabilities or contingent assets that occurred since the end of the last financial year

In the third quarter ended 30 September 2021, the following changes in contingent liabilities and assets took place:

On 10 July 2021 the guarantee issued by STU Ergo Hestia expired which covered the works performed under the contract between the ERBUD S.A.&PBDI S.A. Consortium and the company Polenergia Farma Wiatrowa Mycielín Sp. z o.o. with statutory warranty .

On 12 July 2021, a performance bond was issued to Polenergia Farma Wiatrowa Rudniki Sp. z o.o. by Generali TU S.A. to order of Onde S.A. in connection with the PV BUK project. Said performance bond was issued to the amount of PLN 856.5k and will expire on 17 March 2022.

On 28 July 2021, in connection with the Buk I project, Polenergia Farma Wiatrowa Rudniki Sp. z o.o. received a PCG from Suzhou Talesun Solar Technologies Co. for the liabilities of Talesun Solar France Sarl in connection with the contract for the supply of equipment it entered into. The amount of the guarantee is PLN 1.507k and the validity thereof expires from time to time one year after FW Rudniki raises its claim under PCG.

On 28 July 2021, in connection with the Sulechów II project, Polenergia Farma Wiatrowa 17 Sp. z o.o. received a PCG from Suzhou Talesun Solar Technologies Co. for the liabilities of Talesun Solar France Sarl in connection with the contract for the supply of equipment it entered into. The amount of the guarantee is PLN 1.507k and the validity thereof expires from time to time one year after FW 17 company raises its claim under PCG.

On 28 July 2021, in connection with Sulechów III project, Polenergia Farma Wiatrowa Grabowo Sp. z o.o. received a PCG from Suzhou Talesun Solar Technologies Co for the liabilities of Talesun Solar France Sarl in connection with the contract for the supply of equipment it entered into. The amount of

the guarantee is PLN 1.507k and the validity thereof expires from time to time one year after WF Grabowo raises its claim under PCG

**9. Identification of proceedings before a court, an arbitral tribunal or public administration body with respect to liabilities or receivables of the issuer or an Issuer's subsidiary**

During the period ended on 30 September 2021 there occurred following changes in the proceedings before the court, arbitral panel or public authority compared to information disclosed in the consolidated condensed financial statements for the 6-month period ended on 30 June 2021:

In July 2021 one of the subsidiaries of Polenergia Farma Wiatrowa 1 Sp. z o.o. was sued by the real property owners who claim compensation for usufruct with no contractual basis in the period since 13 March 2020 until 31 December 2021. The access road to one of the wind turbines is now located on the real property the claimants hold the title to, following the court's decision on the delimitation of the real property. Formerly, the property was owned by another lessor. The respondent subsidiary suggested to negotiate, as it believes the claimants' financial demands are excessive. However, the property owners decided not to negotiate but rather take the case to court. The subsidiary's position is that the claim was prematurely filed and is going to make efforts to settle the dispute amicably. To this day no date of a gearing has been scheduled.

On 4 October 2021 the subsidiary Polenergia Elektrociepłownia Nowa Sarzyna Sp. z o.o. lodged an appeal against the decision of the ERO President dated 31 August 2021 that determined the amount of the final adjustment of the stranded costs compensation in view of the end of the adjustment period which lasted from 1 April 2008 to 1 June 2020 with the Antimonopoly Court via ERO. The disputed amount is PLN 13.2m.

**10. Information on any surety issued by the Issuer or any subsidiary with respect to a loan or a borrowing or any guarantee issued jointly to a single entity or a subsidiary of such entity, if the total amount of the existing sureties and guarantees is material**

As at 30 September 2021, the Group has issued no third party guarantees.

**11. Other information that, in the Issuer's opinion, is important in the evaluation of its personnel, property and financial situation, as well as in the assessment of its financial performance and changes thereof and information that is important for the assessment of the Issuer's ability to perform its obligations.**

In the opinion of the Group, there is no information, other than that presented herein, that would be important for the assessment of the Group's ability to perform its obligations.

**12. Identification of factors that, in the opinion of the Issuer, will impact its performance in the perspective of at least the immediately following quarter**

The Group believes in the perspective of further quarters significant impact on its performance (consolidated and single-company one) will be exerted by the following factors:

- windiness levels on locations of the wind farms of: Puck, Łukaszów, Modlikowice, Gawłowice, Rajgród, Skurpie, Mycielin, Krzęcin and Szymankowo,
- prices of electricity and green certificates,
- final wording of the regulations affecting the Issuer's business,
- potential price volatility of CO2 emission allowances and natural gas,
- financial standing of the Company's customers,
- macroeconomic situation of Poland,
- market interest rates,
- availability and cost of debt financing,
- the developments relating to the COVID-19 pandemics.

### 13. Liquidity risk

The Group monitors the risk of its funds being insufficient to pay liabilities as they fall due through periodic liquidity planning. Such tool takes into account the maturities of investments and financial assets (e.g. accounts receivable, other financial assets) and forecast cash flows from operating activities.

The Group aims at balancing the continuity and flexibility of financing by using diverse funding sources, including overdrafts, bank loans, borrowings and lease contracts.

The table below shows the Group's financial liabilities by maturity as at 30 September 2021 and 31 December 2020, in terms of undiscounted contractual payments.

30.09.2021	Up to 3 months	From 3 months to 12 months	From 1 year to 5 years	In excess of 5 years	Total
Interest bearing loans and borrowings	56 257	123 455	521 636	1 138 758	<b>1 840 106</b>
Other liabilities	1 588 167	406	176 589	-	<b>1 765 162</b>
Liabilities for deliveries and services	86 848	-	-	-	<b>86 848</b>
Lease liabilities	1 693	9 372	42 629	108 853	<b>162 547</b>

31.12.2020	Up to 3 months	From 3 months to 12 months	From 1 year to 5 years	In excess of 5 years	Total
Interest bearing loans and borrowings	24 270	62 655	389 411	935 452	<b>1 411 788</b>
Other liabilities	200 844	1 131	11 386	1 132	<b>214 493</b>
Liabilities for deliveries and services	99 969	-	-	-	<b>99 969</b>
Lease liabilities	8 934	2 677	41 781	116 402	<b>169 794</b>

### 14. Information on significant transactions with associates

Major transactions with associates in the 9-month period ended on 30 September 2021 include:

30.09.2021	Revenues	Receivables
MFW Bałtyk I S.A.	727	727
MFW Bałtyk I Sp. z o.o.	12	2
MFW Bałtyk II Sp. z o.o.	1 490	1 440
MFW Bałtyk III Sp. z o.o.	1 549	1 469
<b>Total</b>	<b>3 778</b>	<b>3 638</b>

The following significant transactions with associates took place in the 9-month period ended on 30 September 2021:

30.09.2021	Revenues	Costs	Receivables
Kulczyk Holding S.à r.l.	18	-	-
Mansa Investments Sp. z o.o.	103	-	26
Polenergia International S.à r.l.	-	164	23
Polenergia Usługi Sp. z o.o.	64	-	11
<b>Total</b>	<b>185</b>	<b>164</b>	<b>60</b>

The following significant transactions with associates with personal relations took place in the 9-month period ended on 30 September 2021:

<b>30.09.2021</b>	<b>Revenues</b>	<b>Costs</b>	<b>Receivables</b>	<b>Liabilities</b>
KI One S.A.	-	96	-	-
Krucza Inwestycje KREH 1 Sp. z o.o. S.K.	422	2 440	-	-
Autostrada Eksploatacja S.A.	1 767	-	186	-
Beyond.pl Sp. z o.o.	1 437	1 595	583	59
Ciech Sarzyna S.A.	5 418	463	1 636	-
Ciech Pianki Sp. z o.o.	244	7	53	-
Ciech Vitrosilicon S.A.	4 165	-	1 193	-
Ciech Soda Polska S.A.	41 247	-	21 282	-
Ciech Żywice Sp. z o.o.	3 309	105	-	-
Ciech Vitro Sp. z o.o.	5	-	-	-
<b>Total</b>	<b>58 014</b>	<b>4 706</b>	<b>24 933</b>	<b>59</b>

All transactions have been effected on arm's length terms.

**15. Identification of event which occurred following the day of preparation of the quarterly condensed financial statements and not included in such financial statements however potentially significantly impacting the future financial performance of the Issuer**

On 4 November 2021 the Management Board of Polenergia S.A. signed a Preliminary Share Sale Agreement (PSSA) under which the shareholders of Edison Energia S.A. (Edison Energia) with registered office in Warsaw made a commitment to enter into the Final Share Sale Agreement (FSSA) concerning the sale of 100% of the company shares to the Issuer by the current shareholders of Edison Energia. According to PSSA, the price for 100% of the shares of Edison Energia has been initially established at PLN 76,500,000, however the exact amount payable at the time FSSA is executed will be subject to certain adjustments connected with the closing accounts procedures referred to in PSSA. Still, the final price for the company shares sold under FSSA may not exceed PLN 86,000,000. The execution of FSSA is contingent upon the approval of the Antimonopoly Office (UOKIK) and other conditions precedent referred to in PSSA. FSSA shall be executed within 10 business days of the day all conditions precedent provided for in PSSA have been met or on such other date as the parties may mutually agree. Edison Energia is one of the fastest growing Polish photovoltaic companies. It offers innovative solutions in terms of photovoltaics, heat and energy consumption optimization. Thanks to this transaction, the Polenergia Group will expand its operations to include new business segments and will gain access to a nationwide sales network, a large customer base and a wide portfolio of innovative products and services. It will also help diversify the current areas of the Group's business and become a significant player in the newly emerged market segment.

On 10 November 2021, Polenergia Obrót S.A. concluded credit agreements with Deutsche Bank Polska for a multi-purpose credit limit of up to PLN 100 million, under which an overdraft limit and a guarantee limit were made available. The loan agreement was concluded for a period of 12 months with the possibility of extending it for subsequent periods. In connection with the above, Polenergia S.A. granted a surety up to the amount of PLN 30 million.

**C. OTHER INFORMATION PERTAINING TO THE CONSOLIDATED QUARTERLY REPORT**

**1. Discussion of key financial and economic data contained in the quarterly financial statements, in particular factors and events, including non-recurring ones, with a material effect on the Issuer's operations and profits earned or losses incurred in the financial year, as well as discussion of the Issuer's development prospects at least during the next financial year.**

Key economic and financial data concerning the Issuer's Group performance is presented in the table below:

Major economic and financial data (PLN m)	9M 2021	9M 2020	Difference
Sales revenues	1 932,5	1 329,5	603,0
EBITDA	282,3	200,8	81,5
Adjusted EBITDA with the elimination of the effect of purchase price allocation	282,3	200,8	81,5
Net profit (loss)	321,7	80,6	241,2
Adjusted net profit with the elimination of the effect of purchase price allocation, unrealized fx differences, impairment losses, loan valuation and net gain/loss on disposal of assets	148,8	85,9	62,9

The year-on-year changes in the performance in 2021 were driven by the following factors:

**a) On the level of EBITDA (increase by PLN 81.5m):**

- Lower performance (by PLN 29.1m) in the onshore wind farm segment has been mainly caused by lower production volume and higher operating costs of the wind farms;
- Lower performance (by PLN 0.6m) of the PV segment due to higher costs of developing further PV projects in the Group and due to lower insolation;
- Better performance in the gas and clean fuels segment (by PLN 89.3m) as a result of: (i) work optimization process at ENS (reversal of the forward transactions hedging the production and sale of ENS in Q3 and Q4 2021 and in 2022) resulting in those transactions being classified as financial instruments subject to measurement (ii) capacity market revenues (the capacity obligation performance commenced in January 2021), (iii) higher revenue from gas costs compensation adjustment for 2020, less the lower final adjustment of stranded costs;
- Better performance in the trading and sales segment (by PLN 22.9m) due to: i) short-term optimizations in the current year and mid-term optimizations performed under SLA in terms of hedging production and sales of ENS, resulting in the measurement of forward transactions for Q4 2021 and for 2022, ii) higher result on the wind farm energy trading following the optimized volume fixing and positive effect of lower profile cost, iii) the implementation of the new strategy in respect of the sale to strategic customers and proprietary trading. Such increase was partly offset by: i) lower result on trading in green certificates from wind farms (the impact of the green certificate inventory measurement being lower by PLN 2.2m), ii) lower result on short-term trading and one-off events adversely affecting the result in 2021, iii) lower result on the RES aggregation business line, iv) higher operating costs and commission costs resulting from the increased scale of business;
- Better result in the distribution segment (by PLN 1.1m) resulting from the new tariff becoming effective and from the increased demand for energy compared to that in 2020 hindered by pandemic restrictions. This result has been partly offset by higher operating costs, lower result of Polenergia Kogeneracja on gas distribution (mainly due to lower volume), as well as the costs incurred for the e-mobility pilot project.
- Lower result in Unallocated item (by PLN 2.1m) is mainly the consequence of discontinuing the biomass processing business and of higher HQ operating expenses.

**b) On the level of adjusted EBITDA (increase by PLN 81.5m):**

- The EBITDA effect described above (higher by PLN 81.5m);



**c) On the level of Net Profit (increase by PLN 241.2m):**

- The EBITDA effect (better result by PLN 81.5m);
- Lower depreciation/amortization (by PLN 4.7m) resulting predominantly from the end of amortization of the asset from gas compensation and stranded costs recognized under the Purchase Price Allocation, lower depreciation in the gas and clean fuels segment (lower depreciation rate in view of a longer period of depreciating rehabilitation over time and the sale of EC Mercury), discontinuing the operations by Biomasa Wschód, partly offset by bringing fixed assets into use in distribution and the leased fixed assets at Headquarters and the fixed assets in the Szymankowo project;
- Higher costs related to the sale of assets (by PLN 13.9m) generated by advisory services related to the receipt of earn-out payments resulting from the sale of shares in the companies MFW Bałtyk II Sp. z o.o. and MFW Bałtyk III Sp. z o.o.
- Lower impairment losses, by PLN 0.3m.

All the abovementioned items contributed to the increase of the operating profit by PLN 72.6m.

- Higher financial income (by PLN 223.1m) from earn-out payments amounting to PLN 225.8m on account of the sale of shares in MFW Bałtyk II and MFW Bałtyk III made in 2018, the drop in foreign exchange gains (by PLN -0.1m), the increase of surety fees (PLN 0.4m), the revenue from the winding-up of an associate in which the Group held 20% interest (PLN 0.3m) partly offset by lower interest gains on deposits (drop by PLN 2.2m), lower measurement of the financial instruments (by PLN 1.0m) and the cost of sale of Mercury Sp. z o.o. (0.2m),
- Lower financial expenses (by PLN 3.5m) resulting mainly from lower interest expenses (PLN 5.0m) and lower f/x expenses (by PLN 0.7m), partly offset by higher commission costs (by PLN 0.9m), increased cost from financial instrument measurement in the gas and clean fuels segment (PLN 1.1m), costs of interest notes (PLN 0.2m).
- Higher income tax (by PLN 60.8m) mainly due to the higher profit before tax of the Group in 2021 (higher operating profit and financial income).
- Higher result on the abandoned business (by PLN 2.7m) due to the sale of Mercury Power Plant.

**d) On the level of adjusted net profit (increase by PLN 62.9m):**

- The net profit effect (increase by PLN 241.2m);
- Elimination of the purchase price allocation effect (drop by PLN 3.3m);
- Reversal of the foreign exchange differences effect (increase by PLN 0.3m);
- Reversal of the impairment losses effect (drop by PLN 0.3m).
- Elimination of the net gain/loss on the sale of assets (drop by PLN 174.9m).

**2. Concise outline of significant achievements or failures of the issuer in the reporting period including a list of related major events**

An outline of significant achievements or failures of the Issuer in the reporting period including a list of related major events has been presented in section A.2 hereof.

**3. Management Board's position on the feasibility of meeting the previously published forecasts for a given year in light of the results presented in the quarterly report**

The Company publishes no financial performance forecasts.

**4. Description of factors and events, in particular those of non-typical nature, of significant impact on the financial performance achieved**

The factors of significant impact on the financial performance of the Group have been referred to in sections A.2 and C.1 hereof.

**5. Identification of shareholders holding, directly or indirectly through subsidiaries, at least 5% of the total number of votes at the general meeting of shareholders of the Issuer as at the day of delivery of the quarterly report, including the specification of the number of shares held by such companies, their percentage share in the share capital, number of votes attaching to them and their percentage share in the total number of votes at the general meeting, as well as identification of changes in the ownership structure of substantial share interest of the Issuer in the period since the delivery of the most recent past quarterly report**

No	Shareholder	Number of shares	Number of votes	Shareholding
1	Mansa Investments Sp. z o.o. *)	23 467 043	23 467 043	51,64%
2	BIF IV Europe Holdings Limited	10 370 213	10 370 213	22,82%
3	Nationale-Nederlanden Otworthy Fundusz Emerytalny	2 570 000	2 570 000	5,66%
4	Generali OFE	3 000 000	3 000 000	6,60%
5	Aviva OFE Aviva Santander	3 732 687	3 732 687	8,21%
6	Others	2 303 604	2 303 604	5,07%
<b>Total</b>		<b>45 443 547</b>	<b>45 443 547</b>	<b>100,00%</b>

\*) Kulczyk Holding S.à r.l., a company established and operating under the laws of Luxembourg, holds 100 % of shares in Mansa Investments sp. z o.o.

**6. Identification of effects of changes in the entity's structure, including changes resulting from mergers, acquisitions or disposals of the group entities, long-term investments, splits, restructuring or discontinuation of operations**

In the reporting period, there were no material changes in the entity's structure including ones resulting from mergers, acquisitions or disposals of the issuer's group entities, long-term investments, splits, restructuring or discontinuation of operations, save for the following events:

On 4 January 2021 the company Polenergia Farma Fotowoltaiczna 5 sp. z o.o. was entered into the Entrepreneurs Register of the National Court Register (KRS).

On 28 January 2021 the company Polenergia Farma Fotowoltaiczna 6 sp. z o.o. was entered into the Entrepreneurs Register of KRS.

On 19 March 2021 the company Polenergia Farma Fotowoltaiczna 12 sp. z o.o. was entered into the Entrepreneurs Register of KRS.

On 22 March 2021 the company Polenergia Farma Fotowoltaiczna 7 sp. z o.o. was entered into the Entrepreneurs Register of KRS.

On 22 March 2021 the company Polenergia Farma Fotowoltaiczna 11 sp. z o.o. was entered into the Entrepreneurs Register of KRS.

On 16 April 2021 the company Polenergia Farma Fotowoltaiczna 8 sp. z o.o. was entered into the Entrepreneurs Register of KRS.

On 16 April 2021 the company Polenergia Farma Fotowoltaiczna 9 sp. z o.o. was entered into the Entrepreneurs Register of KRS.

On 19 April 2021 the company Polenergia Farma Fotowoltaiczna 10 sp. z o.o. was entered into the Entrepreneurs Register of KRS.

On 21 May 2021 the company Polenergia Farma Fotowoltaiczna 13 sp. z o.o. was entered into the Entrepreneurs Register of KRS.

On 21 May 2021 the company Polenergia Farma Fotowoltaiczna 15 sp. z o.o. was entered into the Entrepreneurs Register of KRS.

On 27 May 2021 the company Polenergia Farma Fotowoltaiczna 14 sp. z o.o. was entered into the Entrepreneurs Register of KRS.

On 30 July 2021 the company Polenergia Farma Fotowoltaiczna 16 sp. z o.o. was entered into the Entrepreneurs Register of KRS.

On 3 August 2021 the company Polenergia Farma Fotowoltaiczna 17 sp. z o.o. was entered into the Entrepreneurs Register of KRS.

On 12 August 2021 the company Polenergia Farma Fotowoltaiczna 18 sp. z o.o. was entered into the Entrepreneurs Register of KRS.

On 31 August 2021 an agreement for the sale of shares in the company Mercury Energia Sp. z o.o and the transfer of all rights and obligations of the limited partner in the company Mercury Energia Sp. z o.o. i Wspólnicy Sp. K. was executed.

On 29 January 2021 the Extraordinary General Meeting passed a resolution concerning the winding-up of the company Energopep sp. z o.o. and its liquidation. Entry into KRS on 10 March 2021.

On 30 November 2020 the company Energopep sp. z o.o. sp.k was deleted from KRS. The entry became effective as of 29 January 2021.

On 15 January 2021 the Extraordinary General Meeting passed a resolution concerning the winding-up of the company Polenergia Biomasa Energetyczna Północ sp. z o.o. and its liquidation. Entry into KRS on 17 February 2021.

**D. QUARTERLY FINANCIAL INFORMATION OF THE COMPANY POLENERGIA S.A.**

**INTERIM CONDENSED STANDALONE BALANCE SHEET  
as at 30 September 2021**
**ASSETS**

	<b>30.09.2021</b>	<b>31.12.2020</b>
<b>I. Non-current assets</b>	<b>1 084 774</b>	<b>973 285</b>
Tangible fixed assets	8 326	8 931
Intangible assets	131	16
Financial assets	1 069 519	953 563
Long term receivables	1 820	1 945
Deferred income tax assets	4 978	8 830
<b>II. Current assets</b>	<b>320 636</b>	<b>232 562</b>
Trade receivables	14 853	16 325
Income tax receivable	3 374	91
Other short term receivables	521	504
Prepayments and accrued income	2 632	4 796
Short term financial assets	-	86 216
Cash and equivalent	299 256	124 630
<b>Total assets</b>	<b>1 405 410</b>	<b>1 205 847</b>

**EQUITY AND LIABILITIES**

	<b>30.09.2021</b>	<b>31.12.2020</b>
<b>I. Shareholders' equity</b>	<b>1 363 202</b>	<b>1 173 782</b>
Share capital	90 887	90 887
Share premium account	557 611	557 611
Reserve capital from option measurement	13 207	13 207
Other capital reserves	449 121	393 019
Capital from merger	89 782	89 782
Retained profit (loss)	(26 825)	(26 826)
Net profit /(loss)	189 419	56 102
<b>II. Long term liabilities</b>	<b>6 424</b>	<b>7 072</b>
Provisions	421	421
Lease liabilities	6 003	6 651
<b>III. Short term liabilities</b>	<b>35 784</b>	<b>24 993</b>
Trade payables	12 014	1 263
Lease liabilities	2 090	1 874
Other liabilities	12 227	11 935
Provisions	2 207	1 565
Accruals and deferred income	7 246	8 356
<b>Total equity and liabilities</b>	<b>1 405 410</b>	<b>1 205 847</b>

**INTERIM CONDENSED STANDALONE PROFIT AND LOSS ACCOUNT**  
**for the 9-month period ended on 30 September 2021**

	For 9 months ended		unaudited	
	30.09.2021	30.09.2020	For 3 months ended	unaudited
			30.09.2021	30.09.2020
Revenues from contracts with clients	14 805	11 815	5 161	4 079
<b>Sales revenues</b>	<b>14 805</b>	<b>11 815</b>	<b>5 161</b>	<b>4 079</b>
Cost of goods sold	(13 428)	(10 680)	(4 572)	(3 570)
<b>Gross sales profit</b>	<b>1 377</b>	<b>1 135</b>	<b>589</b>	<b>509</b>
Other operating revenues	111	63	-	-
General overheads	(28 453)	(13 455)	(18 862)	(4 559)
Other operating expenses	(2)	(73)	(1)	(61)
Financial income	257 558	24 414	6 546	1 357
including dividend	24 101	19 500	4 101	-
Financial costs	(1 420)	(1 082)	(793)	(256)
<b>Profit before tax</b>	<b>229 171</b>	<b>11 002</b>	<b>(12 521)</b>	<b>(3 010)</b>
Income tax	(39 752)	1 501	3 093	539
<b>Net profit</b>	<b>189 419</b>	<b>12 503</b>	<b>(9 428)</b>	<b>(2 471)</b>

**INTERIM CONDENSED STANDALONE STATEMENT OF COMPREHENSIVE INCOME**  
**for the 9-month period ended on 30 September 2021**

	For 9 months ended		unaudited	
	30.09.2021	30.09.2020	For 3 months ended	unaudited
			30.09.2021	30.09.2020
<b>Net profit</b>	<b>189 419</b>	<b>12 503</b>	<b>(9 428)</b>	<b>(2 471)</b>
Other net comprehensive income	-	-	-	-
Inne całkowite dochody netto	-	-	-	-
<b>COMPREHENSIVE INCOME FOR PERIOD</b>	<b>189 419</b>	<b>12 503</b>	<b>(9 428)</b>	<b>(2 471)</b>

**INTERIM CONDENSED STANDALONE STATEMENT OF CHANGES IN EQUITY  
for the 9-month period ended on 30 September 2021**

	Share capital	Share premium account	Reserve capital from option measurement	Other capital reserves	Capital from merger	Retained loss	Net profit (loss)	Total equity
<b>As at January 2021</b>	90 887	557 611	13 207	393 019	89 782	29 276	-	1 173 782
<b>Other comprehensive income for period</b>								
Net loss for reporting period	-	-	-	-	-	-	189 420	189 420
<b>Transactions with owners of the parent recognized directly in equity</b>								
Allocation of profit/loss	-	-	-	56 102	-	(56 102)	-	-
<b>As at 30 September 2021</b>	90 887	557 611	13 207	449 121	89 782	(26 826)	189 420	1 363 202

	Share capital	Share premium account	Reserve capital from option measurement	Other capital reserves	Capital from merger	Retained loss	Net profit	Total equity
<b>As at January 2020</b>	90 887	557 611	13 207	349 478	89 782	16 715	-	1 117 680
<b>Other comprehensive income for period</b>								
Net profit for reporting period	-	-	-	-	-	-	12 503	12 503
<b>Transactions with owners of the parent recognized directly in equity</b>								
Allocation of profit/loss	-	-	-	43 541	-	(43 541)	-	-
<b>As at 30 September 2020</b>	90 887	557 611	13 207	393 019	89 782	(26 826)	12 503	1 130 183

**INTERIM CONDENSED STANDALONE STATEMENT OF CASH FLOWS**  
**for the 9-month period ended on 30 September 2021**

	<b>For 9 months ended</b>	
	<b>30.09.2021</b>	<b>30.09.2020</b>
<b>A.Cash flow from operating activities</b>		
<b>I.Profit (loss) before tax</b>	<b>229 171</b>	<b>11 002</b>
<b>II.Total adjustments</b>	<b>(274 055)</b>	<b>(15 117)</b>
Depreciation	1 787	1 446
Foreign exchange losses (gains)	2	-
Interest and profit shares (dividends)	(26 275)	(20 099)
Losses (gains) on investing activities	(226 640)	118
Income tax	(39 183)	(557)
Changes in provisions	642	413
Changes in receivables	1 580	2 917
Changes in short term liabilities, excluding bank loans and borrowings	12 978	(1 355)
Changes in accruals	1 054	2 000
<b>III.Net cash flows from operating activities (I+/-II)</b>	<b>(44 884)</b>	<b>(4 115)</b>
<b>B.Cash flows from investing activities</b>		
<b>I. Cash in</b>	<b>339 833</b>	<b>49 171</b>
1. Disposal of intangibles and tangible fixed assets	52	31
2. From financial assets, including:	339 781	49 140
- disposal of financial assets	227 375	-
- dividends and shares in profits	24 101	19 500
- repayment of loans given	86 216	14 488
- interest	1 832	582
- other inflows from financial assets	257	14 570
<b>II.Cash out</b>	<b>118 609</b>	<b>126 475</b>
1. Acquisition of intangible and tangible fixed assets	1 952	798
2. For financial assets, including:	116 657	125 677
- acquisition of financial assets	116 657	121 025
- loans given	-	4 652
<b>III.Net cash flows from investing activities (I-II)</b>	<b>221 224</b>	<b>(77 304)</b>
<b>C.Cash flows from financing activities</b>		
<b>I.Cash in</b>	<b>-</b>	<b>-</b>
<b>II.Cash out</b>	<b>1 712</b>	<b>1 369</b>
1. Lease payables	1 422	1 069
2. Interest	290	300
<b>III.Net cash flows from financing activities (I-II)</b>	<b>(1 712)</b>	<b>(1 369)</b>
<b>D.Total net cash flows (A.III+/-B.III+/-C.III)</b>	<b>174 628</b>	<b>(82 788)</b>
<b>E.Increase/decrease in cash in the balance sheet, including:</b>	<b>174 626</b>	<b>(82 788)</b>
- change in cash due to fx differences	(2)	-
<b>F.Cash at the beginning of period</b>	<b>124 630</b>	<b>237 076</b>
<b>G.Cash at the end of period, including:</b>	<b>299 256</b>	<b>261 370</b>
- restricted cash	125	87 721



**COST ACCORDING TO TYPE**

	For 9 months ended		For 3 months ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
- depreciation	1 787	1 446	614	493
- materials and power consumption	418	266	183	86
- third party services	21 616	6 160	16 648	2 138
- taxes, duties and fees	(92)	275	107	178
- salaries	15 972	14 304	5 274	4 793
- social security and other benefits	2 163	1 650	602	434
- other cost by type	17	34	6	7
<b>Total cost by type</b>	<b>41 881</b>	<b>24 135</b>	<b>23 434</b>	<b>8 129</b>
- general overheads (-)	(28 453)	(13 455)	(18 862)	(4 559)
<b>Total cost of goods sold</b>	<b>13 428</b>	<b>10 680</b>	<b>4 572</b>	<b>3 570</b>