

ZESPÓŁ ELEKTROWNI PAŃNÓW – ADAMÓW – KONIN SA

QUARTERLY FINANCIAL INFORMATION FOR THE PERIOD OF 3 MONTHS ENDED 31 MARCH 2021

*This is a translation of the document issued originally in Polish language.
The Polish original should be referred to in matters of interpretation.*

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BALANCE SHEET

Assets

	31 March 2021 <i>(unaudited)</i>	31 December 2020	31 March 2020 <i>(transformed data unaudited)</i>
A. Fixed assets	2 149 492	1 497 850	2 194 901
I. Intangible assets	624 622	5 944	467 786
1. Development expenses	-	-	-
2. Goodwill	-	-	-
3. Other intangible assets	624 622	5 944	203 359
4. Prepayments for intangible assets	-	-	264 427
II. Tangible fixed assets	1 350 087	1 328 583	1 463 075
1. Tangible assets	1 209 675	1 236 329	1 442 181
a) land (including perpetual usufruct)	1 692	1 695	10 533
b) buildings, premises and constructions	355 223	362 697	456 934
c) plant and machinery	850 828	869 948	972 759
d) motor vehicles	1 017	1 069	965
e) other	915	920	990
2. Construction in progress	111 581	65 303	19 357
3. Prepayments for construction in progress	28 831	26 951	1 537
III. Long-term receivables	-	-	-
1. from affiliates	-	-	-
2. from others, of which entity has capital engagement	-	-	-
3. from others	-	-	-
IV. Long-term investment	169 437	157 707	257 197
1. Property	-	-	-
2. Intangible fixed assets	-	-	-
3. Long-term financial assets	169 437	157 707	257 197
a) in affiliates	169 285	157 555	257 045
– shares	161 805	155 755	249 695
– other securities	-	-	-
– loans granted	6 950	1 300	2 350
– other long-term financial assets	530	500	5 000
b) in other entities of which entity has capital engagement	-	-	-
– shares	-	-	-
– other securities	-	-	-
– loans granted	-	-	-
– other long-term financial assets	-	-	-
c) in other entities	152	152	152
– shares	152	152	152
– other securities	-	-	-
– loans granted	-	-	-
– other long-term financial assets	-	-	-
4. Other long-term investments	-	-	-
V. Long-term prepayments and deferred costs	5 346	5 616	6 843
1. Deferred tax assets	-	-	-
2. Other prepayments and deferred costs	5 346	5 616	6 843
B. Current assets	430 467	953 859	644 204
I. Inventories	96 668	71 865	84 535
1. Raw materials	53 027	49 175	59 231
2. Semi-finished goods and work-in-progress	-	-	-
3. Finished products	-	-	-
4. Property rights	18 641	22 690	25 301
5. Inventory prepayments	25 000	-	3
II. Short-term receivables	281 744	378 705	247 803

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1. Receivables from affiliates	53 881	18 582	60 158
a) trade receivables, due in:	53 881	18 580	60 158
– up to 12 months	53 881	18 580	60 158
– over 12 months	-	-	-
b) other	-	2	-
2. Receivables from other entities of which entity has capital engagement	-	-	-
a) trade receivables, due in:	-	-	-
– up to 12 months	-	-	-
– over 12 months	-	-	-
b) other	-	-	-
3. Receivables from other entities	227 863	360 123	187 645
a) trade receivables, due in:	55 388	43 813	25 805
– up to 12 months	55 388	43 813	25 805
– over 12 months	-	-	-
b) taxation, subsidy, customs duty, social security, health insurance and other debtors	30 229	30 305	22 682
c) other	142 246	286 005	139 158
d) submitted to court	-	-	-
III. Short-term investments	49 926	502 636	308 797
1. Short-term financial assets	49 926	502 636	308 797
a) in affiliates	46 422	46 419	28 420
– shares	-	-	-
– other securities	-	-	-
– loans granted	39 422	39 419	26 420
– other short-term financial assets	7 000	7 000	2 000
b) in other entities	-	6 550	1 942
– shares	-	-	-
– other securities	-	-	-
– loans granted	-	-	-
– other short-term financial assets	-	6 550	1 942
c) cash and other monetary assets	3 504	449 667	278 435
– cash on hand and cash at bank	3 504	449 667	278 435
– other cash and cash equivalents	-	-	-
– other monetary assets	-	-	-
2. Other short-term investments	-	-	-
IV. Short-term prepayments and deferred costs	2 129	653	3 069
C. Unpaid share capital (basic)	-	-	-
D. Own shares	-	-	-
Total assets	2 575 959	2 451 709	2 839 105

Konin, 28 May 2021

Liabilities and equity

	31 March 2021 <i>(unaudited)</i>	31 December 2020	31 March 2020 <i>(transformed data unaudited)</i>
A. Equity	1 304 975	1 277 167	1 480 290
I. Equity capital	101 647	101 647	101 647
II. Reserve capital, including:	1 658 391	1 658 391	1 658 391
– surplus of sales value (issue value) over nominal value of shares	380 030	380 030	380 030
III. Revaluation reserve, including:	227 466	227 466	227 466
– for fair value revaluation	-	-	-
IV. Other reserves, including:	3 472	3 472	3 472
– created in accordance with the company's articles of association	-	-	-
– for own shares	-	-	-
V. Profits (losses) from previous years	(713 809)	(531 395)	(531 395)
VI. Net profit (loss) for the period	27 808	(182 414)	20 709
VII. Deductions from net profit during the period (negative value)	-	-	-
B. Liabilities and provisions for liabilities	1 274 984	1 174 542	1 358 815
I. Provisions for liabilities	1 085 352	994 741	1 181 075
1. Deferred tax liability	230 970	235 935	310 648
2. Provision for retirement benefits and similar obligations	24 555	24 302	26 352
– long-term	10 826	10 713	11 272
– short-term	13 729	13 589	15 080
3. Other provisions	829 827	734 504	844 075
– long-term	85 840	85 764	82 254
– short-term	743 987	648 740	761 821
II. Long-term liabilities	33 482	2 648	2 261
1. To affiliates	-	-	-
2. To other entities of which entity has capital engagement	-	-	-
3. To other entities	33 482	2 648	2 261
a) loans and credits	30 945	-	-
b) debt securities issued	-	-	-
c) other financial liabilities	386	449	136
d) bills of exchange	-	-	-
e) other	2 151	2 199	2 125
III. Short-term liabilities	151 247	175 443	170 633
1. To affiliates	21 224	11 583	23 063
a) trade liabilities:	19 865	10 784	16 283
– up to 12 months	19 865	10 784	16 283
– over 12 months	-	-	-
b) other	1 359	799	6 780
2. To other entities of which entity has capital engagement	-	-	-
a) trade liabilities:	-	-	-
– up to 12 months	-	-	-
– over 12 months	-	-	-
b) other	-	-	-
3. To other entities	122 955	159 013	140 809
a) loans and credits	35 625	-	83 456
b) debt securities issued	-	-	-
c) other financial liabilities	245	294	357
d) trade liabilities:	34 666	46 438	30 291
– up to 12 months	34 666	46 438	30 291
– over 12 months	-	-	-
e) advance payments received	54	-	-
f) bills of exchange	-	-	-
g) taxation, customs duty and social security creditors	12 496	39 547	19 345

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h) payroll	4 027	5 334	4 043
i) other	35 842	67 400	3 317
4. Special funds	7 068	4 847	6 761
IV. Accruals and deferred income	4 903	1 710	4 846
1. Negative goodwill	-	-	-
2. Other accruals and deferred income	4 903	1 710	4 846
– long-term	306	317	352
– short-term	4 597	1 393	4 494
Total Liabilities and equity	2 579 959	2 451 709	2 839 105

Konin, 28 May 2021

PROFIT AND LOSS ACCOUNT (calculation type)

	<i>Period of 3 months ended 31 March 2021 (unaudited)</i>	<i>Period of 3 months ended 31 March 2020 (transformed data unaudited)</i>
A. Net sales of finished goods, goods for resale and raw materials, of which:	425 367	437 910
– from affiliates	29 890	18 883
I. Net sales of finished products	346 722	409 643
II. Net sales of goods for resale and raw materials	78 645	28 267
B. Cost of finished products, goods for resale and raw materials sold, of which:	395 996	424 642
– to affiliates	29 048	16 151
I. Cost of finished products sold	315 205	403 821
II. Cost of goods for resale and raw materials sold	80 791	20 821
C. Gross profit (loss) on sales (A–B)	29 371	13 268
D. Selling expenses	602	503
E. Administrative expenses	10 945	14 873
F. Profit (loss) on sales (C–D–E)	17 824	(2 108)
G. Other operating income	5 337	30 646
I. Gains on the sale of non-financial fixed assets	-	-
II. Grants	12	12
III. Revaluation of non-financial assets	-	-
IV. Other operating income	5 325	30 634
H. Other operating expenses	1 678	2 297
I. Loss on the sale of non-financial fixed assets	-	-
II. Impairment of non-financial assets	863	1 596
III. Other	815	701
I. Operating profit (loss) (F+G–H)	21 483	26 241
J. Financial income	1 845	3 154
I. Dividends and shares in profits, including:	-	-
a) from affiliates, including:	-	-
– of which the entity has capital engagement	-	-
b) from others, including:	-	-
– of which the entity has capital engagement	-	-
II. Interest, including:	280	1 738
– from affiliates	259	261
III. Profit on the disposal of financial assets, including:	-	-
– affiliates	-	-
IV. Revaluation of investments	-	100
V. Other	1 565	1 316
K. Financial costs	485	234
I. Interest, including:	374	63
– to affiliates	-	-
II. Loss on the disposal of financial assets, including:	-	-
– in affiliates	-	-
III. Impairment of investments	-	-
IV. Other	111	171
L. Gross profit (loss) (I+J–K)	22 843	29 161
M. Corporate profits tax	(4 965)	8 452
N. Other tax charges	-	-
O. Net profit (loss) (L–M–N)	27 808	20 709

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STATEMENT OF CASH FLOW (indirect method)

	<i>Period of 3 months ended 31 March 2021 (unaudited)</i>	<i>Period of 3 months ended 31 March 2020 (transformed data unaudited)</i>
A. Cash flow from operating activities		
I. Net profit (loss)	27 808	20 709
II. Adjustments, total	(468 672)	(155 012)
1. Depreciation	27 584	23 001
2. Foreign exchange gains (losses)	(469)	(151)
3. Interest and shares in profits (dividends)	(115)	60
4. Profit (loss) on investing activities	(37)	(11 476)
5. Change in provisions	90 610	175 792
6. Change in inventories	(24 803)	(4 462)
7. Change in receivables	96 960	60 049
8. Change in short-term liabilities, except for loans and borrowings	(50 316)	(25 327)
9. Change in prepayments, accruals and deferred income	4 208	3 552
10. Other adjustments	(612 294)	(376 050)
III. Net cash flow from operating activities (I±II)	(440 864)	(134 303)
B. Cash flow from investing activities		
I. Inflows	608	659
1. Sale of intangible assets and tangible fixed assets	8	-
2. Sale of investments in property and intangible assets	-	-
3. From financial assets, including:	600	-
a) in affiliates	600	659
b) in others	-	-
– disposal of financial assets	-	-
– dividends and share in profits	-	-
– repayment of long-term loans granted	-	-
– interests	-	-
– other inflows from financial assets	-	-
4. Other investing inflows	-	-
II. Outflows	72 735	-
1. Purchase of intangible assets and tangible fixed assets	60 655	1 132
2. Investments in property and intangible assets	-	-
3. For financial assets, including:	12 080	-
a) in affiliates	12 080	-
b) in others	-	-
– purchase of financial assets	-	-
– long-term loans granted	-	-
4. Other investing outflows	-	-
III. Net cash flow from investing activities (I-II)	(72 127)	(473)
C. Cash flow from financing activities		
I. Inflows	66 569	83 456
1. Net inflows from issue of shares, issue of other capital instruments and additional payments to capital	-	-
2. Loans and credits	66 569	83 456
3. Issue of debt securities	-	-
4. Other financial inflows	-	-
II. Outflows	211	92
1. Reacquisition of own shares	-	-
2. Dividends and other payments to shareholders	-	-
3. Outflows due to appropriation of profit other than payments to shareholders	-	-
4. Repayment of loans and credits	-	-
5. Redemption of debt securities	-	-
6. Relating to other financial liabilities	-	-
7. Finance lease payments	74	32
8. Interest paid	137	60

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9. Other financial outflows	-	-
III. Net cash flow from financial activities (I-II)	<u>66 358</u>	83 364
D. Total net cash flow (A.III±B.III±C.III)	<u>(446 633)</u>	<u>(51 412)</u>
E. Balance sheet change in cash and cash equivalents,, including:	(446 164)	(51 261)
– change in cash and cash equivalents due to foreign exchange gains/losses	<u>469</u>	<u>151</u>
F. Cash and cash equivalents at the beginning of the period	<u>450 137</u>	<u>329 696</u>
G. Cash and cash equivalents at the end of the period (F±D), including	<u>3 504</u>	<u>278 284</u>
– of restricted use	3 360	6 423

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STATEMENT OF CHANGES IN EQUITY

	<i>Period of 3 months ended 31 March 2021 (unaudited)</i>	<i>Period of 12 months ended 31 December 2020</i>	<i>Period of 3 months ended 31 March 2020 (transformed data unaudited)</i>
I. Equity at the beginning of the period (OB)	1 277 167	1 459 581	1 459 581
– changes in accounting policy	-	-	-
– correction of prior period error	-	-	-
I.a. Equity at the beginning of the period (OB), after adjustments	1 277 167	1 459 581	1 459 581
1. Share capital at the beginning of the period	101 647	101 647	101 647
1.1. Changes in share capital	-	-	-
a) increases	-	-	-
b) decreases	-	-	-
1.2. Share capital at the end of the period	101 647	101 647	101 647
2. Reserve capital at the beginning of the period	1 658 391	1 658 391	1 658 391
2.1. Changes in reserve capital	-	-	-
a) increases	-	-	-
– issue of shares	-	-	-
– profit distribution	-	-	-
– disposal of fixed assets	-	-	-
b) decreases	-	-	-
– redemption of shares	-	-	-
– cover of loss	-	-	-
2.2. Reserve capital at the end of the period	1 658 391	1 658 391	1 658 391
3. Capital from revaluation at the beginning of the period – changes of accountancy policies	227 466	227 466	227 466
3.1. Changes of capital from revaluation	-	-	-
a) increases	-	-	-
b) decreases	-	-	-
– disposal of fixed assets	-	-	-
3.2. Capital from revaluation at the end of the period	227 466	227 466	227 466
4. Other reserves at the beginning of the period	3 472	3 472	3 472
4.1. Changes in other reserves	-	-	-
a) increases	-	-	-
b) decreases	-	-	-
– cover of loss	-	-	-
4.2. Other reserves at the end of the period	3 472	3 472	3 472
5. Profit (loss) from previous years at the beginning of the period	(531 395)	(531 395)	(531 395)
5.1. Profit from previous years at the beginning of the period	-	-	-
– changes of accountancy rules	-	-	-
– error adjustments	-	-	-
5.2. Profit from previous years at the beginning of the period, after adjustments	-	-	-
a) increases	-	-	-
– distribution of profits from previous years	-	-	-
b) decreases	-	-	-
– distribution of profit for reserve capital	-	-	-
– dividend payment	-	-	-
5.3. Profit from previous years at the end of the period	-	-	-
5.4. Loss from previous years at the beginning of the period	(531 395)	(531 395)	(531 395)
– changes of accountancy rules	-	-	-
– error adjustments	-	-	-
5.5. Loss from previous years at the beginning of the period, after adjustments	(531 395)	(531 395)	(531 395)
a) increases	-	-	-
– transfer of loss from previous years to cover	(182 414)	-	-
b) decreases	-	-	-

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– cover of loss from reserve capital	-	-	-
5.6. Loss from previous years at the end of the period	(713 809)	(531 395)	(531 395)
5.7. Profit (loss) from previous years at the end of the period	(713 809)	(531 395)	(531 395)
6. Net result	32 122	(182 414)	20 709
a) net profit	27 808	-	20 709
b) net loss	-	(182 414)	-
c) result impairments	-	-	-
II. Equity at the end of the period (CB)	1 304 975	1 277 167	1 480 290
III. Equity after proposed result distribution (cover of loss)	1 304 975	1 277 167	1 480 290

Konin, 28 May 2021

ADDITIONAL INFORMATION TO THE CONDENSED SUMMARY FINANCIAL STATEMENT FOR 3 MONTHS

1. General information about the Company

Zespół Elektrowni Państw-Adamów-Konin Spółka Akcyjna ("ZE PAK SA", "the Company") was established by the Notarial Deed of 29 December 1994. The Company's registered office is in Konin at Kazimierska 45.

The Company is entered into the Register of Entrepreneurs under the KRS number 0000021374 assigned on 21 June 2001.

The Company has been operating under the NIP number: 665-00-01-645 assigned on 17 September 1993, and the REGON symbol: 310186795.

The Company has been established for an indefinite period.

The Company is the parent company of the Capital Group of Zespół Elektrowni Państw – Adamów – Konin ("Group", "Capital Group", "ZE PAK SA Group").

According to articles of association, the subject of the Company's activities is:

- 1) production and distribution of electricity,
- 2) production and distribution of heat (steam and hot water).

The summary quarterly financial statement of ZE PAK SA as developed based on the provisions of the regulation of the Minister of Finances of 29 March 2018 on current and periodic information published by issuers of securities and the conditions for regarding information required by the law of a non-member state as equivalent (Journal of Laws 2018 item 757). The format, basis and scope of the developed statement are in accordance with the requirements of that regulation.

2. Determination and clarification of differences in the disclosed data and significant differences regarding the adopted accounting principles (policy) between the statement and the comparable data as well as the statement and the comparable data developed according to IFRS

The Company is the parent company of the Capital Group, which is obliged to develop a consolidated financial statement in accordance with IFRS standards approved by the EU ("IFRS"). The Company did not prepare and does not prepare an individual financial statement in accordance with IFRS.

The main potential differences between the IFRS and the AoA (DZ.U. 2021 item 217 as amended) developed with the assumption of using the IFRS based on the IFRS 1 guidelines and adoption of the financial data resulting from the consolidated financial statement of the ZE PAK SA Group are presented below. The date of transition of the ZE PAK SA Group to the IFRS is 1 January 2009.

If the financial statements were prepared in accordance with IFRS, the main differences between the accounting policies adopted in the accompanying statements and IFRS, assuming that the date of transition to IFRS is January 1, 2009, would apply in particular to the following areas:

1. Tangible fixed assets

a) Valuation of the tangible fixed assets

According to the IFRS 1, as of the date of the first application of the IFRS, the body can make a fair value quotation of the fixed assets and recognise their fair value as the assumed cost at this date. The Company established the assumed cost of the selected tangible fixed assets by assignment of the fair value of these assets as of 1 January 2009, i.e. the assumed date of transition to the application of the IFRS.

Due to differences in the valuation of property, plant and equipment under the Accounting Act and IFRS, the amount of impairment losses on property, plant and equipment also varies.

b) Allotment of renovation components

The International Financial Reporting Standards project the allotment within the scope of fixed assets of components, provided that their use period differs from the use period of a given fixed asset. The components are depreciated during their usability period. According to the IFRS, the specific component consists of

renovations and periodical inspections. Therefore, the Company allotted the components of the planned values to bear the costs of overhauls and made depreciation of components in the period remaining until the planned commencement of the next renovation. The recognition of this adjustment also resulted in the need to charge the deferred tax.

c) Valuation of land and their perpetual usufruct

According to the AoA, the perpetual usufruct of land is subject to depreciation, and the depreciation write-downs are recognised in the income statement in the prime cost item.

Pursuant to IFRS 16, the perpetual usufruct right to land is classified by the Company as an asset due to the right to use, and on the other side as a lease liability, which reflects its obligation to make lease payments. The right-of-use asset is amortized. Capitalization of borrowing costs.

d) Capitalisation of external financing costs

According to the AoA, the Company recognised in the capital work in progress all the costs of servicing liabilities incurred in order to finance them along with the exchange rate differences that took place.

For the purpose of the IFRS, the Company would make an adjustment of the capitalised exchange rate differences on the liabilities incurred in foreign currencies, consisting in the adaptation of the value of these exchange rate differences to the value, in which they comprise the adjustment of the interest costs.

Furthermore, the Company would execute the capitalisation of external financing costs on the liabilities of general nature, used for the financing of capital work in progress.

Due to the above fact, in the financial statement developed according to the IFRS, the Company would capitalise the external financing costs in the value not higher than the financing costs, which would occur if the liabilities were incurred in the functional currency, i.e. PLN.

Described areas of differences between the AoA and the IFRS were identified during the process of development of the Group's consolidated financial statement according to the IFRS and do not include the potential adjustments of the IFRS in relation to transactions with affiliated entities, which were eliminated in the scope of the Group's financial statement.

The International Accounting Standards Board (IASB) introduced many changes into the current accounting principles and issued new standards. New standards and changes to the current standards are still in the works. Furthermore, these standards are subject to the approval process by the EU. In relation to the above, it is possible that the standards, according to which the Company will develop its first financial statement compliant with the IFRS, which can include data from the past years, will differ from the standards used for the development of the below explanatory note describing the differences between the IFRS and the Polish accounting standards.

Furthermore, only a complete financial statement embracing the statement on the financial position, total income statement, statement of changes in the equity, as well as the cash flow statement, and the comparative data and explanatory notes can present the full and reliable view of the Company's financial position, the results of its activities and cash flows in accordance with the IFRS.

The presentation of some of the items of the financial statements according to the AoA and the IFRS can differ. The differences in the presentation will not affect the equity and the Company's net result.

The components of particular items in the financial statement, as well as the scope of additional information to the financial statement compliant with the AoA and the IFRS can differ substantially.

The following table presents the differences as of 31 March 2021 (unaudited data):

	<i>Balance sheet value</i>	<i>Balance sheet value</i>	<i>Value adjustment</i>
	<i>Acc. to AoA</i>	<i>Acc. to IFRS</i>	
Tangible fixed assets	1 350 087	1 338 173	(11 914)
Equity	1 304 975	1 179 504	(125 471)
Deferred tax provision	230 970	283 968	52 998

Description of the effects of disclosed differences in net profit and equity:

	<u>31 March 2021</u> (unaudited)
AoA net profit / loss	27 808
Adjustments of the tangible fixed assets	2 216
IAS 19 adjustment – Actuarial profits / losses	(47)

	<u>31 March 2021</u> (unaudited)
AoA capital	1 304 975
Adjustments of the tangible fixed assets	(125 430)
IFRS 9 adjustment	(41)

3. Assumption of continuation of economic activity

These financial statements have been prepared on the assumption that the Company will continue as a going concern in the foreseeable future, i.e. not less than 12 months from the date of the report. As at the date of approval of these financial statements, there are no circumstances identified implying any threats to the continued operation of the Company.

4. Merger of commercial companies

Within the period for which the financial statements were prepared, the Company did not merge with any other business entity, nor did it acquire an organized part of the enterprise.

5. Accepted principles (policy) of accounting

The accounting principles adopted by the Company, including the methods of valuation of assets and liabilities and the measurement of the financial result are compliant with the provisions of the Act of Accounting of 29 September 1994 (JoL 2021 pos. 217) and are described in the financial statements of Zespół Elektrowni Państw - Adamów - Konin SA for the financial year ended December 31, 2020, published on April 19th, 2021.

6. Comparability of financial data for the previous period with the report for the current period

In the current period, the Company did not change the accounting principles, and therefore it was not required to present numerical information that would ensure comparability of the financial statements for the preceding year with the financial statements for the current financial year. The data presented as at December 31, 2020 are consistent with the end-of-year financial statements for the year ended December 31, 2020, while the data for the period ended March 31, 2021 are not consistent with the Company's interim condensed financial statements for the period ended March 31, 2020. This adjustment was described in the report for 2020.

The table below presents the impact of the adjustment described in the financial statements prepared as at December 31, 2020 on the items of the financial statements as at March 31, 2021. At the same time, changes in comparative data in connection with the merger with PAK Infrastruktura Sp. z o.o. and Elektrownia Państw II Sp. z o.o., and in connection with the change in the rules for presenting the settlement of CO2 costs for 2019.

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BALANCE SHEET - ASSETS

	<i>Published data</i> ZE PAK SA	<i>Data</i> Elektrownia Państw II sp. z o.o.	<i>Data</i> PAK Infrastruktura sp. z o.o.	<i>Transformed data</i>	<i>Merger Exclusions</i>
	<i>Data as at 31 March 2020</i>				
A. Fixed assets	1 874 022	1 090 962	29 602	2 194 901	(799 685)
I. Intangible assets	363 241	104 545	-	467 786	-
1. Development expenses	-	-	-	-	-
2. Goodwill	-	-	-	-	-
3. Other intangible assets	98 814	104 545	-	203 359	-
4. Prepayments for intangible assets	264 427	-	-	264 427	-
II. Tangible fixed assets	449 406	986 417	27 252	1 463 075	-
1. Tangible assets	429 438	985 491	27 252	1 442 181	-
a) land (including perpetual usufruct)	10 113	416	4	10 533	-
b) buildings, premises and constructions	126 571	319 991	10 372	456 934	-
c) plant and machinery	291 473	664 410	16 876	972 759	-
d) motor vehicles	414	551	-	965	-
e) other	867	123	-	990	-
2. Construction in progress	18 431	926	-	19 357	-
3. Prepayments for construction in progress	1 537	-	-	1 537	-
III. Long-term receivables	-	-	-	-	-
1. from affiliates	-	-	-	-	-
2. from others, of which entity has capital engagement	-	-	-	-	-
3. from others	-	-	-	-	-
IV. Long-term investment	1 054 532	-	2 350	257 197	(799 685)
1. Property	-	-	-	-	-
2. Intangible fixed assets	-	-	-	-	-
3. Long-term financial assets	1 054 532	-	2 350	257 197	(799 685)
a) in affiliates	1 054 380	-	2 350	257 045	(799 685)
– shares	1 049 380	-	-	249 695	(799 685)
– other securities	-	-	-	-	-
– loans granted	-	-	2 350	2 350	-
– other long-term financial assets	5 000	-	-	5 000	-
b) in other entities of which entity has capital engagement	-	-	-	-	-
– shares	-	-	-	-	-
– other securities	-	-	-	-	-

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	<i>Published data</i> ZE PAK SA	<i>Data</i> Elektrownia Pątnów II <i>sp. z o.o.</i>	<i>Data</i> PAK Infrastruktura <i>sp. z o.o.</i>	<i>Transformed data</i>	<i>Merger Exclusions</i>
– loans granted	-	-	-	-	-
– other long-term financial assets	-	-	-	-	-
c) in other entities	152	-	-	152	-
– shares	152	-	-	152	-
– other securities	-	-	-	-	-
– loans granted	-	-	-	-	-
– other long-term financial assets	-	-	-	-	-
4. Other long-term investments	-	-	-	-	-
V. Long-term prepayments and deferred costs	6 843	-	-	6 843	-
1. Deferred tax assets	-	-	-	-	-
2. Other prepayments and deferred costs	6 843	-	-	6 843	-
B. Current assets	288 589	331 743	38 566	644 204	(14 464)
I. Inventories	82 319	2 216	-	84 535	-
1. Raw materials	57 015	2 216	-	59 231	-
2. Semi-finished goods and work-in-progress	-	-	-	-	-
3. Finished products	-	-	-	-	-
4. Goods	25 301	-	-	25 301	-
5. Inventory prepayments	3	-	-	3	-
II. Short-term receivables	104 901	154 269	3 097	247 803	(14 464)
1. Receivables from affiliates	62 687	9 104	2 831	60 158	(14 464)
a) trade receivables, due in:	62 687	9 104	2 831	60 158	(14 464)
– up to 12 months	62 687	9 104	2 831	60 158	(14 464)
– over 12 months	-	-	-	-	-
b) other	-	-	-	-	-
2. Receivables from other entities of which entity has capital engagement	-	-	-	-	-
a) trade receivables, due in:	-	-	-	-	-
– up to 12 months	-	-	-	-	-
– over 12 months	-	-	-	-	-
b) other	-	-	-	-	-
3. Receivables from other entities	42 214	145 165	266	187 645	-
a) trade receivables, due in:	18 971	6 834	-	25 805	-
– up to 12 months	18 971	6 834	-	25 805	-
– over 12 months	-	-	-	-	-
b) taxation, subsidy, customs duty, social security, health insurance and other debtors	4 182	18 234	266	22 682	-

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	<i>Published data</i> ZE PAK SA	<i>Data</i> Elektrownia Państw II <i>sp. z o.o.</i>	<i>Data</i> PAK Infrastruktura <i>sp. z o.o.</i>	<i>Transformed data</i>	<i>Merger Exclusions</i>
c) other	19 061	120 097	-	139 158	-
d) submitted to court	-		-	-	
III. Short-term investments	99 231	174 517	35 049	308 797	-
1. Short-term financial assets	99 231	174 517	35 049	308 797	-
a) in affiliates	2 000	-	26 420	28 420	-
– shares	-	-	-	-	-
– other securities	-	-	-	-	-
– loans granted	-	-	26 420	26 420	-
– other short-term financial assets	2 000	-	-	2 000	-
b) in other entities	1 942	-	-	1 942	-
– shares	-	-	-	-	-
– other securities	-	-	-	-	-
– loans granted	-	-	-	-	-
– other short-term financial assets	1 942	-	-	1 942	-
c) cash and other monetary assets	95 289	174 517	8 629	278 435	-
– cash on hand and cash at bank	95 289	174 517	8 629	278 435	-
– other cash and cash equivalents	-	-	-	-	-
– other monetary assets	-	-	-	-	-
2. Other short-term investments	-	-	-	-	-
IV. Short-term prepayments and deferred costs	1 908	741	420	3 069	-
C. Unpaid share capital (basic)	-	-	-	-	-
D. Own shares	-	-	-	-	-
Total assets	2 162 381	1 422 705	68 168	2 839 105	(814 149)

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BALANCE SHEET – LIABILITIES AND EQUITY

	<i>Published data ZE PAK SA</i>	<i>Published data Elektrownia Państw II sp. z o.o.</i>	<i>Published data PAK Infrastruktura sp. z o.o.</i>	<i>Transformed data</i>	<i>Merger exclusions</i>
	<i>Data as at 31 March 2020</i>				
A. Equity	1 288 384	929 647	61 944	1 480 290	(799 685)
I. Equity capital	101 647	750 500	60 392	101 647	(810 892)
II. Reserve capital, including:	1 124 376	534 015	-	1 658 391	-
– surplus of sales value (issue value) over nominal value of shares	380 030	-	-	380 030	-
III. Revaluation reserve, including:	227 466	-	-	227 466	-
– for fair value revaluation	-	-	-	-	-
IV. Other reserves, including:	3 472	-	-	3 472	-
– created in accordance with the company's articles of association	-	-	-	-	-
– for own shares	-	-	-	-	-
V. Profits (losses) from previous years	(164 915)	(367 762)	1 282	(531 395)	-
VI. Net profit (loss) for the period	(3 662)	12 894	270	20 709	11 207
VII. Deductions from net profit during the period (negative value)	-	-	-	-	-
B. Liabilities and provisions for liabilities	873 997	493 058	6 224	1 358 815	(14 464)
I. Provisions for liabilities	698 584	479 597	2 894	1 181 075	-
1. Deferred tax liability	118 213	189 541	2 894	310 648	-
2. Provision for retirement benefits and similar obligations	26 321	31	-	26 352	-
– long-term	11 243	29	-	11 272	-
– short-term	15 078	2	-	15 080	-
3. Other provisions	554 050	290 025	-	844 075	-
– long-term	82 254	-	-	82 254	-
– short-term	471 796	290 025	-	761 821	-
II. Long-term liabilities	2 136	125	-	2 261	-
1. To affiliates	-	-	-	-	-
2. To other entities of which entity has capital engagement	-	-	-	-	-
3. To other entities	2 136	125	-	2 261	-
a) loans and credits	-	-	-	-	-
b) debt securities issued	-	-	-	-	-
c) other financial liabilities	136	-	-	136	-
d) bills of exchange	-	-	-	-	-
e) other	2 000	125	-	2 125	-
III. Short-term liabilities	169 670	12 099	3 328	170 633	(14 464)

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	<i>Published data</i> ZE PAK SA	<i>Published data</i> Elektrownia Państw II <i>sp. z o.o.</i>	<i>Published data</i> PAK Infrastruktura <i>sp. z o.o.</i>	<i>Transformed data</i>	<i>Merger exclusions</i>
1. To affiliates	25 284	9 463	2 780	23 063	(14 464)
a) trade liabilities:	18 504	9 463	2 780	16 283	(14 464)
– up to 12 months	18 504	9 463	2 780	16 283	(14 464)
– over 12 months	-	-	-	-	-
b) other	6 780	-	-	6 780	-
2. To other entities of which entity has capital engagement	-	-	-	-	-
a) trade liabilities:	-	-	-	-	-
– up to 12 months	-	-	-	-	-
– over 12 months	-	-	-	-	-
b) other	-	-	-	-	-
3. To other entities	137 625	2 636	548	140 809	-
a) loans and credits	83 456	-	-	83 456	-
b) debt securities issued	-	-	-	-	-
c) other financial liabilities	250	107	-	357	-
d) trade liabilities:	29 174	1 097	20	30 291	-
– up to 12 months	29 174	1 097	20	30 291	-
– over 12 months	-	-	-	-	-
e) advance payments received	-	-	-	-	-
f) bills of exchange	-	-	-	-	-
g) taxation, customs duty and social security creditors	17 465	1 352	528	19 345	-
h) payroll	3 994	49	-	4 043	-
i) other	3 286	31	-	3 317	-
4. Special funds	6 761	-	-	6 761	-
IV. Accruals and deferred income	3 607	1 237	2	4 846	-
1. Negative goodwill	-	-	-	-	-
2. Other accruals and deferred income	3 607	1 237	2	4 846	-
– long-term	352	-	-	352	-
– short-term	3 255	1 237	2	4 494	-
Total Liabilities and equity	2 162 381	1 422 705	68 168	2 839 105	(814 149)

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PROFIT AND LOSS ACCOUNT (calculation type)

	<i>Published data</i> ZE PAK SA	<i>Data</i> Elektrownia Pątnów II sp. z o.o.	<i>Data</i> PAK Infrastruktura sp. z o.o.	<i>Transformed data</i>	<i>Merger exclusions</i>	<i>Presentation adjustment</i>
<i>Data as at 31 March 2020</i>						
A. Net sales of finished goods, goods for resale and raw materials, of which:	267 299	194 663	4 196	437 910	(28 248)	-
– from affiliates	42 792	143	4 196	18 883	(28 248)	-
I. Net sales of finished products	246 655	187 040	4 196	409 643	(28 248)	-
II. Net sales of goods for resale and raw materials	20 644	7 623	-	28 267	-	-
B. Cost of finished products, goods for resale and raw materials sold, of which:	251 014	178 965	4 122	424 642	(28 248)	18 789
– to affiliates	30 474	-	4 122	16 151	(18 445)	-
I. Cost of finished products sold	236 288	172 870	4 122	403 821	(28 248)	18 789
II. Cost of goods for resale and raw materials sold	14 726	6 095	-	20 821	-	-
C. Gross profit (loss) on sales (A–B)	16 285	15 698	74	13 268	-	(18 789)
D. Selling expenses	443	60	-	503	-	-
E. Administrative expenses	13 252	1 602	19	14 873	-	-
F. Profit (loss) on sales (C–D–E)	2 590	14 036	55	(2 108)	-	(18 789)
G. Other operating income	680	53	-	30 646	11 207	18 706
I. Gains on the sale of non-financial fixed assets	-	-	-	-	-	-
II. Grants	12	-	-	12	-	-
III. Revaluation of non-financial assets	-	-	-	-	-	-
IV. Other operating income	668	53	-	30 634	11 207	18 706
H. Other operating expenses	21 018	68	-	2 297	-	(18 789)
I. Loss on the sale of non-financial fixed assets	-	-	-	-	-	-
II. Impairment of non-financial assets	1 596	-	-	1 596	-	-
III. Other	19 422	68	-	701	-	(18 789)
I. Operating profit (loss) (F+G–H)	(17 748)	14 021	55	26 241	11 207	18 706
J. Financial income	19 691	1 891	278	3 154	-	(18 706)
I. Dividends and shares in profits, including:	-	-	-	-	-	-
a) from affiliates, including:	-	-	-	-	-	-
– of which the entity has capital engagement	-	-	-	-	-	-
b) from others, including:	-	-	-	-	-	-

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	<i>Published data</i> ZE PAK SA	<i>Data</i> Elektrownia Państw II sp. z o.o.	<i>Data</i> PAK Infrastruktura sp. z o.o.	<i>Transformed data</i>	<i>Merger exclusions</i>	<i>Presentation adjustment</i>
– of which the entity has capital engagement	-	-	-	-	-	-
II. Interest, including:	902	558	278	1 738	-	-
– from affiliates	-	-	261	261	-	-
III. Profit on the disposal of financial assets, including:	-	-	-	-	-	-
– affiliates	-	-	-	-	-	-
IV Revaluation of investments	3 493	100	-	100	-	(3 493)
V. Other	15 296	1 233	-	1 316	-	(15 213)
K Financial costs	234	-	-	234	-	-
I. Interest, including:	63	-	-	63	-	-
– to affiliates	-	-	-	-	-	-
II. Loss on the disposal of financial assets, including:	-	-	-	-	-	-
– in affiliates	-	-	-	-	-	-
III. Impairment of investments	-	-	-	-	-	-
IV. Other	171	-	-	171	-	-
L. Gross profit (loss) (I+J–K)	1 709	15 912	333	29 161	11 207	-
M. Corporate profits tax	5 371	3 018	63	8 452	-	-
N. Other tax charges	-	-	-	-	-	-
O. Net profit (loss) (L–M–N)	(3 662)	12 894	270	20 709	11 207	-

7. Error adjustment

In the current period, no corrections of errors were made that could affect the comparability of financial data for the preceding period with the data of the financial statements for the current financial period.

8. The amount and nature of items affecting assets, liabilities, equity, net income or cash flows that are abnormal due to their nature, value or frequency

During the current reporting period, there were no events affecting assets, liabilities, equities, net result or cash flow, that were unusual at their type, value or frequency.

9. Information on impairment write-downs against provisions value, impairing to the net value possible to achieve and on the reversal of such write-downs

The gross financial result for the current period includes the effects of creating and reversing the provision impairment write-down:

<i>Impairment write-downs</i>	<i>31 December 2020</i>	<i>changes</i>			<i>31 March 2021 (unaudited)</i>
		<i>creation</i>	<i>use</i>	<i>liquidation</i>	
Inventories	49 218	893	-	31	50 080

Certificates of origin of energy arising from the energy production from renewable energy sources and peak load co-generation are presented according to fair value at the end of the month, in which the energy based on renewable sources was produced.

As at March 31, 2021, according to the records, the Company did not have any property rights resulting from green certificates. On the same day, the company expected the release of 65,708.189 MWh for 2020 and 2021.

10. Information on the write-downs against the impairment of financial assets, tangible fixed assets, non-material and legal values or other assets and the reversal of such write-downs

The gross financial result for the current year includes the effects of creating and reversing impairment write-downs, in particular:

<i>Impairment write-downs</i>	<i>31 December 2020</i>	<i>Changes</i>			<i>31 March 2021 (unaudited)</i>
		<i>creation</i>	<i>use</i>	<i>liquidation</i>	
Intangible assets	1 279	-	-	-	1 279
Tangible fixed assets	2 464 312	-	-	16	2 464 296
Financial assets	258 136	-	-	-	258 136
Receivables	40 077	-	-	-	40 077

11. Information on the creation, increase, use or liquidation of the provisions

The gross financial result for the current year includes the effects of creating the estimates of future obligations, in particular:

<i>Provisions and accruals</i>	<i>31 December 2020</i>	<i>changes</i>			<i>31 March 2021 (unaudited)</i>
		<i>creation</i>	<i>use</i>	<i>liquidation</i>	
Provisions for pension and similar benefits, including:	24 303	647	-	395	24 555
– provision for retirement and death benefits	11 597	404	-	395	11 606
– provision for an annual bonus	8 169	-	-	-	8 169

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– provision for unused holidays	4 537	243	-	-	4 780
Provisions for CO2 emission allowances	640 438	95 157	-	-	735 595
Provision for the return of CO2 emission allowances	7 038	90	-	-	7 128
Provisions for reclamation	67 313	11	-	-	67 324
Provision for liquidation	18 451	65	-	-	18 516
Provision for fees	1 264	-	-	-	1 264
Accruals of costs due to titles:	691	3 355	150	-	3 896
– fees for commercial utilization of the environment	-	3 284	-	-	3 284
– duty to redeem property rights	436	71	-	-	507
– provision for costs of current year	255	-	150	-	105
Prepayment income settlement	1 019	406	364	-	1 061
Total	760 517	99 731	514	395	859 339

12. Information on the provisions and assets related to deferred income tax

In the 3-month period ended 31 March 2021, there had been a change in the state of the provisions and assets related to deferred income tax, i.e.:

- a change in the state of assets, increasing tax burden in the amount of PLN 30 thousand,
- a change in the state of the provisions, decreasing tax burden in the amount of PLN 5 855 thousand.

13. Information on significant acquisition and sales transactions of tangible fixed assets and any significant liability due to purchasing tangible fixed assets

During the 3-month period ended March 31, 2021, the Company:

- purchased or accepted from investment property, plant and equipment worth PLN 772 thousand,
- sold and liquidated property, plant and equipment with a net value of PLN 8 thousand.

As at March 31, 2021, the Company's liabilities for the purchase of property, plant and equipment amount to PLN 36,635 thousand.

14. Information about the failure to repay a bank credit or loan, or the breach of significant provisions of a bank credit or loan agreement, in relation to which no remedial actions have been undertaken until the end of the reporting period

In the current reporting period, the Company regularly paid all its financial liabilities due to credits or loans. There were no violations of material provisions of credit or loan agreements, with respect to which no remedial actions were taken.

15. Information on the issuer or its subsidiary, concluding one or multiple transactions with associated entities, should they have been concluded under conditions other than market conditions

Zespół Elektrowni Pątnów-Adamów-Konin SA and subsidiaries, consolidated under the Group, did not conclude any transactions with the affiliates pursuant to conditions other than market conditions in the period of 3 months of 2021.

16. Information on the change in the manner (method) of appraisal of financial instruments, appraised at fair value

There have been no changes to the manner (method) of appraising financial instruments according to fair value in the Company's financial statement presented for the current reporting period.

17. Information on the changes in the classification of financial assets

In the current reporting period, there have been no changes to the classification of financial assets.

18. Information on the issue, redemption and repayment of non-equity and equity securities

In the current reporting period, the Company did not issue, redeem or repay any non-equity and equity securities.

19. Events of the accounting year not specified in the balance sheet and the income statement

In the reporting period until the date of preparation of these financial statements, that is, until May 28, 2021, there were no events that were not, and should have been, included in the accounting books and financial statements for the period ended March 31, 2021.

20. Events of previous years recognised in the financial statement

Until the date of preparation of the financial statements for the period ended March 31, 2021, i.e. May 28, 2021, there were no other significant events relating to previous years that were not, and should have been, included in the financial statements of the financial year.

21. Information on the changes in the business or economic circumstances that significantly affect the fair value of the entity's financial assets and financial liabilities, regardless of the fact, whether those assets and liabilities are recognised in the fair value or the corrected purchase cost (amortised cost)

Impact of the COVID-19 pandemic on the Company's operations

The situation related to the negative consequences of the COVID-19 pandemic in each subsequent month of 2021 seems to be improving. The increasing number of vaccinated people gives hope that the number of cases will decrease in the coming quarters, and thus the restrictions will be lifted in the coming months. It should also positively influence the higher energy demand.

The company assumes that the consequences of the pandemic situation will be much less severe than last year. Although a negative scenario and subsequent waves of increased disease cannot be ruled out, the adaptability of enterprises is at a much higher level than a year ago.

The past year has proved that the Company is properly prepared to operate in a pandemic. The developed solutions in the field of employee protection, preventing interruptions in production and securing the financial position allow us to assume that in the event of an unfavourable scenario, the functioning of the Company is not burdened with too high risk.

22. Additional information

Additional information and disclosures required by the provisions of the Minister of Finance of 29 March 2018 on current and periodic information published by issuers of securities and the conditions for regarding information required by the law of a non-member state as equivalent (JoL 2018 pos. 757), which could significantly impact the assessment of the economic, financial situation and, which have been, as a result of the issuer's financial result, included in the explanatory notes to the interim condensed consolidated financial report (iccf), including:

- explanations regarding the seasonality or cyclicity of the issuer's activities in the presented period (item 9 of iccf),
- information on significant settlements due to lawsuits (26.1 iccf),
- information on changes of contingent liabilities or contingent assets, which had occurred from the end of the last financial year (items 26.3 and 27 of iccf),
- information regarding the paid (or declared) dividends (item 22 of iccf),
- information on significant events after the balance sheet date (item 33 of iccf).

Konin, 28 May 2021

SIGNATURES:

Piotr Woźny
President of the Management Board

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Zygmunt Artwik
Vice President of the Management Board

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Andrzej Janiszowski
Vice President of the Management Board

.....

Maciej Nietopiel
Vice President of the Management Board

.....

Katarzyna Sobierajska
Vice President of the Management Board

.....

Aneta Desecka
Chief Accountant

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