



R.Power

Capital Group

Consolidated financial statements for
the year ended 31 December 2022

LIST OF CONTENTS

INTRODUCTION TO THE CONSOLIDATED FINANCIAL STATEMENTS	5
01. GENERAL INFORMATION	5
02. GOING CONCERN ASSUMPTION	6
03. ENTITIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS	6
04. ENTITIES IN WHICH THE GROUP HAS EQUITY PARTICIPATIONS, BUT DOES NOT EXERCISE SIGNIFICANT CONTROL	24
05. SUBORDINATED ENTITIES EXCLUDED FROM THE CONSOLIDATED FINANCIAL STATEMENTS	25
06. CHANGES IN THE GROUP'S STRUCTURE/MERGER OF COMMERCIAL COMPANIES	25
07. ADOPTED ACCOUNTING PRINCIPLES (POLICY)	29
7.1. Format and basis for the preparation of the consolidated financial statements	29
7.2. Principles of consolidation	29
7.3. Intangible assets	30
7.4. Goodwill	30
7.5. Fixed assets	31
7.6. Tangible fixed assets under construction	31
7.7. Investments in non-consolidated subsidiaries and jointly-controlled entities and other long-term investments	32
7.8. Other short-term investments (excluding cash and financial assets)	32
7.9. Financial assets	32
7.10. Operating	33
7.11. Inventory	34
7.12. Short- and long-term receivables	34
7.13. Transactions in foreign currency	34
7.14. Cash and cash equivalents	35
7.15. Accruals and prepayments	35
7.16. Share capital	35
7.17. Provisions	35
7.18. Bank credits and loans and financial liabilities held for trading	36
7.19. Negative goodwill	36
7.20. Borrowing costs	36
7.21. Deferred income tax	36
7.22. Embedded derivative instruments	37
7.23. Recognition of revenue	38
7.24. Social assets and liabilities under the Company Social Benefits Fund	43
08. CHANGES IN ACCOUNTING PRINCIPLES (POLICY) DURING THE FINANCIAL YEAR	43
09. CRITERIA FOR THE EXCLUSION OF SUBORDINATED ENTITIES FROM THE CONSOLIDATED FINANCIAL STATEMENTS	43
CONSOLIDATED BALANCE SHEET	44
CONSOLIDATED PROFIT AND LOSS ACCOUNT (COMPARATIVE VERSION)	49
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	51
CONSOLIDATED CASH FLOW STATEMENT (INDIRECT METHOD)	53
ADDITIONAL NOTES AND EXPLANATIONS	55
01. INFORMATION ON SIGNIFICANT EVENTS RELATING TO PREVIOUS YEARS, PRESENTED IN THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE GIVEN FINANCIAL YEAR AND CORRECTIONS OF SIGNIFICANT ERRORS	55
02. INFORMATION ON MATERIAL EVENTS THAT OCCURRED AFTER THE BALANCE SHEET DATE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND ARE NOT INCLUDED IN THESE STATEMENTS	55
03. COMPARABILITY OF FINANCIAL DATA FOR THE PREVIOUS YEAR WITH THE DATA OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE CURRENT FINANCIAL YEAR	55
04. GOODWILL OF SUBORDINATED ENTITIES	56

05.	TANGIBLE FIXED ASSETS	58
06.	INVESTMENTS	62
6.1	Shares	62
6.2	Loans granted	63
07.	PREPAYMENTS	63
08.	CAPITALS	64
09.	NEGATIVE GOODWILL OF SUBORDINATED ENTITIES	65
10.	INTEREST-BEARING BANK LOANS AND CREDITS AND OTHER FINANCIAL LIABILITIES	65
11.	BONDS	68
12.	PROVISIONS	68
13.	LONG-TERM RECEIVABLES	69
14.	WRITE-OFFS OF INVESTMENT VALUE	69
15.	LONG-TERM LIABILITIES	70
16.	ACCRUALS	71
17.	LIABILITIES SECURED ON THE GROUP'S ASSETS	72
18.	CONTINGENT LIABILITIES, INCLUDING GUARANTEES AND SURETIES GRANTED BY RELATED AND ASSOCIATED ENTITIES, INCLUDING PROMISSORY NOTES	72
19.	OTHER CONTRACTS NOT INCLUDED IN THE BALANCE SHEET	72
20.	PROVISIONS FOR SUPPLIES AND SERVICES	72
21.	OTHER CURRENT RECEIVABLES AND LIABILITIES	73
21.1.	Other short-term receivables	73
21.2.	Other short-term liabilities	73
22.	TERRITORIAL AND ITEMISED STRUCTURE OF SALES	73
23.	REVALUATION WRITE-OFFS OF FIXED ASSETS	74
24.	INVENTORY	74
25.	INFORMATION ON REVENUES, EXPENSES AND RESULTS OF OPERATIONS DISCONTINUED DURING THE FINANCIAL YEAR OR TO BE DISCONTINUED DURING THE NEXT YEAR	75
26.	INCOME TAX	75
27.	OTHER OPERATING REVENUES	79
28.	OTHER OPERATING EXPENSES	80
29.	FINANCIAL REVENUES	80
30.	FINANCIAL EXPENSES	81
31.	PROFIT ON SALE OF SHARES	81
31.1.	Profit on sale of shares of subordinated entities	81
31.2.	Profit on the sale of shares of entities not included in the consolidated financial statements	82
32.	INCOME AND EXPENSES OF EXTRAORDINARY VALUE OR WHICH OCCURRED INCIDENTALLY	82
33.	STRUCTURE OF CASH ACCEPTED FOR THE CONSOLIDATED CASH FLOW STATEMENT	82
34.	REASONS FOR DIFFERENCES BETWEEN CONSOLIDATED BALANCE SHEET CHANGES IN CERTAIN ITEMS AND CHANGES RESULTING FROM THE CONSOLIDATED CASH FLOW STATEMENT	83
35.	INFORMATION ON AN AVERAGE EMPLOYMENT DURING A FINANCIAL YEAR, BROKEN DOWN BY PROFESSIONAL GROUPS ..	84
36.	INFORMATION ABOUT THE AUDITING FIRM'S REMUNERATION	84
37.	INFORMATION ON REMUNERATION, INCLUDING PROFIT SHARING, AND PENSIONS PAID OR DUE TO MEMBERS OF THE MANAGEMENT BODIES OF COMMERCIAL COMPANIES	85
38.	INFORMATION ON LOANS AND BENEFITS OF A SIMILAR NATURE GRANTED TO MEMBERS OF THE MANAGEMENT, SUPERVISORY OR ADMINISTRATIVE BODIES OF COMMERCIAL COMPANIES	85
39.	INFORMATION ON JOINT VENTURES THAT ARE NOT SUBJECT TO CONSOLIDATION	85
40.	INFORMATION ABOUT THE CAPITAL GROUP AND TRANSACTIONS WITH RELATED PARTIES	85
41.	TRANSACTIONS CONCLUDED ON OTHER THAN MARKET CONDITIONS WITH RELATED ENTITIES	88
42.	LIST OF ENTITIES OF WHICH THE GROUP IS A MEMBER HAVING UNLIMITED LIABILITY	88
43.	FINANCIAL INSTRUMENTS	89
44.	CHARACTERISTICS OF FINANCIAL INSTRUMENTS	89

45. EVENTS AFTER THE BALANCE SHEET DATE 90

INTRODUCTION TO THE CONSOLIDATED FINANCIAL STATEMENTS

01. General information

The consolidated financial statements of R.Power Group (“Group”, “Capital Group”) cover the period from 1 January 2022 to 31 December 2022 and include comparative figures for the period from 1 January 2021 to 31 December 2021.

R.Power Spółka Akcyjna [joint stock company] (the “Parent Company”, formerly R.Power spółka z ograniczoną odpowiedzialnością [limited liability company]) was established by a Notarial Deed dated 12 October 2010.

On 10 December 2021 the Parent Company was converted from a limited liability company to a joint stock company. The transformation was registered in the Register of Entrepreneurs of the National Court Register kept by the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Division of the National Court Register on 20 December 2021.

The Parent Company is entered into the Register of Entrepreneurs of the National Court Register kept by the District Court for the Capital City of Warsaw, 13th Commercial Division of the National Court Register (KRS), under KRS number 0000939593. The Parent Company was granted statistical Enterprise ID (REGON) 142641571. The Parent Company's registered office is 02-566 Warsaw, ul. Puławska 2.

The duration of the Parent Company and its subsidiaries is indefinite.

The Parent Company's core business consists of providing services related to the commercial management and development of solar power plant projects held by its subsidiaries, commercialising them and generating revenues from electricity production (if a project is left in the portfolio) or selling individual power plants to investors.

R.Power S.A. and its Group is one of biggest entities operating in the solar energy market in Poland. The Group operates in Poland, Spain, Italy, Portugal, the Netherlands, Germany and Romania.

The Group operates across the value chain of photovoltaic market segments, which include:

- (i) development of large-scale photovoltaic (PV) projects to the ready-to-build stage and their commercialisation through auctions and conclusion of Power Purchase Agreements (PPAs).
- (ii) general contracting of photovoltaic power plants (EPC) and photovoltaic installations for industry, FMCG and logistics;
- (iii) maintenance of power plants (O&M);
- (iv) energy production from renewable energy sources (IPP – Independent Power Producer).

In addition, as an investment developer, the Group is an active and experienced participant in the market for bank financing of assets related to photovoltaic power plant operations.

The capital group does not include entities with self-balancing internal organisational units.

02. Going concern assumption

The financial statements constituting the basis for the preparation of the Group's consolidated financial statements have been prepared on the assumption that the parent company and its subordinated companies will continue as a going concern for at least 12 months after the balance sheet date, i.e. after 31 December 2022. As at the date of signing the consolidated financial statements, the Parent Company's Management Board is not aware of any facts or circumstances that would indicate a threat to the Parent Company's ability to continue as a going concern for at least 12 months after the balance sheet date as a result of deliberate or forced abandonment or significant limitation of its current activities.

However, the escalation of the conflict between Ukraine and Russia, which resulted in Russia launching a military invasion in Ukraine on 24 February 2022, is currently one of the biggest challenges for societies and economies around the world. As at the date of these consolidated financial statements, the said conflict is ongoing and it is not possible to predict when it will end. Escalation of the conflict could have a significant negative impact on the economic situation in Poland, including the level of exchange rates and interest rates, liquidity, the supply chain, as well as a deterioration in the general public sentiments. As a result, it may therefore have a material adverse effect on the Capital Group's financial and operating position, the effect of which is difficult to predict at this time. The Management Board of the Parent Company monitors the situation on an ongoing basis and is prepared to take action to ensure the uninterrupted continuation of the Group's operations.

In addition, the impact of the COVID-19 pandemic on the Group's operations and market environment has noticeably diminished and does not currently affect the Group companies ability to continue as a going concern.

03. Entities included in the consolidated financial statements

By subordinated entities the Group means subsidiaries, jointly-controlled entities and associates. By subsidiaries the Group means undertakings controlled by the Group, by jointly-controlled entities it means undertakings jointly controlled by its shareholders pursuant to an agreement concluded between them, by associates it means undertakings in which it has equity participation and over which it exercises a significant control. By equity participation in another entity the Group means any share in the capital of that other entity which has the character of a permanent relationship. In the case of an associate, a continuing relationship always exists unless disposal of the equity participation within a short period from the date of acquisition, purchase or other acquisition is highly probable.

The consolidated financial statements include the financial data of the Parent Company and its subsidiaries. The Group had no jointly-controlled entities or associates as at 31 December 2022 and 31 December 2021.

Details of these entities are set out below:

No.	Name of entity	Seat	Description	The Parent Company's share in the share capital
1	R.Power Investment B.V.	Netherlands	Holding company	100.00%
2	R.Power Development sp. z o.o.	Poland	Company providing development services for photovoltaic power plants	100.00%
3	Nomad Electric Services sp. z o.o.	Poland	Company providing maintenance and service for constructed photovoltaic power plants	95.00%
4	Nomad Electric sp. z o.o.	Poland	Company providing general contracting services for photovoltaic power plants	90.00%
5	R.Power Asset Management sp. z o.o.	Poland	Company providing management services for photovoltaic power plants	100.00%*
6	Quanta Energy S.A.	Poland	Company operating in the photovoltaic sector	78.00%*
7	Quanta Lease Fund I Sp. z o.o.	Poland	Company operating in the photovoltaic sector	78.00%**
8	R.Power Elektrownia Jedwabne sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
9	R.Power Elektrownia Kolno II sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
10	R.Power Elektrownia Lipsk sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
11	R.Power Elektrownia Zagroby-Zakrzewo sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
12	Elektrownia PV Dąbrówka Wielkopolska sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
13	Elektrownia PV Gralewo sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
14	Elektrownia PV Łagiewniki 1 sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
15	Elektrownia PV Łukowo sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
16	Elektrownia PV Nowe sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
17	Elektrownia PV Puznówka sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
18	PV SPV sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
19	R.Power Solar Południe sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
20	PV Hydra sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
21	PV Orion sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*

22	PV Wolsztyn sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
23	RES 3 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
24	Elektrownia PV 27 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
25	Elektrownia PV 28 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
26	Elektrownia PV 29 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
27	Elektrownia PV 30 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
28	Elektrownia PV 31 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
29	Elektrownia PV 32 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
30	Elektrownia PV 33 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
31	Elektrownia PV 34 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
32	Elektrownia PV 35 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
33	Elektrownia PV 36 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
34	Elektrownia PV 37 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
35	Elektrownia PV 38 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
36	Elektrownia PV 39 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
37	Elektrownia PV 40 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
38	Elektrownia PV 41 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
39	Elektrownia PV 42 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
40	Elektrownia PV 43 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
41	Elektrownia PV 44 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
42	Elektrownia PV 46 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
43	Elektrownia PV 47 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*

44	Elektrownia PV 48 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
45	Elektrownia PV 49 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
46	Elektrownia PV 50 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
47	Elektrownia PV 51 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
48	Elektrownia PV 52 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
49	Elektrownia PV 53 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
50	Elektrownia PV 54 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
51	Elektrownia PV 55 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
52	Elektrownia PV 56 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
53	Elektrownia PV 57 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
54	Elektrownia PV 66 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
55	Elektrownia PV 70 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
56	Elektrownia PV 78 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
57	Elektrownia PV 79 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
58	Elektrownia PV 81 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
59	Elektrownia PV 100 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
60	Elektrownia PV 101 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
61	Elektrownia PV 104 sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
62	Elektrownia PV 105 sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
63	Elektrownia PV 106 sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
64	Elektrownia PV 107 sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
65	Elektrownia PV 108 sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*

66	Elektrownia PV 109 sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
67	Elektrownia PV 110 sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
68	Elektrownia PV 111 sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
69	Elektrownia PV 112 sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
70	Elektrownia PV 113 sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
71	Elektrownia PV 114 sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
72	Elektrownia PV CERES Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
73	Elektrownia PV EOS Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
74	PV Grabik sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
75	Elektrownia PV HEMERA Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
76	Elektrownia PV Różowa Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
77	Elektrownia PV Zielona Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
78	RES 1 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
79	RES 2 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
80	RES 4 Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
81	RMQ Chełm Śląski Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
82	Solar Park SPV Sp. z o.o.	Poland	Independent photovoltaic power plant (under construction)	100.00%*
83	Elektrownia PV 102 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
84	Elektrownia PV 103 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
85	Elektrownia PV Niebieska Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
86	TARKWIN Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
87	ALINGA Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*

88	HUNAM Sp. z o. o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
89	POMERIUM Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
90	Elektrownia PV 45 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
91	Elektrownia PV 58 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
92	Elektrownia PV 59 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
93	Elektrownia PV 60 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
94	Elektrownia PV 61 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
95	Elektrownia PV 62 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
96	Elektrownia PV 63 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
97	Elektrownia PV 64 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
98	Elektrownia PV 65 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
99	Elektrownia PV 67 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
100	Elektrownia PV 68 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
101	Elektrownia PV 69 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
102	Elektrownia PV 71 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
103	Elektrownia PV 72 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
104	Elektrownia PV 73 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
105	Elektrownia PV 74 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
106	Elektrownia PV 75 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
107	Elektrownia PV 76 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
108	Elektrownia PV 77 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
109	Elektrownia PV 8 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*

110	Elektrownia PV 82 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
111	Elektrownia PV 83 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
112	Elektrownia PV 84 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
113	Elektrownia PV 85 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
114	Elektrownia PV 86 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
115	Elektrownia PV 87 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
116	Elektrownia PV 88 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
117	Elektrownia PV 89 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
118	Elektrownia PV 90 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
119	Elektrownia PV 91 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
120	Elektrownia PV 92 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
121	Elektrownia PV 93 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
122	Elektrownia PV 94 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
123	Elektrownia PV 95 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
124	Elektrownia PV 96 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
125	Elektrownia PV 97 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
126	Elektrownia PV 98 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
127	Elektrownia PV 99 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
128	Elektrownia PV APOLLO Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
129	Elektrownia PV Czarna Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
130	Elektrownia PV Czerwona Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
131	Elektrownia PV Fioletowa Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*

132	Elektrownia PV Granatowa Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
133	Elektrownia PV LUNA Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
134	Elektrownia PV NANA Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
135	Elektrownia PV Pomarańczowa Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
136	Elektrownia PV SELENA Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
137	Elektrownia PV Szara Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
138	Elektrownia PV Żółta Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
139	R.Power Solar Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
140	RES 6 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
141	RMQ Ciechanowice Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
142	YGE POLAND SOLAR 5 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
143	Zielona Ziemia sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
144	R.Power ESPAÑA S.L.	Spain	Development company	100.00%*
145	RP Energia Cinco S.L.	Spain	Project company in which photovoltaic projects are developed	100.00%*
146	RP Energia Cuatro S.L.	Spain	Project company in which photovoltaic projects are developed	100.00%*
147	RP Energia Dos S.L.	Spain	Project company in which photovoltaic projects are developed	100.00%*
148	RP Energia Ocho S.L.	Spain	Project company in which photovoltaic projects are developed	100.00%*
149	RP Energia Seis S.L.	Spain	Project company in which photovoltaic projects are developed	100.00%*
150	RP Energia Siete S.L.	Spain	Project company in which photovoltaic projects are developed	100.00%*
151	RP Energia Tres S.L.	Spain	Project company in which photovoltaic projects are developed	100.00%*
152	RP Energia Uno S.L.	Spain	Project company in which photovoltaic projects are developed	100.00%*
153	Quanta Energy GmbH	Germany	Company operating in the photovoltaic sector	78.00%**

154	R.P Deutschland 1 UG	Germany	Project company in which photovoltaic projects are developed	100.00%*
155	R.P Deutschland 2 UG	Germany	Project company in which photovoltaic projects are developed	100.00%*
156	R.P Deutschland 3 UG	Germany	Project company in which photovoltaic projects are developed	100.00%*
157	R.P Deutschland 4 UG	Germany	Project company in which photovoltaic projects are developed	100.00%*
158	R.P Deutschland 5 UG	Germany	Project company in which photovoltaic projects are developed	100.00%*
159	R.P Deutschland 6 UG	Germany	Project company in which photovoltaic projects are developed	100.00%*
160	R.Power Deutschland GmbH	Germany	Development company	100.00%*
161	PV Jupiter SRL	Italy	Project company in which photovoltaic projects are developed	100.00%*
162	PV Mars SRL	Italy	Project company in which photovoltaic projects are developed	100.00%*
163	R.Power Italy Development SRL (formerly PV Venus SRL)	Italy	Development company	100.00%*
164	R.Power Italy SRL	Italy	Project company in which photovoltaic projects are developed	100.00%*
165	Capitulo Breve LDA	Portugal	Project company in which photovoltaic projects are developed	100.00%*
166	Colossal Vetor LDA	Portugal	Project company in which photovoltaic projects are developed	100.00%*
167	Epinoseline LDA	Portugal	Project company in which photovoltaic projects are developed	100.00%*
168	Ffnev Portugal I Unipessoal LDA	Portugal	Independent photovoltaic power plant (under construction)	100.00%*
169	R.Power Portugal LDA	Portugal	Development company	100.00%*
170	R.Power Terena LDA	Portugal	Independent photovoltaic power plant (under construction)	100.00%*
171	Waves Mission Unipessoal LDA	Portugal	Project company in which photovoltaic projects are developed	100.00%*
172	Atlantis R.PW S.R.L.	Romania	Project company in which photovoltaic projects are developed	100.00%*
173	Discovery Solar S.R.L.	Romania	Project company in which photovoltaic projects are developed	100.00%*
174	R.Power Activities S.R.L.	Romania	Project company in which photovoltaic projects are developed	100.00%*
175	R.Power București S.R.L.	Romania	Project company in which photovoltaic projects are developed	100.00%*
176	R.Power FIVE S.R.L.	Romania	Project company in which photovoltaic projects are developed	100.00%*

R.Power Capital Group

Consolidated financial statements for the year ended on 31 December 2022

Introduction to the consolidated financial statements

177	R.Power FOUR S.R.L.	Romania	Project company in which photovoltaic projects are developed	100.00%*
178	R.Power Romania S.R.L.	Romania	Development company	100.00%*
179	R.Power SIX S.R.L.	Romania	Project company in which photovoltaic projects are developed	100.00%*
180	R.Power Solar Enterprise S.R.L.	Romania	Project company in which photovoltaic projects are developed	100.00%*
181	R.Power TWO S.R.L.	Romania	Project company in which photovoltaic projects are developed	100.00%*
182	Solar R.Power Innovation S.R.L.	Romania	Project company in which photovoltaic projects are developed	100.00%*
183	Solar R.Power Production S.R.L.	Romania	Project company in which photovoltaic projects are developed	100.00%*
184	Solar R.Power Venture S.R.L.	Romania	Project company in which photovoltaic projects are developed	100.00%*

* indirect share - % of shares, which are held by the holding company: R.Power Investment B.V.

** indirect share - % of shares held by Quanta Energy S.A.

31/12/2021

No.	Name of entity	Seat	Description	The Parent Company's share in the share capital
1	R.Power Investment B.V.	Netherlands	Holding company	100.00%
2	R.Power Development Sp. z o.o.	Poland	Company providing development services for photovoltaic power plants	100.00%
3	Nomad Electric Sp. z o.o.	Poland	Company providing general contracting services for photovoltaic power plants	90.00%
4	Nomad Electric Services Sp. z o.o.	Poland	Company providing maintenance and service for constructed photovoltaic power plants	95.00%
5	R.Power Elektrownia Jedwabne Sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%
6	R.Power Elektrownia Kolno II Sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%
7	R.Power Elektrownia Lipsk Sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%
8	R.Power Elektrownia Zagroby-Zakrzewo Sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%
9	RMQ Ciechanowice Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	88.00%

10	Sunprogres Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	100.00%
11	Menlo Electric S.A.	Poland	Distributor of photovoltaic equipment	90.75%*
12	Quanta Energy S.A.	Poland	Company operating in the photovoltaic sector	78.00%*
13	Quanta Lease Fund I Sp. z o.o.	Poland	Company operating in the photovoltaic sector	78.00%*
14	R.Power Asset Management Sp. z o.o.	Poland	Company providing management services for photovoltaic power plants	100.00%*
15	Elektrownia PV Dąbrówka Wielkopolska sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
16	Elektrownia PV Łągiewniki 1 sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
17	Elektrownia PV Galewo Sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
18	Elektrownia PV Łukowo Sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
19	Elektrownia PV Nowe Sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
20	Elektrownia PV Puznówka Sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
21	PV SPV Sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
22	R.Power Solar Południe Sp. z o.o.	Poland	Independent photovoltaic power plant	100.00%*
23	ALINGA Sp. z o. o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
24	Elektrownia PV 100 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
25	Elektrownia PV 101 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*

26	Elektrownia PV 27 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
27	Elektrownia PV 28 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
28	Elektrownia PV 29 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
29	Elektrownia PV 30 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
30	Elektrownia PV 31 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
31	Elektrownia PV 32 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
32	Elektrownia PV 33 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
33	Elektrownia PV 34 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
34	Elektrownia PV 35 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
35	Elektrownia PV 36 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
36	Elektrownia PV 37 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
37	Elektrownia PV 38 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
38	Elektrownia PV 39 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
39	Elektrownia PV 40 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
40	Elektrownia PV 41 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
41	Elektrownia PV 42 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*

42	Elektrownia PV 43 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
43	Elektrownia PV 44 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
44	Elektrownia PV 45 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
45	Elektrownia PV 46 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
46	Elektrownia PV 47 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
47	Elektrownia PV 48 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
48	Elektrownia PV 49 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
49	Elektrownia PV 50 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
50	Elektrownia PV 51 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
51	Elektrownia PV 52 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
52	Elektrownia PV 53 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
53	Elektrownia PV 54 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
54	Elektrownia PV 55 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
55	Elektrownia PV 56 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
56	Elektrownia PV 57 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
57	Elektrownia PV 58 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*

58	Elektrownia PV 59 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
59	Elektrownia PV 60 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
60	Elektrownia PV 61 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
61	Elektrownia PV 62 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
62	Elektrownia PV 63 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
63	Elektrownia PV 64 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
64	Elektrownia PV 65 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
65	Elektrownia PV 66 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
66	Elektrownia PV 67 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
67	Elektrownia PV 68 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
68	Elektrownia PV 69 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
69	Elektrownia PV 70 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
70	Elektrownia PV 71 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
71	Elektrownia PV 72 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
72	Elektrownia PV 73 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
73	Elektrownia PV 74 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*

74	Elektrownia PV 75 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
75	Elektrownia PV 76 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
76	Elektrownia PV 77 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
77	Elektrownia PV 78 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
78	Elektrownia PV 79 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
79	Elektrownia PV 8 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
80	Elektrownia PV 81 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
81	Elektrownia PV 82 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
82	Elektrownia PV 83 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
83	Elektrownia PV 84 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
84	Elektrownia PV 85 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
85	Elektrownia PV 86 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
86	Elektrownia PV 87 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
87	Elektrownia PV 88 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
88	Elektrownia PV 89 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
89	Elektrownia PV APOLLO Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*

90	Elektrownia PV CERES Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
91	Elektrownia PV Czarna Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
92	Elektrownia PV Czerwona Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
93	Elektrownia PV EOS Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
94	Elektrownia PV Granatowa Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
95	Elektrownia PV HEMERA Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
96	Elektrownia PV LUNA Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
97	Elektrownia PV NANA Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
98	Elektrownia PV Niebieska Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
99	Elektrownia PV Pomarańczowa Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
100	Elektrownia PV Różowa Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
101	Elektrownia PV SELENA Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
102	Elektrownia PV Szara Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
103	Elektrownia PV Zielona Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
104	Elektrownia PV Żółta Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
105	HUNAM Sp. z o. o.	Poland	Project company in which photovoltaic projects are developed	100.00%*

106	POMERIUM Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
107	PV Grabik sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
108	PV Hydra sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
109	PV Orion sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
110	PV Wolsztyn sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
111	R.Power Solar Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
112	RES 1 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
113	RES 2 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
114	RES 3 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
115	RES 4 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
116	RES 6 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
117	RMQ Chełm Śląski Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
118	Solar Park SPV Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
119	TARKWIN Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
120	YGE POLAND SOLAR 5 Sp. z o.o.	Poland	Project company in which photovoltaic projects are developed	100.00%*
121	R.Power Deutschland GmbH	Germany	Development company	100.00%*
122	RPower Espana SL	Spain	Development company	100.00%*

123	RP Energia Uno SL	Spain	Project company in which photovoltaic projects are developed	100.00%*
124	RP Energia Dos SL	Spain	Project company in which photovoltaic projects are developed	100.00%*
125	RP Energia Tres SL	Spain	Project company in which photovoltaic projects are developed	100.00%*
126	Capitulo Breve LDA	Portugal	Project company in which photovoltaic projects are developed	100.00%*
127	Colossal Vetor LDA	Portugal	Project company in which photovoltaic projects are developed	100.00%*
128	Epinoseline LDA	Portugal	Project company in which photovoltaic projects are developed	100.00%*
129	FFNEV Portugal I Unipessoal LDA	Portugal	Project company in which photovoltaic projects are developed	100.00%*
130	R.Power Terena LDA	Portugal	Project company in which photovoltaic projects are developed	100.00%
131	R.Power Portugal LDA	Portugal	Development company	100.00%*
132	Waves Mission LDA	Portugal	Project company in which photovoltaic projects are developed	100.00%*
133	R.Power București S.R.L.	Romania	Development company	100.00%*
134	PV Jupiter SRL	Italy	Project company in which photovoltaic projects are developed	100.00%*
135	PV Mars SRL	Italy	Project company in which photovoltaic projects are developed	100.00%*
136	PV Venus SRL	Italy	Project company in which photovoltaic projects are developed	100.00%*
137	R.Power Italy SRL	Italy	Development company	100.00%*

* indirect share - % of shares, which are held by the holding company: R.Power Investment B.V.

The percentage of voting rights at the meeting of shareholders of a given company corresponds to the share in the share capital of that company.

04. Entities in which the group has equity participations, but does not exercise significant control

By equity participation in another entity the Capital Group means any share in the capital of that other entity which has the character of a permanent relationship. The entities in which the Group has equity participation but does not exercise significant control are as follows:

31/12/2022

As of 31 December 2022, the Group had no entities in which it is involved in capital but does not have significant influence.

31/12/2021

No.	Name of entity	Seat	Description	The Parent Company's share in the share capital
1	Elektrownia PV Rgielisko Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	2.00%
2	Nazare Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
3	Elektrownia PV Biała Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
4	Elektrownia PV Fioletowa Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
5	Elektrownia Słoneczna Małe Raczki Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
6	SUN PPV Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
7	MG Green Energy 6 Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
8	MG Green Energy 27 Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
9	MG Green Energy 28 Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
10	Eco-Invest Solutions Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
11	Polska PV Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%

12	Elektrownia PV 9 Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
13	Elektrownia PV 11 Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
14	Elektrownia PV 13 Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
15	Elektrownia PV 14 Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
16	Elektrownia PV 15 Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
17	Elektrownia PV 16 Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
18	Elektrownia PV 18 Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
19	Elektrownia PV 20 Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
20	Elektrownia PV 22 Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
21	Elektrownia PV 23 Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	10.00%
22	Elektrownia PV Laski Sp. z o.o.	Poland	Turn-key photovoltaic power plants for sale	12.00%

The percentage of voting rights at the meeting of shareholders of a given company corresponds to the share in the share capital of that company.

05. Subordinated entities excluded from the consolidated financial statements

All entities have been consolidated.

06. Changes in the Group's structure/merger of commercial companies

In the reporting period for which the consolidated financial statements were prepared, none of the companies of the Capital Group merged with another business entity (or its organised part). In the year 2022, the Group finished the reorganisation started in the fourth quarter of 2020 to clean up and unify the group structure,

primarily by transferring shares in all project companies to a subsidiary of the Parent Company (R.Power Investment B.V.).

The purpose of the reorganisation was to create a structure transparent in terms of ownership and competence in order to improve the efficiency of the conducted business activity and simplify management procedures with the separation of one holding company, a group of service (maintenance) companies and liquidation of several ownership levels in project companies. The above reorganisation provided for a clear division of functions, creating a structure attractive to potential investors and the financial market, whose most important entities are the holding company - R.Power S.A. and the Dutch investment company R.Power Investment B.V., which was the entity investing in all jurisdictions (this entity provides financing and direct investments in project companies).

Changes in the structure of the Group (entities covered by the consolidated financial statements):

No.	Name of entity	Ownership structure	Mode of entry to / exit from the Group	Date of entry/ exit from the Group
1	MENLO ELECTRIC S.A.	100% R.Power Investment B.V	Sale of 100% shares	Q3 2022
2	Sunprogress sp. z o.o.	100% R.Power S.A	Sale of 100% shares	Q1 2022
3	Zielona Ziemia sp. z o.o.	100% R.Power Investment B.V	Share purchase	Q3 2022
4	Elektrownia PV 102 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q2 2022
5	Elektrownia PV 103 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q2 2022
6	Elektrownia PV 104 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q3 2022
7	Elektrownia PV 105 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q3 2022
8	Elektrownia PV 106 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q3 2022
9	Elektrownia PV 107 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q3 2022
10	Elektrownia PV 108 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q3 2022
11	Elektrownia PV 109 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q3 2022
12	Elektrownia PV 110 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q4 2022
13	Elektrownia PV 111 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q4 2022
14	Elektrownia PV 112 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q4 2022

R.Power Capital Group

Consolidated financial statements for the year ended on 31 December 2022

Introduction to the consolidated financial statements

15	Elektrownia PV 113 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q4 2022
16	Elektrownia PV 114 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q4 2022
17	Elektrownia PV 90 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q1 2022
18	Elektrownia PV 91 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q1 2022
19	Elektrownia PV 92 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q1 2022
20	Elektrownia PV 93 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q1 2022
21	Elektrownia PV 94 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q1 2022
22	Elektrownia PV 95 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q1 2022
23	Elektrownia PV 96 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q2 2022
24	Elektrownia PV 97 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q2 2022
25	Elektrownia PV 98 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q2 2022
26	Elektrownia PV 99 sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q2 2022
27	Elektrownia PV Fioletowa sp. z o.o.	100% R.Power Investment B.V	Incorporation	Q1 2022
28	RP Energia Cinco S.L.	100% R.Power Investment B.V	Incorporation	Q3 2022
29	RP Energia Cuatro S.L.	100% R.Power Investment B.V	Incorporation	Q3 2022
30	RP Energia Ocho S.L.	100% R.Power Investment B.V	Incorporation	Q3 2022
31	RP Energia Seis S.L.	100% R.Power Investment B.V	Incorporation	Q3 2022
32	RP Energia Siete S.L.	100% R.Power Investment B.V	Incorporation	Q3 2022
33	Quanta Energy GmbH	100% R.Power Investment B.V	Incorporation	Q4 2022
34	R.P Deutschland 1 UG	100% R.Power Investment B.V	Incorporation	Q4 2022
35	R.P Deutschland 2 UG	100% R.Power Investment B.V	Incorporation	Q4 2022
36	R.P Deutschland 3 UG	100% R.Power Investment B.V	Incorporation	Q4 2022

R.Power Capital Group

Consolidated financial statements for the year ended on 31 December 2022

Introduction to the consolidated financial statements

37	R.P Deutschland 4 UG	100% R.Power Investment B.V	Incorporation	Q4 2022
38	R.P Deutschland 5 UG	100% R.Power Investment B.V	Incorporation	Q4 2022
39	R.P Deutschland 6 UG	100% R.Power Investment B.V	Incorporation	Q4 2022
40	Atlantis R.PW S.R.L.	100% R.Power Investment B.V	Incorporation	Q1 2022
41	Discovery Solar S.R.L.	100% R.Power Investment B.V	Incorporation	Q1 2022
42	R.Power Activities S.R.L.	100% R.Power Investment B.V	Incorporation	Q2 2022
43	R.Power FIVE S.R.L.	100% R.Power Investment B.V	Incorporation	Q3 2022
44	R.Power FOUR S.R.L.	100% R.Power Investment B.V	Incorporation	Q4 2022
45	R.Power Romania S.R.L.	100% R.Power Investment B.V	Incorporation	Q3 2022
46	R.Power SIX S.R.L.	100% R.Power Investment B.V	Incorporation	Q3 2022
47	R.Power Solar Enterprise S.R.L.	100% R.Power Investment B.V	Incorporation	Q2 2022
48	R.Power TWO S.R.L.	100% R.Power Investment B.V	Incorporation	Q3 2022
49	Solar R.Power Innovation S.R.L.	100% R.Power Investment B.V	Incorporation	Q2 2022
50	Solar R.Power Production S.R.L.	100% R.Power Investment B.V	Incorporation	Q2 2022
51	Solar R.Power Venture S.R.L.	100% R.Power Investment B.V	Incorporation	Q2 2022

07. Adopted accounting principles (policy)

7.1. Format and basis for the preparation of the consolidated financial statements

The consolidated financial statements were prepared in accordance with the provisions of the Accounting Act of 29 September 1994 (hereinafter referred to as “the Accounting Act”) and the Ordinance of the Minister of Finance of 25 September 2009 on detailed rules governing preparation of consolidated financial statements of capital groups by entities other than banks, insurance companies and reinsurance companies.

The consolidated financial statements have been prepared under the historical cost convention, which has been modified for:

- intangible assets (note 7.3),
- fixed assets (note 7.5),
- other short-term investments (excluding cash and financial assets) (note 7.8),
- financial instruments (notes 7.9, 7.18, 7.22).

The Group prepared the profit and loss account in the comparative variant. The cash flow statement was prepared using the indirect method.

7.2. Principles of consolidation

Subsidiaries are subject to full consolidation in the period from taking control over them by the Parent Company to the time of cessation of such control. The assets and liabilities of the subsidiary at the date of inclusion in the consolidated financial statements are recorded at fair value. The difference between the fair value of these assets and liabilities and the purchase price of the shares gives rise to goodwill or negative goodwill, which is disclosed in a separate line in the consolidated balance sheet as “goodwill of subordinated entities” or “negative goodwill of subordinated entities”, respectively.

Data of jointly-controlled entities are presented in the consolidated financial statements using the proportionate method

The Parent Company recognises interests in jointly-controlled entities using the proportionate consolidation method by summing up the proportion of the value of individual items in the financial statements of the jointly-controlled entities to the interests held by the entities in the capital group with the corresponding items in its own financial statements at full value. The difference between the acquisition cost of the shares held and the corresponding portion of the net assets of the jointly-controlled entities measured at their fair values is disclosed in a separate line in the consolidated balance sheet as “goodwill of subordinated entities” or “negative goodwill of subordinated entities”.

Shares and interests in associates are measured using the equity method.

The accounting principles applied by entities with their registered offices outside Poland (as indicated in Note 3 to the introduction to the consolidated financial statements) differ from those applied by the Group. The financial statements of these companies have been restated to eliminate material differences in the accounting policies applied by these companies and the Group.

All significant transactions between the consolidated entities were eliminated in the course of consolidation.

7.3. Intangible assets

Intangible assets are recognised if it is probable that in the future they will bring economic benefits to the Group that may be directly related to such assets. Intangible assets are initially recognised at the acquisition or production cost. After initial recognition, intangible assets are measured at the acquisition or production cost less accumulated amortisation and impairment losses write-offs. Intangible assets are amortised on a straight-line basis over the period corresponding to their estimated useful economic life.

The expected economic useful life is as follows:

R&D expenses	5 years
Patents, licenses, trademarks	5 years
Computer software	2 years
Other intangible assets	3-5 years

When development work conducted by the Group for its own purposes is completed, it is amortised over the economic useful life of the development work results. If this period cannot be reliably estimated, a maximum write-off period of 5 years is assumed.

Estimates of the economic useful life and the amortisation rates are reviewed at the end of each financial year to verify that the applied amortisation rates and period are consistent with the expected time pattern of economic benefits generated by the given intangible assets.

As at the balance sheet date, the Parent Company assesses each time whether the carrying amount of the recognised assets does not exceed the value of the expected future economic benefits. If there are indications to the contrary, the carrying amount of assets is reduced to the net selling price. Impairment losses are recognised in other operating expenses.

7.4. Goodwill

Goodwill is the excess of the purchase price of an entity or an organised part thereof over the value of the net assets acquired measured at fair value that is lower than it. It is shown under a separate line item in the assets of the balance sheet as “goodwill”. Goodwill arising from the consolidation of subsidiaries and jointly-controlled entities is recognised in the balance sheet assets as “goodwill of subordinated entities”.

The expected useful life of goodwill is as follows:

Goodwill	20 years
----------	----------

The Group makes depreciation write-offs of the company’s goodwill over its useful economic life. If this period cannot be reliably estimated, depreciation is made over the twenty-year period that the Group believes best represents its average expected useful life.

Depreciation is calculated using the straight-line method. Depreciation:

- similarly to impairment losses, goodwill arising from a merger or acquisition of an organised part of an enterprise is recognised as other operating expenses,

- shall be disclosed under a separate item in the consolidated profit and loss account entitled “Goodwill write-offs” - in the case of goodwill from subordinated entities.

As at the balance sheet date, the Parent Company assesses each time whether the carrying amount of goodwill shown does not exceed the value of expected future economic benefits related to it. If there are such indications, a test for permanent impairment of value is carried out. Impairment losses are recognised in other operating expenses.

7.5. Fixed assets

Fixed assets are valued at purchase price, manufacturing cost or revalued amount less depreciation and impairment losses. In the case of perpetual usufruct of land, the acquisition price shall mean the purchase price of the right from a third party / surplus of the first fee over the annual fee, where the right was purchased against payment from the municipality / fair value of the right at the moment of its entry into the books, where the right was obtained free of charge based on an administrative decision. Land is valued at purchase price less impairment losses.

Revaluation takes place on the basis of separate regulations. The revaluation result is charged to the revaluation capital. After the sale or liquidation of a fixed asset, the amount remaining in the revaluation capital is transferred to the supplementary capital. No revaluation took place during the period of the Group's operation.

The costs incurred after a fixed asset is brought into use, such as the costs of repairs, maintenance and operating fees, are recognised in the financial result for the reporting period in which they are incurred. However, if it is possible to prove that these costs resulted in an increase in expected future economic benefits of owning a given fixed asset over the benefits initially assumed, in such a case they increase the initial value of the fixed asset.

Fixed assets, except for land, are depreciated on a straight-line basis over the period corresponding to their estimated useful economic life, or over the shorter of their useful economic life or right to use, which is as follows:

Buildings, premises, civil and water engineering structures	10-15 years
Technical equipment and machines	3-15 years
Vehicles	5 years
Other fixed assets	3-7 years

Estimates of the economic useful life and the amortisation rates are reviewed at the end of each financial year to verify that the applied amortisation rates and period are consistent with the expected time pattern of economic benefits generated by the fixed asset.

As at the balance sheet date, the Parent Company assesses each time whether the carrying amount of the recognised assets does not exceed the value of the expected future economic benefits. If there are indications to the contrary, the carrying amount of assets is reduced to the net selling price. Impairment losses are recognised in other operating expenses.

7.6. Tangible fixed assets under construction

Fixed assets under construction are valued at total costs directly related to their acquisition or production, including financial costs, less impairment losses. Fixed assets under construction also include expenditures on

property classified as investments. Fixed assets under construction are not depreciated until their construction is completed and they are placed in service.

7.7. Investments in non-consolidated subsidiaries and jointly-controlled entities and other long-term investments

Investments in unconsolidated subsidiaries and jointly-controlled entities and other long-term investments are measured at historical cost less any impairment.

Impairment of shares in subordinated entities and other long-term investments is estimated at each balance sheet date. The carrying amount of such assets is reviewed each time to ensure that it does not exceed the value of future economic benefits.

7.8. Other short-term investments (excluding cash and financial assets)

Other short-term investments, excluding cash and financial assets, are measured at the lower of cost or market price (value) and short-term investments for which no active market exists at fair value.

The effects of a decrease in the value of short-term investments valued at market prices (values) are charged to financial expenses in full, while the effects of an increase in their value are charged to financial income in an amount not higher than the amount of the differences previously charged to financial expenses.

7.9. Financial assets

Financial assets at the time of entering the books are valued at cost (purchase price), which is the fair value of the payment made. Transaction costs are recognised in the initial value of these financial instruments. Financial assets are entered into the books on the transaction date.

After initial recognition, financial assets are classified into one of four categories and measured as follows:

Category	Valuation method
1. Financial assets held to maturity	At adjusted purchase price (amortized cost) determined using the effective interest rate.
2. Loans granted and receivables	At adjusted purchase price (amortized cost) determined using the effective interest rate. Receivables with a short maturity period, for which the interest rate has not been defined, are valued at the amount due
3. Financial assets held for trading	At fair value, while gains/losses on revaluation are recognised in the income statement
4. Financial assets held for sale	At fair value, while gains/losses on revaluation are recognised in the income statement

The fair value of financial instruments traded on an active market is determined with reference to prices quoted on that market on the balance sheet date. Where no quoted market price is available, fair value is estimated on

the basis of the quoted market price of a similar instrument, or on the basis of a valuation model incorporating inputs from actively traded regulated markets, or using other estimation methods generally accepted as being valid.

Derivative financial instruments that are not hedging instruments are recognised as assets or liabilities held for trading.

Permanent impairment of financial assets

As at each balance sheet date, the Group assesses whether there is any objective evidence indicating permanent impairment of an asset or a group of financial assets of the Company. If such evidence exists, the Group determines the estimated recoverable value of the asset and makes an impairment write-off equal to the difference between the recoverable value and the carrying amount.

Impairment losses on a financial asset or a portfolio of similar financial assets are recognised:

- 1) in the case of financial assets valued at an adjusted purchase price - as the difference between the value of such assets as disclosed in the books as at the valuation date and the recoverable amount. The recoverable amount is the present value of the future cash flows expected by the entity, discounted at the effective interest rate used to date in measuring a revalued financial asset or a portfolio of similar financial assets,
- 2) in the case of financial assets measured at fair value - as the difference between the asset's acquisition price and its fair value determined as at the measurement date, except that the fair value of debt financial instruments as at the measurement date shall be understood as the present value of future cash flows expected by the entity, discounted at the current market interest rate applicable to similar financial instruments. The loss accumulated till that day, included in revaluation reserve (fund), is charged to financial costs in the amount not lower than the write-off, reduced by the part charged directly to financial costs,
- 3) in the case of other financial assets - as a difference between the value of an asset resulting from the accounting books and the current value of future cash flows expected by the entity, discounted using the current market interest rate applied to similar financial instruments.

7.10. Operating

The companies of the Capital Group are parties to lease agreements under which they accept third-party tangible or intangible fixed assets for use or collection of benefits for an agreed period of time.

For leases that transfer substantially all the risks and rewards incidental to ownership of the leased assets, the leased asset is recognised as a fixed asset and a liability is recognised as an amount equal to the present value of the minimum lease payments determined at the starting day of the lease. Lease payments are apportioned between finance charges and reduction of the outstanding liability so as to produce a constant rate of interest on the remaining balance of the liability. Expenditure is recognised directly in the income statement.

Fixed assets that are the subject of a finance lease agreement are depreciated in the manner specified for own fixed assets. However, when there is no control over the timing or certainty of the transfer of ownership of the leased asset, fixed assets used under finance leases are depreciated over the shorter of: their expected useful lives or the term of the lease.

Lease payments under agreements that do not meet the conditions of a finance lease are recognised as an expense in the income statement on a straight-line basis over the term of the lease. Depending on the purpose

for which the leased asset is used, the lease payments are classified as operating expenses (including general administrative expenses or sales expenses) or other operating expenses.

7.11. Inventory

Inventories are valued at the lower of: acquisition or production cost or net realisable value. Inventory outflows and valuation are accounted for using the first-in, first-out method.

The costs of finished goods and work-in-progress include the cost of direct materials and labour and a reasonable proportion of manufacturing overheads based on normal operating capacity.

The net selling price is the selling price available at the balance sheet date net of value added tax and excise tax, after deducting trade discounts, rebates and similar, as well as the costs related to the adaptation of the asset for sale and its disposal, and including the due object subsidy.

7.12. Short- and long-term receivables

Trade receivables are recognised at the amount due less impairment losses. The value of receivables is updated accounting for probability of their repayment by way of a write-off. Write-offs of receivables are posted to other operating costs or financial costs respectively, depending on the type of receivables to which the write-off relates.

Receivables that are cancelled, past due or uncollectible decrease the write-offs made previously. Receivables that are cancelled, past due or uncollectible, for which revaluation write-downs were not made or the write-offs were not made in full, are classified as other operating expenses or financial expenses, respectively.

7.13. Transactions in foreign currency

Transactions denominated in currencies other than the Polish zloty are converted into Polish zlotys at the exchange rate actually applied on the transaction date, and if the application of such exchange rate is not possible, at the average exchange rate announced for a given currency by the National Bank of Poland for the day preceding that date.

As at the balance sheet date, assets and liabilities expressed in currencies other than PLN are converted into PLN at the average exchange rate announced for the given currency by the National Bank of Poland for that date. Exchange differences arising from conversion are recognised as financial income or expenses, as appropriate, or capitalised in the value of assets in cases specified in regulations.

The following exchange rates were adopted for valuation purposes:

	31/12/2022	31/12/2021
USD	4.4018	4.0600
EUR	4.6899	4.5994

As at the balance sheet date, the financial statements of foreign companies included in the scope of consolidation, expressed in foreign currencies, are converted into the Polish currency in accordance with the following principles.

Individual balance sheet assets and liabilities, except for equity, are converted at the average exchange rate announced for the given currency by the National Bank of Poland as at the balance sheet date. Individual items in the profit and loss account are converted at an exchange rate being the arithmetic mean of average exchange rates as at the end of each month of the financial year announced for a given currency by the National Bank of Poland. The entity's equity, converted according to their balance as at the date of obtaining control by the entity, based on the average exchange rate announced by the National Bank of Poland for that date.

The following exchange rates were adopted for valuation purposes:

	31/12/2022	31/12/2021
EUR (for the balance sheet)	4.6899	4.5994
EUR (for the profit and loss account)	4.6883	4.5775

7.14. Cash and cash equivalents

Cash at bank and in hand is valued at nominal value.

The cash item in the cash flow statement consists of cash in hand and bank deposits with a maturity no longer than 3 months, which have not been treated as investing activities.

7.15. Accruals and prepayments

Companies of the Group make prepayments if they relate to future reporting periods. Accruals are recognised at the amount of probable liabilities attributable to the current reporting period.

7.16. Share capital

Share capital is recognised at the amount specified in the parent company's agreement and entered in the court register. If shares are taken up at a price higher than the nominal value, the surplus is recognised as the supplementary capital. In case of redemption of own shares, the amount of payment for own shares is shown in the balance sheet under "own shares".

The share capital of subsidiaries, in the part corresponding to the parent company's share in the share capital of these entities, is compensated with the acquisition value of shares recognised in the parent company's balance sheet as at the date of obtaining control; the remaining part of the share capital of subsidiaries is classified as minority capitals.

Provisions for dividends paid by the Parent Company during the financial year are disclosed in the balance sheet as distribution of profit made during the financial year.

7.17. Provisions

Provisions are recognised when a company of the Group has a present liability (legal or constructive) as a result of a past event, and when it is certain or highly probable that an outflow of resources embodying economic benefits will be required to settle the liability, and a reliable estimate can be made of the amount of the liability.

7.18. Bank credits and loans and financial liabilities held for trading

At the time of initial recognition, bank credits and loans are recognised at cost, which is the value of cash received and includes the costs of obtaining the credit/loan (transaction costs). Subsequently, all bank loans and borrowings, except for held-for-trading liabilities, are measured at the adjusted cost (amortised cost) using the effective interest rate.

Financial liabilities are measured no later than at the end of the reporting period at an adjusted purchase price.

Financial liabilities held for trading, including derivatives, are measured at fair value. The gain or loss on remeasurement to fair value is recognised in the income statement for the current period.

7.19. Negative goodwill

Negative goodwill is the excess of the value of acquired net assets measured at fair value over their purchase price. It is shown under a separate heading in the liabilities section of the balance sheet as "negative goodwill". Negative goodwill arising from the consolidation of subordinated entities is recognised as "negative goodwill of subordinated entities".

Where negative goodwill relates to the identified future losses and expenses of an acquired entity, it is recognised in income when the losses and expenses occur.

Where negative goodwill does not relate to identified future losses and expenses, an amount not exceeding the value of the depreciable fixed assets is recognised as income in the same periods as their depreciation. The excess of negative goodwill over depreciable tangible assets is recognised in other operating income in the period in which the acquisition occurs.

Intangible assets that would contribute to the recognition of negative goodwill in a larger amount are not recognised.

Impairment losses on goodwill of subsidiaries are recognised in a separate line item in the consolidated income statement "Write-off of negative goodwill".

7.20. Borrowing costs

Borrowing costs relating to the construction, adaptation, installation or improvement of property, plant and equipment, over the period of construction, adaptation, installation or improvement, are recognised in the value of those assets if they relate to a liability that has been incurred for that purpose.

Other borrowing costs are recognised in the income statement.

7.21. Deferred income tax

Deferred income tax is determined using the balance sheet liability method in respect of all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts as shown in the consolidated financial statements.

A deferred tax liability is recognised for all taxable temporary differences, unless the deferred tax liability arises from the amortisation of goodwill or the initial recognition of an asset or liability in a transaction that is not a business merger and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

A deferred tax asset is recognised for all deductible temporary differences and unused tax losses carried forward to the extent that it is probable that taxable profit will be available against which the differences and losses can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business merger and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and reduced accordingly to the extent that it is no longer probable that sufficient taxable profit will be available to allow the deferred tax asset to be partly or wholly realised.

Deferred tax assets and deferred tax liabilities are measured using the tax rates that, under legislation enacted up to the balance sheet date, will apply in the period in which the asset is realised or the liability is settled.

Uncertainty related to tax settlements

Regulations on value added tax, corporate income tax and social security charges are subject to frequent changes. These frequent changes result in a lack of appropriate reference points, inconsistent interpretations, and few established precedents to apply. The current legislation also contains ambiguities that cause differences in opinion as to the legal interpretation of tax provisions, both between state authorities and between state authorities and enterprises.

Tax settlements and other areas of activity (e.g. customs or foreign exchange issues) may be subject to inspections by the authorities, which are entitled to impose high penalties and fines, and any additional tax liabilities resulting from an inspection must be paid with high interest. These conditions mean that the tax risk in Poland is greater than in countries with more mature tax systems.

Consequently, the amounts presented and disclosed in the financial statements may change in the future as a result of a final decision of a tax audit authority.

As of 15 July 2016 the Tax Code was amended to incorporate the provisions of the General Anti-Abuse Clause (GAAR). GAAR is designed to prevent the creation and use of artificial legal structures created in order to avoid paying tax in Poland. GAAR defines tax avoidance as an act done primarily for the purpose of obtaining a tax benefit that is contrary, under the circumstances, to the object and purpose of the provisions of the Tax Act. Under GAAR, such an act does not result in a tax benefit if the course of action was artificial. Any occurrence of (i) unjustified splitting of operations, (ii) involvement of intermediary entities despite the lack of economic or business justification, (iii) elements that cancel or compensate each other, and (iv) other actions similar in effect to those previously mentioned, may be treated as an indication of the existence of artificial operations subject to GAAR. The new regulations require much greater judgment in assessing the tax consequences of individual transactions.

The GAAR clause should be applied to transactions carried out after the entry into force of the clause and to transactions which were carried out before the entry into force of the GAAR clause but for which benefits were or continue to be derived after the effective date of the clause. The implementation of the above provisions allows the Polish tax audit authorities to challenge legal arrangements and agreements entered into by taxpayers, such as restructuring and reorganisation of a group.

7.22. Embedded derivative instruments

If an agreement is concluded with an embedded derivative and all or part of the cash flows associated with the agreement change in a manner similar to that which the embedded derivative would cause on its own, the

embedded derivative should be accounted for separately from the base agreement. This occurs when all of the following conditions are met:

- the concluded agreement, that is a financial instrument, is not classified as a financial asset or financial liability held for trading or a financial asset available for sale the effects of which are transferred to financial income or costs of the reporting period,
- the nature of the embedded instrument and the risks associated with it are not closely related to the nature of the base contract and the risks arising from it,
- a separate instrument with the characteristics of an embedded derivative would meet the definition of a derivative,
- it is possible to reliably determine the fair value of the embedded derivative.

In case of agreements that are not financial instruments and include an instrument meeting the above conditions, the embedded derivative is classified as a financial asset or financial liability held for trading and measured at fair value, and the effects of measurement are recognised in the profit or loss account.

7.23. Recognition of revenue

Revenue is recognised to the extent that it is probable that the Group companies will obtain economic benefits that can be reliably measured.

7.23.1. Sale of goods and products

Revenue is recognised when the significant risks and rewards of ownership of the goods or products have passed to the buyer. Revenue includes amounts due or received from sales, less value added tax (VAT).

7.23.2. Provision of services

The Accounting Act regulates revenue accounting for the sale of goods and services only in general terms. In accounting terms, revenue is understood as probable economic benefits of a reliably-determined amount arising in the reporting period in the form of an increase in the value of assets or a decrease in the value of liabilities which will lead to an increase in equity or a decrease in its deficiency in a manner other than contribution of funds by shareholders or owners.

In accordance with the Accounting Act, in the absence of detailed regulations in the Polish accounting standards, the Group may refer to the International Accounting Standards:

More detailed guidance on the identification of a service obligation and consequent sharing of agreement can be found in International Financial Reporting Standard 15 Revenue from Contracts with Customers (hereinafter: "IFRS 15"). According to the provisions of IFRS 15:

"27. The good or service promised to the customer is distinct if both of the following conditions are met:

- a) the customer can benefit from the good or service either directly or in combination with other resources that are readily available to the customer (i.e., the good or service can be distinct); and
- b) the entity's promise to transfer a good or service to the customer can be identified as distinct from its other obligations under the contract (i.e. the promise to transfer the good or service is distinctive in the contract).

28. The customer may benefit from a good or service in accordance with paragraph 27(a) where the good or service can be used, consumed, sold for an amount in excess of the liquidation value, or can be stored in any other way that brings economic benefit. For some goods or services, the customer may be able to benefit from the good or service directly. In relation to other goods or services, the customer may only be able to benefit from the goods or services when combined with other readily available resources. A readily available resource is a good or service that is sold separately (either by the entity or by another entity) or a resource already received by the customer from the entity (including goods or services that the entity has already provided to the customer on a contractual basis) or a resource derived from other transactions or events. Various factors can provide evidence that a customer can benefit from a good or service either directly or in conjunction with other readily available resources. For example, the fact that an entity regularly sells a good or service separately would indicate that the customer may benefit from the good or service directly or in conjunction with other readily available resources.”

Taking into account the above provisions of IFRS 15 and the provisions of the contracts signed by the Group, it can be concluded that each of the milestones identified in the contracts is a separate service obligation and should therefore be subject to a separate assessment of its fulfilment.

The individual milestones are separate services that can be provided separately and the Group’s customer benefits from them by combining them with other readily available services, e.g. once the service described in Phase A (securing plots of land for development) has been fulfilled, the customer could carry out further phases with the help of other suppliers or with its own resources if it chose this business model.

An additional argument showing that the different phases are separate service commitments is that projects are often transferred between SPVs and in such situations the completed milestones are settled and then contracts are signed in the new SPV, for the remaining milestones.

The Group recognises costs related to the provision of contracted services in the current reporting periods when these costs have occurred. Costs are not allocated to individual contracts and milestones.

The Group’s accounts must therefore recognise the income earned and the expenses charged to it in relation to that income relating to the financial year, irrespective of the date of payment. In order to ensure that income and related expenses are commensurate, the assets or liabilities of a reporting period will include expenses or income relating to future periods and attributable to that reporting period that have not yet been incurred. This principle is fundamental in revenue accounting and relates to both the accrual principle and the matching of revenue with expenses principle.

For unfinished contracted services with a completion period of more than 6 months that are substantially complete as at the balance sheet date, revenue is determined at the balance sheet date in proportion to the stage of completion of the service, provided that this stage, as well as the expected total costs of the service for the entire completion period, can be reliably determined. This is regulated by Article 34a of the Accounting Act:

Article 34a. 1. Revenue from the performance of an unfinished service, including construction, covered by a contract, with a completion period of more than 6 months, performed to a significant degree at the balance sheet date, is determined, at the balance sheet date, in proportion to the degree of completion of the service, if this degree, as well as the expected total costs of the service for the entire duration of its performance, can be reliably determined.

The nature of the milestone services provided does not allow for a proportionate measurement of progress. A milestone is met when it is 100% achieved. The service obligation is fulfilled at a point in time, not over time. Accordingly, the Group recognises sales revenue on the date the contractual milestone acceptance report is signed. For the individual milestones/stages recorded in the development agreements, these are as follows:

1. “Securing the project” stage - revenue recognition at the time of signing the land lease agreement.

2. "Obtaining an environmental decision" stage - revenue recognition at the time of obtaining a legally valid environmental decision.
3. "Obtaining the planning permission" stage - revenue is recognised at the moment of obtaining a legally valid planning permission.
4. "Obtaining grid connection conditions" stage - revenue recognition at the moment of obtaining legally valid grid connection conditions.
5. "Obtaining a building permit" stage – revenue recognition as soon as a valid building permit is obtained.

In summary, the Group provides services to meet various milestones described in its contracts with the SPV. Each milestone is a separate service / service commitment.

Due to the fact that performance obligations are only fulfilled when the milestone acceptance report is signed, the Group only recognises revenue for individual milestones once they have been completed. When the report is signed, the Group recognises sales revenue and invoiced receivables.

The value of unbilled receivables is assessed for impairment at each balance sheet date. The Group performs the following analyses to identify receivables at risk of impairment:

- review of all ongoing contracts for contracts at a loss - the Group does not have formal contract budgets. Identification of contracts with a loss is based on an analysis of project schedules and overruns. The identification of such projects is followed by a thorough analysis of the status of the project and an assessment of the time and costs to completion;
- identification of abandoned projects for which the Group recognized receivables which are not invoiced in prior periods;
- identification of other projects which are at risk of impairment of unbilled receivables.

For the above unbilled receivables, the Group makes write-downs, which are charged to other operating income.

The margin realised on development services provided by the Group to the companies included in these interim consolidated financial statements is eliminated as part of the consolidation adjustments.

7.23.3. Income and expenses related to uncompleted long-term construction services

Contracts for construction services concluded by the Group, provide that the price for these services is set at a lump sum per unit of work performed or materials consumed, that is determined individually for each type of work or materials.

Revenue from the performance of an uncompleted service, including construction, covered by a contract for a period of performance longer than 6 months, and in justified cases by a decision of the entity's manager for a shorter period, is determined, at the balance sheet date, in proportion to the stage of completion of the service, if this stage, as well as the expected total costs of the service for the entire period of its performance, can be reliably determined. The Group measures the degree of progress of a service by applying the method of measurement of the work performed, which consists of a technical measurement of the work performed from the start of the contract to the end of the reporting month, at least once a year at the balance sheet date, expressed in natural units and priced accordingly. These measurements are carried out by the Group's internal and/or external specialists with appropriate technical expertise, adapted to the type of construction work being carried out with knowledge of the relevant prices or equivalents.

Revenue and costs of construction contracts are recognised separately for each contract. The valuation of revenues and costs for uncompleted construction services as at the chosen valuation date, at least once a year

on the balance sheet date, is carried out by comparing the results of the carried out measurements with the net unit prices, for revenues – from contracts with purchasers for costs – from contracts with subcontractors and suppliers. Regardless of the method used to determine revenue, the Group's financial result is affected by expected losses related to the performance of the contracted service.

Manufacturing costs directly attributable to the revenue generated by the Group affect the Group's financial result for the reporting period in which the revenue occurred. The direct manufacturing costs of a contract include costs that are clearly attributable to the contract. Examples of costs included in the direct costs of a contract are:

- costs of consumption of building materials valued at purchase price,
- costs of the work carried out by subcontractors, including the wage costs of site supervision,
- operating costs of own or hired machinery and plant (equipment) used in the performance of the contract, such as rental or depreciation costs,
- maintenance and repair costs, fuel costs, service costs,
- costs of transporting (moving) machinery, equipment, materials, earth to and from the site,
- costs of subcontractor services,
- estimated costs for the after-sales phase, such as provision for the costs of corrective, warranty work,

production costs that are only indirectly attributable to revenue affect the Group's profit or loss in the part that relates to the reporting period, ensuring that they are commensurate with revenue, A reasonable proportion of the indirect production costs relating to a contract includes:

- construction insurance costs,
- design and consultancy costs not directly attributable to the contract,
- costs of erecting, using and dismantling temporary technical and welfare facilities,
- other construction overheads if they can be separated and accounted for on a per construction (contract) basis.

Costs other than the previously mentioned direct and indirect costs include costs that can be charged to the contracting authority in accordance with the terms of the contract, e.g. external construction financing costs.

Pre-contract costs incurred in connection with the performance of the subject matter of the contract are recognised as an asset if it is probable that these costs will be covered in the future by revenue received from the purchaser. Costs affecting the Group's profit or loss are determined as a proportion of the total contract costs that corresponds to the stage of completion of the service, after deducting costs that have affected profit or loss in previous reporting periods, net of losses. The difference between the costs estimated from uncompleted construction contracts and the costs actually incurred is included in accruals. The difference between estimated revenue from uncompleted construction contracts and invoiced receivables is included in accruals.

The correctness of the methods adopted for determining the stage of completion of a service, as well as the expected total costs and revenues from the performance of the service, is reviewed by the Group periodically, no later than at the balance sheet date. The adjustments caused by the verification affect the Group's financial result for the reporting period in which the verification was carried out.

As at the balance sheet date, the Group adjusts the valuation of the settlement of construction contracts by estimating the degree of advancement of individual projects by determining the percentage degree of advancement of work by the ratio of the value of revenues invoiced and the value of work completed (to be invoiced) up to the balance sheet date, as reported at that date by the construction managers in the revenue budgets set separately for each project.

Project budgets contain only revenues that are certain to be achieved and justified at the balance sheet date.

The calculated progression rate is applied to the cost budgets updated at the balance sheet date. The difference between the costs estimated so calculated by the rate of progress on individual uncompleted construction contracts and the costs actually incurred attributable to the projects are included in accruals.

When the outcome of a construction contract can be reliably estimated, contract revenue and expenses are recognised as revenue and expenses according to the stage of completion of the contract at the balance sheet date. A reliably estimated loss on a construction contract is recognised as an expense immediately.

The amount of the loss is determined irrespective of the fact that the contract work has commenced, the degree of progress of the work, the amount of anticipated profits from other contracts that are not single construction contracts.

Revenue from a construction contract providing for the application of the price agreed in the construction contract includes: the initial amount of revenue due from the investor at the price agreed in the contract and changes in the amount of revenue occurring during the performance of the contract caused by changes in prices or scope of the contract, claims, bonuses resulting from undisputed contracts, provided that their value can be reliably determined to the extent that it is probable that the revenue will be paid by the customer.

Where contractual penalties arise for non-performance, e.g. for failure to meet contract terms, the approved penalties arising from non-performance of the construction contract will increase the cost budget for that contract accordingly. Other cost-reducing income, such as income from subcontractor cost-sharing, is recognised within the costs of construction contracts.

The margin effected on construction services provided by companies included in these consolidated financial statements to other companies included in these consolidated financial statements is eliminated as part of consolidation adjustments.

7.23.4. Interest

Interest income is recognised when it accrues (using the effective interest rate), if its receipt is not in doubt.

7.23.5. Dividends

Dividends due are recognised as financial revenue on the date of adoption by the General Meeting of Shareholders of the company, in which the Group has invested, of a resolution on the distribution of profit conferring the right to dividend, unless another date is specified in the resolution.

7.23.6. Grants and subsidies

Grants and subsidies are recognised at fair value when there is reasonable assurance that the grant will be received and all conditions attaching to obtaining the grant have been complied with. If a grant or subsidy relates to a cost item, it shall be deferred in the balance sheet and systematically recognised under revenue in such a way as to ensure it is commensurate with the costs which the grant is intended to compensate.

If a grant or subsidy is intended to finance the acquisition or production of a fixed asset, it is deferred in the balance sheet and recognised as income over the period of depreciation of the asset.

7.24. Social assets and liabilities under the Company Social Benefits Fund

The Act on the Company Social Benefits Fund of 4 March 1994 stipulates that the Company Social Benefits Fund is created by employers who employ at least 50 full-time equivalent employees. The Group companies do not currently create such a fund due to employment below the limit indicated in the Act.

08. Changes in accounting principles (policy) during the financial year

The consolidated financial statements for the current and previous financial year were prepared using identical accounting policies and methods of presentation of data in the consolidated financial statements.

09. Criteria for the exclusion of subordinated entities from the consolidated financial statements

In the current financial year, all subordinated entities were included in the Group's consolidated financial statements.

CONSOLIDATED BALANCE SHEET

Assets

	Note	as of 31 December 2022	as of 31 December 2021
A. Fixed assets		1,222,061,974.98	388,346,766.46
I. Intangible assets		426,971.61	74,769.04
1. R&D expenses		0.00	0.00
2. Goodwill		0.00	0.00
3. Other intangible assets		282,731.23	74,769.04
4. Advances for intangible assets		144,240.38	0.00
II. Goodwill of subordinated entities	4	76,695,834.37	73,122,088.60
1. Goodwill - subsidiaries		76,695,834.37	73,122,088.60
2. Goodwill - jointly-controlled entities		0.00	0.00
III. Tangible fixed assets	5	1,079,421,930.74	234,079,440.92
1. Fixed assets		143,806,794.27	100,537,698.84
a) land (including right to perpetual usufruct)		0.00	0.00
b) buildings, premises, rights to premises, civil and water engineering structures		7,366,952.03	6,217,043.39
c) technical equipment and machines		133,326,515.24	91,091,296.86
d) vehicles		2,806,822.62	3,113,756.14
e) other fixed assets		306,504.38	115,602.45
2. Tangible fixed assets under construction		851,382,611.29	56,549,793.18
3. Advances for tangible fixed assets under construction		84,232,525.18	76,991,948.90
IV. Long-term receivables	13	14,232,205.60	22,896,317.60
1. From related parties		0.00	0.00
2. From other entities, where the entity has got equity participation		0.00	0.00
3. From other entities		14,232,205.60	22,896,317.60
V. Long-term investments	6	27,840,092.49	51,047,799.67
1. Properties		0.00	0.00
2. Intangible assets		0.00	0.00
3. Long-term financial assets		27,840,092.49	51,047,799.67
a) in subsidiaries and jointly-controlled entities not subject to full or proportional consolidation		0.00	0.00
- shares		0.00	0.00
- other securities		0.00	0.00
- loans granted		0.00	0.00
- other long-term financial assets		0.00	0.00
b) in subsidiaries, jointly-controlled entities and associates accounted for using the equity method		0.00	0.00

	- shares		0.00	0.00
	- other securities		0.00	0.00
	- loans granted		0.00	0.00
	- other long-term financial assets		0.00	0.00
c)	in other entities, where the entity has got equity participation		0.00	51,047,384.71
	- shares		0.00	515,528.58
	- other securities		0.00	0.00
	- loans granted		0.00	50,531,856.13
	- other long-term financial assets		0.00	0.00
d)	in other entities		27,840,092.49	414.96
	- shares		3,351.28	414.96
	- other securities		0.00	0.00
	- loans granted		27,836,741.21	0.00
	- other long-term financial assets		0.00	0.00
4.	Other long-term investments		0.00	0.00
VI.	Long-term prepayments	7	23,444,940.17	7,126,350.63
1.	Assets from deferred tax income	26	19,676,885.11	5,015,944.32
2.	Other prepayments		3,768,055.06	2,110,406.31
B.	Current assets		332,710,215.13	184,587,110.79
I.	Inventory	24	18,604,395.31	69,254,846.99
1.	Materials		4,754,880.00	97,558.97
2.	Intermediate products and work in progress		0.00	0.00
3.	Finished products		0.00	0.00
4.	Goods		5,670,843.04	34,252,991.35
5.	Provisions for supplies and services		8,178,672.27	34,904,296.67
II.	Short-term receivables	14	126,392,015.90	33,373,940.70
1.	Receivables from related entities		2,199,601.65	100,800.02
a)	trade receivables maturing		0.00	0.00
	- up to 12 months		0.00	0.00
	- above 12 months		0.00	0.00
b)	other		2,199,601.65	100,800.02
2.	Receivables from other entities, where the entity has got equity participation		0.00	1,372,650.04
a)	trade receivables maturing		0.00	1,372,650.04
	- up to 12 months		0.00	1,372,650.04
	- above 12 months		0.00	0.00
b)	other		0.00	0.00
3.	Receivables from other entities		124,192,414.25	31,900,490.64
a)	trade receivables maturing		9,694,009.20	9,404,906.95
	- up to 12 months		9,694,009.20	9,404,906.95
	- above 12 months		0.00	0.00
b)	receivables from tax, subsidy, customs, social security and other statutory liabilities		106,683,353.61	20,192,466.81
c)	Other	21.1	7,815,051.44	2,303,116.88

d)	claimed at court		0.00	0.00
III.	Short-term investments		154,270,545.25	67,336,574.34
1.	Short-term financial assets		154,270,545.25	67,336,574.34
a)	in subsidiaries and jointly-controlled entities		0.00	0.00
	- shares		0.00	0.00
	- other securities		0.00	0.00
	- loans granted		0.00	0.00
	- other short-term financial assets		0.00	0.00
b)	in related parties		0.00	0.00
	- shares		0.00	0.00
	- other securities		0.00	0.00
	- loans granted		0.00	0.00
	- other short-term financial assets		0.00	0.00
c)	in other entities		0.00	0.00
	- shares		0.00	0.00
	- other securities		0.00	0.00
	- loans granted		0.00	0.00
	- other short-term financial assets		0.00	0.00
d)	cash and other pecuniary assets	33	154,270,545.25	67,336,574.34
	c) cash in hand and at bank		143,322,927.01	67,270,888.73
	- other cash		10,947,618.24	65,685.61
	- other financial assets		0.00	0.00
2.	- other short-term investments		0.00	0.00
IV.	Short-term prepayments	7	33,443,258.67	14,621,748.76
C.	Called up share capital		0.00	0.00
D.	Own shares		0.00	0.00
	Total assets		1,554,772,190.11	572,933,877.25

Liabilities

	Note	as of 31 December 2022	as of 31 December 2021
A. Equity		46,890,320.50	86,022,688.17
I. I. Share capital	8	6,036,000.00	6,036,000.00
II. Supplementary capital, including:		97,854,068.98	80,031,696.54
- surplus of the sale value (issue value) over the nominal value of shares		80,031,696.54	80,031,696.54
III. Revaluation reserve, including:		0.00	0.00
- due to revaluation of fair value		0.00	0.00
IV. Other reserve capitals, including:		8,268,725.89	6,398,779.26
- created in accordance with the articles of association		0.00	0.00
V. Converted foreign exchange differences		-1,822,225.87	-959,115.69
VI. Previous years' profit / (loss)		-25,205,501.19	-11,537,307.14
VII. Net profit / (loss)		-38,240,747.31	6,052,635.20
VIII. Write-offs of net profit during the financial year (negative value)		0.00	0.00
B. Minority interest		2,670,305.17	1,424,973.96
C. Negative goodwill of subordinated entities	9	0.00	0.00
I. Negative goodwill of subsidiaries		0.00	0.00
II. Negative goodwill of jointly-owned entities		0.00	0.00
D. Liabilities and provisions for liabilities		1,505,211,564.44	485,486,215.12
I. Provisions for liabilities	12	919,641.31	825,686.97
1. Provision for deferred tax income	26	0.00	0.00
2. Provision for retirement and similar benefits		547,351.05	470,509.49
- long-term		0.00	0.00
- short-term		547,351.05	470,509.49
3. Other provisions		372,290.26	355,177.48
- long-term		0.00	63,000.00
- short-term		372,290.26	292,177.48
II. Long-term liabilities	15	1,281,806,305.68	345,210,177.77
1. To related parties		85,236,428.84	74,975,947.75
2. To other entities, where the entity has got equity participation		0.00	0.00
3. To other entities		1,196,569,876.84	270,234,230.02
a) credits and loans		744,001,432.34	92,713,322.39
b) arising from issuance of debt securities	11	450,000,000.00	175,000,000.00
c) other financial liabilities		1,384,058.34	1,857,262.69
d) bill-of-exchange liabilities		0.00	0.00
e) Other		1,184,386.16	663,644.94
III. Current liabilities		193,163,732.59	127,458,279.98
1. To related parties		256,667.62	130,625.50

a)	trade liabilities, maturing		126,042.12	0.00
	- up to 12 months		126,042.12	0.00
	- above 12 months		0.00	0.00
b)	Other		130,625.50	130,625.50
2.	To other entities, where the entity has got equity participation		0.00	296,274.12
a)	trade liabilities, maturing		0.00	296,274.12
	- up to 12 months		0.00	296,274.12
	- above 12 months		0.00	0.00
b)	Other		0.00	0.00
3.	To other entities		192,907,064.97	127,031,380.36
a)	credits and loans		62,083,870.71	10,245,737.08
b)	arising from issuance of debt securities	11	4,446,000.00	975,000.00
c)	other financial liabilities		35,229,359.69	3,194,289.16
d)	trade liabilities, maturing		20,752,884.01	49,213,892.36
	- up to 12 months		20,646,394.30	49,213,892.36
	- above 12 months		106,489.71	0.00
e)	Provisions for supplies and services received	20	3,983,305.76	27,719,353.01
f)	bill-of-exchange liabilities		0.00	0.00
g)	due to tax, customs, social security and other statutory liabilities		2,559,686.62	5,123,540.28
h)	on account of wages and salaries		941,241.21	505,127.93
i)	Other	21.2	62,910,716.97	30,054,440.54
4.	Special funds		0.00	0.00
IV.	Accruals	16	29,321,884.86	11,992,070.40
1.	Negative goodwill		0.00	0.00
2.	Other accruals		29,321,884.86	11,992,070.40
	- long-term		12,668,953.45	7,276,820.43
	- short-term		16,652,931.41	4,715,249.97
	Total liabilities		1,554,772,190.11	572,933,877.25

CONSOLIDATED PROFIT AND LOSS ACCOUNT (COMPARATIVE VERSION)

	Note	Year ended on 31 December 2022	Year ended on 31 December 2021
A. Net revenue from sales and equated, including:	22	501,490,664.97	230,664,425.65
- from related entities not covered by the full consolidation method		2,788,046.43	23,146,835.42
I. Net revenues from sales of products		138,805,710.74	72,237,740.58
II. Change in the condition of products (increase - positive value, decrease - negative value)		0.00	0.00
III. Manufacturing cost of products for internal purposes of the entity		0.00	0.00
IV. Net revenues from sales of goods and materials		362,684,954.23	158,426,685.07
B. Operating costs		461,407,505.45	227,131,923.01
I. Depreciation		8,333,732.85	2,688,681.14
II. Consumption of materials and energy		19,499,938.49	6,113,893.21
III. Third-party services		77,835,448.84	68,228,930.00
IV. Taxes and charges, including:		2,430,088.29	939,242.29
- excise duty		0.00	0.00
V. Payroll		13,406,727.08	7,301,895.16
VI. Social security and other benefits, including:		3,408,601.40	1,653,176.90
- pension		0.00	0.00
VII. Other costs by type		2,013,124.00	2,394,921.18
VIII. Value of goods and materials sold		334,479,844.50	137,811,183.13
C. Profit / (loss) on sale (A-B)		40,083,159.52	3,532,502.64
D. Other operating revenues	27	2,663,103.69	5,374,633.39
I. Profit on disposal of non-financial fixed assets		80,815.45	105,120.77
II. Grants		358,889.76	358,889.76
III. Revaluation of non-financial assets		0.00	0.00
IV. Other operating revenues		2,223,398.48	4,910,622.86
E. Other operating expenses	28	2,939,943.30	1,078,612.97
I. Loss on disposal of non-financial fixed assets		0.00	0.00
II. Revaluation of non-financial assets		0.00	0.00
III. Other operating expenses		2,939,943.30	1,078,612.97
F. Profit / (loss) on business activity (C+D-E)		39,806,319.91	7,828,523.06
G. Financial revenues	29	11,777,431.61	8,535,826.21
I. Dividend and profit sharing, including:		0.00	0.00
a) From related entities, including:		0.00	0.00
- where the entity has got equity participation		0.00	0.00
b) from other entities, including:		0.00	0.00
- where the entity has got equity participation		0.00	0.00
II. Interest, including:		2,006,083.90	1,735,844.30
- from related parties		1,814,329.52	1,712,455.72

The consolidated profit and loss account should be analysed in conjunction with the notes to the financial statements, which form an integral part of the consolidated financial statements.

III. Profit on disposal of financial assets	31.2	8,311,533.55	6,090,763.18
- in related entities		8,311,533.55	6,090,763.18
IV. Revaluation of financial assets		0.00	0.00
V. Other		1,459,814.16	709,218.73
H. Financial expenses	30	79,868,652.62	10,674,067.03
I. Interest, including:		49,739,272.83	8,781,398.47
- for related entities		7,245,928.15	2,552,032.79
II. Loss on disposal of financial assets, including:		0.00	0.00
- in related entities		0.00	0.00
III. Revaluation of financial assets		1,572.47	0.00
IV. Other		30,127,807.32	1,892,668.56
I. Profit/(loss) on sale of all or part of shares in subordinated entities	31.1	-9,025,744.79	4,346,481.85
J. Gross profit on business activity (loss) (F+G-H ± I)		-37,310,645.89	10,036,764.09
K. Write-off of goodwill		3,874,915.38	2,427,739.43
I. Write-off of goodwill- subsidiaries		3,874,915.38	2,427,739.43
II. Write-off of goodwill - jointly-controlled entities		0.00	0.00
L. Write-off of negative goodwill		0.00	0.00
I. Write-off of negative goodwill - subsidiaries		0.00	0.00
II. Write-off of negative goodwill - jointly-controlled entities		0.00	0.00
M. Profit (loss) on shares in subordinated entities accounted for under the equity method		0.00	0.00
N. Net profit (loss) (J- K + L± M)		-41,185,561.27	7,609,024.66
O. Income tax	26	-4,643,967.37	668,203.53
P. Other statutory reductions in profit (increases in loss)		0.00	0.00
R. Minority profits/(losses)		1,699,153.41	888,185.93
S. Net profit /(loss) (N - O - P ± R)		-38,240,747.31	6,052,635.20

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Year ended on 31 December 2022	Year ended on 31 December 2021
I. Opening balance of equity		86,022,688.17	80,930,964.58
- corrections of errors		0.00	0.00
- changes to the adopted accounting principles (policy)		0.00	0.00
I.a. Opening balance of equity after adjustments		86,022,688.17	80,930,964.58
1. Opening balance of share capital		6,036,000.00	6,036,000.00
1.1. Changes in share capital		0.00	0.00
a) increase (due to)		0.00	0.00
- issue of shares		0.00	0.00
1.2. Closing balance of share capital		6,036,000.00	6,036,000.00
2. Opening balance of supplementary capital		80,031,696.54	72,228,465.81
2.1. Changes in supplementary capital		17,822,372.44	7,803,230.73
a) increase (due to)		17,822,372.44	7,803,230.73
- issue of shares above face value		0.00	0.00
- from profit distribution		17,822,372.44	7,803,230.73
b) decrease (due to)		0.00	0.00
- other		0.00	0.00
2.2. Closing balance of supplementary capital		97,854,068.98	80,031,696.54
3. Opening balance of revaluation reserve		0.00	0.00
3.1. Changes in revaluation reserve		0.00	0.00
3.2. Closing balance of revaluation reserve		0.00	0.00
4. Opening balance of other reserve capitals		6,398,779.26	5,082,398.04
4.1. Changes in other reserve capitals		1,869,946.63	1,316,381.22
a) increase (due to)		1,869,946.63	1,316,381.22
- from profit distribution		1,869,946.63	1,316,381.22
4.2. Closing balance of other reserve capitals		8,268,725.89	6,398,779.26
5. Converted foreign exchange differences		-959,115.69	1,795.92
5.1. Changes in foreign exchange differences on conversion		-863,110.18	-960,911.61
a) increase (due to)		0.00	0.00
- foreign exchange rates differences from foreign entities		0.00	0.00
b) decrease (due to)		863,110.18	960,911.61
- foreign exchange rates differences from foreign entities		863,110.18	960,911.61
5.2. Exchange differences on conversion at the end of the period		-1,822,225.87	-959,115.69
6. Opening balance of previous years' profit (loss)		-5,484,671.94	-2,417,695.19
6.1. Opening balance of previous years' profit		0.00	0.00
- changes to the adopted accounting principles (policy)		0.00	0.00
- corrections of errors		0.00	0.00
6.2. Opening balance of previous years' profit, after adjustments		0.00	0.00

The consolidated statement of changes in equity (fund)

should be analysed in conjunction with the notes to the financial statements, which form an integral part of the consolidated financial statements.

b) decrease (due to)	0.00	0.00
- profit distribution (to supplementary and reserve capital)	0.00	0.00
- distribution of profit/(loss) carried forward to be covered	0.00	0.00
- dividend payment	0.00	0.00
- other	0.00	0.00
6.3. Closing balance of previous years' profit	0.00	0.00
6.4. Opening balance of previous years' loss	5,484,671.94	2,417,695.19
- changes to the adopted accounting principles (policy)	0.00	0.00
- corrections of errors	0.00	0.00
6.5. Opening balance of previous years' loss, after adjustments	5,484,671.94	2,417,695.19
a) increase (due to)	19,720,829.25	9,119,611.95
- previous years' loss brought forward	28,510.18	0.00
- profit distribution (in units with separate profit)	19,692,319.07	9,119,611.95
b) decrease (due to)	0.00	0.00
- from profit distribution	0.00	0.00
6.6. Closing balance of previous years' loss	25,205,501.19	11,537,307.14
6.7. Closing balance of previous years' profit / (loss)	-25,205,501.19	-11,537,307.14
7. Net result	-38,240,747.31	6,052,635.20
a) net profit	0.00	6,052,635.20
b) net loss	38,240,747.31	0.00
c) write-offs from profit	0.00	0.00
II. Closing balance of equity	46,890,320.50	86,022,688.17
III. Equity including proposed profit distribution (loss coverage)	46,890,320.50	86,022,688.17

The consolidated statement of changes in equity (fund)

should be analysed in conjunction with the notes to the financial statements, which form an integral part of the consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT (INDIRECT METHOD)

	Note	Year ended on 31 December 2022	Year ended on 31 December 2021
A. Cash flows from operating activities			
I. Net profit / (loss)		-38,240,747.31	6,052,635.20
II. Total adjustments		-57,450,367.12	-22,963,537.12
1. Profit/(loss) of minority shareholders		1,699,153.41	888,185.93
2. Profit/(loss) on shares (capital stock) in entities accounted for using the equity method		0.00	0.00
3. Depreciation		8,333,732.85	2,688,681.14
4. Write-offs of goodwill		3,874,915.38	2,427,739.43
5. Write-off of negative goodwill		0.00	-3,156,919.97
6. Foreign exchange (profit) / losses		-19,117.46	-1,256,552.49
7. Interests and profit sharing (dividends)		47,627,830.28	6,653,078.54
8. Investment (profit)/ loss		426,712.09	-10,351,134.18
9. Change in provisions	34	93,954.34	2,803.93
10. Change in inventories	34	-93,058,219.87	-36,296,746.85
11. Change in receivables	34	-96,432,295.45	4,775,273.99
12. Change in short-term liabilities, except for loans and credits	34	76,846,510.55	29,478,176.70
13. Change in prepayments and accruals	34	-16,660,359.70	-18,816,105.65
14. Other adjustments from operating activities		9,816,816.47	-17.65
III. Net cash flows from operating activities (I±II)		-95,691,114.43	-16,910,901.92
B. Cash flows from investing activities			
I. Inflows		81,042,355.54	61,770,942.89
1. Disposal of intangible and tangible assets		117,442.52	256,693.59
2. Disposal of investments in real estate and intangible assets		0.00	0.00
3. From financial assets, including:		71,665,726.95	61,506,737.83
a) in entities accounted for using the equity method		0.00	0.00
b) in other entities		71,665,726.95	61,506,737.83
- disposal of financial assets		11,069,491.41	4,873,102.21
- dividend and profit sharing		0.00	0.00
- repayment of long-term loans granted		58,319,523.26	56,633,635.62
- interests		2,276,712.27	0.00
- other proceeds from financial assets		0.00	0.00
4. Other investment inflows		9,259,186.07	7,511.47
II. Expenses		853,733,008.51	236,150,791.42
1. Acquisition of intangible and tangible assets		815,761,051.47	160,602,824.33

The consolidated cash flow statement should be analysed in conjunction with the notes to the financial statements, which form an integral part of the consolidated financial statements.

2. Investments in property and intangible assets	0.00	0.00
3. For financial assets, including:	25,447,456.77	71,208,918.85
a) in entities accounted for using the equity method	0.00	0.00
b) in other entities	25,447,456.77	71,208,918.85
- acquisition of financial assets	16,724,456.77	22,509,621.53
- long-term loans granted	8,723,000.00	48,699,297.32
4. Dividends and other shares in profits paid to minority shareholders	0.00	0.00
5. Other investment expenditure	12,524,500.27	4,339,048.24
III. Net cash flows from investing activities (I-II)	-772,690,652.97	-174,379,848.53
C. Cash flows from financing activities		
I. Inflows	1,007,822,253.96	331,692,759.99
1. Net proceeds from issue of shares and other equity instruments and additional payments to capital	0.00	0.00
2. Credits and loans	732,822,253.96	156,692,759.99
3. Arising from issuance of debt securities	275,000,000.00	175,000,000.00
4. Other investment inflows	0.00	0.00
II. Expenses	52,506,515.75	77,270,283.76
1. Purchase of own shares (stocks)	0.00	0.00
2. Dividends and other distributions to owners	0.00	0.00
3. Expenses on account of profit distribution, other than payments to owners	0.00	0.00
4. Repayment of credits and loans	13,463,409.10	68,716,010.44
5. Redemption of debt securities	0.00	0.00
6. On account of other financial liabilities	0.00	0.00
7. Payments of liabilities under finance lease agreements	1,319,373.08	0.00
8. Interest	37,723,733.58	8,554,273.32
9. Other investment expenses	0.00	0.00
III. Net cash flows from financing activities (I-II)	955,315,738.20	254,422,476.23
D. Total net cash flows (A.III±B.III±C.III)	86,933,970.81	63,131,725.79
E. Balance sheet change in cash, including:	86,933,970.91	63,131,725.79
- change in cash due to exchange rate differences	0.00	0.00
F. Cash and cash equivalents at the beginning of the period	67,336,574.34	4,204,848.55
G. Closing balance of cash (F±D), including:	33	154,270,545.25
- with limited disposability	10,947,618.24	65,685.61

ADDITIONAL NOTES AND EXPLANATIONS

01. Information on significant events relating to previous years, presented in the consolidated financial statements for the given financial year and corrections of significant errors

Until the date of preparing the consolidated financial statements for the financial year, there were no events relating to previous years which should be included in the consolidated financial statements for the financial year.

02. Information on material events that occurred after the balance sheet date of the consolidated financial statements and are not included in these statements

No significant events occurred after the balance sheet date until the date of preparing the consolidated financial statements for the financial year, i.e. until that were not included in the consolidated financial statements for the financial year.

03. Comparability of financial data for the previous year with the data of the consolidated financial statements for the current financial year

In the current year, the Group did not make any changes in accounting principles or corrections of errors, and therefore it was not obliged to present numerical information ensuring comparability of data in the consolidated financial statements for the previous year with the consolidated financial statements for the current financial year.

04. Goodwill of subordinated entities

The goodwill of the subsidiaries arose as the excess of the purchase price of the subsidiaries over the lower value of the net assets acquired measured at fair values at the date of acquisition.

	31/12/2022	31/12/2021
Opening balance	73,122,088.60	29,457 827.05
Acquisition of shares in subsidiaries	7,532,561.37	46,092 000.98
Depreciation in the current year	3,874,915.38	2,427 739.43
Sale of shares in subsidiaries	83,900.21	0.00
Closing balance	76,695,834.37	73,122 088.60

In the third quarter of 2022, the Group acquired a stake in Zielona Ziemia sp. z o.o. with secured connection conditions for 14 MW PV farm projects.

Calculation of goodwill as part of the acquisition of shares in Green Earth Ltd.

Share acquisition price	7,458,549.40
Identifiable net assets at fair value	-74,011.97
Goodwill at the acquisition date	7,532,561.37

In 2021, the Group completed a number of transactions as a result of which it became the majority owner of shares in the companies listed below. This resulted in goodwill of the company of PLN 46.1 million.

The Group therefore became the owner of:

1. the Portfolio of 59 MW PV farm projects located in different parts of Portugal, including the districts of Santarém, Portalegre and Castelo Branco – 100% shares in FFNEV Portugal I LDA;
2. the Portfolio of PV farm projects with a capacity of 27 MW with the right to sell energy secured, as a result of winning wind and photovoltaic RES auctions – 100% of shares in PV Wolsztyn Sp. z o.o.;
3. the Portfolio of operating PV farms with a capacity of nearly 5 MW with the right to sell energy secured, as a result of winning RES wind and photovoltaic auctions – 100% of shares in EPV Łagiewniki Sp. z o.o. and EPV Dąbrówka Sp. z o.o.;
4. Photovoltaic installation operator - 78% stake in Quanta Energy S.A.

	Share acquisition price (value of the in-kind contribution)	Identifiable net assets at fair value	Goodwill at the acquisition date
R.Power Portugal LDA	4,523.70	-189,931.21	194,454.91
PV Wolsztyn Sp. z o.o.	9,895,662.80	1,729.05	9,893,933.75
FFNEV Portugal I LDA	25,450,432.45	-2,794,593.43	28,245,025.88
PV Grabik Sp. z o.o.	541,984.02	50,000.00	491,984.02
Quanta Energy S.A.	782,000.00	-2,034,437.46	2,816,437.36
EPV Łagiewniki Sp. z o.o.	3,483,108.86	138,562.24	3,344,546.62
EPV Dąbrówka Sp. z o.o.	1,118,393.30	12,774.85	1,105,618.45
Share acquisition in related entities in total	41,276,105.13	-4,815,895.86	46,092,000.99

As at the balance sheet date, the Parent Company assesses each time whether the carrying amount of goodwill shown does not exceed the value of expected future economic benefits related to it. As of 31 December 2022 and 31 December 2021, the Group sees no indication that an impairment loss on goodwill needs to be recognised.

05. Tangible fixed assets

Year ended on 31 December 2022

Initial value	Land Right of perpetual usufruct of land	Buildings, premises, including: civil and water engineering structures	Technical equipment and machines	Vehicles	Other fixed assets	Tangible fixed assets under construction	Advances for tangible fixed assets under construction	Total
Opening balance	0.00	6,364,349.45	97,215,496.38	4,199,567.37	157,200.75	56,549,793.18	76,991,948.90	241,478,356.03
Increases, of which:	0.00	204,431.12	258,564.47	860,380.07	235,915.28	847,284,874.62	7,561,290.92	856,405,456.49
Purchase	0.00	204,431.12	258,564.47	860,380.07	235,915.28	845,572,308.22	7,126,220.67	854,257,819.84
Other	0.00	0.00	0.00	0.00	0.00	1,712,566.40	435,070.25	2,147,636.65
Transfers	0.00	1,517,194.15	51,255,577.00	0.00	0.00	-52,452,056.51	-320,714.64	0.00
Reductions, including:	0.00	169,908.14	2,671,033.26	307,667.48	0.00	0.00	0.00	3,148,608.88
Liquidation and sale	0.00	0.00	0.00	307,667.48	0.00	0.00	0.00	307,667.48
Other	0.00	169,908.14	2,671,033.26	0.00	0.00	0.00	0.00	2,840,941.40
Closing balance	0.00	7,916,066.58	146,058,604.59	4,752,279.96	393,116.03	851,382,611.29	84,232,525.18	1,094,735,203.64
Write-off								
Opening balance	0.00	147,306.06	6,124,199.52	1,085,811.23	41,598.30	0.00	0.00	7,398,915.11
Increases, of which:	0.00	405,596.02	6,666,882.56	1,130,686.53	45,013.35	0.00	0.00	8,248,178.46
Depreciation of the period	0.00	405,596.02	6,666,882.56	1,130,686.53	45,013.35	0.00	0.00	8,248,178.46
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reductions, including:	0.00	3,787.53	58,992.73	271,040.42	0.00	0.00	0.00	333,820.68
Liquidation and sale	0.00	0.00	0.00	271,040.42	0.00	0.00	0.00	271,040.42
Other	0.00	3,787.53	58,992.73	0.00	0.00	0.00	0.00	62,780.26

R. Power Capital Group

Consolidated financial statements for the year ended on 31 December 2022

Additional notes and explanations

Closing balance	0.00	0.00	549,114.55	12,732,089.35	1,945,457.34	86,611.65	0.00	0.00	15,313,272.89
Write-downs									
Opening balance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increases	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reductions, including:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Use	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Write-down adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Closing balance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net value									
Opening balance	0.00	0.00	6,217,043.39	91,091,296.86	3,113,756.14	115,602.45	56,549,793.18	76,991,948.90	234,079,440.92
Closing balance	0.00	0.00	7,366,952.03	133,326,515.24	2,806,822.62	306,504.38	851,382,611.29	84,232,525.18	1,079,421,930.74

Year ended on 31 December 2021

	Land Right of perpetual usufruct of land	including: Buildings, premises, civil and water engineering structures	Technical equipment and machines	Vehicles	Other fixed assets	Tangible fixed assets under construction	Advances for tangible fixed assets under construction	Total
Initial value								
Opening balance	0.00	265,396.22	18,332,179.42	10,890.22	85,108.72	58,287,152.08	11,752,770.03	88,733,496.69
Increases, of which:	0.00	821,750.43	11,227,491.68	4,363,427.44	72,092.03	76,337,819.57	67,667,919.95	160,490,501.10
Purchase	0.00	0.00	274,365.83	1,486,565.41	69,495.00	76,090,267.57	65,932,255.65	143,852,949.46
Other	0.00	821,750.43	10,953,125.85	2,876,862.03	2,597.03	247,552.00	1,735,664.30	16,637,551.64
Transfers	0.00	5,868,685.30	74,635,234.24	0.00	0.00	-78,075,178.47	-2,428,741.08	0.00
Reductions, including:	0.00	591,482.50	6,979,408.96	174,750.29	0.00	0.00	0.00	7,745,641.75
Liquidation and sale	0.00	0.00	0.00	174,750.29	0.00	0.00	0.00	174,750.29
Other	0.00	591,482.50	6,979,408.96	0.00	0.00	0.00	0.00	7,570,891.46
Closing balance	0.00	6,364,349.45	97,215,496.38	4,199,567.37	157,200.75	56,549,793.18	76,991,948.90	241,478,356.03
Write-off								
Opening balance	0.00	68,691.16	4,378,202.07	390.26	23,399.80	0.00	0.00	4,470,683.29
Increases, of which:	0.00	118,519.90	1,835,522.76	1,108,598.44	18,198.50	0.00	0.00	3,080,839.60
Depreciation of the period	0.00	118,519.90	1,832,925.73	636,646.45	18,198.50	0.00	0.00	2,606,290.58
Other	0.00	0.00	2,597.00	471,951.99	0.00	0.00	0.00	474,549.02
Transfers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reductions, including:	0.00	39,905.00	89,525.31	23,177.47	0.00	0.00	0.00	152,607.78
Liquidation and sale	0.00	0.00	0.00	23,177.47	0.00	0.00	0.00	23,177.47
Other	0.00	39,905.00	89,525.31	0.00	0.00	0.00	0.00	129,430.31
Closing balance	0.00	147,306.06	6,124,199.52	1,085,811.23	41,598.3	0.00	0.00	7,398,915.11
Write-offs								
Opening balance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increases	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reductions, including:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Use	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

R. Power Capital Group

Consolidated financial statements for the year ended on 31 December 2022

Additional notes and explanations

Write-down adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Closing balance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net value													
Opening balance	0.00	0.00	196,705.06	13,953,977.35	10,499.96	61,708.92	58,287,152.08	11,752,770.03	84,262,813.40				
Closing balance	0.00	0.00	6,217,043.39	91,091,296.86	3,113,756.14	115,602.45	56,549,793.18	76,991,948.90	234,079,440.92				

As at 31 December 2022, fixed assets with a net value of PLN 2.8 million were used under finance lease agreements. As at 31 December 2021, fixed assets with a net value of PLN 2.9 million were used under finance lease agreements.

As of 31 December 2022, the Group used property, plant and equipment with a value of approximately PLN 14.3 million (PLN 7.8 million as at 31 December 2021, respectively) under operating, lease, tenancy and other lease agreements (excluding finance lease agreements).

The Group did not make any capital expenditures related to environmental protection.

The capital expenditure planned for 2023 is approximately PLN 900 million. The Group does not plan to make capital expenditure in connection with environmental protection.

The item "other" in increases and decreases in initial value and depreciation relates mainly to changes in the value of fixed assets in connection with the acquisition/sale of subsidiaries.

06. Investments

6.1 Shares

	31 December 2022	31 December 2021
Opening balance, of which:	515,528.58	1,196,519.76
Gross value	515,528.58	1,196,519.76
Write-downs	0.00	0.00
Increases, of which:	0.00	0.00
Purchase	0.00	0.00
Revaluation	0.00	0.00
Other	0.00	0.00
Transfers	0.00	0.00
Reductions, including:	512,177.30	680,991.18
Sales	512,177.30	654,832.68
Revaluation	0.00	0.00
Other	0.00	26,158.50
Closing balance, of which:	3,351.28	515,528.58
Gross value	0.00	515,528.58
Write-downs	0.00	0.00

6.2 Loans granted

	31 December 2022	31 December 2021
Opening balance, of which:	50,531,856.13	57,393,768.16
Gross value	50,531,856.13	57,393,768.16
Write-downs	0.00	0.00
Loans granted	8,723,000.00	48,699,297.32
Accrued interest	1,814,329.52	1,711,287.42
Loan repayment	59,931,190.88	56,633,635.62
Consolidation of entities to which loans were previously granted	10,286.49	481,795.27
Sale of consolidated entities to which loans were previously granted	26,785,693.91	0.00
Valuation of loans in foreign currency	-76,660.98	-157,065.88
Revaluation	0.00	0.00
Closing balance, of which:	27,836,741.21	50,531 856.13
Gross value	27,836,741.21	50,531 856.13
Write-downs	0.00	0.00

07. Prepayments

	31 December 2022	31 December 2021
Deferred bond issue costs	3,681,529.89	1,987,593.81
Assets from deferred tax income	19,676,885.11	5,015,944.32
Others, including:	86,525.17	122,812.50
- incomplete R&D costs	0.00	122,812.50
- prepaid costs	83,016.18	0.00
- costs of overpaid rents	3,508.99	0.00
Long-term total	23,444,940.17	7,126,350.63
Assets under uncompleted construction contracts	3,046,011.17	7,223,624.90
Costs of uncompleted construction work	24,206,352.54	5,787,743.88
Costs associated with the share capital increase process	3,383,670.65	0.00
Deferred bond issue costs	1,411,393.28	583,220.20
Insurance costs	629,415.16	157,141.34
Costs of overpaid rents	142,236.68	177,235.16
Prepaid costs	88,323.24	300,480.18
Other (total of non-relevant items)	535,855.95	392,303.10
Short-term total	33,443,258.67	14,621,748.76

08. Capitals

On 10 December 2021 the Company was converted from a limited liability company to a joint stock company. The transformation was registered in the Register of Entrepreneurs of the National Court Register kept by the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Division of the National Court Register on 20 December 2021.

As of 31 December 2022, the share capital of the Company amounted to PLN 6,036,000.00 and was divided into 120,720,000 shares with a nominal value of PLN 0.05 each, issued at the moment of the Company transformation.

As of 31 December 2021, the share capital of the Company amounted to PLN 6,036,000.00 and was divided into 120,720,000 shares with a nominal value of PLN 0.05 each, issued at the moment of the Company transformation.

As of the balance sheet date, the ownership structure of the Parent Company's share capital was as follows:

31/12/2022

	Number of shares	Number of votes	Nominal value per share	Share in the share capital
L77 Capital Ltd	46,284,048.00	46,284,048.00	0.05	38.34%
Sęk Tomasz	29,105,592.00	29,105,592.00	0.05	24.11%
Alternatywna Spółka Inwestycyjna Colares Investments sp. z o.o.	28,151,904.00	28,151,904.00	0.05	23.32%
TS Capital Fund Ltd	17,178,456.00	17,178,456.00	0.05	14.23%
Total	120,720,000.00	120,720,000.00		100.00%

31/12/2021

	Number of shares	Number of votes	Nominal value per share	Share in the share capital
L77 Capital Ltd	46,284,048.00	46,284,048.00	0.05	38.34%
Sęk Tomasz	29,105,592.00	29,105,592.00	0.05	24.11%
Alternatywna Spółka Inwestycyjna Colares Investments sp. z o.o.	13,375,776.00	13,375,776.00	0.05	11.08%
TS Capital Fund Ltd	17,178,456.00	17,178,456.00	0.05	14.23%
Galamares Investments Jakub Charaszkiwicz sp. k.	14,776,128.00	14,776,128.00	0.05	12.24%
Total	120,720,000.00	120,720,000.00		100.00%

09. Negative goodwill of subordinated entities

As of 31 December 2022 and 31 December 2021, there is no negative goodwill in these consolidated financial statements.

In the fourth quarter of 2021, the Group recognised PLN 3,156,919.97 of other operating income due to the excess of negative goodwill over the value of depreciable fixed assets arising on the acquisition of Menlo Electric S.A.

10. Interest-bearing bank loans and credits and other financial liabilities

	31 December 2022	31 December 2021
Short-term		
Liabilities under finance leases and hire purchase contracts	993,196.43	978,985.08
Valuation of IRS transactions (interest rate swaps)	9,848,262.97	0.00
Liabilities on sale of receivables	24,387,900.30	2,215,304.08
Working capital loan - BNP	6,146,562.96	1,720,327.92
Investment loan - BNP	0.00	324,000.00
Investment loan - mBank/Santander	0.00	2,493,263.32
Investment loan - mBank/Erste	5,020,094.51	4,849,977.20
Investment loan – Pekao	396,843.85	858,168.63
Loans from other entities	50,520,369.39	0.00
Short-term total	97,313,230.40	13,440,026.24
Long-term		
Liabilities under finance leases and hire purchase contracts	1,384,058.34	1,857,262.69
Investment loan - mBank/Erste	74,082,161.46	67,899,680.87
Investment loan - BNP	0.00	2,177,195.70
Investment loan – Pekao	10,582,842.68	12,014,360.84
Investment loan - Erste	132,214,474.46	0.00
Investment loan - Santander/ Pekao/ PKO/ Erste/ ING	431,211,319.37	0.00
Loans from shareholders and their owners to the Parent Company	84,823,901.12	72,999,860.37
Loans from shareholders and their owners to other companies from the Group	499,215.07	4,633,810.47
Loans from other entities	94,694,801.37	6,851,335.27
Long-term total	829,492,773.87	168,433,506.21

The Parent Company uses financing in the form of loans granted by its shareholders and their owners. All shareholder loans bear interest at a floating rate of WIBOR 3M + a margin per annum. The loan granted by L77 Capital Ltd. in the amount of PLN 28,297 thousand matures on 31 December 2025. All other loans granted to the Parent Company by shareholders and their owners (in the amount of PLN 56,527 thousand) mature on 31 December 2024.

The shareholders of the Parent Company also granted loans of PLN 499 thousand to other companies included in the consolidated financial statements. The interest rate on these loans is based on a floating interest rate of WIBOR 3M + a margin per annum. The repayment date is 31 December 2024.

The Group has project loans taken out by the Project Companies under agreements with the bank consortium mBank S.A. and Erste Group Bank AG: (i) long-term construction and investment loans repayable for a period of 15 years after the completion of the construction or upon the sale or refinancing of investments (WIBOR 1M + a margin per annum); and (ii) revolving loans to finance the payment of VAT (WIBOR 1M + a margin per annum). These loans are secured by, among other things: (i) registered pledges on enterprises and shares in Project Companies; registered pledges on receivables under contracts for maintaining bank accounts for individual Project Companies, together with powers of attorney to those bank accounts; (ii) assignment of receivables, or direct agreements, under insurance contracts, construction and equipment purchase contracts, lease contracts, IPP and O&M services contracts; (iii) by individual borrowers, i.e. Project Companies, submitting statements of submission to enforcement proceedings; (iv) comfort letters of shareholders of individual; and (v) agreements on subordination of receivables under loan agreements to receivables under the loans.

The Group also has project loans taken out by the Project Companies under agreements with Bank Pekao S.A.: (i) long-term construction and investment loans repayable for a period of 15 years after the completion of the construction (WIBOR 3M + a margin per annum); and (ii) revolving loans to finance the payment of VAT (WIBOR 1M + a margin per annum). These loans are secured by, among other things: (i) registered pledges on enterprises and shares in Project Companies; registered pledges on receivables under contracts for maintaining bank accounts for individual Project Companies, together with powers of attorney to those bank accounts; (ii) assignment of receivables, or direct agreements, under insurance contracts, construction and equipment purchase contracts, lease contracts, IPP and O&M services contracts; (iii) by individual borrowers, i.e. Project Companies, submitting statements of submission to enforcement proceedings; (iv) agreements on subordination of receivables under loan agreements to receivables under the loans, (v) comfort letters of shareholders of individual borrowers.

As of 31 December 2021, the Group had concluded construction and investment loan agreements with BNP Paribas Bank Polska S.A. regarding the already completed Podlasie Solar Park projects, repayable within 15 years of the construction completion date (until 2030). Loans granted to the Group companies are based on variable interest rates and their interest rate is WIBOR 3M + a margin per annum. These loans are secured by, among other things: (i) registered pledges on assets of the Project Companies (photovoltaic power plants); (ii) assignments of rights under insurance agreements; (iii) assignments of existing and future receivables under electricity sale agreements; (iv) powers of attorney to the brokerage accounts of individual Project Companies; (v) blank promissory notes; (vi) powers of attorney to the bank accounts of individual Project Companies; and (vii) assignment of the tenant's rights and obligations under land lease agreements. These loans were repaid during 2022.

As at 31 December 2022, the Group has project loans taken out by the Project Companies under an agreement with the bank consortium Santander Bank Polska S.A. and BNP Paribas Bank Polska S.A.: (i) long-term construction and investment loans repayable for a period of 15 years after the completion of the last construction or upon the sale or refinancing of investments (WIBOR 3M + a margin per annum); and (ii) revolving loans to finance the payment of VAT (WIBOR 1M + a margin per annum). These loans are secured by, among other things:

(i) financial and registered pledges on bank accounts, together with powers of attorney over those bank accounts; (ii) financial and registered pledges on shares of project companies; (iii) registered pledges on a collection of property and rights of project companies; (iv) assignment of receivables under insurance contracts, construction and equipment purchase contracts, lease agreements, network connection agreements and O&M services; (v) submitting declarations of submission to enforcement; (vi) project support agreement from R.Power Investment B.V. and R.Power S.A.; (vii) agreements to subordinate claims under loan agreements to claims under loans.

As at 31 December 2022, the Group has project loans taken out by the Project Companies under an agreement with the bank consortium Santander Bank Polska S.A., ING Bank Śląski S.A, Erste Group Bank AG, Powszechna Kasa Oszczędności Bank Polski S.A., Bank Polska Kasa Opieki S.A.: (i) long-term construction and investment loans repayable for a period of 16.5 years after the completion of the last construction or upon the sale or refinancing of investments (WIBOR 3M + a margin per annum); and (ii) revolving loans to finance the payment of VAT (WIBOR 1M + a margin per annum). These loans are secured by, among other things: (i) financial and registered pledges over bank accounts, together with powers of attorney over those bank accounts; (ii) financial and registered pledges over shares of project companies; (iii) registered pledges over a collection of property and rights of project companies; (iv) assignment of receivables, or direct agreements (direct agreements), from insurance contracts, construction and equipment purchase contracts, lease agreements, grid connection agreements, O&M services and power purchase agreements (PPAs); (v) filing of declarations of submission to enforcement; (vi) project support agreements from R.Power Investment B.V. and R.Power S.A.; (vii) an agreement to subordinate receivables under loan agreements to receivables under loans.

As at 31 December 2021, the Group had project loans taken out by the Project Companies under agreements with the bank consortium Santander Bank Polska S.A. and mBank S.A.: (i) short-term construction and investment loans repayable upon the sale of investments (WIBOR 3M + a margin per annum); and (ii) revolving loans to finance the payment of VAT (WIBOR 3M + a margin per annum). These loans are secured by, among other things: (i) registered pledges on enterprises and shares in Project Companies; registered pledges on receivables under contracts for maintaining bank accounts for individual Project Companies, together with powers of attorney to those bank accounts; (ii) assignment of receivables, or direct agreements, under insurance contracts, construction and equipment purchase contracts, lease contracts, IPP and O&M services contracts; (iii) by individual borrowers, i.e. Project Companies, submitting statements of submission to enforcement proceedings; (iv) comfort letters of shareholders of individual; and (v) agreements on subordination of receivables under loan agreements to receivables under the loans.

In October 2022, the Group entered into a financing agreement for up to €30 million for a period of up to 18 months. Funding was provided by bridge financing managed by the French investor Eiffel Investment. As at 31 December 2022, the amount of the loan received is PLN 134,131 thousand, of which PLN 45,023 thousand matures in 2023 and the remainder in 2024. For the first 12 months of the contract, the loan bears interest at a fixed rate and for the remainder of the contract the interest rate is EURIBOR 1M + a margin per annum. This loan is secured by, among other things: (i) registered pledges on the companies and shares in the Project Companies; (ii) subordination of receivables under other loan agreements against bridge financing receivables.

The Group has a working capital loan agreement with BNP Paribas Bank Polska S.A., bearing interest at WIBOR 1M + a margin per annum. As at 31 December 2021, the Group also had a working capital facility agreement with mBank S.A. bearing interest at EURIBOR 1M + a margin per annum. These loans are secured by, among other things: (i) by assignment of the borrower's receivables from the recipient of the services; (ii) by means of the borrower's declaration of submission to enforcement; (iii) by financial pledges on the borrower's bank accounts.

As of 31 December 2022, Group companies also benefited from financing in the form of loans from other entities, i.e. individuals (PLN 5,497 thousand). The above loans bear interest at WIBOR 3M + a margin per annum. These loans are due for repayment in 2024.

As at 31 December 2022 and 31 December 2021, the Parent Company also benefits from financing in the form of a loan from a non-business individual (PLN 5,587 thousand). The interest rate on the loan is WIBOR 3M + a margin per annum. The repayment date is 03 September 2026.

The Group companies as of 31 December 2021 also benefited from financing in the form of loans from other entities, i.e. Green Circle LTD (PLN 1,766 thousand). The interest rate on the aforementioned loan was WIBOR 1M + a margin per annum.

11. Bonds

On 2 June 2021, R.Power S.A. established a programme to issue green bonds with a total nominal value of up to PLN 1 billion. As part of the issues carried out, a total of 450,000 bonds with a nominal value of PLN 1,000 each and a total nominal value of PLN 450 million were issued until 31 December 2022. The issue price of the bonds is equal to their nominal value. The annual interest rate on the bonds was set at a floating rate equal to the WIBOR for six-month deposits (WIBOR 6M), plus an interest margin of 4.95%. Interest is payable in 6-month interest periods. The bonds in the nominal value of PLN 330 million mature on 2 June 2026 and those in the nominal value of PLN 120 million on 2 June 2027.

	31 December 2022	31 December 2021
Non-current liabilities on bonds	450,000,000.00	175,000,000.00
Short-term liabilities under bonds (interest accrued)	4,446,000.00	975,000.00
Total	454,446,000.00	175,975,000.00

12. Provisions

In the reporting periods covered by the consolidated financial statements, the following changes in provisions occurred:

Year ended on 31 December 2022

	Provision for deferred tax income	Provisions for leaves	Other provisions	Total
Status as of 01 January 2022	0.00	331,509.49	494,177.48	825,686.97
Increases	0.00	215,841.56	372,290.26	588,131.82
Use	0.00	0.00	397,076.83	397,076.83
Termination	0.00	0.00	97,100.65	97,100.65
Status as of 31 December 2022, including:	0.00	547,351.05	372,290.26	919,641.31

Long-term	0.00	0.00	0.00	0.00
Short-term	0.00	547,351.05	372,290.26	919,641.31

Year ended on 31 December 2021

	Provision for deferred tax income	Provisions for leaves	Other provisions	Total
Status as of 01 January 2021	0.00	198,911.04	75,600.00	274,511.01
Increases	0.00	274,743.19	418,577.48	693,320.67
Use	0.00	0.00	0.00	0.00
Termination	0.00	142,144.74	0.00	142,144.74
Status as of 31 December 2021, including:	0.00	331,509.49	494,177.48	825,686.97
Long-term	0.00	0.00	63,000.00	63,000.00
Short-term	0.00	331,509.49	431,177.48	762,686.97

13. Long-term receivables

The R.Power Group's long-term receivables are mainly related to participation in RES auctions. Group companies participating in the auctions paid deposits to the Energy Regulatory Office (and to its counterparts in the case of foreign companies). These deposits are refundable by the ERO at the time of sale of energy generated at the installation for the first time under the auction system or in case the company's offer is not successful in the auction.

	31 December 2022	31 December 2021
ERO bonds	11,740,400.82	21,059,526.89
Other long-term receivables	2,491,804.78	1,836,790.71
Total	14,232,205.60	22,896,317.60

14. Write-offs of investment value

Year ended on 31 December 2022

	Write-offs of long-term receivables	Write-offs of short-term receivables
--	-------------------------------------	--------------------------------------

Status as of 01 January 2022	0.00	0.00
Increases	237,171.02	0.00
Use	0.00	0.00
Termination	0.00	0.00
Status as of 31 December 2022	237,171.02	0.00

Year ended on 31 December 2021

	Write-offs of long-term receivables	Write-offs of short-term receivables
Status as of 01 January 2021	0.00	65,416.93
Increases	0.00	0.00
Use	0.00	65,416.93
Termination	0.00	0.00
Status as of 31 December 2021	0.00	0.00

15. Long-term liabilities

Maturity structure of long-term liabilities:

31/12/2022

	1 - 3 years	3 – 5 years	more than 5 years	Total
Long-term liabilities towards related entities, including:	85,236,428.84	0.00	0.00	85,236,428.84
a) loans	84,107,283.19	0.00	0.00	84,107,283.19
b) other	1,129,145.65	0.00	0.00	1,129,145.65
Long-term liabilities to other entities, including:	179,350,498.15	586,649,796.10	430,569,582.58	1,196,569,876.84
a) bank credits and loans	86,458,120.65	131,063,094.73	430,569,582.58	648,090,797.97
b) other credits and loans	90,323,933.00	5,586,701.37	0.00	95,910,634.37
c) arising from issuance of debt securities	0.00	450,000,000.00	0.00	450,000,000.00
d) financial leasing liabilities	1,384,058.34	0.00	0.0	1,384,058.34
e) other	1,184,386.16	0.00	0.00	1,184,386.16
Total long-term liabilities as of 31 December 2022	264,586,926.99	586,649,796.10	430,569,582.58	1,281,806,305.67

31/12/2021

	1 - 3 years	3 – 5 years	more than 5 years	Total
Long-term liabilities towards related entities, including:	49,514,551.25	25,461,396.50	0.00	74,975,947.75
a) loans	48,401,524.63	25,461,396.50	0.00	73,862,921.13
b) other	1,113,026.62	0.00	0.00	1,113,026.62
Long-term liabilities to other entities, including:	194,872,334.70	17,399,241.26	57,962,654.06	270,234,230.02
a) bank credits and loans	12,064,291.67	12,064,291.67	57,962,654.06	82,091,237.40
b) other credits and loans	5,536,924.71	5,085,160.27	0.00	10,622,084.98
c) arising from issuance of debt securities	175,000,000.00	0.00	0.00	175,000,000.00
d) financial leasing liabilities	1,607,473.38	249,789.32	0.0	1,857,262.69
e) other	663,644.94	0.00	0.00	663,644.94
Total long-term liabilities as of 31 December 2021	244,386,885.96	42,860,637.76	57,962,654.06	345,210,177.77

16. Accruals

	31 December 2022	31 December 2021
1. Negative goodwill	0.00	0.00
2a. Other long-term accruals	12,668,953.45	7,276,820.43
Accruals including:	5,738,930.67	6,097,820.43
- subsidies to fixed assets	5,738,930.67	6,097,820.43
Other	6,930,022.78	1,179,000.00
- the balance of settlements with Zarządca Rozliczeń S.A. under the auction support system for RES generators	2,707,720.27	0.00
- provision for warranty repairs	1,245,143.39	1,170,000.00
- provision for O&M costs	2,977,159.12	0.00
- other	0.00	9,000.00
2b. Other short-term accruals	16,652,931.41	4,715,249.97
Accruals	1,901,175.81	358,889.76
SCADA System:	1,542,286.05	0.00
- subsidies to fixed assets	358,889.76	358,889.76
Others, including:	14,751,755.60	4,356,360.21
- accruals for contracts under construction	12,417,366.49	3,125,758.24
- other provisions for probable costs	2,334,389.11	1,230,601.97

Total accruals	29,321,884.86	11,992,070.40
----------------	---------------	---------------

17. Liabilities secured on the group's assets

In addition to the liabilities secured on assets described in note 10, the Group has an indefinite pledge agreement between Quanta Energy S.A. and Efficiency Solutions II SV S.A R.L. for the shares of Quanta Lease Fund I sp. z o.o. in the amount of EUR 40 million.

18. Contingent liabilities, including guarantees and sureties granted by related and associated entities, including promissory notes

As of 31 December 2022 and 31 December 2021, the Group had no material contingent and off-balance-sheet liabilities, including guarantees and sureties granted, including promissory notes, with the exception of those described in note 10 and blank promissory notes in the amount of PLN 10 million (PLN 3.9 million as at 31 December 2021) issued by Nomad Electric sp. z o.o.

19. Other contracts not included in the balance sheet

In addition to the contracts described in notes 17 and 18, the Group had the following contracts not included in the balance sheet:

terminated as of 31 December 2022

- office rental contracts
- land lease agreements for photovoltaic farms
- outsourcing contracts for accounting/payroll and HR services

terminated as of 31 December 2021

- office rental contracts
- land lease agreements for photovoltaic farms
- outsourcing contracts for accounting/payroll and HR services

20. Provisions for supplies and services

	31/12/2022	31/12/2021
Advances for EPC activities	3,940,644.95	16,844,996.24
Provisions related to the sale of shares in special purpose vehicles	0.00	5,411,782.13
Advances for EPCM activities	42,660.81	2,762,250.00
Wholesale advances	0.00	2,700,324.64

Other	0.00	0.00
Total	3,983,305.76	27,719,353.01

21. Other current receivables and liabilities

21.1. Other short-term receivables

	31/12/2022	31/12/2021
Advances paid to Distribution System Operators for which reimbursement is expected	5,285,650.66	643,209.73
Other receivables from shareholders and their owners	300,834.76	606,024.48
Other advances	57,049.77	484,200.40
Deposits and advance payments	2,040,219.70	216,699.46
Other	131,296.55	352,982.80
Total	7,815,051.44	2,303,116.88

21.2. Other short-term liabilities

	31/12/2022	31/12/2021
Liabilities relating to the purchase of fixed assets	44,582,462.53	6,508,317.27
Liabilities due to the acquisition of shares	16,210,054.12	22,945,251.49
Other obligations to shareholders and their owners	223,253.91	0.00
Other	1,894,946.41	600,871.78
Total	62,910,716.97	30,054,440.54

22. Territorial and itemised structure of sales

The material structure of sales revenue in 2022 and 2021 was as follows:

Type of activity	Year ended on 31/12/2022	Year ended on 31/12/2021
1. Sale of construction services for photovoltaic farms and photovoltaic installations	60,526,424.91	56,495,957.66
2. Sales of development and EPCm services	1,849,524.45	5,940,000.00

3. Sale of maintenance services for photovoltaic farms	10,016,732.43	2,562,080.25
4. Energy sales	33,298,865.10	5,455,831.49
5. Sale of green certificates	1,528,573.88	1,227,972.58
6. Sale of goods - photovoltaic equipment	361,156,380.35	157,198,712.49
7. Sale of leasing services for photovoltaic installations	30,806,280.03	0.00
8. Sale of other services	2,307,883.82	1,783,871.18
Net revenues from sales, in total	501,490,664.97	230,664,425.65

The territorial structure of sales revenue in 2022 and 2021 was as follows:

Area of activity	Year ended on 31/12/2022	Year ended on 31/12/2021
1. Poland	289,102,096.26	215,177,663.82
2. Foreign markets	212,388,568.71	15,486,761.83
Net revenues from sales, in total	501,490,664.97	230,664,425.65

23. Revaluation write-offs of fixed assets

The Capital Group did not make any revaluation write-offs of fixed assets in the current or the previous financial year.

24. Inventory

Title	31/12/2022	31/12/2021
1. Materials	4,754,880.00	97,558.97
2. Intermediate products and work in progress	0.00	0.00
3. Products	0.00	0.00
4. Goods	5,670,843.04	34,252,991.35
5. Provisions on deliveries	8,178,672.27	34,904,296.67
Total inventories	18,604,395.31	69,254,846.99
Write-offs of inventory	0.00	0.00

The Group did not make any inventory write-offs in the current or previous financial year.

25. Information on revenues, expenses and results of operations discontinued during the financial year or to be discontinued during the next year

In connection with the sale of shares in the subsidiary Menlo Electric S.A., the Group discontinued its activities in the photovoltaic equipment wholesale segment.

	Discontinued operations	Continuing operations	Discontinued operations	Continuing operations
	Period ended on	Period ended on	Period ended on	Period ended on
	31/12/2022	31/12/2022	31/12/2021	31/12/2021
Net revenue from sales and equated	345,798,565.16	155,692,099.81	65,569,575.65	165,094,850.00
Operating costs	327,960,791.83	133,446,713.62	59,874,445.69	167,257,477.32
Profit/(loss) on sales	17,837,773.33	22,245,386.19	5,695,129.96	-2,162,627.32
Other operating revenues	454,233.71	2,208,869.98	3,407,887.69	2,007,274.19
Other operating expenses	669,135.71	2,270,807.59	0.00	1,119,141.46
Profit/(loss) on business activity	17,622,871.33	22,183,448.58	9,103,017.65	-1,274,494.59
Financial revenues	0.00	11,777,431.61	0.00	8,588,390.05
Financial expenses	5,281,325.93	74,587,326.69	1,048,949.73	9,677,681.14
Profit/(loss) on sale of shares in subordinates*	-9,455,162.77	429,417.98	0.00	4,346,481.85
Investment profit / (loss)**	2,886,382.63	-40,197,028.52	8,054,067.92	1,982,696.17
Net profit / (loss)**	48,195.63	-38,288,942.94	7,038,775.92	-986,140.72

*Effect of Menlo S.A.'s net result up to the date of sale of shares on the result on the sale of shares of subordinated entities presented in the consolidated financial statements

** Including the effect of the net result of Menlo S.A. up to the date of sale of shares on the result on the sale of shares of subordinates presented in the consolidated financial statements

26. Income tax

Corporate income tax structure:

	Year ended on 31/12/2022	Year ended on 31/12/2021
Current income tax	10,016,973.42	5,594,547.50
Change in deferred income tax	-14,660,940.79	-4,926,343.97
Income tax in the profit and loss account	-4,643,967.37	668,203.53

The reconciliation of gross profit to the tax base is as follows:

Year ended on 31 December 2022:

	from capital gains	from other sources of revenue
Gross profit / (loss)	7,634,009.44	-48,819,570.71
Consolidation exclusions	0.00	70,638,445.98
Non-taxable income in the current year, including:	0.00	62,039,304.16
accrued, not received interest on receivables, including on loans granted	0.00	40,971,454.00
unrealised exchange rate differences	0.00	791,866.24
balance sheet revenue not recognised for tax purposes	0.00	20,275,983.92
Current year taxable income recognized in prior years' accounts, including:	0.00	8,741,930.64
interest paid, recognised on the balance sheet in the previous reporting period	0.00	3,301,305.64
other	0.00	5,440,625.00
Non-deductible expenses (permanent differences between profit/loss for accounting purposes and income/loss for tax purposes), including due to:	0.00	4,702,690.80
interest on late payments of budgetary entitlements	0.00	98,226.39
receivables written off as irrecoverable	0.00	0.00
write-offs of investment value	0.00	0.00
representation costs	0.00	487,875.98
contributions to the disability fund (PFRON)	0.00	82,455.00
premiums for car insurance in the amount exceeding their part determined in the proportion equal to the equivalent of EUR 20,000	0.00	243,598.92
expenditure on the costs of use of personal cars which are not the property of the taxpayer	0.00	741,410.95
own cost of green certificate sales	0.00	461,892.83
other	0.00	2,587,230.73
Expenses not recognised as deductible in the current year, including:	0.00	58,270,477.12
accrued but not paid or redeemed interest on liabilities, including loans (credits)	0.00	41,470,961.58
unrealised exchange rate differences	0.00	5,567,804.32
balance sheet depreciation inconsistent with tax regulations	0.00	1,013,611.19
costs of unpaid payments, benefits	0.00	288,369.90
costs of unpaid contributions to Zakład Ubezpieczeń Społecznych (Social Insurance Institution)	0.00	42,770.24
value of created provisions for costs	0.00	9,886,959.89
Expenses recognized as deductible in the current year as recorded in the books of prior years, including:	0.00	4,436,906.64
tax depreciation settled differently from balance sheet depreciation	0.00	3,378,937.39
interest paid, including on loans and borrowings	0.00	975,000.00
costs direct to revenues in 2021 and incurred in 2022	0.00	58,888.93
social contributions paid in the previous period	0.00	24,080.32
Tax loss generated by Group entities	0.00	22,471,200.66
Fiscal result	7,634,009.44	49,528,963.69

Previous years' loss	0.00	3,633,250.41
Income tax base, including:	7,634,009.00	45,895,713.00
Taxed at a rate of 19%	7,634,009.00	31,866,095.00
Taxed at a rate of 9%	0.00	13,082,670.84
Taxed at other rates (abroad)	0.00	946,947.31
Income tax, including:	1,450,461.00	8,566,512.42
attributable to the period before acquisition of shares in related companies	0.00	0.00

Year ended on 31 December 2021:

	from capital gains	from other sources of revenue
Gross profit / (loss)	10,423,943.94	-2,814,919.28
Consolidation exclusions	0.00	7,545,425.40
Non-taxable income in the current year, including:	0.00	20,743,150.72
accrued, not received interest on receivables, including on loans granted	0.00	8,507,179.53
unrealised exchange rate differences	0.00	2,238,278.29
balance sheet revenue not recognised for tax purposes	0.00	9,997,692.90
Current year taxable income recognized in prior years' accounts, including:	2,010,891.75	3,789.25
interest paid, recognised on the balance sheet in the previous reporting period	2,010,891.75	3,789.25
invoice issued in 2020, revenue in 2021	0.00	0.00
Non-deductible expenses (permanent differences between profit/loss for accounting purposes and income/loss for tax purposes), including due to:	0.00	2,413,701.39
interest on late payments of budgetary entitlements	0.00	33,858.49
receivables written off as irrecoverable	0.00	301,802.30
write-offs of investment value	0.00	0.00
representation costs	0.00	276,649.07
contributions to the disability fund (PFRON)	0.00	73,700.00
premiums for car insurance in the amount exceeding their part determined in the proportion equal to the equivalent of EUR 20,000	0.00	44,449.18
expenditure on the costs of use of personal cars which are not the property of the taxpayer	0.00	795,852.96
own cost of green certificate sales	0.00	578,779.95
other	0.00	308,609.44
Expenses not recognised as deductible in the current year, including:	0.00	26,310,922.62
accrued but not paid or redeemed interest on liabilities, including loans (credits)	0.00	12,677,992.75
unrealised exchange rate differences	0.00	191,623.82
balance sheet depreciation inconsistent with tax regulations	0.00	2,832,757.06
costs of unpaid payments, benefits	0.00	391,672.58

costs of unpaid contributions to Zakład Ubezpieczeń Społecznych (Social Insurance Institution)	0.00	39,065.37
value of created provisions for costs	0.00	10,177,811.04
Expenses recognized as deductible in the current year as recorded in the books of prior years, including:	2,010,891.75	4,338,686.09
tax depreciation settled differently from balance sheet depreciation	0.00	208,868.02
interest paid, including on loans and borrowings	2,010,891.75	3,954,437.28
costs direct to revenues in 2020 and incurred in 2021	0.00	58,888.93
social contributions paid in the previous period	0.00	116,491.86
Tax loss generated by Group entities	0.00	16,411,230.15
Fiscal result	10,423,943.94	24,788,312.73
Previous years' loss	0.00	120,030.46
Income tax base, including:	10,423,944.00	24,668,282.00
Taxed at a rate of 19%	10,423,944.00	23,706,182.00
Taxed at a rate of 9%	0.00	962,100.00
Income tax, including:	1,980,549.00	4,590,763.00
attributable to the period before acquisition of shares in related companies	0.00	976,764.50

Entities covered by the consolidated financial statements, which have the status of a small taxpayer (Art. 19(1d) of the Corporate Income Tax Act) or new taxpayers in the first year of starting business activity (art. 19, sec. 1e of the Corporate Income Tax Act) apply a preferential rate of 9% of the tax base on revenue (income) other than from capital gains - if the revenue earned by them in the tax year did not exceed the PLN equivalent of EUR 2 million converted according to the average exchange rate of the EUR published on the first business day of the tax year, rounded up to PLN 1,000 (Art. 19(1)(2) of the Corporate Income Tax Act).

Regulations on value added tax, corporate income tax, personal income tax or social security contributions are subject to frequent changes, as a result of which there is often no reference to established regulations or legal precedents. The current legislation also contains ambiguities that cause differences in opinion as to the legal interpretation of tax provisions, both between state authorities and between state authorities and enterprises. Tax and other settlements (e.g. customs or foreign exchange) may be audited by the authorities, which are entitled to impose high penalties, and the additional amounts of liabilities determined as a result of the audit must be paid with high interest. These phenomena cause that tax risk in Poland is higher than usually present in countries with a more mature tax system. Tax returns can be audited for a period of up to five years. As a result, amounts reported in the consolidated financial statements may change at a later date after final determination by the tax authorities.

Deferred tax liabilities/assets consist of differences from the following items:

	31/12/2022	31/12/2021
Assets under deferred tax		
Receivables to be written down	41,584.00	0.00
Differences between tax and balance sheet values of property, plant and equipment	2,791,854.83	0.00

Prepayments and accruals (grants)	548,803.84	581,103.92
Provisions for construction contracts	1,622,871.01	2,993,498.00
Other provisions	769,909.47	575,126.57
Interest on loans taken	3,221,416.04	997,783.37
Accrued and unpaid wages	61,756.90	36,612.11
Exchange rate differences	72,816.26	118,642.12
Debt financing costs to be deducted from future taxable income	5,507,061.87	578,715.05
Losses deductible from future taxable income	6,181,099.29	3,823,583.01
Other	17.72	426,885.55
Total	20,819,191.22	10,131,949.70
Provision for deferred tax		
Differences between tax and balance sheet values of property, plant and equipment	44,095.52	1,535,588.37
Non-invoiced revenue	947,538.65	1,792,650.00
Exchange rate differences	78,048.37	171,336.51
Interest on loans granted	72,605.11	1,252,720.30
Other	0.00	363,710.21
Total	1,142,287.66	5,116,005.39
Deferred tax assets disclosed in the balance sheet	19,676,885.11	5,015,944.32
Deferred tax liability disclosed in the balance sheet	0.00	0.00
Change in deferred tax recognised in the profit and loss account	-14,660,940.79	-4,926,343.97

27. Other operating revenues

	31 December 2022	31 December 2021
Profit on sale of non-financial fixed assets, including:	80,815.45	105,120.77
- gain on disposal of tangible and intangible assets	80,815.45	105,120.77
- gain on disposal of property and intangible assets classified as investments	0.00	0.00
Grants	358,889.76	358,889.76
Revaluation of non-financial assets	0.00	0.00
Other operating revenues, including:	2,223,398.48	4,910,622.86
- release of revaluation write-offs	0.00	0.00

- due to inventory differences	128,828.99	79,894.59
- damages and penalties received	1,566,453.41	776,640.80
- release of provisions	0.00	142,144.74
- write-down of unmatured liabilities	0.00	358,568.57
- write-off of negative goodwill	0.00	3,156,919.97
- other	528,116.08	396,454.19
Other operating revenues, in total	2,663,103.69	5,374,633.39

28. Other operating expenses

	Year ended on 31/12/2022	Year ended on 31/12/2021
Other operating costs, including:	2,939,943.30	1,078,612.97
- established reserves	139,444.96	693,320.67
- donations	237,065.07	0.00
- receivables written off	314,801.05	210,542.01
- decommissioning costs of fixed assets	0.00	174,750.29
- compensation costs	1,428,340.32	0.00
- due to inventory differences	167,548.54	0.00
- setting up reserves connected with settlements with Zarządca Rozliczeń S.A. under the auctioning support system for RES generators	331,781.82	0.00
- other	320,961.54	0.00
Other operating expenses, in total	2,939,943.30	1,078,612.97

29. Financial revenues

	Year ended on 31/12/2022	Year ended on 31/12/2021
Interest, including:	2,006,083.90	1,735,844.30
- interest from related companies	1,814,329.52	1,712,455.72
- other interests	191,754.38	23,388.58
Profit on sale of non-financial investments, including:	8,311,533.55	6,090,763.18
- sale of shares in entities in which the Group has equity participation	8,311,533.55	6,090,763.18
Revaluation of financial investments, including:	0.00	0.00

Others, including:	1,459,814.16	709,218.73
- exchange rate differences*	0.00	697,803.74
- revenue from IRS transactions	1,448,470.46	0.00
- other financial revenues	10,577.56	11,414.99
Total financial revenues	11,777,431.61	8,535,826.21

* the item "foreign exchange differences" in financial revenue includes the surplus of positive exchange differences over negative exchange differences

30. Financial expenses

	Year ended on 31/12/2022	Year ended on 31/12/2021
Interest, including:	49,739,272.83	8,781,398.47
- interests for related companies	7,245,928.15	2,552,032.79
- interest to other counterparties	1,655,534.70	0.00
- interest on bonds issued	32,540,000.00	4,885,500.00
- bank interests	7,221,639.32	634,525.79
- other interests	1,076,170.66	709,339.89
Revaluation of financial investments	1,572.47	0.00
Others, including:	30,127,807.32	1,892,668.56
- exchange rate differences*	1,130,800.78	0.00
- acquisition costs of shares in related entities not included in the acquisition price	739,300.84	1,564,960.27
- costs from IRS transactions	824,666.44	0.00
- valuation of IRS contracts	9,657,702.09	0.00
- costs of sold receivables	16,688,926.16	0.00
- other financial expenses	1,086,411.01	327,708.29
Total financial expenses	79,868,652.62	10,674,067.03

* the item "foreign exchange differences" in financial expenditure includes the surplus of negative exchange differences over positive exchange differences

31. Profit on sale of shares

31.1. Profit on sale of shares of subordinated entities

	Year ended on 31 December 2022	Year ended on 31 December 2021
--	-----------------------------------	-----------------------------------

Share sales price	7,654,211.41	4,338,180.76
Net assets of subordinated entities sold	16,596,055.98	-8,301.09
Goodwill of subordinated entities sold	83,900.22	0.00
Profit on sale of shares	-9,025,744.79	4,346,481.85

31.2. Profit on the sale of shares of entities not included in the consolidated financial statements

	Year ended on 31/12/2022	Year ended on 31/12/2021
Share sales price	8,917,810.40	6,745,595.86
Value of shares sold at purchase price	515,528.58	654,832.68
Other costs related to sales transactions	90,748.27	0.00
Other income related to share sales transactions	0.00	0.00
Profit on sale of shares	8,311,533.55	6,090,763.18

32. Income and expenses of extraordinary value or which occurred incidentally

There were no extraordinary or incidental revenues or expenses in either the fiscal year ending 31 December 2022 or the prior year.

33. Structure of cash accepted for the consolidated cash flow statement

	31/12/2022	31/12/2021
Cash in bank	142,510,655.19	66,470,188.73
- current accounts	93,812,655.19	53,670,188.73
- deposits up to 3 months	0.00	0.00
- debt service account – bonds	48,698,000.00	12,800,000.00
Cash in hand	812,271.82	800,700.00
Other cash	10,947,618.24	65,685.61
- VAT receipts	10,947,618.24	65,685.61
Other financial assets	0.00	0.00
Total cash and cash equivalents	154,270,545.25	67,336,574.34

Cash accumulated on VAT accounts is cash with restricted use.

34. Reasons for differences between consolidated balance sheet changes in certain items and changes resulting from the consolidated cash flow statement

Provisions	Year ended on 31/12/2022	Year ended on 31/12/2021
Balance sheet change in provisions	93,954.34	551,175.93
- acquisition of subsidiaries	0.00	-548,372.00
Change in provisions in the cash flow statement	93,954.34	2,803.93

Inventory	Year ended on 31/12/2022	Year ended on 31/12/2021
Balance sheet change in inventories	50,650,451.68	-62,949,965.31
- acquisition of subsidiaries	0.00	26,660,949.55
- sale of subsidiaries	-143,708,671.55	-7,731.09
Change in inventories in the cash flow statement	-93,058,219.87	-36,296,746.85

Receivables	Year ended on 31/12/2022	Year ended on 31/12/2021
Balance sheet change in long-term and short-term receivables, net	-84,353,963.20	-10,438,773.60
- acquisition of subsidiaries	483,519.66	11,234,896.88
- sale of subsidiaries	-3,302,665.84	-359,897.53
- change in accruals for the purchase of shares (investment expenditure)	0.00	0.00
- change in ERO deposit (capital expenditure)	-9,259,186.07	4,339,048.24
- adjustment for other settlements	0.00	0.00
Change in receivables in the cash flow statement	-96,432,295.45	4,775,273.99

Liabilities	Year ended on 31/12/2022	Year ended on 31/12/2021
Balance sheet change in short- and long-term liabilities, except for loans and credits	10,917,060.20	57,616,426.60
- acquisition of subsidiaries	-158,340.26	-31,057,294.30
- sale of subsidiaries	101,877,430.68	13,141.68
- adjustment for lease payments	-14,211.34	0.00

- adjustment for other settlements	0.00	360,010.83
- adjustment for expenses related to investing activities	6,735,197.37	-21,344,139.24
- adjustment for IRS valuation commitments	-9,848,262.97	0.00
- adjustment for advances related to investing activities	5,411,782	6,709,489
- adjustment for liabilities relating to the purchase of fixed assets	-38,074,145.26	17,180,542.38
Change in liabilities in the cash flow statement	76,846,510.55	29,478,176.70

Accruals and prepayments	Year ended on 31/12/2022	Year ended on 31/12/2021
Balance sheet change in accruals	-17,810,284.99	-15,663,790.99
- acquisition of subsidiaries	0.00	-3,147,411.43
- sale of subsidiaries	1,149,925.29	-4,903.23
Change in accruals in the cash flow statement	-16,660,359.70	-18,816,105.65

35. Information on an average employment during a financial year, broken down by professional groups

Group of employees	Year ended on 31/12/2022	Year ended on 31/12/2021
White-collar workers	186	85
Total employment	186	85

36. Information about the auditing firm's remuneration

The following table sets forth the audit firm fees paid or payable for the year ended 31 December 2022 and 31 December 2021 by service type:

Type of service	Year ended on 31/12/2022	Year ended on 31/12/2021
Audit of the annual consolidated financial statements	115,000.00	90,000.00
Other attestation services	0.00	0.0
Total	115,000.00	90,000.00

The remuneration does not include services provided to other Group companies.

37. Information on remuneration, including profit sharing, and pensions paid or due to members of the management bodies of commercial companies

	Year ended on 31/12/2022	Year ended on 31/12/2021
Remuneration paid for acting as a member of the Management Board	0.00	76,491.00
Total	0.00	76,491.00

The Group does not have and has not had any pension or similar schemes for members of its management bodies.

38. Information on loans and benefits of a similar nature granted to members of the management, supervisory or administrative bodies of commercial companies

Both in the financial year ending 31 December 2022 and in the previous year, the Parent Company did not grant any loans or similar benefits to members of its management bodies.

39. Information on joint ventures that are not subject to consolidation

The Capital Group did not enter into any joint ventures that are not subject to consolidation.

40. Information about the capital group and transactions with related parties

a) Parent company

The Parent Company's parent entities are its shareholders indicated in Note 9.

The volume of transactions with the Parent Company of the Capital Group amounted to:

	Year ended on 31/12/2022	Year ended on 31/12/2021
	Total	Total
Purchases	0.00	0.00
Sales	0.00	1,690,925.20
Interest - financial revenues	7,245,928.15	2,552,032.79
	31/12/2022	31/12/2021
	Total	Total
Loans granted	83,608,068.12	73,862,921.13
Other receivables	1,758,986.22	1,243,652.12

Other liabilities	2,199,601.65	100,800.02
-------------------	--------------	------------

b) Transactions with related parties not included in the consolidated financial statements

The volume of transactions of the Capital Group entities with related parties not included in the consolidated financial statements amounted to:

Balances on loans received and interest - current year's financial costs

Year ended on 31 December 2022

Related entity	Loans received	Interest - expenses
Menlo S.A.	27,836,741.21	1,051,047.30
Related entities whose shares were sold during the year	0.00	763,282.22
Total	27,836,741.21	1,814,329.52

Year ended on 31 December 2021

Related entity	Loans received	Interest - expenses
Nazare Sp. z o.o.	8,429,638.57	147,972.13
Elektrownia PV Biała Sp. z o.o.	8,273,687.93	107,268.38
Elektrownia PV Rgielsko Sp. z o.o.	6,423,271.28	68,499.26
SUN PPV Sp. z o.o.	6,122,486.59	68,862.81
Elektrownia PV Laski Sp. z o.o.	4,451,904.76	18,475.70
Elektrownia PV 14 Sp. z o.o.	3,359,526.84	98,350.44
Elektrownia PV 16 Sp. z o.o.	2,467,565.42	79,502.22
Elektrownia PV 18 Sp. z o.o.	2,405,821.01	64,840.06
Elektrownia PV 23 Sp. z o.o.	1,606,248.73	41,386.32
Elektrownia PV 15 Sp. z o.o.	864,051.14	19,218.08
Elektrownia PV 9 Sp. z o.o.	750,987.27	24,226.08
MG Green Energy 27 Sp. z o.o.	640,772.68	45,946.37
Elektrownia PV 11 Sp. z o.o.	582,915.01	21,090.97
Eco-Invest Solutions Sp. z o.o.	571,898.75	17,681.75
Elektrownia PV 22 Sp. z o.o.	568,459.53	24,347.86
Elektrownia Słoneczna Małe Raczki Sp. z o.o.	546,979.24	14,174.71
MG Green Energy 6 Sp. z o.o.	515,566.71	17,698.55
Elektrownia PV 13 Sp. z o.o.	514,619.40	27,005.28
Elektrownia PV 20 Sp. z o.o.	489,812.87	15,978.10
Polska PV Sp. z o.o.	487,245.82	12,345.63
MG Green Energy 28 Sp. z o.o.	448,110.09	14,559.53
Edyl Sp. z o.o.	0.00	141,862.75
Elektrownia PV 10 Sp. z o.o.	0.00	14,734.47

Elektrownia PV 12 Sp. z o.o.	0.00	43,141.14
Elektrownia PV 17 Sp. z o.o.	0.00	33,538.93
Elektrownia PV 19 Sp. zo.o.	0.00	24,523.61
Elektrownia PV 21 Sp. z o.o.	0.00	38,220.16
Elektrownia PV 24 Sp. z o.o.	0.00	39,602.07
Elektrownia PV 25 Sp. z o.o.	0.00	47,464.01
Elektrownia PV 26 Sp. z o.o.	0.00	7,916.73
Elektrownia PV Barglow Dworny Sp. z o.o.	0.00	33,847.27
Elektrownia PV Miłocice Sp. z o.o.	0.00	16,821.04
Other related entities	10,286.49	321,353.31
Total	50,531,856.13	1,712,455.72

Trade liabilities balances and purchases - services and assets acquired in the current year

Year ended on 31 December 2022

Related entity	Trade, works and services liabilities	Purchases
Related entities whose shares were sold during the year	0.00	2,788,046.43
Total	0.00	2,788,046.43

Year ended on 31 December 2021

Related entity	Trade, works and services liabilities	Purchases
Elektrownia PV 14 Sp. z o.o.	472,663.16	3,520,386.61
Elektrownia PV 16 Sp. z o.o.	330,379.62	1,352,451.21
MG Green Energy 6 Sp. z o.o.	206,846.97	692,220.00
SUN PPV Sp. z o.o.	175,440.96	164,754.42
Nazare Sp. z o.o.	45,170.68	223,589.90
Elektrownia PV 13 Sp. z o.o.	9,065.92	74,420.00
Elektrownia PV 11 Sp. z o.o.	8,957.57	72,220.00
Elektrownia PV 18 Sp. z o.o.	8,934.40	161,680.22
Elektrownia PV Laski Sp. z o.o.	8,763.95	220,719.27
Elektrownia PV 23 Sp. z o.o.	8,494.15	62,865.16
Elektrownia PV Biała Sp. z o.o.	8,471.92	62,413.55
MG Green Energy 28 Sp. z o.o.	8,265.60	12,220.00
Polska PV Sp. z o.o.	8,265.60	28,007.75
Elektrownia PV 15 Sp. z o.o.	8,265.60	13,220.00
Elektrownia PV 20 Sp. z o.o.	8,265.60	13,220.00
Elektrownia PV 9 Sp. z o.o.	8,265.60	1,984,568.60
Elektrownia PV Fioletowa Sp. z o.o.	8,265.60	13,220.00
Elektrownia Słoneczna Małe Raczki Sp. z o.o.	8,265.60	1,211,206.40
Elektrownia PV Rgielsko Sp. z o.o.	14,604.12	164,316.58
Elektrownia PV 22 Sp. z o.o.	7,063.78	115,542.58

Edyl Sp. z o.o.	2,840.48	3,879,188.32
Elektrownia PV 19 Sp. z o.o.	1,672.48	108,764.00
Elektrownia PV 1 Sp. z o.o.	1,287.76	180,000.00
Elektrownia PV 25 Sp. z o.o.	990.66	271,549.35
Elektrownia PV 21 Sp. z o.o.	911.84	1,970,863.07
RES 5 Sp. z o.o.	866.13	210,824.30
Elektrownia PV 12 Sp. z o.o.	619.82	1,373,733.58
MG Green Energy 27 Sp. z o.o.	347.68	109,153.34
Elektrownia PV 24 Sp. z o.o.	320.60	109,736.13
Eco-Invest Solutions Sp. z o.o.	76.19	27,554.57
Related entities whose shares were sold during the year	0.00	4,742,226.51
Total	1,372,650.04	23,146,835.42

Trade receivable balances and sales - revenue in the current year

Year ended on 31 December 2022

Related entity	Trade, works and services receivables	Sales
IdeaLab Venture Capital sp. z o.o.	126,042.12	126,042.12
Total	126,042.12	126,042.12

Year ended on 31 December 2021

Related entity	Trade, works and services receivables	Sales
Elektrownia Słoneczna Małe Raczki Sp. z o.o.	12 6042.12	102,473.27
Elektrownia PV Rgielsko Sp. z o.o.	73,800.00	60,000.00
MG Green Energy 6 Sp. z o.o.	96,432.00	78,400.00
Total	296,274.12	240,873.27

41. Transactions concluded on other than market conditions with related entities

The terms of the transactions entered into by the Group with related parties during the year ended 31 December 2022 and the previous year did not differ from market conditions.

42. List of entities of which the Group is a member having unlimited liability

The Group was not a partner with unlimited liability in any entity during the financial year ending 31 December 2022 and the previous year.

43. Financial instruments

Objectives and principles of financial risk management

The Group is exposed to market risk comprising primarily the risk of changes in interest rates and foreign exchange rates. The Group's risk management is embodied in an overall operational strategy that defines risk tolerance levels and ensures that these are monitored and controlled on an ongoing basis. The objective of risk management is to maintain and control the Group's exposure to risk within assumed parameters, while seeking to optimise the rate of return on investments. In addition, the Group uses derivatives to manage interest rate and exchange rate risk.

The Group does not own or issue any derivative financial instruments held for trading.

Interest rate risk

The Group's exposure to market risk due to changes in interest rates relates primarily to bonds issued, loans and borrowings received. The Group uses derivatives to manage the interest rate risk. The Group offsets the risk of rising interest rates by also basing the interest on variable interest rates for loans granted.

Foreign exchange risk

The Group is exposed to foreign exchange risk on account of its transactions. So far the Group has generated most of its sales revenues in PLN, whereas approximately 30% of the purchase costs of materials and components used in the products offered by the Group and some of the machines and equipment acquired as part of investment projects are settled in USD or EUR. In particular, this applies to photovoltaic panels and inverters. The Group endeavours to negotiate the terms and conditions and payment dates in such a way as to sufficiently minimise the negative impact of exchange rate fluctuations. The Group uses derivatives to manage the exchange rate risk.

Credit risk

Credit risk resulting from the inability of the other party to meet the terms of the agreements relating to the Group's financial instruments is significantly limited. The Group grants loans only to related parties. Furthermore, the related parties to which the Group has granted loans are subject to preliminary share purchase agreements that provide for repayment of these loans by the purchasing party.

44. Characteristics of financial instruments

The following table provides a comparison of the carrying amounts and fair values of all of the Group's financial instruments that are carried at amounts other than fair value in the consolidated financial statements, by category of assets and liabilities.

	Carrying amount		Fair value	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Financial assets				
Cash	154,270,545.25	67,336,574.34	154,270,545.25	67,336,574.34
Trade and services receivables	9,694,009.20	10,777,556.99	9,694,009.20	10,777,556.99

Loan notes	0.00	0.00	0.00	0.00
Financial assets held for sale	0.00	0.00	0.00	0.00
Long-term loans granted	27,836,741.21	50,531,856.13	27,836,741.21	50,531,856.13
Shares	3,351.28	515,943.54	3,351.28	515,943.54
Long-term receivables	14,232,205.60	22,896,317.60	14,232,205.60	22,896,317.60
Total:	206,036,852.54	152,058,248.60	206,036,852.54	152,058,248.60
Financial liabilities				
Overdraft facility	0.00	0.00	0.00	0.00
Trade liabilities	20,878,926.13	49,510,166.48	20,878,926.13	49,510,166.48
Liabilities arising from issuance of debt securities	454,446,000.00	175,975,000.00	454,446,000.00	175,975,000.00
Interest-bearing bank loans and advances:	892,569,841.01	179,658,228.37	892,569,841.01	179,658,228.37
- Liabilities under finance leases and hire purchase contracts	2,377,254.77	2,836,247.78	2,377,254.77	2,836,247.78
- Loans and borrowings bearing interest at a variable rate	890,192,586.24	176,821,980.60	890,192,586.24	176,821,980.60
- Loans and borrowings bearing interest at a fixed rate	0.00	0.00	0.00	0.00
Total:	1,367,894,767.14	405,143,394.85	1,367,894,767.14	405,143,394.85

45. Events after the balance sheet date

In the first quarter of 2023, the Parent Company successfully completed the process of securing a minority investor, the commencement of which was announced in current report 16/2022 of 5 July 2022 (“Commencement of the process of securing a minority investor through the issue of new shares in R.Power S.A.”).

On 10 February 2023, the Parent Company announced in current report 2/2023 (“Execution of an investment agreement for the acquisition of a minority stake in R.Power S.A. with a future shareholder”) that an investment agreement for the acquisition of a minority stake in R.Power S.A. had been concluded between the Parent Company itself, the Parent Company’s shareholders and a special purpose vehicle, established by the Three Seas Initiative Investment Fund S.A., SICAV-RAIF, whose exclusive investment adviser is Amber Infrastructure Group. Based on the provisions of the Agreement, the SICAV-RAIF fund of Three Seas Initiative Investment Fund S.A. has committed to invest €150 million in the Company in return for taking a minority stake in the Company, with the option to further increase the investment to a total of €250 million.

A condition precedent to the further implementation of the transaction was the approval of the concentration by the President of the OCCP.

On 16 March 2023, having previously received the decision of the President of the OCCP consenting to the concentration (condition precedent), the Parent Company announced by current communication 5/2023 (“Increase in the share capital of R.POWER S.A.”) on increasing the share capital in R.Power S.A. by issuing new shares.

The funds raised from the minority investor, after taking into account the costs associated with the process, fully contributed to the parent company’s equity.

On 3 April 2023, the capital increase was registered by the National Court Register.