

R.Power S.A.

Management Board Report on Operations for 2025

In the event of any discrepancy or inconsistency between the language versions of this document, the Polish version shall prevail

01. Basic information about the Company

R.Power Spółka Akcyjna (“the Company”) was established by a Notarial Deed dated 12 October 2010. On 10 December 2021, the Company was converted from a limited liability company into a joint-stock company. The conversion was registered in the Register of Entrepreneurs of the National Court Register maintained 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 Company is entered in the Register of Entrepreneurs of the National Court Register under KRS number 0000939593. The Company has been assigned the statistical number REGON 142641571. The Company’s registered office is located at 02-566 Warsaw, ul. Puławska 2.

On 16 March 2023, the Company’s share capital was increased by PLN 2,646,235.75 through the issue of 52,924,715 new shares with a nominal value of PLN 0.05 each.

On 6 August 2024, the Company’s share capital was increased by PLN 0.05 through the issue of 1 new share with a nominal value of PLN 0.05.

On 27 January 2025, the Company’s share capital was increased by PLN 0.05 through the issue of 1 new share with a nominal value of PLN 0.05.

On 30 November 2025, the Company’s share capital was increased by PLN 0.05 through the issue of 1 new share with a nominal value of PLN 0.05.

On 11 December 2025, 1 new share with a nominal value of PLN 0.05 was issued to increase the share capital. As at the date of preparation of the financial statements, this change had not been registered with the National Court Register.

As at 31 December 2025, the Company’s share capital amounted to PLN 8,682,235.90 and was divided into 173,644,718 shares with a nominal value of PLN 0.05 each.

The Company’s shareholders as at 31 December 2025 were:

	Number of shares	Number of votes	Nominal value per share	Nominal value of shares	Share of share capital
3S Ra Holdings S.à r.l.	50,872,478	50,872,478	0.05	2,543,623.90	29.30%
L77 Capital Ltd	46,284,048	46,284,048	0.05	2,314,202.40	26.65%
Tomasz Sęk	29,105,592	29,105,592	0.05	1,455,279.60	16.76%
Colares Investments sp. z o.o. Alternative Investment Company	28,151,904	28,151,904	0.05	1,407,595.20	16.21%
TS Capital Fund Ltd	17,178,456	17,178,456	0.05	858,922.80	9.89%
MKS Investments Family Foundation	2,052,240	2,052,240	0.05	102,612.00	1.18%
Total	173,644,718	173,644,718		8,682,235.90	100%

As at the date of this report, the Management Board of R.Power S.A. comprised:

- Przemysław Waclaw Pięta – Chairman of the Management Board
- Anna Gruszczyńska – Vice-Chair of the Management Board
- Tomasz Sęk – Member of the Management Board
- Klaudiusz Kalisz – Member of the Management Board
- Rafał Kozłowski – Member of the Management Board
- Marcin Pajewski – Member of the Management Board

As at the date of this report, the Supervisory Board of R.Power S.A. comprised:

- Dominykas Tuckas – Chairman of the Supervisory Board
- Witold Jaworski – Member of the Supervisory Board
- Krzysztof Czuba – Member of the Supervisory Board
- Wiktor Namysł – Member of the Supervisory Board
- Piotr Maslejok – Member of the Supervisory Board
- Bartłomiej Smolarek – Member of the Supervisory Board

The Company's principal business is the provision of services relating to the commercial management and development of solar power plant projects held by its subsidiaries, their commercialisation, and the generation of revenue from electricity production (where a project is retained in the portfolio) or from the sale of individual power plants to investors.

02. Events having a material impact on the Company's operations, its financial position and the results achieved during the year, as well as after the end of the year up to the date of preparation of this Management Board report

On 10 February 2023, the Company announced the conclusion of an investment agreement for the acquisition of a minority stake in R.Power S.A. between the Company itself, its shareholders and a special purpose vehicle established by the Three Seas Initiative Investment Fund S.A. SICAV-RAIF, for which Amber Infrastructure Group acted as the sole investment adviser. Under the terms of the Agreement, the Three Seas Initiative Investment Fund S.A. SICAV-RAIF undertook to invest €150 million in the Company in exchange for 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 completion of the transaction was obtaining merger clearance from the President of the Office of Competition and Consumer Protection (UOKiK), which was received on 16 March 2023. On 3 April 2023, the capital increase was registered by the National Court Register. The funds raised from the minority investor, after taking into account the costs associated with the process, were allocated in full to the Company's equity. In the fourth quarter of 2023, the Company entered into a tripartite framework agreement with the European Bank for Reconstruction and Development and 3S Ra Holdings S. à R.L. – a special purpose vehicle based in Luxembourg, a wholly-owned subsidiary of the Three Seas Initiative Investment Fund and a minority shareholder of the Company ("3S SPV"). Under the agreement, in February 2024 the European Bank for Reconstruction and Development acquired a 30% stake in 3S SPV, thereby becoming an indirect shareholder of the Company. The total planned amount of the EBRD's investment will be up to EUR 75 million out of the EUR 250 million to be contributed in total by 3S SPV. This capital injection will take place without any significant change in the Company's shareholding structure, in accordance with the previously concluded investment agreement.

In 2025, there were two increases in the share capital and reserve capital:

- On 30 November 2025, the Company's share capital was increased by PLN 0.05 through the issue of 1 new share with a nominal value of PLN 0.05, and the Company's reserve capital was increased by PLN 106,720,000.
- On 11 December 2025, 1 new share with a nominal value of PLN 0.05 was issued to increase the share capital and the Company's reserve capital by PLN 105,685,000.

As at the date of preparation of the financial statements, this change had not been registered with the National Court Register.

On 10 December 2025, in accordance with the resolution adopted, the Company completed the full recapitalisation process provided for under the investment agreement and achieved the target shareholding structure, under which:

- 3S RA Holdings S.à r.l. holds 29.3% of the Company's shares (this company is an entity in which the following hold indirect stakes: the European Bank for Reconstruction and Development (EBRD) – 30% and the Three Seas Initiative Investment Fund (3SIIF) – 70%),
- the remaining shares of the Company (70.7%) are held by its founders and the Company's management.

In October 2024, the Company carried out three bond issues with a total nominal value of PLN 530 million.

- As part of the Series 1/2024 issue, bonds with a total nominal value of PLN 352.2 million were issued.
- Under the Series 2/2024 issue, bonds with a total nominal value of PLN 127.8 million were issued.
- Under the Series 3/2024 issue, bonds with a total nominal value of PLN 50 million were issued.

At the same time, the Company purchased for redemption:

- Series 1/2021 – 159,998 bonds with a total nominal value of PLN 159,998,000
- Series 2/2022 – 25,000 bonds with a total nominal value of PLN 25,000,000
- Series 4/2022 – 120,000 bonds with a total nominal value of PLN 120,000,000.

On 31 October 2024, the Management Board of R. Power S.A. adopted a resolution to exercise the right to early full redemption of Series 1/2021 bonds, i.e. the redemption of 145,002 Series 1/2021 bonds with a total nominal value of PLN 145,002,000. The date of early redemption of the bonds was set for 2 December 2024.

All Series 1/2021, 2/2022 and 4/2022 bonds have been deregistered from the securities depository.

In December 2024, as part of the 4/2024 series issue, the Company issued bonds with a total nominal value of PLN 80.7 million. As at the balance sheet date of 31 December 2024, the total nominal value of the four series of green bonds issued by the Company amounts to PLN 610,700,000.

All of the Company's bonds are secured, bearer bonds. The nominal value of a single bond is PLN 1,000. The interest rate on the 5-year bonds is WIBOR 6M plus a margin of 3.5%. The bonds will be redeemed between 2027 and 2029.

Series 1/2024, 2/2024 and 4/2024 bonds were admitted to trading on the alternative trading system operated by the Warsaw Stock Exchange:

- Series 1/2024 was admitted to trading on 8 November 2024 and is listed under the abbreviated name RPW1029,
- Series 2/2024 was admitted to trading on 29 January 2025 and is listed under the abbreviated name RP21029,

- Series 4/2024 was admitted to trading on 23 December 2024 and is listed under the abbreviated name RP11029.

On 28 April 2025, Krajowy Depozyt Papierów Wartościowych S.A. decided to assimilate the Series 2/2024 and 4/2024 bonds with the Series 1/2024 bonds.

Since 5 May 2025, these bonds have been listed collectively as a single series under the name RPW1029 (ISIN: PLRPWR000015).

On 26 June 2025, the Company issued Series 1/2025 bonds with a total nominal value of EUR 30,000,000.

These bonds bear interest at the 6-month EURIBOR rate plus a margin of 3.5%, are secured bearer bonds, and were issued under a bond issuance programme up to PLN 1,000,000,000 (or the equivalent in EUR). The purpose of the issue was to finance and refinance investments in green projects, in particular battery energy storage systems (BESS), in accordance with the Green Bond Framework.

The issue costs amounted to:

- issues 1/2024–3/2024: PLN 7,217,997.99 net,
- issue 4/2024: PLN 522,569.13 net,
- issue 1/2025: PLN 953,726.38 net.

No underwriting agreement was entered into in connection with the Bond issue. Costs of preparing the information document, including advisory costs: Not applicable. No information document was prepared in relation to the Bonds. Advisory costs in connection with the Offer have been included in the costs of preparing and conducting the Bond Offer indicated above. Costs of promoting the Offer: Not applicable. Issue costs are recognised as prepaid expenses and amortised over time until the Bonds are redeemed.

03. Expected development of the Company

Strategically, in the coming years, the Company, together with the Group of which it is the parent company, aspires to become a leading player in the photovoltaic sector in selected European markets, including Portugal, Romania and Germany. The Group intends to place particular emphasis on expanding its activities in the IPP (independent power producer) sector, significantly increasing its portfolio of own, operational photovoltaic power plants.

04. Key achievements in research and development

The Company does not conduct separate research and development work. The Management Board's efforts are focused on optimising operations and, consequently, increasing their efficiency.

05. Current and projected financial position

For the year ended 31 December 2025, the Company reported a profit of PLN 59.8 million. Equity as at 31 December 2025 amounted to PLN 1,303.1 million. The balance sheet as at 31 December 2025 showed total assets and liabilities of PLN 2,196.4 million.

In the coming year, the Company's Management Board plans to increase revenue and improve profitability. The Management Board sees no risks to the Company's ability to meet its obligations. All obligations are serviced on an ongoing basis, in accordance with the terms of the agreements.

06. Treasury shares

As at the balance sheet date and as at the date of approval of this Management Board report, the Company did not hold any treasury shares.

07. Branches (plants) held by the Company

The Company has no branches (plants).

08. Financial instruments

Information on this subject can be found at in the financial statements at and in note 31 of the notes and explanations.

09. Going concern assumption

As at the date of publication of these financial statements, there are no indications of any threat to the Company's ability to continue as a going concern.

However, the escalation of the conflict between Ukraine and Russia, as a result of which Russia launched a military invasion of Ukraine on 24 February 2022, and the outbreak of conflict on 28 February 2026 between the USA and Iran, currently represent the greatest challenges facing societies and economies worldwide.

As at the date of these financial statements, the aforementioned conflict is ongoing and its duration cannot be predicted. The escalation of the conflict may have a material adverse effect on the economic situation in Poland, including exchange rates and interest rates, liquidity, the supply chain, as well as a deterioration in general public sentiment. Consequently, it may therefore have a material adverse effect on the Company's financial and operational position, the impact of which is currently difficult to predict. The Company's Management Board is monitoring the situation on an ongoing basis and is prepared to take measures to ensure the uninterrupted continuation of its operations.

10. Key threats and risks which, in the opinion of the Parent Company as the Issuer, are material to the assessment of its ability to meet its obligations arising from the issued debt instruments

10.1. Failure to achieve strategic objectives or their improper implementation

The Group is systematically expanding its operations as one of the key players in the renewable energy market for photovoltaic farms in Poland and abroad, primarily in the photovoltaic farm segment. A key feature of the Group's strategy is managing the project development process from its very inception, i.e. obtaining the necessary permits, through project development, financing and supervision of its construction, right up to the sale or retention of the project within Project Companies in which R.Power Investment BV holds a 100% stake. The Issuer cannot guarantee that its strategic objectives will be achieved, in particular that the development process of a given project will proceed without disruption or that, upon completion of construction, it will generate revenue at the anticipated level. The market in which the Group operates is subject to constant change, the direction and intensity of which depend on many factors. The market position in the coming years, and consequently the future revenues and profits of the Issuer and the Group, depend on the ability to develop, implement and maintain a long-term strategy.

The Issuer's strategy envisages rapid growth in the scale of the Group's operations, which may prove difficult to achieve and sustain. The extent to which the strategy is implemented depends on many factors, in particular on the availability of external financing, including the amount of funds raised from the issue of the Bonds.

Furthermore, pursuing an expansion strategy in adverse market conditions may lead to poor investment decisions. An incorrect assessment of the situation and the resulting misguided decisions, a lack of ability to adapt to rapidly changing market conditions, or an inability to maintain the rapid pace of growth in the Group's operations, may have a negative impact on the Issuer's or the Group's operations and financial results, as a result of which strategic objectives will not be achieved, which in turn may have a material adverse effect on the Issuer's growth rate, the scale of its operations and, consequently, the Issuer's ability to meet its obligations under the Bonds.

10.2. Risk associated with failing to win a renewable energy auction

Demand in the renewable energy market is primarily regulated by RES auctions. Participation in the auction is open to businesses that already have a ready-to-use energy source, as well as those that have projects in their portfolio for which valid building permits have been issued but the investments have not yet been completed. The key factor in RES auctions is the price competitiveness of bids. The cheapest bids win. The risk of failing to win a renewable energy auction does not arise in the markets where the Group operates, where project commercialisation takes place through the conclusion of power purchase agreements (PPAs) rather than renewable energy auctions (e.g. Italy, Spain and Portugal). Furthermore, even if a Project Company operating in Poland fails to win a renewable energy auction, it is still possible to commercialise the project by entering into a power purchase agreement.

The Company focuses on commercialising renewable energy projects through long-term power purchase agreements. However, there is a possibility of participating in further renewable energy auctions in the future. Although in recent years almost all projects prepared by the Issuer have won the renewable energy auctions in which they participated, there is a risk that in the future not all projects prepared by the Issuer will win RES

auctions, which may have a negative impact on the implementation of projects and the Group's financial results, and thus on the pace of the Issuer's development and the scale of its operations, which in turn may affect the Issuer's ability to meet its obligations under the Bonds.

10.3. Risk associated with the financing structure of special purpose vehicles

The Group carries out project development through special purpose vehicles. R.Power S.A. is an entity that does not hold shares in the Project Companies and does not make direct investments in the Project Companies.

The Group's strategy assumes that the financing of their operations will be based, inter alia, on project finance. This method involves the creation of so-called special purpose vehicles, established for the purpose of carrying out a specific project. The financing structure under project finance is characterised by the absence of recourse against the shareholders of the Project Company, whilst the repayment of debt capital and the return of equity used to finance the project are made from the income generated by that project. The project financier bases the repayment of the loan on the cash flows generated by the project, whilst the project's assets are treated as security for the loan repayment. If the special purpose vehicle fails to complete the project on time or the project does not generate the expected cash flows, there is a risk of breaching the loan agreements or delays in repaying loan instalments may occur or, in extreme cases, non-repayment. Any breaches of the terms of the bank debt or failure to repay it within the deadlines agreed in the loan documentation may, amongst other things, lead to banks initiating enforcement proceedings against the assets of the relevant Project Company directly. Such situations may, in turn, lead to significant delays in the repayment of loans granted to the Project Companies by the Issuer, as well as adversely affect the implementation of new projects and the further development of the Group and the Issuer's ability to meet its obligations under the Bonds.

10.4. Risk associated with the acquisition of Project Companies

Due to the financing structure of the Project Companies, their assets and receivables arising from bank account agreements, as well as the shares held by R.Power Investment in the Project Companies, are subject to pledges in favour of the financing banks. In the event of a breach of the financing terms, including the cessation of repayments on the loans taken out, the financing banks may enforce their claims against the assets of the Project Companies and the pledged shares, leading to their seizure, sale during enforcement proceedings or takeover in order to satisfy the claims of the banks lending to these Project Companies. For significant projects, a breach of the financing terms may adversely affect the Issuer's ability to meet its obligations under the Bonds. Furthermore, it cannot be ruled out that, in the event of non-payment of liabilities, the creditor banks will exercise their right to apply to the court for the Project Company to be declared bankrupt or to take control of such a company. As a result of the above actions, the Group may lose its assets, which may directly affect the Issuer's ability to meet its obligations under the Bonds.

10.5. Risk associated with the Issuer's investments in special purpose vehicles – intra-group loans

The Group's investment projects are carried out through special purpose vehicles. The Group finances projects, inter alia, by granting loans to special purpose vehicles implementing a given investment. The repayment of loans depends on the financial condition of individual special purpose vehicles, which is determined in particular by

the actual implementation of the planned schedule for specific projects. Delays in individual projects may lead to delays or, in extreme cases, an inability to repay the loans granted, which could significantly impair the Group's financial liquidity due to the inability to recover the invested funds. The circumstances described above and any adverse developments in this regard may have a material adverse effect on the Group's operations, financial position, financial results or prospects, and consequently on the Issuer's ability to meet its obligations under the Bonds.

10.6. Risk associated with the Issuer's status as a special purpose vehicle

As a special purpose vehicle, the Issuer essentially holds no assets other than receivables from R.Power Investment BV, the Project Companies and other entities within the Group. The majority of the Issuer's assets consist of receivables from R.Power Investment BV in connection with the sale of individual Project Companies to third parties, and the Issuer's receivables from the Project Companies arising from loans granted to the Project Companies. Consequently, the Issuer's ability to meet its obligations under the Bonds depends on the Issuer receiving payments in respect of receivables from R.Power Investment BV and the Project Companies.

The Issuer is therefore exposed, in terms of solvency, to all risks to which other entities within the Group are exposed, including R.Power Investment BV and the Project Companies. In the event of the insolvency of these companies, their assets will be seized in the first instance by creditors holding security over the assets of R.Power Investment BV and the Project Companies, or in shares in those companies, which may prevent the repayment of the individual companies' liabilities to the Issuer and, consequently, affect the Issuer's ability to meet its obligations under the Bonds.

10.7. Risk associated with the international expansion of business activities

The Issuer is currently developing projects mainly in Poland, but is also present in the Spanish, German, Romanian, Portuguese and Italian markets. The Issuer plans to expand its operations into other European countries, as well as outside Europe.

This strategy exposes the Issuer, amongst other things, to the following risks associated with entering new markets and managing international operations:

- (i) the Issuer's experience, knowledge and competitive advantages in its current primary market in Poland may not be sufficient or applicable in new markets;
- (ii) the pricing policies of central and local governments regarding renewable energy may be subject to change;
- (iii) the administrative, accounting and reporting burdens arising from the international scale of the Group's operations may increase, which may cause difficulties in implementing and maintaining appropriate internal control systems; and
- (iv) failure to comply with or monitor regulations or standards applicable in countries other than Poland may result in the need to incur additional costs related to legal services concerning foreign law.
- (v) operating within many different legal systems may result in a lack of adequate coordination of the Issuer's business development

The above factors, should they arise, may adversely affect the financial results of the Issuer and the Group companies and, consequently, the Issuer's ability to meet its obligations under the Bonds.

10.8. Currency risk

Fluctuations in exchange rates may have a significant impact on the Group's financial results and operating activities. In its operations to date, the Group has generated the vast majority of its sales revenue in PLN.

As the Group's operations expand, the proportion of sales revenue generated in EUR is increasing, including electricity supply contracts denominated in EUR with electricity customers in Poland. Nevertheless, an excessive weakening of the PLN exchange rate, particularly against the EUR, may affect the prices of components purchased by the Group, as well as the transport costs of imported products. The Group also bears exchange rate risk during the period between the purchase and payment for materials and components used in the products offered by the Group.

The Issuer cannot, however, guarantee that the full extent of the cost increases resulting from exchange rate fluctuations will be passed on to end customers through timely price increases. Consequently, there is a risk that the current or future foreign exchange risk management policy will not sufficiently minimise the negative impact of exchange rate fluctuations on the Group's financial results, which may affect the Issuer's ability to meet its obligations under the Bonds.

10.9. Risk related to conditions prevailing in the renewable energy market

The Group's operations are affected by conditions prevailing in the renewable energy market and industry, and indirectly also in the conventional energy sector. The renewable energy market and industry may from time to time experience oversupply. In such a situation, this may have a negative impact on project developers and electricity producers.

The renewable energy market is still at a relatively early stage of development, and future demand for solar energy products and services is uncertain.

Factors that may affect the profitability of renewable energy projects include:

- (i) cost-effectiveness, efficiency and reliability of installations, including the Group's renewable energy projects, compared with installations using conventional and other renewable energy sources,
- (ii) the availability of renewable energy auctions and incentives designed to support the development of the renewable energy sector,
- (iii) the availability and cost of capital, including long-term debt (such as bank loans), for renewable energy projects,
- (iv) the success of other alternative energy technologies, such as hydroelectric power, geothermal energy and biomass fuel,
- (v) fluctuations in economic and market conditions that affect the profitability of conventional and other renewable energy sources, such as rises or falls in the prices of oil, gas and other fossil fuels,

- (vi) a reduction in renewable energy production resulting from periodic surpluses in situations of oversupply (arising from balancing electricity demand with energy supply),
- (vii) capital expenditure incurred by end-users of renewable energy products and services, which tends to decrease during an economic slowdown, and
- (viii) the availability of favourable regulations concerning renewable energy and the energy sector more broadly.

If a given renewable energy technology is not suitable for widespread application, or if sufficient demand for renewable energy products and services, despite financial and regulatory support from European Union countries, does not develop or develops more slowly than the Group anticipates, this may have a negative impact on its revenues, and the Group may be unable to maintain its profitability. Despite the guaranteed fixed purchase price for renewable energy and the cash flow security provided by successful RES auctions, as well as long-term (typically 10–12 years) power purchase agreements (PPAs) between the energy producer and the energy purchaser, the Company cannot rule out the imposition of additional charges, taxes or other levies on entities generating electricity from renewable energy sources, which would have a material adverse effect on the profitability of investment projects.

Furthermore, individual renewable energy generation sources compete with one another, and in the future such competition may intensify, for example in relation to biomass or geothermal electricity generation. Individual renewable energy generation technologies may create competitive pressure, for example if they prove to be more cost-effective due to technological advances or if they receive greater regulatory support for political reasons. This could have a negative impact on the further development of the projects being developed by the Group. Competition from conventional energy sources, which (even with state support for renewable energy) could generate electricity at a cost-competitive level, could also affect the demand for and prices of electricity generated from renewable resources.

10.10. Risks associated with the valuation of Project Companies

The Issuer values projects for the purposes of preparing investment plans, as well as for the sale of completed projects. Project valuation involves estimating the fair market value, as defined in the IVS. In accordance with IVS, fair market value is defined as: “the estimated amount for which an asset should be exchanged on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction, where each party to the transaction is well-informed and acts prudently and without compulsion”. The valuation of the Group’s projects is prepared using: the comparative method based on market transactions (for projects prior to the start of construction), the income approach (for projects under construction or completed), or by applying a comparative approach taking into account the expenditure incurred, or by adopting the value of the project based on its net book value. The approach to market value valuation depends on the stage of the project’s development. There is a risk that the assumptions and basis of this valuation may prove to be incorrect or misleading, which could have a material adverse effect on the Group’s revenues. Consequently, the Group may fail to achieve the anticipated return on investment. Furthermore, valuations carried out by entities purchasing farms from the Issuer may differ significantly from the values forecast by the Issuer, which may also have a material adverse effect on the return on investment. All the circumstances indicated may have a material adverse effect on the Issuer’s and the Group companies’ business, financial position and operating results, and thus on the Issuer’s ability to meet its obligations under the Bonds.

10.11. Risks associated with the construction of photovoltaic power plants

In connection with the construction of investment projects, the Project Companies will act as lessees of the property. Construction works will be carried out by an independent external entity or Nomad Electric Sp. z o.o., i.e. one of the Issuer's subsidiaries, as the main contractor. Such works are typically subject to a contractually agreed warranty period of 2 to 5 years, in accordance with the specific conditions of the relevant country and typical industry warranties provided by major technology suppliers. The Issuer procures the components necessary for the construction works, in particular photovoltaic modules and inverters, from the relevant manufacturers. Warranty periods relating to the physical properties of these components typically range from 5 to 30 years; however, in the long term, market consolidation among manufacturers or the cessation of their production activities cannot be ruled out, which may hinder the enforcement of rights under the warranty. Manufacturer's warranties relating to components, in particular warranties for products and services, are usually transferred to the owner of the installation, i.e. the relevant Project Company. There is a risk that defects in the power plant or components used in the installation will arise after the expiry of the warranty period or the warranty itself, and that it will not be possible to validly submit warranty claims to the relevant contractor. Furthermore, it cannot be ruled out that the party against whom the claim is made will be unwilling or unable to honour the warranty claim, which may, in certain circumstances, lead to costly and time-consuming legal disputes. In the event of the addressee's insolvency, any potential warranty claims will fail due to insolvency. Even in the case of a manufacturer's warranty, there is a risk that the warranty cannot be honoured due to the manufacturer's insolvency or for any other legal and/or practical reasons (for example, in relation to a foreign group).

The installation of renewable energy infrastructure also carries the risk that, despite careful planning and advance payments, connection to the electricity distribution network will fail or be delayed. An error may occur during the design phase or at a later stage, during technical implementation. In such a case, there is a risk that any claims for damages against the contractor responsible for the error may not be enforceable or may not be fully recoverable.

The occurrence of one or more of the above-mentioned risks could have a material adverse effect on the Issuer's and the Group companies' business, financial position and operating results, and thereby on the Issuer's ability to meet its obligations under the Bonds.

10.12. nd technical risks

All technical components used in the Group's operations have a limited expected service life. Furthermore, during their operation, the equipment is exposed to various stresses, including the effects of climatic and environmental factors. Consequently, it must be assumed that necessary components or subsystems will need to be replaced during the operational period, both due to standard use and wear and tear, and as a result of breakdowns. Furthermore, despite proper operation, maintenance and management of the technical infrastructure, damage to or destruction of elements essential for conducting business operations cannot be ruled out, and such damage may prove difficult to repair. There is therefore a risk that the equipment or its parts will not reach their expected service life.

There is a risk that expenditure related to maintenance, repairs and replacement of components will significantly exceed the level assumed at the investment analysis stage, as well as that such expenditure or the resulting loss of earnings will not be covered by guarantees or that the relevant contractor will be unable to meet its obligations. Although almost all Project Companies in the Group's portfolio set aside reserves held in banks as

restricted cash, these could prove insufficient due to unfavourable component pricing or exceptionally high failure rates.

Energy production or storage facilities are characterised by an expected rate of performance degradation, as specified by the manufacturer, such as the productivity of a photovoltaic module or the capacity of an electricity storage facility. Empirical data on this subject is limited given the relatively short history of the renewable energy market and technology. Manufacturers provide warranties for a specified period, setting a minimum, linearly declining, guaranteed performance for a given year. However, there is a risk that degradation will not occur in a linear manner, or that performance in the first years of operation will decline more than the manufacturer estimates, which would result in a significant deterioration in the average expected performance. A corresponding reduction in electricity generation or storage capacity would have negative consequences for the Issuer's assets and its financial and earnings position.

During operation, losses caused by external factors, such as grid failure, must be taken into account. There is also a risk of damage to equipment in other ways, for example as a result of weather conditions, earthquakes, theft, vandalism or other acts of violence, although the Issuer enters into standard asset insurance contracts to protect against the adverse effects of weather conditions, earthquakes, theft, vandalism or other acts of violence. Downtime resulting from technical maintenance or other reasons may lead to a loss of revenue, which will not be covered by any guarantees or insurance.

In addition to a reduction in revenue resulting from a decrease in the amount of energy generated, the repair or replacement of such equipment may involve expenses that could have a material adverse effect on the Issuer's and the Group companies' business, financial position and operating results, and thereby on the Issuer's ability to meet its obligations under the Bonds. With regard to existing grid connections, there is always a risk that it will not be possible to feed energy into the grid for a fee due to irregularities in the overall energy supply, excess generation capacity or grid congestion, and that the Project Company affected by this risk will receive only limited compensation or none at all.

10.13. Risk associated with adverse weather conditions and the risk of natural disasters

Energy production from weather-dependent sources is directly linked, in particular, to adequate sunshine and cloud cover, as well as wind speed. Optimal weather conditions mean higher electricity generation and, consequently, higher revenues for the Issuer and Group companies from market sales. The estimated average annual energy production for individual farms developed by the Group is calculated based on historical weather data. Any errors or inaccuracies in these forecasts may have a negative impact on the final amount of electricity generated by individual power plants, and consequently on the Issuer's or the Group's operations and financial results, which may adversely affect the Issuer's ability to meet its obligations under the Bonds.

Furthermore, adverse weather conditions, as well as natural disasters, accidents and other unforeseeable events, may cause delays in the construction, repair or maintenance of assets belonging to the Group, affecting their operational activities, which may have a material adverse effect on the operations, financial position and operating results of the Issuer and the Group companies, and thereby on the Issuer's ability to meet its obligations under the Bonds.

10.14. Risk associated with projects in the pipeline

The Group operates as an independent power producer; therefore, its future success depends largely on its ability to expand its project portfolio.

The risks and uncertainties associated with the Group's ability to expand its project portfolio include, amongst others: (i) the need to secure significant additional funding for the construction or acquisition of projects; (ii) delays and cost overruns resulting from a range of factors, many of which are beyond the Group's control, including delays in obtaining regulatory approvals, construction, and grid connection; and (iii) delays or refusal of the required regulatory approvals by the relevant government authorities.

The development of a new project and the acquisition of a ready-built project are always based on an economic calculation that incorporates certain assumptions, such as market interest, the scale of capital expenditure incurred in connection with the construction and connection of the power plant, the projected productivity of the power plant, and the level of operating costs. If these assumptions prove to be incorrect or if certain factors develop differently than planned, this will have a negative impact on the project's profitability. In particular, the Issuer cannot rule out that the actual value of the capital expenditure required to implement a given project will be higher than originally planned, in particular due to increases in the costs of materials and wages, which may significantly reduce the Issuer's profits.

All the above-mentioned factors may have a material adverse effect on the Issuer's and the Group companies' business, financial position and operating results, and thereby on the Issuer's ability to meet its obligations under the Bonds.

10.15. Risk of incorrect valuation of investment projects

During the construction or acquisition of projects, due diligence is expected to be carried out in legal, economic and technical terms, with the Issuer utilising the services of external advisers, at least to some extent. Based on data provided by the sellers of a given project or its own assumptions, the Issuer also prepares projections of the planned cash flows generated by the project. The Group cannot rule out the possibility that, during such a due diligence process and financial modelling of a future project, certain irregularities may not be correctly identified or may be misjudged, and that it may receive incorrect or incomplete data, on the basis of which incorrect conclusions may be drawn. For example, technical risks relating to grid connection may not be identified or may be overlooked in the permit requirements. The risk of incorrect project valuation may also arise from sellers' deliberate concealment and withholding of actual data. In certain circumstances, errors in the due diligence process and the analysis of the project's financial model may have a material adverse effect on the project's implementation, may lead to significant additional time and/or costs, or may result in the cancellation of a project that has already commenced. In such circumstances, there is also a risk of a lack of adequate recourse in the event of an error by an external adviser or the project seller.

All of the above factors may have a material adverse effect on the Issuer's and the Group companies' business, financial position and operating results, and thereby on the Issuer's ability to meet its obligations under the Bonds.

10.16. Risk related to electricity prices

In the countries where the Group operates, the electricity market is influenced by national, regional and local regulations and policies relating to the electricity sector, as well as policies implemented by energy companies. These regulations and rules often relate to the setting of electricity prices. The Group's objective is to increasingly include in its portfolio projects that are not state-supported. In such cases, however, there is a risk of a decline in revenue from the project due to a fall in electricity prices. In the worst-case scenario, this could result in low cash flows or a lack of positive cash flows from operating activities, which in turn would lead to a situation where the Group would be unable to make payments.

All the above-mentioned risks may have a material adverse effect on the Issuer's and the Group companies' business, financial position and operating results, and thus on the Issuer's ability to meet its obligations under the Bonds.

10.17. Risk of having to incur significant capital expenditure

There is a risk that, when preparing new projects, the Issuer will have to incur substantial capital expenditure to commission and install the facilities. If the Company does not have sufficient financial resources, this may adversely affect its financial position, particularly if the financing banks refuse to grant loans. The need to incur such significant expenditure may have a material adverse effect on the Issuer's and the Group companies' business, financial position and operating results, and thereby on the Issuer's ability to meet its obligations under the Bonds.

10.18. Risk related to competition in the segments in which the Group operates

The Group expects competition to intensify, including from financially strong foreign entities operating in the renewable energy market. Due to its potential and expected returns on investment, the renewable energy market attracts investors who compete with the Group. The intensification of this competition, along with increased investment expenditure in this sector by entities already operating in the market and those entering the market, may result in supply exceeding demand and negatively impact sales prices.

In particular, the Company does not rule out that the renewable energy market in Poland will attract foreign entities with experience in this field gained in other European and global markets. Increased activity by these and other entities in the market may hinder the Group's access to attractive locations and lead to an increase in the costs of acquiring them.

In the case of the Group's activities involving, inter alia, the sale of electricity and trading in certificates, the potential opening of the electricity market and the renewable energy market at European level may have an adverse effect on the Group's operations.

The above factors may have a material adverse effect on the operations, financial position and operating results of the Issuer and the Group companies, and thereby on the Issuer's ability to meet its obligations under the Bonds.

10.19. Risk associated with delays in the implementation of the Group's projects

The implementation of construction projects requires the provision of appropriate infrastructure and the continuity of supplies of construction components. The feasibility of their construction depends on decisions by the relevant administrative authorities or the establishment of easements on plots of land owned by third parties. There is a risk that, due to delays in preparing access to infrastructure, there will be a delay in the start of construction and the date of commissioning of a given project, which may delay the return on invested capital.

If third parties do not consent to the establishment of easements, it may be necessary to take legal action. This may cause a delay in connecting the project to the power grid. The cases described may have a significant adverse impact on the project's completion time, costs and, consequently, on the Issuer's or the Group's operations and financial position.

As a result of delays in project implementation, the Group may fail to generate the expected revenue from these projects on time, and may also be exposed to contractual penalties or other claims from project purchasers, as well as lose the opportunity to participate in renewable energy auctions.

Each of the risk factors described above, should they materialise, may have a material adverse effect on the operations, financial position and operating results of the Group companies, and thereby on the Issuer's ability to meet its obligations under the Bonds.

10.20. Risk of losing key personnel

The Issuer is dependent on individuals in managerial roles, in particular members of the management board and key employees. The renewable energy sector is currently suffering from a shortage of experienced managers, which makes the recruitment of qualified management staff difficult. Individuals holding managerial positions within the Issuer's governing bodies possess extensive experience gained in the Polish renewable energy market in the areas of project identification, acquisition, financing, construction, marketing and management. The termination of employment by any member of the management board, director or key employee may adversely affect the Group's ability to generate new projects and complete those already underway. This may have a material adverse effect on the operations, financial position and operating results of the Group companies, and consequently on the Issuer's ability to meet its obligations under the Bonds.

10.21. Risk related to the conflict between Russia and Ukraine, and the US and Iran

As at the date of publication of these financial statements, there are no indications of any threat to the Company's ability to continue as a going concern.

However, the escalation of the conflict between Ukraine and Russia, as a result of which Russia launched a military invasion of Ukraine on 24 February 2022, and the outbreak of conflict on 28 February 2026 between the US and Iran, currently represent the greatest challenges facing societies and economies worldwide.

As at the date of these financial statements, the aforementioned conflict is ongoing and its duration cannot be predicted. The escalation of the conflict may have a material adverse effect on the economic situation in Poland, including exchange rates and interest rates, liquidity, the supply chain, as well as a deterioration in general public sentiment. Consequently, it may therefore have a material adverse effect on the Company's financial and operating position, the impact of which is difficult to predict at this stage. The Company's Management Board is

monitoring the situation on an ongoing basis and is prepared to take measures to ensure the uninterrupted continuation of its operations.

10.22. Increase in the total debt of the Issuer and Group entities arising from bonds and loans

The Issuer may in future take out loans, establish new bond issue programmes or issue bonds outside of established programmes. Decisions regarding the issue of further series of bonds will depend on the Group's financial needs.

An increase in the total debt of the Issuer and Group entities arising from bonds and loans may have a material adverse effect on the business, financial position and operating results of the Issuer and Group companies, and thereby on the Issuer's ability to meet its obligations under the Bonds.

10.23. Inability to refinance maturing liabilities or difficulties in obtaining additional financing

The repayment dates of liabilities by Group companies, due to project completion dates, are not aligned with the maturity dates of the Bonds. Proceeds from the Bond issue may be partially used to refinance existing debt arising from the financing of investment projects. The Issuer also does not rule out that funds for the redemption of the Bonds may come from debt financing in the form of bank loans, intra-group loans or new bond issues. In the event of difficulties in securing additional financing, the expansion of the Group's operations and the pace of achieving certain strategic objectives may slow down compared to the original assumptions. The inability to refinance debt on favourable terms by the maturity date of the liabilities may have a material adverse effect on the Issuer's and the Group companies' operations, financial position and operating results, and thereby on the Issuer's ability to meet its obligations under the Bonds.

10.24. Deterioration in the macroeconomic situation

The Group's operations, including revenue levels and profit generation, depend on the state of the renewable energy market, which in turn is closely linked to the situation in the financial market, including trends in interest rates. The Group's operations are also closely linked to the general economic climate, both domestically and internationally. In the event of an economic slowdown or a deterioration in the macroeconomic situation, the Group may see a decline in demand from potential energy customers or buyers of renewable energy projects.

The Company conducts business in Poland and European Union countries, whilst the production of the photovoltaic system components used by the Company also takes place in China. The Company's operations are therefore influenced by macroeconomic factors relating to the EU market, as well as, to a certain extent, its import markets, which in turn are subject to the economic situation of the region and the global economy.

A negative situation in the financial markets may result in banks introducing stricter lending procedures, increasing the required level of collateral or tightening contractual terms, which may cause difficulties in

obtaining financing by the Issuer or other entities within the Group, as well as difficulties in obtaining financing by the purchasers of the Group's investment projects.

The occurrence or persistence of less favourable economic conditions, as well as the direct impact of economic cycles on the Company's operations, may have a material adverse effect on the Company's operations, financial position, results of operations or growth prospects, and consequently on the Issuer's ability to meet its obligations under the Bonds.

10.25. Interest rate risk

A significant portion of the Issuer's and the Group companies' debt bears interest at a variable rate based on the WIBOR index. A further rise in interest rates or inflation will result in a partial increase in the nominal amount of interest paid on the debt of the Issuer and the Group companies. A rise in interest rates could have a material adverse effect on the Issuer's financial position and, consequently, on the Issuer's ability to meet its obligations under the Bonds. The Group uses derivatives to manage interest rate risk.

Furthermore, the interest rates on the Issuer's and Group companies' debt, which have hitherto been based on the WIBOR rate, may be subject to change in the event of the potential discontinuation of the WIBOR rate or the cessation of its calculation.

10.26. Political environment risk

The Group's main areas of activity are subject to regulations shaped by national and EU legislators. Political issues, in particular those concerning climate policy, the interests of consumers and energy companies, and the choice of promoted technologies, have a significant impact on the decisions taken and the regulations adopted and amended in the energy sector. Political decisions may have a direct impact on, amongst other things, the setting of electricity prices and the level of support for renewable energy sources. Furthermore, environmental regulations may also significantly affect the Group's operations. Political decisions taken by national authorities and public administration bodies, as well as EU bodies, may significantly affect the Group's operations. Among other things, they may influence the interpretation and direction of changes to legal regulations (in particular with regard to energy and environmental regulations). The above circumstances may have a material adverse effect on the operations, financial position and operating results of the Issuer and the Group companies, and thereby on the Issuer's ability to meet its obligations under the Bonds.

10.27. Risk associated with the regulatory environment concerning the generation of energy from renewable energy sources

In the countries where the Group operates, the renewable energy market is significantly influenced by existing and draft legislation. Regulations often relate to electricity prices and technical interconnections for electricity generation owned by customers and may deter further investment in research and development of alternative energy sources, as well as affect customers' willingness to purchase such energy, which may result in a significant reduction in potential demand for the Group's services.

The primary legal acts governing entities generating and trading in electricity in Poland, including most of the Group's entities, are the Energy Law and the RES Act. Under the Energy Law, the generation and trading of

electricity, subject to the exceptions specified in that Act, requires the obtaining of an appropriate licence issued by the President of the Energy Regulatory Office (URE). Licences are issued for a fixed term of not less than 10 years and not more than 50 years. In certain situations, the President of the Energy Regulatory Office may revoke a licence, in particular where an energy company grossly breaches the conditions set out in the licence or other conditions governing the conduct of the licensed activity. Furthermore, the President of the Energy Regulatory Office may revoke a licence or amend its scope, inter alia, on grounds of a threat to national defence or security or the safety of citizens, in the event of the division of an energy company or its merger with other entities, as well as in the event of failure to fulfil specific obligations arising from the Energy Law. The revocation or amendment of the licence under which the Group entities operate may have a material adverse effect on the Issuer's or the Group's operations and financial results.

The activities of Group entities are subject to general regulations governing the investment and construction process. Consequently, during this process, Group entities are required to obtain, amongst other things, environmental impact decisions (), planning permission decisions, building permits and occupation permits. In certain situations, the construction of a new photovoltaic installation may require amendments to the local spatial development plan. In certain situations, a given Group entity may fail to obtain the required administrative decisions, or the administrative proceedings in this matter may be prolonged, which may have a negative impact on the development of the Group's operations and its financial results.

Group entities participate in auctions conducted by the President of the Energy Regulatory Office (URE), the subject of which is the sale of electricity generated in renewable energy installations and fed into the grid by energy producers. Electricity generators using renewable energy sources who intend to participate in the auctions are subject to a formal assessment procedure regarding their readiness to generate electricity at a given facility. The amount of electricity to be purchased through the auction in a given year is re-determined each subsequent year; consequently, the figures for individual years may vary significantly. It cannot be ruled out that, for a given type of installation, the specified minimum amount of electricity to be purchased in a given year will be '0', meaning that no auction will take place for that type of installation. The selling price of electricity generated from renewable energy sources, as stated in the bids of the auction participants whose bids ultimately won the auction, is subject to annual indexation by the average annual consumer price index for the previous calendar year. Furthermore, specific obligations are imposed on the auction winners, as described in detail in the RES Act, which include, amongst other things, a maximum timeframe within which energy generation must commence at a given installation following the winning of the auction (24 months for photovoltaic installations and 33 months for wind farms) and the obligation of the auction winner to sell the electricity.

The materialisation of any of the risk factors indicated above may adversely affect the operating activities of the Issuer and the Group, which may have a material adverse effect on the financial results of the Issuer or the Group, and thereby on the Issuer's ability to meet its obligations under the Bonds.

10.28. Risk related to environmental regulations

The Group companies are required to comply with applicable environmental laws and regulations, both in Poland and abroad. These regulations govern, among other things, emissions of pollutants, wastewater, soil and groundwater protection, and human health and safety. In the event of non-compliance with current or future environmental laws and regulations, Group companies may be forced to pay significant fines or even cease operations. Some equipment used in the Group's projects, such as transformers, contains substances which, in the event of a failure or accident, may cause environmental pollution. Compliance with the laws and regulations applicable to the Issuer and Group entities involves incurring certain costs, and any breach thereof, resulting in the imposition of penalties by the relevant public authorities, may have a material adverse effect on the Issuer's

and the Group companies' operations, financial position and operating results, and thereby on the Issuer's ability to meet its obligations under the Bonds.

10.29. Risk of changes in the legal and regulatory environment in the energy sector

The Group's operations are subject to numerous national, EU and international regulations. The laws, regulations, decisions, positions, opinions, interpretations, guidelines, etc., applicable to the Group's operations are subject to frequent changes. Furthermore, a number of provisions applicable to the Group's business have been enacted relatively recently, and no established practice has yet developed regarding their application (which may give rise to the risk of their incorrect interpretation and application). Decisions taken by the relevant administrative authorities, in particular energy regulators in the countries where the Group operates, are also significant for the Group's operations; these decisions are characterised by a high degree of discretion and are often the subject of legal disputes. The Group faces the risk of its operations failing to comply with changing laws and regulations, with all the associated consequences, as well as the risk of decisions or rulings being issued by various authorities and courts that are unfavourable to the Group.

The above circumstances may have a material adverse effect on the operations, financial position and operating results of the Issuer and the Group companies, and thereby on the Issuer's ability to meet its obligations under the Bonds.

10.30. Failure to comply with legal requirements and adverse decisions by public authorities regarding permits required for Group entities to conduct their business

The implementation of projects involving the construction and maintenance of electricity generation facilities entails the need to meet numerous requirements set out in legislation. Consequently, the Project Companies must obtain numerous permits, authorisations and consents (including decisions on development conditions and building permits) issued by administrative authorities. Possession of these documents constitutes a formal legal condition for the commencement, conduct and commissioning of the investment.

Any errors or internal inconsistencies in these documents, or the view that the project is being carried out in a manner inconsistent with the conditions set out therein, may potentially lead to the investment process being suspended until the identified defects and irregularities have been rectified. The relevant administrative authorities may also refuse to issue such permits, authorisations or consents required in connection with the projects, or their issuance may be delayed. Furthermore, administrative decisions may be issued in breach of the law or be vitiated by other defects.

The above may lead to these decisions being challenged at a later stage of the project's implementation. Failure to obtain, or delays in obtaining, the required permits, authorisations and consents, as well as challenges to administrative decisions already issued, may result in the investment process being suspended. This directly translates into a deterioration in the profitability of the investment and the financial results of the Issuer and the Group, which may have a material adverse effect on the Issuer's ability to meet its obligations under the Bonds.

10.31. Adverse changes in the legal environment of the Issuer and the Group

Legal provisions relating to planning and spatial development, construction law, tax law, property law and seller liability, and restrictions on land use, as well as those concerning the reporting of specific aspects of business activity, are subject to numerous changes; such changes may worsen the conditions under which the Issuer operates, for example by imposing additional obligations, the fulfilment of which may entail the incurrence of additional costs.

Changes to tax regulations may involve increases in tax rates, as well as the introduction of new specific legal instruments or interpretations concerning the Issuer, including, amongst other things, regarding the possibility of recognising interest costs as tax-deductible expenses, or those affecting the extension of the scope of taxation by introducing new forms of tax burdens.

The entry into force of new regulations significant for economic activity (e.g. a change in the minimum wage, removal of the cap on social security contributions, or the imposition of additional obligations during the investment process) may result in direct, significant changes to business operations and a substantial increase in investment costs, or a change in the terms of contracts with buyers of projects carried out by Group entities.

In the case of new regulations giving rise to interpretative doubts, their introduction may create a situation of uncertainty regarding the current legal framework and lead to the temporary suspension of many investments for fear of the adverse effects of the introduced regulations (financial losses or even criminal consequences of actions taken on the basis of regulations which are subsequently interpreted by courts or public administration bodies in a manner unfavourable to the business).

The materialisation of the above risk factors may have a material adverse effect on the Issuer's and the Group companies' operations, financial position and operating results, and thereby on the Issuer's ability to meet its obligations under the Bonds.

10.32. Unclear tax regulations

On 1 January 2019, provisions of the Tax Ordinance concerning the reporting of so-called tax schemes (Mandatory Disclosure Rules) came into force. The new provisions implement the EU directive in Poland in a manner significantly broader than its proposed scope. Due to the broad nature of the provisions on tax arrangements, the reporting obligation may apply to any transaction or even a business arrangement that contains any tax elements. The Issuer may incorrectly identify the areas of activity that are most exposed to the possibility of tax arrangements or may improperly implement internal procedures in this regard. Failure to report or other non-compliance with tax scheme reporting regulations may result in individual criminal and fiscal liability, including a fine of up to 720 daily rates (i.e. over PLN 20 million), a ban on conducting business activities and, in the absence of internal procedures, a financial penalty of up to PLN 10 million.

Furthermore, it should be noted that on 15 July 2016, amendments were introduced to the Tax Ordinance to incorporate the provisions of the GAAR clause, which applies to tax benefits obtained after the clause came into force.

Under the GAAR, a transaction does not result in a tax advantage if the attainment of that advantage, which is contrary in the given circumstances to the object or purpose of the tax law or its provision, was the main or one of the main purposes of the transaction, and the manner of acting was artificial (tax avoidance). In such a

situation, the tax consequences of the transaction are determined on the basis of the state of affairs that would have arisen had an appropriate transaction been carried out.

An appropriate transaction is one which the entity could have carried out in the given circumstances had it acted reasonably and been guided by lawful objectives other than the attainment of a tax advantage contrary to the object or purpose of the tax law or its provision, and the manner of acting would not have been artificial. An appropriate transaction may also consist of a failure to act.

The manner of acting is not artificial if, on the basis of the existing circumstances, it must be assumed that an entity acting reasonably and guided by lawful objectives would have adopted that manner of acting predominantly for legitimate economic reasons. The reasons referred to in the first sentence do not include the objective of obtaining a tax advantage contrary to the subject matter or purpose of the tax law or its provision.

When assessing whether the attainment of a tax advantage was the main or one of the main purposes of the transaction, the economic objectives of the transaction indicated by the party shall be taken into account.

A tax advantage is:

- (i) the non-arising of a tax liability, the deferral of the arising of a tax liability, or the reduction of its amount;
- (ii) the creation or overstatement of a tax loss;
- (iii) the creation of an overpayment or a right to a tax refund, or the overstatement of the amount of the overpayment or tax refund;
- (iv) the absence of an obligation on the part of the tax collector to collect tax, if this arises from the circumstances indicated in point (i).

Inconsistent practice by Polish tax authorities and case law regarding tax legislation is a widespread problem. Consequently, there is a risk that Polish tax authorities may issue unexpected decisions in tax proceedings, including the application of GAAR in relation to the Issuer and the Group, which may have a material adverse effect on the business, financial position and operating results of the Issuer and the Group companies, and thereby on the Issuer's ability to meet its obligations under the Bonds.

Przemysław Pięta – Chairman of the Management Board

Anna Gruszczyńska – Vice-Chair of the Management Board

Tomasz Sęk – Member of the Management Board

Klaudiusz Kalisz – Member of the Management Board

Marcin Pajewski – Member of the Management Board

Rafał Kozłowski – Member of the Management Board