



Lubelski Węgiel Bogdanka Group

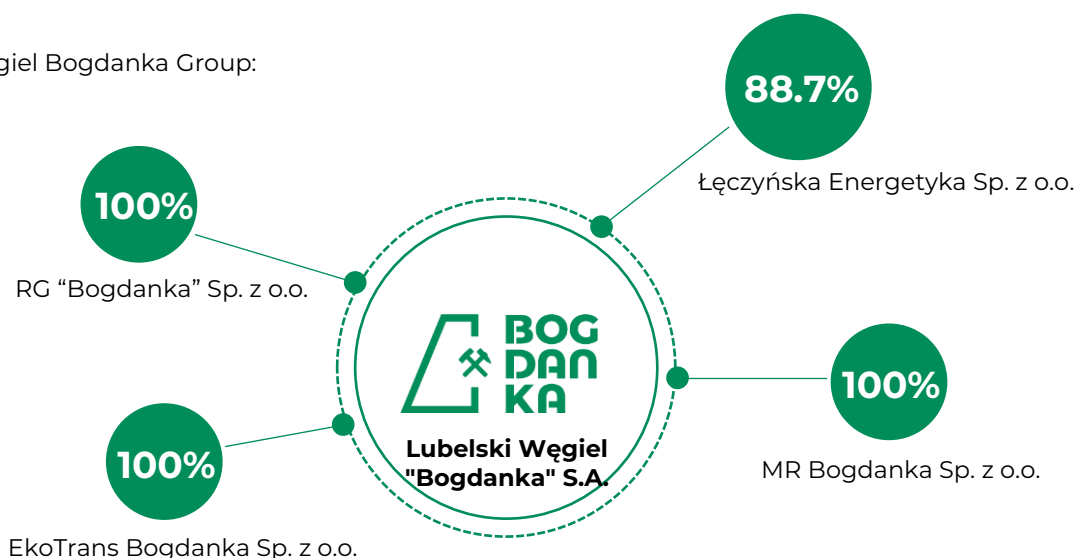


# **CONSOLIDATED** **QUARTERLY REPORT**

FOR PERIOD FROM 1 JANUARY TO 31 MARCH 2025

## 1. General information

Lubelski Węgiel Bogdanka Group:



% number of votes at General Meetings of

The Lubelski Węgiel Bogdanka Group (hereinafter referred to as the "Group") comprises the following companies:

### **Parent company**

**Lubelski Węgiel "Bogdanka" S.A.** with its registered office in Bogdanka, 21-013 Puchaczów.

Lubelski Węgiel "Bogdanka" S.A. is a joint stock company operating under of the laws of Poland. The Company was established through the transformation of the state-owned enterprise, Kopalnia Węgla Kamiennego "Bogdanka" with its registered office in Bogdanka, pursuant to the Act of 13 July 1990 on the Privatisation of State Enterprises.

On 26 March 2001, Lubelski Węgiel "Bogdanka" Spółka Akcyjna was registered in the Register of Entrepreneurs of the National Court Register under the KRS number 0000004549. At present, the register is maintained by the District Court Lublin-East in Lublin, with its seat in Świdnik, 6th Commercial Department of the National Court Register.

The shares of Lubelski Węgiel "Bogdanka" S.A. are listed on the Warsaw Stock Exchange (WSE).

The Company's core business, according to the Polish Classification of Business Activity (PKD 0510Z), is hard coal mining.

### **Subsidiaries**

**"Łęczyńska Energetyka" Sp. z o.o.** with its registered office in Bogdanka, 21-013 Puchaczów.

As at 31 March 2025, the Parent Company held 88.7% of shares in the capital of the subsidiary, "Łęczyńska Energetyka" Sp. z o.o.

"Łęczyńska Energetyka" Sp. z o.o. supplies heat to the mine and provides water and sewage management services. Moreover, the company supplies heat to external entities, such as housing estates and other facilities in Łęczna. The Company is also involved in building and repairing heating, water and sewage systems.

The Company's balance sheet date is 31 December.

**EkoTRANS Bogdanka Sp. z o.o.** with its registered office in Bogdanka, 21-013 Puchaczów.

As at 31 March 2025, the Parent Company held 100.0% of shares in the capital of the subsidiary, EkoTRANS Bogdanka Sp. z o.o.

EkoTRANS Bogdanka Sp. z o.o. provides services to the mine in the scope of transportation, disposal and management of waste created during the washing and purification of coal winnings, as well as land reclamation services.

The Company's balance sheet date is 31 December.

**RG "Bogdanka" Sp. z o.o.** with its registered office in Bogdanka, 21-013 Puchaczów.

As at 31 March 2025, the Parent Company held 100.0% of shares in the capital of the subsidiary, RG "Bogdanka" Sp. z o.o.

RG "Bogdanka" Sp. z o.o. provides services to the mine, including primarily mining works, auxiliary work and the handling of coal haulage.

The Company's balance sheet date is 31 December.

**MR Bogdanka Sp. z o.o.** with its registered office in Bogdanka, 21-013 Puchaczów.

As at 31 March 2025, the Parent Company held 100.0% of shares in the capital of the subsidiary, MR Bogdanka Sp. z o.o.

MR Bogdanka Sp. z o.o. provides the mine with services including renovation, construction services, work performed in underground machinery divisions, refurbishment and production of steel structures.

The Company's balance sheet date is 31 December.

The summary list of subsidiaries comprising the Group as at 31 March 2025 is presented in the table below:

| NAME OF THE SUBSIDIARY   | BALANCE SHEET<br>TOTAL [PLN<br>THOUS.] | EQUITY<br>[PLN THOUS.] | % SHARES HELD | NON-<br>CONTROLLING<br>INTEREST  | LIMITATIONS OF<br>CONTROL;<br>RESTRICTIONS ON<br>CONSOLIDATED<br>ASSETS AND<br>LIABILITIES | CONSOLIDATION<br>METHOD |
|--|--|------------------------|---------------|--|--|-------------------------|
| ENTITIES CONSOLIDATED IN THE CURRENT PERIOD AND IN PREVIOUS PERIODS: |  |                        |               |  |  |                         |
| „Łęczyńska<br>Energetyka” Sp. z o.o.                                 | 113,602                                | 102,186                | 88.7          | Non-controlling interests<br>amount to 11.30% and<br>belong to:<br>Puchaczów Municipality<br>11.29%<br>Puchaczów Municipality<br>0.01% | none   | full                    |
| RG "Bogdanka" Sp. z o.o.   | 34,216                                 | 11,172                 | 100.0         | None   | none   | full                    |
| Ekotrans Bogdanka Sp. z o.o.   | 8,985                                  | 2,819                  | 100.0         | None   | none   | full                    |
| MR Bogdanka Sp. z o.o.   | 20,791                                 | 12,985                 | 100.0         | None   | none   | full                    |

Lubelski Węgiel "Bogdanka" S.A. is the Parent Company in the Lubelski Węgiel Bogdanka Group. The Group draws up consolidated financial statements in accordance with the IFRS in the form approved by the European Union.

In order to fully understand the financial standing and performance of the Group, this Consolidated Quarterly Report should be read in conjunction with the audited consolidated financial statements of the Lubelski Węgiel Bogdanka Group as well as the audited separate financial statements of the Parent Company for the financial year ended 31 December 2024. These reports and statements are available on the Parent Company's website at [www.ri.lw.com.pl](http://www.ri.lw.com.pl).



## **Group in the structure of the ENEA Group**

On 14 September 2015, ENEA S.A. announced a takeover bid for shares of the Parent Company, Lubelski Węgiel "Bogdanka" S.A., stating that it intended to acquire up to 64.57% of all votes at the Shareholder Meeting of Lubelski Węgiel "Bogdanka" S.A. The transaction was settled on 29 October 2015. As a result of the transaction, ENEA S.A. and its subsidiary acquired in total 66% of shares in Lubelski Węgiel "Bogdanka" S.A. and consequently Lubelski Węgiel "Bogdanka" S.A. and its subsidiaries became part of the ENEA Group with ENEA S.A. in Poznań as its parent company. As a consequence of the disposal by a subsidiary of Enea S.A. of the Parent Company's shares in Q2 2022, as at 31 March 2025, Enea S.A. held in total 64.57% of shares in the Parent Company.

## **The State Treasury is the ultimate controlling entity.**

## **2. Rules for preparation of the interim condensed consolidated financial statements of the Group and the interim condensed financial statements of the Parent Company**

These interim condensed consolidated financial statements of the Group and the interim condensed financial statements of the Parent Company for Q1 2025 have been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" as approved by the European Union.

The Consolidated Quarterly Report has been drawn up in accordance with the historical cost principle, except for derivative financial instruments, which are measured at fair value.

Historical cost is generally determined based on the fair value of the payment made for goods or services.

Fair value is recognised as the price that may be obtained upon the sale of an asset or the price paid to transfer a liability in a standard transaction on the main (or the most favourable) market on the measurement date and in the current market conditions, irrespective of whether the price is directly observable or estimated using a different measurement technique. In its fair value measurement of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market players consider these features when measuring assets or liabilities as at the valuation date. Fair value for measurement and/or disclosure purposes in the Consolidated Quarterly Report is determined as described above, except for share-based payments, which are subject to IFRS 2, leases, subject to IFRS 16, as well the measurements that are similar to fair value but are not fair values, such as net selling price under IAS 2 or value in use under IAS 36.

## **Estimates**

Preparation of the interim condensed (consolidated and separate) financial statements on the basis of the

International Financial Reporting Standards and in accordance with the accounting policy requires that, in addition to accounting estimates, professional judgement is also used with respect to current and future

events in the individual areas.

Important accounting estimates and judgements result from past experience and other factors, including anticipated future events that seem reasonable in the current situation. Accounting estimates and judgements

are subject to regular evaluation.

Material estimates and judgements have not changed since the publication of the annual consolidated and annual separate financial statements for 2024.

## **Accounting policy**

The interim condensed (consolidated and separate) financial statements for the current and comparative period have been prepared using the same accounting policies and the same accounting policy and calculation methods were used as in the most recent annual consolidated and separate financial statements for 2024.

### 3. Brief description of the material achievements and failures of the Group in the period covered by the report and list of key related events

As for the operations conducted in the period of Q1 2025 under analysis and until the publication date of this Consolidated Quarterly Report, the following events occurred in the Group that affected its operations in 2025:

- On 22 January 2025, the Parent Company's Management Board signed an annex to the Long-Term Steam Coal Sales Agreements with Enea Wytwarzanie Sp. z o.o. and Enea Elektrownia Połaniec S.A. In particular, the annexes relate to: extension of the term of the Agreement until the end of 2033 (in the case of Enea Elektrownia Połaniec S.A.); determining new volumes of coal deliveries; setting prices for 2025; as well as modifying the provisions on contractual penalties and a possibility of termination of the agreements.
- On 16 April 2025, the Parent Company's Supervisory Board approved the *Updated Development Strategy of LW Bogdanka until 2030 (with an Outlook to 2035)* adopted by the Management Board of the Parent Company (the "Strategy"). A more detailed description of the new Strategy is presented in the Management Board Report on the Activities of the LW Bogdanka Group for Q1 2025.

### 4. Description of factors and events, in particular non-recurring ones, exerting material influence on the financial results achieved

On 24 January 2025, the Parent Company received an insurance decision issued by Towarzystwo Ubezpieczeń Wzajemnych Polskiego Zakładu Ubezpieczeń Wzajemnych ("TUW PZUW"). The decision of TUW PZUW of 22 January 2025 concerns the award and payment of compensation to the Parent Company for the damage to underground assets resulting from the event in wall 3/VII/385 of February 2023 (groundwater spill). In accordance with the insurer's decision, the Parent Company was awarded compensation of PLN 144.85 million.

### 5. Details of the interim condensed consolidated financial statements of the Lubelski Węgiel Bogdanka Group for the first quarter of 2025

#### **Interim consolidated statement of profit and loss**

Consolidated sales revenue for Q1 2025 amounted to PLN 868,891 thousand, compared with PLN 815,903 thousand in the corresponding period in 2024. This means an increase in net revenue by 6.5%.

Consolidated operating profit in Q1 2025 amounted to PLN 343,702 thousand and increased by 611.6% compared to the corresponding period of the previous year. Such a high increase results mainly from the compensation received (see note 4 for a detailed description of this event).

In Q1 2025, the Group generated net profit in the amount of PLN 283,913 thousand, compared to PLN 42,779 thousand in the corresponding period of 2024. This means an increase of 563.7%.

#### **Interim consolidated statement of financial position**

The balance of provisions for other liabilities and charges and provisions for employee benefits as at 31 March 2025 amounted to PLN 620,378 thousand, increasing by PLN 82,157 thousand compared to 31 December 2024.

As at 31 March 2025, deferred tax assets amounted to PLN 165,704 thousand and increased by PLN 7,530 thousand compared to the status as at 31 December 2024.

## 6. Details of the interim condensed financial statements of the Parent Company for Q1 2025

### Interim separate statement of profit and loss

Consolidated sales revenue for Q1 2025 amounted to PLN 865,888 thousand, compared with PLN 814,313 thousand in the corresponding period in 2024. This means an increase of 6.3%.

Operating profit in Q1 2025 amounted to PLN 336.333 thousand and increased by 615.7% compared to the corresponding period of the previous year. Such a high increase results mainly from the compensation received (see note 4 for a detailed description of this event).

In Q1 2025, the Parent Company generated net profit of PLN 277,997 thousand, compared to PLN 42,176 thousand in the corresponding period of 2024. This means an increase of 559.1%.

### Interim separate statement of financial position

The balance of provisions for other liabilities and charges and provisions for employee benefits as at 31 March 2025 amounted to PLN 607,717 thousand, increasing by PLN 79,110 thousand compared to 31 December 2024.

As at 31 March 2025, deferred tax assets amounted to PLN 164,038 thousand and increased by PLN 7,019 thousand compared to the status as at 31 December 2024.

## 7. Explanation of seasonal or cyclical nature of the Group's operations in the period presented

The seasonality in production does not occur, while seasonality of retail sales can be observed at the coal sales outlet. Sales to individual clients during Q1 2025 represented less than 0.1% of total consolidated sales revenue. Accordingly, this has no significant impact on the Group's operating and financing activities.

## 8. Information on dividend paid [or declared], in total and per share, for common and preference shares

In Q1 2025 and the corresponding period of 2024, the Parent Company did not pay dividends to shareholders.

In 2024, the Parent Company incurred the loss in the amount of PLN 1,504,054 thousand. On 7 May 2025, the Management Board of the Parent Company adopted a resolution on recommending how the loss for 2024 should be covered, according to which the Management Board of the Parent Company proposes that the loss for 2024 should be covered from the reserve capital. At the same time, in the aforementioned resolution, the Management Board requested that no dividends should be paid from capitals created from previous years' profits. The Management Board's recommendation was presented to the Parent Company's Supervisory Board for its opinion and the final decision will be taken by the Parent Company's Ordinary General Meeting.

## 9. Events after the balance sheet date not captured in the Consolidated Quarterly Report

There were no material events after the balance sheet date, which have not been captured in the Consolidated Quarterly Report but could affect the financial results as at 31 March 2025.



## 10. Information on changes in contingent liabilities or contingent assets which occurred since the end of the previous financial year

A detailed description of contingent liabilities and contingent assets is presented in Note 28 to the annual consolidated financial statements for 2024.

No significant change in contingent liabilities and assets was recorded during Q1 2025 (compared to the last financial year ended).

## 11. Transactions between the Lubelski Węgiel Bogdanka Group and related parties

All transactions concluded with related parties are concluded in the ordinary course of business and on an arm's length basis.

### Transactions with subsidiaries of the State Treasury of the Republic of Poland

The Group enters into commercial transactions with state and local administration authorities and with subsidiaries of the State Treasury of the Republic of Poland.

Major sales transactions relate to the revenue from sales of steam coal to the following companies: Zakłady Azotowe w Puławach S.A. (Grupa Azoty), Energa Elektrownie Ostrołęka S.A., ORLEN Termika S.A., Krajowa Grupa Spożywcza S.A. and Miejskie Przedsiębiorstwo Energetyki Ciepłej Sp. z o.o. in Chełm.

In the reporting periods ended 31 March 2025 and 31 March 2024, the revenue on sales to the above-mentioned entities

and the balance of the Group's receivables from these entities were as follows:

|   | FOR THE PERIOD            |                           |                           |
|---|---------------------------|---------------------------|---------------------------|
|   | 01.01.2025-<br>31.03.2025 | 01.01.2024-<br>31.12.2024 | 01.01.2024-<br>31.03.2024 |
| Sales in the period <sup>1)</sup>                         | 65,086                    | 357,706                   | 80,277                    |
| Balance of receivables at end of the period including VAT | 49,757                    | 104,043                   | 44,393                    |

Major purchase transactions include: purchase of materials (roof supports) from Huta Łabędy S.A., purchase of transport services from PKP Cargo S.A., purchase of electricity distribution services from PGE Dystrybucja S.A., purchase of fuel from Orlen Paliwa Sp. z o.o., and fees arising from mining and exploration concessions.

In the reporting periods ended 31 March 2025 and 31 March 2024, the turnover resulting from purchases from the above entities and the amounts payable by the Group to these entities were as follows:

|  | FOR THE PERIOD            |                           |                           |
|--|---------------------------|---------------------------|---------------------------|
|  | 01.01.2025-<br>31.03.2025 | 01.01.2024-<br>31.12.2024 | 01.01.2024-<br>31.03.2024 |
| Purchases in the period                                | 76,678                    | 341,934                   | 100,612                   |
| Balance of liabilities at end of period, including VAT | 28,786                    | 36,700                    | 30,539                    |



### **Transactions with ENEA Group companies**

Purchase transactions include primarily the purchase of electricity from ENEA S.A. and the purchase of services from Enea Centrum Sp. z o.o.

In the reporting periods ended 31 March 2025 and 31 March 2024, the turnover resulting from purchases from ENEA Group companies and the amounts payable by the Group to these entities were as follows:

|  | FOR THE PERIOD            |                           |                           |
|--|---------------------------|---------------------------|---------------------------|
|  | 01.01.2025-<br>31.03.2025 | 01.01.2024-<br>31.12.2024 | 01.01.2024-<br>31.03.2024 |
| Purchases in the period                                | 43,513                    | 274,246                   | 68,674                    |
| Balance of liabilities at end of period, including VAT | 35,138                    | 58,419                    | 53,443                    |

Sales transactions concerned primarily sales of steam coal to ENEA Wytwarzanie Sp. z o.o., Enea Elektrownia Połaniec S.A. and Enea Ciepło Sp. z o.o.

In the reporting periods ended 31 March 2025 and 31 March 2024, the revenue from sales to ENEA Group companies and the balance of the Group's receivables from these entities was as follows:

|   | FOR THE PERIOD            |                           |                           |
|---|---------------------------|---------------------------|---------------------------|
|   | 01.01.2025-<br>31.03.2025 | 01.01.2024-<br>31.12.2024 | 01.01.2024-<br>31.03.2024 |
| Sales in the period                                       | 707,844                   | 3,079,286                 | 657,588                   |
| Balance of receivables at end of the period including VAT | 308,857                   | 404,143                   | 266,530                   |

### **Transactions between the Parent Company and the subsidiaries from the Lubelski Węgiel Bogdanka Group**

The revenue earned by the Parent Company from its cooperation with the "Łęczyńska Energetyka" Sp. z o.o. subsidiary included primarily sales of coal, payments for the lease of space, telecommunications services, investor supervision services and re invoicing of electricity.

Purchase transactions included mainly the purchase of heat, potable water and maintenance of the sewerage and central heating systems, mine water installations and water supply systems.

The revenue earned by the Parent Company from its cooperation with the EkoTRANS Bogdanka Sp. z o.o. subsidiary included mainly payments for the lease of space and telecommunications services.

Purchase transactions included mainly the purchase of services related to transportation, disposal and management of waste created during the washing and purification of coal winnings, as well as land reclamation services.

The revenue earned by the Parent Company from its cooperation with the RG "Bogdanka" Sp. z o.o. subsidiary included mainly payments for the lease of space, fees for the use of equipment and tools and telecommunications services.

Purchase transactions included mainly the purchase of services related to the performance of mining works, auxiliary work in the mine and handling of coal haulage.

The revenue earned by the Parent Company from its cooperation with the MR Bogdanka Sp. z o.o. subsidiary included mainly payments for the lease of space and telecommunications services.

Purchase transactions comprised mainly the purchase of services related to the renovation of mining machinery and equipment, transportation units, refurbishing services, maintenance services and the supply of equipment and components.

In the reporting periods ended 31 March 2025 and 31 March 2024, the turnover resulting from purchases from Lubelski Węgiel Bogdanka Group companies and the amounts payable by the Parent Company to these entities were as follows:

|   | FOR THE PERIOD            |                           |                           |
|---|---------------------------|---------------------------|---------------------------|
|   | 01.01.2025-<br>31.03.2025 | 01.01.2024-<br>31.12.2024 | 01.01.2024-<br>31.03.2024 |
| Purchases in the period, of which:  | 71,364                    | 240,980                   | 60,185                    |
| - <i>Purchases of services activated as property, plant and equipment</i> | 2,608                     | 38,226                    | 11,682                    |
| Balance of liabilities at end of period, including VAT                    | 26,342                    | 25,505                    | 22,195                    |

In the reporting periods ended 31 March 2025 and 31 March 2024, the turnover resulting from purchases from sales to subsidiaries comprising the Lubelski Węgiel Bogdanka Group and the amounts receivable by the Parent Company from these entities were as follows:

|   | FOR THE PERIOD            |                           |                           |
|---|---------------------------|---------------------------|---------------------------|
|   | 01.01.2025-<br>31.03.2025 | 01.01.2024-<br>31.12.2024 | 01.01.2024-<br>31.03.2024 |
| Sales in the period <sup>1)</sup>                         | 6,213                     | 25,221                    | 8,254                     |
| Balance of receivables at end of the period including VAT | 2,428                     | 5,270                     | 2,943                     |

## 12. Sector and geographic segment reporting

The Management Board has not used segmentation managing of the Group, as the Group focuses its activity mainly on the production and sales of coal.

## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|   | AS AT 31 MARCH   | AS AT 31 DECEMBER<br>2024 |
|---|------------------|---------------------------|
| <b>Assets</b>   |                  |                           |
| <b>Non-current assets</b>                                 |                  |                           |
| Tangible fixed assets                                     | 1,922,049        | 1,849,121                 |
| Intangible assets   | 18,039           | 17,512                    |
| Right-of-use asset  | 26,072           | 25,896                    |
| Investment property                                       | 2,545            | 2,599                     |
| Deferred tax assets                                       | 165,704          | 158,174                   |
| Trade receivables and other receivables                   | 1,742            | 1,274                     |
| Cash and cash equivalents                                 | 177,394          | 177,394                   |
| <b>Total non-current assets</b>                           | <b>2,313,545</b> | <b>2,231,970</b>          |
| <b>Current Assets</b>                                     |                  |                           |
| Inventories   | 317,005          | 234,992                   |
| Trade receivables and other receivables                   | 440,621          | 581,870                   |
| Income tax overpaid                                       | -                | 1,954                     |
| Other short-term investments                              | 201,698          | -                         |
| Cash and cash equivalents                                 | 873,056          | 853,674                   |
| <b>Total current assets</b>                               | <b>1,832,380</b> | <b>1,672,490</b>          |
| <b>TOTAL ASSETS</b>                                       | <b>4,145,925</b> | <b>3,904,460</b>          |
| <b>Equity</b>   |                  |                           |
| Common equity   | 301,158          | 301,158                   |
| Supplementary capital                                     | 702,549          | 702,549                   |
| Other reserve capitals                                    | 2,884,583        | 2,884,583                 |
| Retained earnings   | 909,432          | (1,192,963)               |
| Equity attributable to shareholders of the Parent Company | 2,978,858        | 2,695,327                 |
| Non-controlling interests                                 | 11,550           | 11,168                    |
| <b>Total equity</b>                                       | <b>2,990,408</b> | <b>2,706,495</b>          |
| <b>Liabilities</b>  |                  |                           |
| <b>Long-term liabilities</b>                              |                  |                           |
| Provisions for employee benefits                          | 278,837          | 269,125                   |
| Provisions for other liabilities and charges              | 173,397          | 173,450                   |
| Grants  | 10,255           | 10,423                    |
| Lease liabilities   | 24,740           | 23,209                    |
| Trade and other liabilities                               | 13,889           | 17,008                    |
| <b>Total long-term liabilities</b>                        | <b>501,118</b>   | <b>493,215</b>            |
| <b>Current liabilities</b>                                |                  |                           |
| Provisions for employee benefits                          | 147,936          | 76,495                    |
| Provisions for other liabilities and charges              | 20,208           | 19,151                    |
| Grants  | 671              | 671                       |
| Lease liabilities   | 5,058            | 5,772                     |
| Liabilities due to current income tax                     | 6,925            | -                         |
| Trade and other liabilities                               | 472,185          | 602,211                   |
| Liabilities from contracts with customers                 | 1,416            | 450                       |
| <b>Total short-term liabilities</b>                       | <b>654,399</b>   | <b>704,750</b>            |
| <b>Total liabilities</b>                                  | <b>1,155,517</b> | <b>1,197,965</b>          |
| <b>TOTAL EQUITY AND LIABILITIES</b>                       | <b>4,145,925</b> | <b>3,904,460</b>          |

## INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

|  | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2025 | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 March 2024 |
|--|--|--|
| <i>Continuing operations</i>               |  |  |
| Sales revenues                             | 868,891  | 815,903  |
| Cost of products, goods and materials sold | (606,669)  | (706,812)  |
| Gross profit                               | 262,222  | 109,091  |
| Sales costs                                | (12,148)   | (14,738)   |
| Administrative expenses                    | (50,952)   | (48,870)   |
| Other income                               | 145,679  | 3,702  |
| Other expenses                             | (85)   | (199)  |
| Other losses - net                         | (1,014)  | (684)  |
| Operating profit                           | 343,702  | 48,302   |
| Financial income                           | 14,018   | 11,530   |
| Financial costs                            | (8,494)  | (7,091)  |
| Profit before tax                          | 349,226  | 52,741   |
| Income tax                                 | (65,313)   | (9,962)  |
| Profit on continued operations             | 283,913  | 42,779   |
| <b>Net profit for the financial period</b> | <b>283,913</b>                                       | <b>42,779</b>  |
| of which profit attributable to:           |  |  |
| - shareholders of the Parent Company       | 283,531  | 42,405   |
| - non-controlling interests                | 382  | 374  |

| EARNINGS PER SHARE ATTRIBUTABLE TO<br>SHAREHOLDERS OF THE PARENT COMPANY OVER THE<br>PERIOD (IN PLN PER SHARE) | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2025 | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 March 2024 |
|--|--|--|
| - basic profit per share from continuing operations  | 8.34   | 1.25   |
| - basic profit per share from discontinued operations  | -  | -  |
| <b>Basic profit per share</b>  | <b>8.34</b>  | <b>1.25</b>  |
| - diluted profit per share from continuing operations  | 8.34   | 1.25   |
| - diluted profit per share from discontinued operations  | -  | -  |
| <b>Diluted profit per share</b>  | <b>8.34</b>  | <b>1.25</b>  |

## INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

|  | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2025 | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 March 2024 |
|--|--|--|
|--|--|--|

|   |                |               |
|---|----------------|---------------|
| <b>Net profit for the financial period</b>  | <b>283,913</b> | <b>42,779</b> |
| Other comprehensive income/(loss) for the financial period                                    |                |               |
| Other comprehensive income/(loss) that will not be reclassified to profit or loss, before tax | -              | -             |
| Other comprehensive income/(loss) to be reclassified to profit or loss, before taxation       | -              | -             |
| Other comprehensive income/(loss), before tax   | -              | -             |
| Income tax on the items not to be transferred   | -              | -             |
| Income tax on items subject to transfer   | -              | -             |
| Other comprehensive net income/(loss) for the financial period                                | -              | -             |
| <b>Total net income for the financial period</b>  | <b>283,913</b> | <b>42,779</b> |
| of which total income attributable to:  |                |               |
| - <i>shareholders of the Parent Company</i>   | 283,531        | 42,405        |
| - <i>non-controlling interests</i>  | 382            | 374           |

## INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

|  | COMMON<br>EQUITY | SUPPLEMENTARY<br>CAPITAL | OTHER<br>RESERVE<br>CAPITAL | RETAINED<br>EARNINGS | TOTAL<br>EQUITY  | NON-<br>CONTROLLING<br>INTEREST | TOTAL<br>EQUITY  |
|--|------------------|--------------------------|-----------------------------|----------------------|------------------|---------------------------------|------------------|
| <b>As at 01 January 2025</b>                   | <b>301,158</b>   | <b>702,549</b>           | <b>2,884,583</b>            | <b>(1,192,963)</b>   | <b>2,695,327</b> | <b>11,168</b>                   | <b>2,706,495</b> |
| Total net comprehensive income for the period: | –                | –                        | –                           | 283,531              | 283,531          | 382                             | 283,913          |
| - <i>net profit</i>                            | -                | –                        | –                           | 283,531              | 283,531          | 382                             | 283,913          |
| Change of equity in the period                 | -                | –                        | –                           | 283,531              | 283,531          | 382                             | 283,913          |
| <b>As at 31 March 2025</b>                     | <b>301,158</b>   | <b>702,549</b>           | <b>2,884,583</b>            | <b>909,432</b>       | <b>2,978,858</b> | <b>11,550</b>                   | <b>2,990,408</b> |

|  | COMMON<br>EQUITY | SUPPLEMENTARY<br>CAPITAL | OTHER<br>RESERVE<br>CAPITAL | RETAINED<br>EARNINGS | TOTAL EQUITY     | NON-<br>CONTROLLING<br>INTEREST | TOTAL EQUITY     |
|--|------------------|--------------------------|-----------------------------|----------------------|------------------|---------------------------------|------------------|
| <b>As at 1 January 2024</b>                    | <b>301,158</b>   | <b>702,549</b>           | <b>2,282,626</b>            | <b>1,007,287</b>     | <b>4,293,620</b> | <b>10,421</b>                   | <b>4,304,041</b> |
| Total net comprehensive income for the period: | –                | –                        | –                           | 42,405               | 42,405           | 374                             | 42,779           |
| - <i>net profit</i>                            | -                | –                        | –                           | 42,405               | 42,405           | 374                             | 42,779           |
| Change of equity in the period                 | -                | –                        | –                           | 42,405               | 42,405           | 374                             | 42,779           |
| <b>As at 31 March 2024</b>                     | <b>301,158</b>   | <b>702,549</b>           | <b>2,282,626</b>            | <b>1,049,692</b>     | <b>4,336,025</b> | <b>10,795</b>                   | <b>4,346,820</b> |

## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

|  | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2025 | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 March 2024 |
|--|--|--|
| <b>Cash flows from operating activities</b>                                  |  |  |
| Net profit   | 283,913  | 42,779   |
| <u>Adjustments:</u>  |  |  |
| Income tax in the interim condensed consolidated statement of profit or loss | 65,313   | 9,962  |
| Depreciation   | 51,274   | 114,163  |
| (Profit)/ Loss on sale and liquidation of property, plant and equipment      | (1,602)  | 11,516   |
| Interest income  | (13,496)   | (8,240)  |
| Interest expenses  | 1,152  | 780  |
| Other cash flows   | 5,278  | 3,513  |
| <u>Changes in working capital:</u>   |  |  |
| Change in provisions for employee benefits                                   | 81,153   | 32,426   |
| Change in provisions   | 3,596  | (496)  |
| Change in inventories  | (82,013)   | (47,304)   |
| Change in trade receivables and other receivables                            | 140,782  | 219,965  |
| Change in trade liabilities and other liabilities                            | (116,588)  | (149,007)  |
| Total adjustments  | 134,849  | 187,278  |
| Cash from operating activities   | 418,762  | 230,057  |
| Income tax paid and received   | (63,964)   | (29,957)   |
| <b>Net cash flows from operating activities</b>                              | <b>354,798</b>                                       | <b>200,100</b>                                       |
| <b>Cash flows from investing activities</b>                                  |  |  |
| Acquisition of property, plant and equipment                                 | (138,834)  | (158,729)  |
| Acquisition of intangible assets   | (5,698)  | (4,915)  |
| Proceeds from the sale of property, plant and equipment                      | 1  | -  |
| Interest received  | 11,798   | 8,240  |
| Expenditure on other short-term investments                                  | (200,000)  | -  |
| Outflows from cash collected in the Mine Closure Fund's bank account         | -  | 5,728  |
| <b>Net cash flows from investing activities</b>                              | <b>(332,733)</b>                                     | <b>(149,676)</b>                                     |
| <b>Cash flows from financing activities</b>                                  |  |  |
| Payment of lease liabilities   | (2,683)  | (3,266)  |
| Loans and borrowings repaid  | -  | (759)  |
| Payments of interest and commissions related to financial activities         | -  | (23)   |
| <b>Net cash flows from financing activities</b>                              | <b>(2,683)</b>                                       | <b>(4,048)</b>                                       |
| Net increase in cash and cash equivalents before effects of FX rate          | 19,382   | 46,376   |
| Net increase in cash and cash equivalents                                    | 19,382   | 46,376   |
| Opening balance of cash and cash equivalents                                 | 853,674  | 734,707  |
| <b>Closing balance of cash and cash equivalents</b>                          | <b>873,056</b>                                       | <b>781,083</b>                                       |



## ADDITIONAL INFORMATION FOR RECONCILIATION OF CONSOLIDATED CASH FLOWS FROM OPERATING ACTIVITIES

|   | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2025 | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2024 |
|---|--|--|
| Balance sheet change in liabilities, liabilities from contracts with customers and subsidies      | (132,347)  | (164,627)  |
| Change in investment liabilities  | 15,759   | 15,620   |
| <b>Change in liabilities for the purposes of the interim consolidated statement of cash flows</b> | <b>(116,588)</b>                                     | <b>(149,007)</b>                                     |
| Increases in fixed assets   | 123,465  | 143,112  |
| Other non-cash adjustments  | (390)  | (3)  |
| Change in investment liabilities  | 15,759   | 15,620   |
| <b>Acquisition of property, plant and equipment</b>   | <b>138,834</b>                                       | <b>158,729</b>                                       |
| Increases in intangible assets  | 5,696  | 4,916  |
| Other non-cash adjustments  | 2  | (1)  |
| <b>Acquisition of intangible assets</b>   | <b>5,698</b>   | <b>4,915</b>   |

## INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION

|  | AS AT 31 March 2025 | AS AT 31 DECEMBER 2024 |
|--|---------------------|------------------------|
| <b>Assets</b>                                |                     |                        |
| <b>Non-current assets</b>                    |                     |                        |
| Tangible fixed assets                        | 1,863,170           | 1,786,735              |
| Intangible assets                            | 15,394              | 15,717                 |
| Non-current investments                      | 75,601              | 75,601                 |
| Right-of-use asset                           | 22,258              | 21,633                 |
| Trade receivables and other receivables      | 823                 | 353                    |
| Deferred tax assets                          | 164,038             | 157,019                |
| Cash and cash equivalents                    | 177,394             | 177,394                |
| <b>Total non-current assets</b>              | <b>2,318,678</b>    | <b>2,234,452</b>       |
| <b>Current Assets</b>                        |                     |                        |
| Inventories                                  | 311,858             | 229,154                |
| Trade receivables and other receivables      | 436,658             | 580,205                |
| Income tax overpaid                          | -                   | 1,591                  |
| Other short-term investments                 | 201,698             | -                      |
| Cash and cash equivalents                    | 818,987             | 807,770                |
| <b>Total current assets</b>                  | <b>1,769,201</b>    | <b>1,618,720</b>       |
| <b>TOTAL ASSETS</b>                          | <b>4,087,879</b>    | <b>3,853,172</b>       |
| <b>Equity</b>                                |                     |                        |
| Common equity                                | 301,158             | 301,158                |
| Supplementary capital                        | 702,549             | 702,549                |
| Other reserve capitals                       | 2,884,583           | 2,884,583              |
| Retained earnings                            | (936,657)           | (1,214,654)            |
| <b>Total equity</b>                          | <b>2,951,633</b>    | <b>2,673,636</b>       |
| <b>Liabilities</b>                           |                     |                        |
| <b>Long-term liabilities</b>                 |                     |                        |
| Provisions for employee benefits             | 274,478             | 264,660                |
| Provisions for other liabilities and charges | 173,397             | 173,450                |
| Grants                                       | 10,255              | 10,423                 |
| Lease liabilities                            | 21,438              | 20,091                 |
| Trade and other liabilities                  | 13,316              | 16,295                 |
| <b>Total long-term liabilities</b>           | <b>492,884</b>      | <b>484,919</b>         |
| <b>Current liabilities</b>                   |                     |                        |
| Provisions for employee benefits             | 141,552             | 72,120                 |
| Provisions for other liabilities and charges | 18,290              | 18,377                 |
| Grants                                       | 671                 | 671                    |
| Lease liabilities                            | 4,454               | 4,353                  |
| Liabilities due to current income tax        | 7,185               | -                      |
| Trade and other liabilities                  | 469,794             | 598,646                |
| Liabilities from contracts with customers    | 1,416               | 450                    |
| <b>Total short-term liabilities</b>          | <b>643,362</b>      | <b>694,617</b>         |
| <b>Total liabilities</b>                     | <b>1,136,246</b>    | <b>1,179,536</b>       |
| <b>TOTAL EQUITY AND LIABILITIES</b>          | <b>4,087,879</b>    | <b>3,853,172</b>       |

## INTERIM SEPARATE STATEMENT OF PROFIT OR LOSS

|  | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2025 | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2024 |
|--|--|--|
| <i>Continuing operations</i>               |  |  |
| Sales revenues                             | 865,888  | 814,313  |
| Cost of products, goods and materials sold | (608,976)  | (706,217)  |
| Gross profit                               | 256,912  | 108,096  |
| Sales costs                                | (12,670)   | (15,198)   |
| Administrative expenses                    | (52,437)   | (48,726)   |
| Other income                               | 145,606  | 3,690  |
| Other expenses                             | (77)   | (186)  |
| Other losses - net                         | (1,001)  | (682)  |
| Operating profit                           | 336,333  | 46,994   |
| Financial income                           | 13,683   | 11,417   |
| Financial costs                            | (8,372)  | (6,886)  |
| Profit before tax                          | 341,644  | 51,525   |
| Income tax                                 | (63,647)   | (9,349)  |
| Profit on continued operations             | 277,997  | 42,176   |
| <b>Net profit for the financial period</b> | <b>277,997</b>                                       | <b>42,176</b>  |

| EARNINGS PER SHARE ATTRIBUTABLE TO<br>SHAREHOLDERS OF THE COMPANY OVER THE PERIOD<br>(IN PLN PER SHARE) | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2025 | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2024 |
|---|--|--|
| - basic profit per share from continuing operations   | 8.17   | 1.24   |
| - basic profit per share from discontinued operations   | -  | -  |
| <b>Basic profit per share</b>   | <b>8.17</b>  | <b>1.24</b>  |
| - diluted profit per share from continuing operations   | 8.17   | 1.24   |
| - diluted profit per share from discontinued operations   | -  | -  |
| <b>Diluted profit per share</b>   | <b>8.17</b>  | <b>1.24</b>  |

## INTERIM SEPARATE STATEMENT OF COMPREHENSIVE INCOME

|   | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2025 | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2024 |
|---|--|--|
| <b>Net profit for the financial period</b>  | <b>277,997</b>                                       | <b>42,176</b>  |
| Other comprehensive income/(loss) for the financial period                                    |  |  |
| Other comprehensive income/(loss) that will not be reclassified to profit or loss, before tax | -  | -  |
| Other comprehensive income to be reclassified to profit or loss, before taxation              | -  | -  |
| Other comprehensive income/(loss), before tax   | -  | -  |
| Income tax on the items not to be transferred   | -  | -  |
| Income tax on items subject to transfer   | -  | -  |
| Other comprehensive net income/(loss) for the financial period                                | -  | -  |
| <b>Total net income for the financial period</b>  | <b>277,997</b>                                       | <b>42,176</b>  |

## INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY

|  | COMMON EQUITY  | SUPPLEMENTARY CAPITAL | OTHER RESERVE CAPITAL | RETAINED EARNINGS  | TOTAL EQUITY     |
|--|----------------|-----------------------|-----------------------|--------------------|------------------|
| <b>As at 1 January 2025</b>                    | <b>301,158</b> | <b>702,549</b>        | <b>2,884,583</b>      | <b>(1,214,654)</b> | <b>2,673,636</b> |
| Total net comprehensive income for the period: | -              | -                     | -                     | 277,997            | 277,997          |
| - <i>net profit</i>                            | -              | -                     | -                     | 277,997            | 277,997          |
| Change of equity in the period                 | -              | -                     | -                     | 277,997            | 277,997          |
| <b>As at 31 March 2025</b>                     | <b>301,158</b> | <b>702,549</b>        | <b>2,884,583</b>      | <b>(936,657)</b>   | <b>2,951,633</b> |

|  | COMMON EQUITY  | SUPPLEMENTARY CAPITAL | OTHER RESERVE CAPITAL | RETAINED EARNINGS | TOTAL EQUITY     |
|--|----------------|-----------------------|-----------------------|-------------------|------------------|
| <b>As at 1 January 2024</b>                | <b>301,158</b> | <b>702,549</b>        | <b>2,282,626</b>      | <b>997,154</b>    | <b>4,283,487</b> |
| Total net income for the financial period: | -              | -                     | -                     | 42,176            | 42,176           |
| - <i>net profit</i>                        | -              | -                     | -                     | 42,176            | 42,176           |
| Change of equity in the period             | -              | -                     | -                     | 42,176            | 42,176           |
| <b>As at 31 March 2024</b>                 | <b>301,158</b> | <b>702,549</b>        | <b>2,282,626</b>      | <b>1,039,330</b>  | <b>4,325,663</b> |

## INTERIM SEPARATE STATEMENT OF CASH FLOWS

|   | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2025 | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2024 |
|---|--|--|
| <b>Cash flows from operating activities</b>                                 |  |  |
| Net profit  | 277,997  | 42,176   |
| <i>Adjustments:</i>   |  |  |
| Income tax in the interim separate consolidated statement of profit or loss | 63,647   | 9,349  |
| Depreciation  | 48,072   | 110,379  |
| (Profit)/ Loss on sale and liquidation of property, plant and equipment     | (1,615)  | 11,513   |
| Interest income   | (13,313)   | (8,177)  |
| Interest expenses   | 1,062  | 682  |
| Other cash flows  | 470  | (2,071)  |
| <i>Changes in working capital:</i>  |  |  |
| Change in provisions for employee benefits                                  | 79,250   | 31,033   |
| Change in provisions  | 2,452  | (2,096)  |
| Change in inventories   | (82,704)   | (46,491)   |
| Change in trade receivables and other receivables                           | 143,077  | 220,517  |
| Change in trade liabilities and other liabilities                           | (115,272)  | (148,523)  |
| Total adjustments   | 125,126  | 176,115  |
| Cash from operating activities  | 403,123  | 218,291  |
| Income tax paid and received  | (61,889)   | (29,450)   |
| <b>Net cash flows from operating activities</b>                             | <b>341,234</b>                                       | <b>188,841</b>                                       |
| <b>Cash flows from investing activities</b>                                 |  |  |
| Acquisition of property, plant and equipment                                | (139,829)  | (159,993)  |
| Acquisition of intangible assets  | -  | (782)  |
| Proceeds from the sale of property, plant and equipment                     | 1  | -  |
| Interest received   | 11,615   | 8,177  |
| Expenditure on other short-term investments                                 | (200,000)  | -  |
| Outflows from cash collected in the Mine Closure Fund's bank account        | -  | 5,728  |
| <b>Net cash flows from investing activities</b>                             | <b>(328,213)</b>                                     | <b>(146,870)</b>                                     |
| <b>Cash flows from financing activities</b>                                 |  |  |
| Payment of lease liabilities  | (1,804)  | (1,716)  |
| <b>Net cash flows from financing activities</b>                             | <b>(1,804)</b>                                       | <b>(1,716)</b>                                       |
| Net increase in cash and cash equivalents before effects of FX rate         | 11,217   | 40,255   |
| Net increase in cash and cash equivalents                                   | 11,217   | 40,255   |
| Opening balance of cash and cash equivalents                                | 807,770  | 708,556  |
| <b>Closing balance of cash and cash equivalents</b>                         | <b>818,987</b>                                       | <b>748,811</b>                                       |

## ADDITIONAL INFORMATION FOR RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

|   | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2025 | FOR THE PERIOD<br>FROM 1 JANUARY TO<br>31 MARCH 2024 |
|---|--|--|
| Balance sheet change in liabilities, liabilities from contracts with customers and subsidies    | (131,033)  | (163,820)  |
| Change in investment liabilities  | 15,761   | 15,297   |
| <b>Change in liabilities for the purposes of the interim standalone statement of cash flows</b> | <b>(115,272)</b>                                     | <b>(148,523)</b>                                     |
| Increases in fixed assets   | 124,458  | 144,699  |
| Other non-cash adjustments  | (390)  | (3)  |
| Change in investment liabilities  | 15,761   | 15,297   |
| <b>Acquisition of property, plant and equipment</b>   | <b>139,829</b>                                       | <b>159,993</b>                                       |

### 13. Approval of the Consolidated Quarterly Report

The Management Board of Lubelski Węgiel "Bogdanka" S.A. hereby represents that on 15 May 2025 it has approved this Consolidated Quarterly Report for the first quarter of the financial year 2025 covering the period from 1 January to 31 March 2025.



**THE CONSOLIDATED QUARTERLY REPORT WAS APPROVED BY THE FOLLOWING MEMBERS OF THE MANAGEMENT BOARD AND THE CHIEF ACCOUNTANT OF THE PARENT COMPANY**

**ZBIGNIEW STOPA**

President of the Management Board of the Parent Company

**ARTUR WASILEWSKI**

Vice-President of the Management Board of the Parent Company, Economic and Financial Affairs

**BARTOSZ ROŻNAWSKI**

Vice-President of the Management Board of the Parent Company, Production

**SŁAWOMIR KRENCZYK**

Vice-President of the Management Board of the Parent Company, Development

**URSZULA PIĄTEK**

Chief Accountant of the Parent Company