



Lubelski Węgiel Bogdanka S.A.



INTERIM CONDENSED FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025

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SEPARATE STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

| | NOTE | AS AT 30 JUNE 2025 | AS AT 31 DECEMBER 2024 |
|--|------|-----------------------|---------------------------|
| Assets | | | |
| Non-current assets | | | |
| Tangible fixed assets | 5 | 1,983,544 | 1,786,735 |
| Intangible assets | 6 | 15,312 | 15,717 |
| Non-current investments | | 75,601 | 75,601 |
| Right-of-use asset | 7.1 | 21,061 | 21,633 |
| Trade receivables and other receivables | 8 | 348 | 353 |
| Deferred tax assets | | 139,024 | 157,019 |
| Cash and cash equivalents | 10 | 177,394 | 177,394 |
| Total non-current assets | | 2,412,284 | 2,234,452 |
| Current Assets | | | |
| Inventories | 9 | 182,076 | 229,154 |
| Trade receivables and other receivables | 8 | 332,604 | 580,205 |
| Income tax overpaid | | 34,786 | 1,591 |
| Other short-term investments | 11 | 607,219 | - |
| Cash and cash equivalents | 10 | 413,040 | 807,770 |
| Total current assets | | 1,569,725 | 1,618,720 |
| TOTAL ASSETS | | 3,982,009 | 3,853,172 |
| Equity | | | |
| Common equity | 12 | 301,158 | 301,158 |
| Supplementary capital | | 702,549. | 702,549. |
| Other reserve capitals | | 1,380,529 | 2,884,583 |
| Retained earnings | | 551,168 | (1,214,654) |
| Total equity | | 2,935,404 | 2,673,636 |
| Liabilities | | | |
| Long-term liabilities | | | |
| Provisions for employee benefits | 16 | 271,509 | 264,660 |
| Provisions for other liabilities and charges | 17 | 174,599 | 173,450 |
| Grants | | 10,136 | 10,423 |
| Lease liabilities | | 20,291 | 20,091 |
| Trade and other liabilities | 14 | 13,488 | 16,295 |
| Total long-term liabilities | | 490,023 | 484,919 |
| Current liabilities | | | |
| Provisions for employee benefits | 16 | 80,164 | 72,120 |
| Provisions for other liabilities and charges | 17 | 17,088 | 18,377 |
| Grants | | 684 | 671 |
| Lease liabilities | | 4,545 | 4,353 |
| Trade and other liabilities | 14 | 453,470 | 598,646 |
| Liabilities from contracts with customers | | 631 | 450 |
| Total short-term liabilities | | 556,582 | 694,617 |
| Total liabilities | | 1,046,605 | 1,179,536 |
| TOTAL EQUITY AND LIABILITIES | | 3,982,009 | 3,853,172 |

INTERIM STATEMENT OF INCOME

| | NOTE | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 June 2024 |
|--|------|---|---|
| <i>Continuing operations</i> | | | |
| Sales revenues | 18 | 1,517,696 | 1,666,964 |
| Cost of products, goods and materials sold | | (1,244,483) | (1,503,137) |
| Gross profit | | 273,213 | 163,827 |
| Sales costs | | (26,784) | (28,808) |
| Administrative expenses | | (91,792) | (95,726) |
| Other income | 19 | 148,549 | 4,007 |
| Other expenses | 20 | (1,903) | (833) |
| Other losses - net | 21 | (2,445) | (5,071) |
| Impairment loss due to non-current assets | | (143) | (1,174,268) |
| Operating profit/(loss) | | 298,695 | (1,136,872) |
| Financial income | 22 | 39,502 | 24,365 |
| Financial costs | 22 | (14,553) | (12,026) |
| Profit/ (loss) before tax | | 323,644 | (1,124,533) |
| Income tax | 23.2 | (56,655) | 215,397 |
| Profit / (loss) on continuing operations | | 266,989 | (909,136) |
| Net profit/(loss) for the period | | 266,989 | (909,136) |

EARNINGS PER SHARE

| EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY DURING THE YEAR (EXPRESSED IN PLN PER SHARE) | NOTE | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|---|------|---|---|
| - basic profit/(loss) per share from continuing operations | | 7.85 | (26.73) |
| - basic profit/(loss) per share from discontinued operations | | - | - |
| Basic earnings per share | 24 | 7.85 | (26.73) |
| - diluted earnings per share from continuing operations | | 7.85 | (26.73) |
| - diluted earnings per share from discontinued operations | | - | - |
| Diluted earnings per share | 24 | 7.85 | (26.73) |

INTERIM STATEMENT OF COMPREHENSIVE INCOME

| NOTE | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|---|---|---|
| Net profit/(loss) for the period | 266,989 | (909,136) |
| Other comprehensive loss for the financial period: Items never to be reclassified to current period profit or loss: | | |
| Actuarial losses from defined benefit plans | 16 | (6,445) |
| Other comprehensive loss that will not be reclassified to profit or loss, before tax | | (6,445) |
| Other comprehensive income to be reclassified to profit or loss, before taxation | | - |
| Other comprehensive loss, before tax | | (6,445) |
| Income tax on the items not to be transferred | 23.1 | 1,224 |
| Other comprehensive net loss for the period | | (5,221) |
| Net comprehensive income/(loss) for the period - total | 261,768 | (926,153) |

INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY

| NOTE | COMMON EQUITY | SUPPLEMENTARY CAPITAL | OTHER RESERVE CAPITAL | RETAINED EARNINGS | TOTAL EQUITY |
|--|------------------|--------------------------|-----------------------------|----------------------|------------------|
| As at 1 January 2025 | 301,158 | 702,549 | 2,884,583 | (1,214,654) | 2,673,636 |
| Total net income for the financial period: | – | – | – | 261,768 | 261,768 |
| - <i>net profit</i> | – | – | – | 266,989 | 266,989 |
| - <i>other comprehensive loss</i> | – | – | – | (5,221) | (5,221) |
| Previous years' loss brought forward | 25 | – | (1,504,054) | 1,504,054 | – |
| Change of equity in the period | – | – | (1,504,054) | 1,765,822 | 261,768 |
| As at 30 June 2025 | 301,158 | 702,549 | 1,380,529 | 551,168 | 2,935,404 |

| NOTE | COMMON EQUITY | SUPPLEMENTARY CAPITAL | OTHER RESERVE CAPITAL | RETAINED EARNINGS | TOTAL EQUITY |
|--|------------------|--------------------------|-----------------------------|----------------------|--------------------|
| As at 1 January 2024 | 301,158 | 702,549. | 2,282,626 | 997,154 | 4,283,487 |
| Total net comprehensive loss for the period: | – | – | – | (926,153) | (926,153) |
| - <i>net loss</i> | – | – | – | (909,136) | (909,136) |
| - <i>other comprehensive loss</i> | – | – | – | (17,017) | (17,017) |
| Dividend for 2023 | 25 | – | – | (85,034) | (85,034) |
| Previous year's result carried forward | – | – | 601,957 | (601,957) | – |
| Change of equity in the period | – | – | 601,957 | (1,613,144) | (1,011,187) |
| As at 30 June 2024 | 301,158 | 702,549 | 2,884,583 | (615,990) | 3,272,300 |

INTERIM STATEMENT OF CASH FLOWS

| | NOTE | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|---|------|---|---|
| Cash flows from operating activities | | | |
| Net profit (loss) | | 266,989 | (909,136) |
| <u>Adjustments:</u> | | | |
| Income tax in the interim consolidated statement of profit or loss | | 56,655 | (215,397) |
| Depreciation and amortisation | | 91,051 | 213,206 |
| Loss on sale and liquidation of property, plant and equipment | | 9,296 | 34,511 |
| Reversal and recognition of impairment losses for property, plant and equipment | 5.2 | 143 | 1,174,268 |
| Interest income | | (25,568) | (18,111) |
| Dividends received and receivable | 22 | (12,126) | (1,617) |
| Interest expenses | | 1,205 | 914 |
| Other cash flows | | 468 | (1,931) |
| <u>Changes in working capital:</u> | | | |
| Change in provisions for employee benefits | | 8,448 | 74,384 |
| Change in provisions | | 3,776 | 1,931 |
| Change in inventories | | 47,078 | 55,695 |
| Change in trade receivables and other receivables | | 253,408 | 72,813 |
| Change in trade liabilities and other liabilities | 26 | (138,073) | (117,489) |
| Total adjustments | | 295,761 | 1,273,177 |
| Cash from operating activities | | 562,750 | 364,041 |
| Income tax paid | | (70,630) | (35,995) |
| Net cash flows from operating activities | | 492,120 | 328,046 |
| Cash flows from investing activities | | | |
| Acquisition of property, plant and equipment | 26 | (308,346) | (274,004) |
| Acquisition of intangible assets | | (246) | (882) |
| Proceeds from the sale of property, plant and equipment | | 8 | 15 |
| Interest received | | 18,349 | 18,111 |
| Dividends received | 29 | 6,323 | 1,025 |
| Expenditure on other short-term investments | | (600,000) | |
| Outflows from cash collected in the Mine Closure Fund's bank account | | - | 5,728 |
| Net cash flows from investing activities | | (883,912) | (250,007) |
| Cash flows from financing activities | | | |
| Payment of lease liabilities | | (2,938) | (2,817) |
| Net cash flows from financing activities | | (2,938) | (2,817) |
| Net increase/(decrease) in cash and cash equivalents before effects of FX rate | | (394,730) | 75,222 |
| Net increase/(decrease) in cash and cash equivalents | | (394,730) | 75,222 |
| Opening balance of cash and cash equivalents | | 807,770 | 708,556 |
| Closing balance of cash and cash equivalents | | 413,040 | 783,778 |

1.

GENERAL INFORMATION

1.1 Information about the Company

Lubelski Węgiel "Bogdanka" S.A. is a joint stock company operating under 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.

The Company is the Parent Company in the Lubelski Węgiel Bogdanka Group. The Group prepares interim condensed consolidated financial statements in accordance with the IFRS for the period from 1 January to 30 June 2025. In order to fully understand the Company's financial position and results of operations, these interim condensed financial statements should be read in conjunction with the interim condensed consolidated financial statements of the Lubelski Węgiel Bogdanka Group for the period ended 30 June 2025, as well as with the audited separate financial statements of Lubelski Węgiel "Bogdanka" S.A. for the financial period ended 31 December 2024. The statements are available on the Company's website at www.ri.lw.com.pl.

Company in the ENEA Group's structure

On 14 September 2015, ENEA S.A. announced a takeover bid for the Company's shares, stating that it intended to acquire up to 64.57% of all votes at the General Meeting of the Company. The transaction was settled on 29 October 2015. As a result of the transaction, ENEA S.A. and its subsidiary acquired the total of 66% of the Company shares and consequently the Company became a member of the ENEA Group with ENEA S.A. With its registered office in Poznań as its parent company. As a result of the disposal of the Company's shares in Q2 2022 by a subsidiary of ENEA S.A., as at 31 December 2023, ENEA S.A. held the total of 64.57% of shares in the Company.

The State Treasury is the ultimate controlling entity

1.2 Going concern assumption

These interim condensed financial statements have been prepared based on the assumption that the Company will continue its business activity as a going concern in the foreseeable future and that there are no circumstances indicating a treat to the Company continuing as a going concern.

2.

DESCRIPTION OF SIGNIFICANT ACCOUNTING POLICIES APPLIED

2.1 Basis for preparation

These interim condensed financial statements of LW "Bogdanka" S.A. for the first half of 2025 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting", as endorsed by the European Union.

The interim condensed financial statements have been drawn up in accordance with the historical cost principle, except for derivative financial instruments 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 understood as the price that may be obtained upon the sale of an asset or the price paid to transfer a liability in a common 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 Company considers the characteristics of the asset or liability if market players take these features into account when measuring assets or liabilities as at the measurement date. Fair value for measurement and/or disclosure purposes in the Company's financial statements is determined as described above, except for share-based payments, which are subject to IFRS 2, leases, which are 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.

The Company considered the impact of climate risks (factors) on the financial statements and included them, among other things, in the impairment test of non-financial assets or in the calculation of provisions for other liabilities and other charges.

2.1.1 New accounting principles

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

2.1.2 Material values based on professional judgement and estimates

Preparation of the consolidated 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 of the Management Board is also used regarding current and future events in 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 financial statements for 2024.

2.1.3 New standards and interpretations

In these financial statements, the following new standards and amendments to the existing standards, which came into force in 2025 were applied for the first time:

- Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates"

In August 2023, the Board published amendments to IAS 21, "The Effects of Changes in Foreign Exchange Rates". The amendments introduced are intended to make it easier for entities to determine whether a currency is convertible into another currency and to estimate the immediate exchange rate when a currency is not convertible. In addition, the amendments to the standard introduce additional disclosures when currencies are not convertible on how the alternative exchange rate is determined.

The application of the aforementioned amendments did not have a significant impact on the Company's financial statements.

In these interim condensed financial statements, the Company has not decided to apply the following published standards, interpretations or amendments to existing standards before the date of their entry into force:

➤ Changes in the classification and measurement of financial instruments - Amendments to IFRS 9 and IFRS 7.

In May 2024, the IASB published the amendments to IFRS 9 and IFRS 7 with the aim to:

- (a) clarify the recognition and derecognition dates for certain financial assets and liabilities, with an exemption for certain financial liabilities settled through electronic funds transfer;
- (b) clarify and add further guidelines concerning assessing whether a financial asset meets the SPPI criteria;
- (c) add new disclosures for certain instruments where the contractual terms may change cash flows; and
- (d) update disclosures on equity instruments measured at fair value through other comprehensive income (FVOCI).

The published amendments are applicable to financial statements for the periods beginning on or after 1 January 2026. As at the day of drawing up this financial statements, these amendments have not yet been approved by the European Union.

➤ Annual amendments to IFRS

The "Annual amendments to IFRS" introduce changes to the standards: IFRS 1 "First-time Adoption of International Financial Reporting Standards", IFRS 7 "Financial Instruments: Disclosures", IFRS 9 "Financial Instruments", IFRS 10 "Consolidated Financial Statements" and IAS 7 "Statement of Cash Flows".

The amendments provide explanations and clarify the standards' guidance in the scope of recognition and measurement.

The published amendments are applicable to financial statements for the periods beginning on or after 1 January 2026. As at the day of drawing up this financial statements, these amendments have not yet been approved by the European Union.

➤ IFRS 18 "Presentation and Disclosure in Financial Statements"

In April 2024, the Board published the new standard, IFRS 18 "Presentation and Disclosure in Financial Statements". The standard will replace IAS 1 - Presentation of Financial Statements and will be effective from 1 January 2027. The changes in relation to the replaced standard mainly relate to three issues: the statement of profit or loss, the required disclosures on performance measures and issues related to the aggregation and disaggregation of information contained in the financial statements.

The published standard will apply to financial statements for the periods beginning on or after 1 January 2027. As at the day of drawing up this financial statements, these amendments have not yet been approved by the European Union.

➤ Amendments to IFRS 10 and IAS 28 concerning sales or contribution of assets between the investor and its affiliated entities or joint ventures.

The amendments solve the problem of the existing inconsistency between IFRS 10 and IAS 28. The accounting treatment depends on whether non-monetary assets sold or contributed to an affiliate or a joint venture represent "business".

In case if non-monetary assets represent "business", the investor shall recognise full profit or loss on the transaction. On the other hand, if assets do not meet the definition of business, the investor recognises the profit or loss excluding a part representing shares of other investors.

The amendments were published on 11 September 2014. As at the day of drawing up this financial statements, the approval of this amendment has been postponed by the European Union.

The Company is in the course of analysing the impact of the new standards and their interpretations on the financial statements. The above standards will have an impact on the financial statements, with IFRS 18 "Presentation and Disclosure in Financial Statements" with potentially the greatest impact. On the other hand, the Company believes that the impact of the remaining standards and amendments to the standards will be relatively insignificant.

3.

INFORMATION ON SEGMENTS

Basic reporting layout - industry segments

The Company focuses its activity mainly on the production and sales of coal. Revenue from sales of other products and services in the period from 1 January to 30 June 2025 amounted to PLN 33,172 thousand (PLN 34,535 thousand in the corresponding period of the previous year), representing 2.2% of total sales revenue in 2025 (2.1% in the corresponding period of the previous year).

Accordingly, the Company does not present its operating results broken down by industry segments.

Supplementary reporting layout - geographic segments

The Company's operations are focused predominantly on Poland. In the period from 1 January to 30 June 2025, revenues from the sale of coal outside Poland amounted to PLN 47,641 thousand, accounting for 3.1% of total sales revenues (PLN 19,635 thousand in the corresponding period of the previous year, which accounted for 1.2% of sales revenues). The Company has no related assets and liabilities located outside of the territory of Poland.

Accordingly, the Company does not present its operating results broken down by industry segments.

While carrying out its tasks, the Management Board analyses financial data consistent with the financial statements prepared in accordance with the EU IFRS.

Breakdown into mining fields

The Company conducts its business in the area of three mining fields: Bogdanka, Nadrybie and Stefanów. Production assets are concentrated at the location of the Company's registered office, at the centre of the Bogdanka field and they are linked to the other locations; therefore, the Nadrybie and Stefanów fields cannot operate independently. Due to these interrelations between the individual fields, departments and because of the organisation effective in the mine, all of the Company's assets are treated as a single CGU (Cash Generating Unit).

Main coal purchasers

In the 6-month period of 2025 and 2024, the Company's key customers, for which the share of sales exceeded 10% of the total sales revenue, included:

| | FOR THE PERIOD FROM 1 JANUARY TO 30 June 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 June 2024 |
|--------------------------------|---|---|
| ENEA Wytwarzanie Sp. z o.o. | 65% | 63% |
| ENEA Elektrownia Połaniec S.A. | 16% | 16% |

4.

INFORMATION ON SEASONALITY

There is no clear seasonality in sales. The long-term, quarterly sales structure remains at stable levels close to each other, with the relatively weakest second quarter. The level of coal sales is always a product of the demand reported by customers, the level of mining achieved and the coal stocks held.

5. PROPERTY, PLANT AND EQUIPMENT

| | LAND | BUILDINGS AND STRUCTURES | | TECHNICAL EQUIPMENT AND MACHINERY | MEANS OF TRANSPORT | OTHER FIXED ASSETS | FIXED ASSETS UNDER CONSTRUCTION | TOTAL |
|--|----------|-----------------------------|-----------------------|---|-----------------------|--------------------------|---------------------------------------|-------------|
| | | TOTAL | INCLUDING ROADWAYS | | | | | |
| As at 1 January 2025 | | | | | | | | |
| Cost or value derived from valuation | 8,596 | 2,458,440 | 1,722,708 | 2,380,418 | 112,634 | 27,441 | 515,438 | 5,502,967 |
| Depreciation | - | (1,640,037) | (1,146,365) | (1,970,802) | (81,154) | (24,239) | - | (3,716,232) |
| Net carrying amount | 8,596 | 818,403 | 576,343 | 409,616 | 31,480 | 3,202 | 515,438 | 1,786,735 |
| As at 30 June 2025 | | | | | | | | |
| Net carrying amount opening balance | 8,596 | 818,403 | 576,343 | 409,616 | 31,480 | 3,202 | 515,438 | 1,786,735 |
| Increases | - | - | - | 385 | - | 762 | 297,764 | 298,911 |
| Transfers from fixed assets under construction | 143 | 206,174 | 189,303 | 81,554 | 2,140 | 516 | (290,527) | - |
| Decreases | - | (30,657) | (26,690) | (645) | (44) | (1) | (110) | (31,457) |
| Depreciation and amortisation | - | (46,811) | (41,046) | (38,116) | (2,021) | (1,130) | - | (88,078) |
| Revaluation charge | (143) | 17,576 | 17,539 | - | - | - | - | 17,433 |
| Net carrying amount | 8,596 | 964,685 | 715,449 | 452,794 | 31,555 | 3,349 | 522,565 | 1,983,544 |
| As at 30 June 2025 | | | | | | | | |
| Cost or value derived from valuation | 8,596 | 2,604,618 | 1,855,981 | 2,456,745 | 114,315 | 27,049 | 522,565 | 5,733,888 |
| Depreciation | - | (1,639,933) | (1,140,532) | (2,003,951) | (82,760) | (23,700) | - | (3,750,344) |
| Net carrying amount | 8,596 | 964,685 | 715,449 | 452,794 | 31,555 | 3,349 | 522,565 | 1,983,544 |
| As at 1 January 2024 | | | | | | | | |
| Cost or value derived from valuation | 29,401 | 3,891,164 | 2,830,933 | 2,999,379 | 151,149 | 33,278 | 475,851 | 7,580,222 |
| Depreciation | - | (1,714,550) | (1,242,647) | (1,990,366) | (78,913) | (24,235) | - | (3,808,064) |
| Net carrying amount | 29,401 | 2,176,614 | 1,588,286 | 1,009,013 | 72,236 | 9,043 | 475,851 | 3,772,158 |
| As at 30 June 2024 | | | | | | | | |
| Net carrying amount opening balance | 29,401 | 2,176,614 | 1,588,286 | 1,009,013 | 72,236 | 9,043 | 475,851 | 3,772,158 |
| Increases | - | - | - | - | - | 883 | 474,414 | 475,297 |
| Transfers from fixed assets under construction | - | 230,170 | 226,139 | 41,881 | 18,488 | 727 | (291,266) | - |
| Decreases | - | (59,152) | (52,235) | (20,063) | (200) | (1) | (13) | (79,429) |
| Depreciation and amortisation | - | (128,242) | (114,017) | (75,856) | (3,459) | (1,623) | - | (209,180) |
| Revaluation charge | (10,756) | (747,987) | (533,943) | (324,066) | (30,437) | (3,156) | (70) | (1,116,472) |
| Net carrying amount | 18,645 | 1,471,403 | 1,114,230 | 630,909 | 56,628 | 5,873 | 658,916 | 2,842,374 |
| As at 30 June 2024 | | | | | | | | |
| Cost or value derived from valuation | 18,645 | 3,125,790 | 2,283,080 | 2,584,829 | 135,665 | 28,970 | 658,916 | 6,552,815 |
| Depreciation | - | (1,654,387) | (1,168,850) | (1,953,920) | (79,037) | (23,097) | - | (3,710,441) |
| Net carrying amount | 18,645 | 1,471,403 | 1,114,230 | 630,909 | 56,628 | 5,873 | 658,916 | 2,842,374 |

5.1 Property, plant and equipment - roadways

The following tables present a brief description of the roadways and other items of property, plant and equipment reported under the heading "roadways".

As at 30 June 2025:

| | QUANTITY [pcs] | LENGTH [m] | OPENING BALANCE | DEPRECIATION | IMPAIRMENT AS AT | NET VALUE AS AT THE BALANCE SHEET DATE | LEVEL OF ACCUMULATED DEPRECIATION IN THE GROUP |
|--|-------------------|---------------|--------------------|--------------|---------------------|---|---|
| Roadways recognised as fixed assets, depreciated using the natural method, of which: - amortised until June 2025. | 22 | 28,792 | 673,382 | (254,450) | (199,047) | 219,885 | 67% |
| Roadways recognised as fixed assets, depreciated based on useful lives | 10 | 19,065 | 399,613 | (113,346) | (128,714) | 157,553 | 61% |
| Others items depreciated based on useful lives (shafts, shaft towers, stoppings, storage tanks and other) | 255 | 100,793 | 2,064,003 | (714,085) | (899,457) | 450,461 | 78% |
| Total as at 30 June 2025 | 309 | 129,585 | 3,060,811 | (1,140,532) | (1,204,830) | 715,449 | 77% |

As at 30 June 2024:

| | QUANTITY [pcs] | LENGTH [m] | OPENING BALANCE | DEPRECIATION | IMPAIRMENT AS AT | THE BALANCE SHEET DATE | LEVEL OF ACCUMULATED DEPRECIATION IN THE GROUP |
|--|-------------------|---------------|--------------------|--------------|---------------------|---------------------------------|---|
| Roadways recognised as fixed assets, depreciated using the natural method, of which: - amortised until June 2024. | 24 | 26,014 | 558,191 | (285,347) | (88,199) | 184,645 | 67% |
| Roadways recognised as fixed assets, depreciated based on useful lives | 9 | 11,380 | 266,739 | (157,657) | (32,746) | 76,336 | 71% |
| Others items depreciated based on useful lives (shafts, shaft towers, stoppings, storage tanks and other) | 252 | 101,253 | 1,961,209 | (714,071) | (467,445) | 779,693 | 60% |
| Total as at 30 June 2024 | 307 | 127,267 | 2,838,724 | (1,168,850) | (555,644) | 1,114,230 | 61% |

5.2 Analysis of indications of potential impairment of property, plant and equipment

In preparing the Company's financial statements, the Management Board periodically evaluates indications of possible impairment of non-current assets, in accordance with the guidelines of IAS 36 "Impairment of Assets". Such analysis is even more important where companies must operate in volatile, non-standard conditions. Under such circumstances, the Management Board of the Company must act very cautiously.

During the analysis of the premises performed at the end of 2024, it was determined that an impairment test was warranted due to the high probability of having to adapt the scope of the operating business to the new market environment. In particular, this risk is indicated by the strategies adopted and presented to the market by Polish energy groups, which assume the development of new low-emission/zero-emission generation sources and their accelerated replacement of coal-based generation capacity, as well as the continued subsidising of unprofitable mines in Poland, distorting competition in the hard coal market. The situation described above, as well as the Company's market capitalisation value, which has been below the carrying value of net assets for a long time, made it necessary to re-test the impairment of assets of the cash-generating units as at 31 December 2024. The test resulted in finding the impairment and the details of the test and the key assumptions used to perform the test, are broadly described in the annual financial statements of the Company for 2024.

When re-examining the premises for the needs of the interim condensed financial statements as at 30 June 2025 and up to the date of these financial statements, the Management Board of the Company has not identified any new rationale indicating the need to perform re-testing during the financial year.

As at the end of the previous periods, it was noted that the Company's market capitalisation value continues to remain below the carrying amount of its net assets, which, in the opinion of the Management Board of the Company is still primarily due to factors beyond its control, such as political factors and EU climate policy, limited confidence in companies in the mining sector and partially, also the low liquidity of the shares and the low level of free float of shares.

Other impairment losses

The balance of impairment losses for property, plant and equipment is shown in the table below:

| | LAND | BUILDINGS AND STRUCTURE S | TECHNICAL EQUIPMENT AND MACHINERY | MEANS OF TRANSPORT | OTHER FIXED ASSETS | FIXED ASSETS UNDER CONSTRUC TION | TOTAL |
|-------------------------------------|--------|------------------------------------|---|-----------------------|--------------------------|--|-----------|
| As at 1 January 2025 | 28,185 | 1,549,485 | 746,190 | 55,768 | 6,444 | 19,936 | 2,406,008 |
| Recognition of impairment losses | 143 | - | - | - | - | - | 143 |
| Recognition of impairment losses | - | (17,576) | - | - | - | - | (17,576) |
| As at 30 June 2025 | 28,328 | 1,531,909 | 746,190 | 55,768 | 6,444 | 19,936 | 2,388,575 |
| <hr/> | | | | | | | |
| As at 1 January 2024 | 5,520 | 21,701 | 34,525 | - | - | 7,005 | 68,751 |
| Recognition of impairment losses | 10,756 | 769,688 | 342,276 | 30,437 | 3,156 | 70 | 1,156,383 |
| Recognition of impairment losses | - | (21,701) | (18,210) | - | - | - | (39,911) |
| As at 30 June 2024 | 16,276 | 769,688 | 358,591 | 30,437 | 3,156 | 7,075 | 1,185,223 |

The creation and reversal of an impairment loss in respect of property, plant and equipment was recognised in the consolidated statement of profit and loss under the heading "Impairment of non-current assets".

6.

INTANGIBLE ASSETS

| | SOFTWARE | FEES, LICENSES | GEOLOGICAL INFORMATION | TOTAL |
|--------------------------------------|----------|-------------------|---------------------------|----------|
| As at 1 January 2025 | | | | |
| Cost or value derived from valuation | 7,163 | 15,718 | 29,394 | 52,275 |
| Depreciation | (6,321) | (10,141) | (20,096) | (36,558) |
| Net carrying amount | 842 | 5,577 | 9,298 | 15,717 |
| As at 30 June 2025 | | | | |
| Net carrying amount opening balance | 842 | 5,577 | 9,298 | 15,717 |
| Increases | - | 246 | - | 246 |
| Amortisation and depreciation | (115) | (351) | (185) | (651) |
| Net carrying amount | 727 | 5,472 | 9,113 | 15,312 |
| As at 30 June 2025 | | | | |
| Cost or value derived from valuation | 7,060 | 15,964 | 29,394 | 52,418 |
| Depreciation | (6,333) | (10,492) | (20,281) | (37,106) |
| Net carrying amount | 727 | 5,472 | 9,113 | 15,312 |
| As at 1 January 2024 | | | | |
| Cost or value derived from valuation | 7,796 | 23,855 | 54,343 | 85,994 |
| Depreciation | (6,287) | (8,689) | (19,007) | (33,983) |
| Net carrying amount | 1,509 | 15,166 | 35,336 | 52,011 |
| As at 30 June 2024 | | | | |
| Net carrying amount opening balance | 1,509 | 15,166 | 35,336 | 52,011 |
| Increases | - | 882 | - | 882 |
| Decreases | (9) | - | - | (9) |
| Depreciation and amortisation | (193) | (852) | (680) | (1,725) |
| Revaluation charge | (1) | (4,257) | (13,627) | (17,885) |
| Net carrying amount | 1,306 | 10,939 | 21,029 | 33,274 |
| As at 30 June 2024 | | | | |
| Cost or value derived from valuation | 7,519 | 20,481 | 40,715 | 68,715 |
| Depreciation | (6,213) | (9,542) | (19,686) | (35,441) |
| Net carrying amount | 1,306 | 10,939 | 21,029 | 33,274 |

Impairment losses on intangible assets are recognised when there are indications that the Company will not derive future economic benefits from its intangible assets.

The total balance of impairment losses for intangible assets is shown in the table below:

| | SOFTWARE | FEES, LICENSES | GEOLOGICAL INFORMATION | TOTAL |
|----------------------------------|----------|-------------------|---------------------------|--------|
| As at 1 January 2025 | 279 | 9,169 | 26,728 | 36,176 |
| As at 30 June 2025 | 279 | 9,169 | 26,728 | 36,176 |
| As at 1 January 2024 | - | - | 1,780 | 1,780 |
| Recognition of impairment losses | 1 | 4,257 | 13,627 | 17,885 |
| As at 30 June 2024 | 1 | 4,257 | 15,407 | 19,665 |

The creation of an impairment loss in respect of intangible assets is recognised in the interim statement of profit and loss under the heading "Impairment of intangible assets".

7. LEASES

7.1 Right-of-use asset

The table below shows the changes in the right-of-use asset:

| | RIGHT OF PERPETUAL USUFRUCT OF LAND | MEANS OF TRANSPORT | TOTAL |
|--------------------------------------|--|-----------------------|----------|
| As at 1 January 2025 | | | |
| Cost or value derived from valuation | 16,284 | 12,651 | 28,935 |
| Depreciation | (2,857) | (4,445) | (7,302) |
| Net carrying amount | 13,427 | 8,206 | 21,633 |
| As at 30 June 2025 | | | |
| Net carrying amount opening balance | 13,427 | 8,206 | 21,633 |
| Increases | 2,191 | - | 2,191 |
| Decreases | (399) | (41) | (440) |
| Depreciation and amortisation | (282) | (2,041) | (2,323) |
| Net carrying amount | 14,937 | 6,124 | 21,061 |
| As at 30 June 2025 | | | |
| Cost or value derived from valuation | 18,475 | 12,587 | 31,062 |
| Depreciation | (3,538) | (6,463) | (10,001) |
| Net carrying amount | 14,937 | 6,124 | 21,061 |
| As at 1 January 2024 | | | |
| Cost or value derived from valuation | 16,042 | 12,786 | 28,828 |
| Depreciation | (2,369) | (346) | (2,715) |
| Net carrying amount | 13,673 | 12,440 | 26,113 |
| As at 30 June 2024 | | | |
| Net carrying amount opening balance | 13,673 | 12,440 | 26,113 |
| Other | - | (99) | (99) |
| Depreciation and amortisation | (244) | (2,057) | (2,301) |
| Net carrying amount | 13,429 | 10,284 | 23,713 |
| As at 30 June 2024 | | | |
| Cost or value derived from valuation | 16,042 | 12,687 | 28,729 |
| Depreciation | (2,613) | (2,403) | (5,016) |
| Net carrying amount | 13,429 | 10,284 | 23,713 |

Costs relating to the right-of-use asset are recognised as follows:

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|--|---|---|
| Amortisation of the right-of-use asset | 2,323 | 2,301 |
| Financial costs | 1,205 | 910 |
| Total | 3,528 | 3,211 |

The change in lease liabilities and the balance as at 30 June 2025 is shown in the table below:

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|---|---|---|
| As at 1 January | 24,444 | 28,291 |
| Increases | 2,191 | - |
| Decreases | (66) | - |
| Other changes | - | (99) |
| Principal instalment under finance lease agreements | (1,733) | (1,907) |
| Total | 24,836 | 26,285 |

7.2 Minimum future payments under irrevocable lease agreements

The minimum future payments under irrevocable lease agreements that do not fall within the scope of IFRS 16 "Leases" are as follows:

| | AS AT 30 JUNE 2025 | AS AT 31 DECEMBER 2024 |
|--------------------------------|--------------------|---------------------------|
| Below 1 year | 242 | 241 |
| from 1 to 2 years | 210 | 595 |
| From 2 to 5 years | 280 | - |
| Minimum future payments | 732 | 836 |

The Company is a party to lease agreements for specialist machinery and equipment and means of transportation that do not meet the criteria for recognising them as finance leases. Lease agreements are concluded for terms of different length. In part, they are short-term contracts to verify the quality of workmanship and suitability of the machines and equipment in the production process. Agreements concluded for a period longer than 2 years contain a clause offering an option to index the rate by the price index of goods and services.

Selected short-term agreements are not covered by the scope of IFRS 16 "Leases" and as such are not presented in the balance sheet as "Right-of-use assets".

TRADE RECEIVABLES AND OTHER RECEIVABLES

| | AS AT 30 JUNE 2025 | AS AT 31 DECEMBER 2024 |
|---|--------------------|---------------------------|
| Trade receivables | 281,551 | 532,829 |
| Allowance for uncollectible accounts | (5,218) | (5,121) |
| Net trade receivables | 276,333 | 527,708 |
| Prepayments and accruals | 53,294 | 47,982 |
| Other receivables | 2,977 | 4,515 |
| Short-term part | 332,604 | 580,205 |
| Prepayments and accruals | - | 5 |
| Other | 348 | 348 |
| Long-term part | 348 | 353 |
| Total trade receivables and other receivables | 332,952 | 580,558 |

The fair value of trade and other receivables is not significantly different from their carrying value.

All the Company's receivables are denominated in Polish zloty.

Changes in the balance of revaluation charge for trade receivables are presented in the following table:

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|--|---|---|
| As at 1 January | 5,121 | 5,770 |
| Recognition of a charge | 97 | 545 |
| Receivables written off as uncollectible during the year | - | (1) |
| Reversal of unused amounts | - | (12) |
| Total | 5,218 | 6,302 |

The impairment loss allowance for receivables was recognised and reversed in the statement of profit or loss in the "Selling costs" item. The other categories of trade receivables and other receivables do not contain any items of a reduced value.

The age structure of impaired receivables is shown in the table below:

| | AS AT 30 JUNE 2025 | AS AT 31 DECEMBER 2024 |
|----------------|--------------------|---------------------------|
| Up to 1 month | 30 | - |
| Over 12 months | 5,188 | 5,121 |
| Total | 5,218 | 5,121 |

The age structure of overdue receivables which do not show signs of impairment is presented in the table below:

| | AS AT 30 JUNE 2025 | AS AT 31 DECEMBER 2024 |
|---------------|--------------------|---------------------------|
| Up to 1 month | 114 | 26 |
| 1 to 3 months | - | 9 |
| 3 to 6 months | - | 4 |
| Total | 114 | 39 |

The maximum exposure to credit risk as at the reporting date is the fair value of each category of receivables listed above.

9. INVENTORIES

| | AS AT 30 JUNE 2025 | AS AT 31 DECEMBER 2024 |
|-------------------------------|--------------------|---------------------------|
| Materials | 173,525 | 176,843 |
| Impairment loss for materials | (317) | - |
| Finished products | 8,868 | 52,311 |
| Total | 182,076 | 229,154 |

The cost of inventories in the interim statement of profit or loss was included in the item "Cost of products, goods and materials sold", the total value of which during the first six months of 2025 amounted to PLN 1,244,483 thousand (PLN 1,503,137 thousand in the corresponding period of 2024).

Changes in the impairment loss for inventories are shown in the table below:

| | FOR THE PERIOD FROM 1 JANUARY TO 30 June 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 June 2024 |
|-------------------------|---|---|
| As at 1 January | - | 8 |
| Recognition of a charge | 317 | - |
| Total | 317 | 8 |

The creation/reversal of the impairment loss for inventories is recognised in the statement of profit or loss under "Other net profits / (losses)".

No security has been established on inventories.

10. CASH AND THEIR EQUIVALENTS

| | AS AT 30 June 2025 | AS AT 31 DECEMBER 2024 |
|-------------------|--------------------|---------------------------|
| Cash in bank | 12,496 | 16,405 |
| Bank deposits | 577,938 | 968,759 |
| Total | 590,434 | 985,164 |
| Of which: | | |
| - long-term part* | 177,394 | 177,394 |
| - short-term part | 413,040 | 807,770 |
| Total | 590,434 | 985,164 |

* Restricted cash

The value of restricted cash amounted to PLN 188,975 thousand as at 30 June 2025 (as at 31 December 2024: PLN 197,339 thousand), of which PLN 177,394 thousand were funds accumulated within the Mine Decommissioning Fund to cover mine decommissioning costs (as at 31 December 2024: PLN 177,394 thousand), while the remaining amount relates to cash held in separated VAT accounts and collateral received.

The Company's cash holdings are denominated in PLN.

11. OTHER SHORT-TERM INVESTMENTS

| | AS AT 30 JUNE 2025 | AS AT 31 DECEMBER 2024 |
|---|--------------------|---------------------------|
| Other short-term investments | 607,219 | - |
| <i>Including:</i> | | |
| <i>- deposits with maturity of more than 3 months</i> | 607,219 | - |
| Total | 607,219 | - |

Other short-term investments relate entirely to deposits with BGK with an original maturity of more than 3 months. The carrying amount at 30 June 2025 consists of the principal amount of PLN 600,000 thousand and accrued interest of PLN 7,219 thousand. The deposits will mature in October 2025 and in January and April 2026.

12. SHARE CAPITAL

| | NUMBER OF SHARES (in thousand) | COMMON EQUITY PAR VALUE | HYPERINFLATION ADJUSTMENT | TOTAL |
|----------------------|--------------------------------------|----------------------------|------------------------------|---------|
| As at 1 January 2025 | 34,014 | 170,068 | 131,090 | 301,158 |
| As at 30 June 2025 | 34,014 | 170,068 | 131,090 | 301,158 |
| As at 1 January 2024 | 34,014 | 170,068 | 131,090 | 301,158 |
| As at 30 June 2024 | 34,014 | 170,068 | 131,090 | 301,158 |

All shares issued by the Company have been fully paid up.

13. OTHER CAPITAL

According to the Articles of Association, the Company may create supplementary capital and other reserve capital, the purpose of which is stipulated by law and resolutions of the governing bodies. Other reserve capital include, among others, reserve capital from the issue of Management Options and capital from the valuation of cash flow hedges (in the part considered to be effective hedging).

Capital from valuation of cash flow hedging financial instruments

Other capital may also include derivative financial instruments constituting cash flow hedges (in the portion considered to be an effective hedge) after taking into account the tax effect. In the first 6 months of 2025 and 2024, the Company did not hold any financial instruments designated as cash flow hedges.

Retained earnings

The amount of retained earnings consists of, in addition to the current year's net result, also retained earnings from prior years, non-transferable actuarial gains/losses on account of defined benefit plans and capitals arising from the valuation of property, plant and equipment at fair value as of the date when IAS/IFRS was first applied.

Non-distributable equity components

Pursuant to Article 396 §1 of the Commercial Company Code, which is applicable to the Company, supplementary capital must be established to cover potential losses and at least 8% of the profit for the financial year is allocated to the supplementary capital until the capital reaches at least one-third of the share capital. This part of the supplementary capital is not available for distribution to shareholders. As at 31 December 2025 and 31 December 2024, this value amounted to PLN 100,386 thousand.

Actuarial gains and losses relating to provisions for post-employment benefits recognised through other comprehensive income are also excluded from distribution.

14. TRADE LIABILITIES AND OTHER LIABILITIES

| | AS AT 30 JUNE 2025 | AS AT 31 DECEMBER 2024 |
|--|--------------------|---------------------------|
| Trade liabilities | 175,590 | 244,749 |
| Other liabilities, including: | 231,055 | 248,493 |
| - <i>Company Social Benefit Fund</i> | 5,122 | 707 |
| - <i>Liabilities due to bid deposits</i> | 2,995 | 1,175 |
| - <i>Investment liabilities</i> | 44,028 | 66,068 |
| - <i>Payroll liabilities</i> | 37,352 | 86,469 |
| - <i>Other liabilities</i> | 141,558 | 94,074 |
| Total financial liabilities | 406,645 | 493,242 |
| Liabilities due to social security and other taxes | 60,313 | 121,700 |
| Trade and other liabilities | 466,958 | 614,942 |
| Of which: | | |
| - <i>long-term part</i> | 13,488 | 16,295 |
| - <i>short-term part</i> | 453,470 | 598,647 |
| Total | 466,958 | 614,942 |

The fair value of trade and other liabilities is not significantly different from their carrying value.

15. FINANCIAL INSTRUMENTS

Hierarchy of financial instruments measured at fair value.

Financial instruments carried at fair value may be classified as belonging to the following valuation models:

- Level 1: quoted (unadjusted) prices on active markets for identical assets and liabilities,
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (e.g. as prices) or indirectly (as derived from provisions),
- Level 3: inputs that are not based on unobservable market prices (unobservable inputs).

As at 30 June 2025, the Company had no financial instruments measured at fair value.

16. PROVISION FOR EMPLOYEE BENEFITS

| | AS AT 30 June 2025 | AS AT 31 DECEMBER 2024 |
|--|--------------------|---------------------------|
| Recognised in the statement of financial position: | | |
| Retirement and disability benefits | 127,598 | 116,071 |
| Service anniversary award | 174,005 | 180,116 |
| Other employee benefits (unused holiday leave, salaries, death benefits and others) | 50,070 | 40,593 |
| Total | 351,673 | 336,780 |

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|---|---|---|
| Costs recognised in the consolidated statement of profit or loss due to: | | |
| Retirement and disability benefits | 7,298 | 19,726 |
| Service anniversary award | 3,012 | 11,946 |
| Other employee benefits (unused holiday leave, salaries, death benefits and others) | 28,280 | 72,697 |
| Total | 38,590 | 104,369 |

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|--|---|---|
| (Profits)/losses recognised in the interim statement of comprehensive income due to: | | |
| Retirement and disability benefits | 6,945 | 21,369 |
| Other employee benefits (death benefits) | (500) | (361) |
| Total | 6,445 | 21,008 |

Change in provisions for employee benefits:

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|--|---|---|
| As at 1 January | 336,780 | 261,285 |
| Current employment costs (including unused holiday leave, salaries, death benefits and others) | 40,008 | 82,222 |
| Costs of past employment | - | 15,339 |
| Interest costs | 7,411 | 5,420 |
| Actuarial (gains)/losses recognised in the interim statement of profit or loss | (8,829) | 1,388 |
| Actuarial losses recognised in the interim statement of comprehensive income | 6,445 | 21,008 |
| Total recognised in comprehensive income | 45,035 | 125,377 |
| Benefits paid | (30,142) | (29,985) |
| As at 30 June | 351,673 | 356,677 |
| of which: | | |
| - <i>long-term part</i> | 271,509 | 242,629 |
| - <i>short-term part</i> | 80,164 | 114,048 |

Costs of employee benefits are captured in the following items of the interim statement of profit or loss and of the interim statement of comprehensive income:

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|--|---|---|
| Cost of products, goods and materials sold | 28,345 | 89,697 |
| Sales costs | 134 | 475 |
| Administrative expenses | 2,700 | 8,777 |
| Financial costs | 7,411 | 5,420 |
| Total recognised in the interim statement of profit and loss | 38,590 | 104,369 |
| Actuarial losses recognised in the interim statement of comprehensive income | 6,445 | 21,008 |
| Total recognised in the interim statement of comprehensive income | 45,035 | 125,377 |

17. PROVISION FOR OTHER LIABILITIES AND CHARGES

| | PROVISION FOR MINE CLOSURE COSTS AND RECLAMATION OF LAND | MINING DAMAGE | LITIGATION | OTHER | TOTAL |
|---|--|------------------|------------|-------|---------|
| As at 1 January 2025 | 173,450 | 10,768 | 7,218 | 391 | 191,827 |
| Including: | | | | | |
| <i>Long-term</i> | 173,450 | - | - | - | 173,450 |
| <i>Short-term</i> | - | 10,768 | 7,218 | 391 | 18,377 |
| Recognised in the interim statement of financial position: | | | | | |
| - Revaluation of the provision created | (3,230) | - | - | - | (3,230) |
| Recognised in the interim statement of profit and loss: | | | | | |
| - Additional provisions created | - | - | - | 361 | 361 |
| - Use of the provision created | - | (1,259) | - | (391) | (1,650) |
| - Settlement of a discount | 4,379 | - | - | - | 4,379 |
| As at 30 June 2025 | 174,599 | 9,509 | 7,218 | 361 | 191,687 |
| Including: | | | | | |
| <i>Long-term</i> | 174,599 | - | - | - | 174,599 |
| <i>Short-term</i> | - | 9,509 | 7,218 | 361 | 17,088 |
| As at 1 January 2024 | 169,102 | 7,352 | 8,566 | 189 | 185,209 |
| Including: | | | | | |
| <i>Long-term</i> | 169,102 | - | - | - | 169,102 |
| <i>Short-term</i> | - | 7,352 | 8,566 | 189 | 16,107 |
| Recognised in the interim statement of financial position: | | | | | |
| - Revaluation of the provision created | (6,185) | - | - | - | (6,185) |
| Recognised in the interim statement of profit and loss: | | | | | |
| - Additional provisions created | - | - | 2,093 | 223 | 2,316 |
| - Use of the provision created | - | (1,315) | (3,677) | (189) | (5,181) |
| - Settlement of a discount | 4,067 | - | - | - | 4,067 |
| As at 30 June 2024 | 166,984 | 6,037 | 6,982 | 223 | 180,226 |
| Including: | | | | | |
| <i>Long-term</i> | 166,984 | - | - | - | 166,984 |
| <i>Short-term</i> | - | 6,037 | 6,982 | 223 | 13,242 |

Mine closure and reclamation of land

The Company recognises the provision for mine closure and reclamation of land as required by the applicable provisions of law. The calculated amount of mine closure and land reclamation costs as at 30 June 2025 is PLN 174,599 thousand, including the provision for mine closure of PLN 157,558 thousand and a provision for land reclamation of PLN 17,041 thousand. The change in the provision compared to the balance as at 31 December 2024 amounted to PLN 1,149 thousand, with the increase resulting from the reversal of the discount allowance of PLN 4,379 thousand recognised in the interim statement of profit or loss under "Finance costs", while the decrease resulting from the updating of assumptions, totalling PLN 3,230 thousand, was recognised in the interim statement of financial position as a decrease in the item "Property, plant and equipment".

Remedying of mining damages

Due to the need to remedy the damage caused by its operations, the Company recognises a provision for mining damages. The estimated value of the work required to repair the damage as at 30 June 2025 is PLN 9,509 thousand, with the amount primarily related to the planned costs that will have to be incurred in connection with securing buildings, repairing damage to buildings and roads and in connection with compensation for damage to agricultural land. The total amount of the provision used

in the first 6 months of 2025 was PLN 1,259 thousand (PLN 1,315 thousand in the same period of the previous year).

Litigation

The stated amounts represent a provision for certain legal claims brought against the Company by its clients and suppliers. The amount of provisions recognised/reversed in the current period is recognised in the interim statement of profit or loss as other revenues/costs. According to the judgement of the Company's Management Board, supported by relevant legal opinions, the reporting of these claims will not cause any significant losses in amounts exceeding the amount of provisions recognised as at 31 December 2025.

18. SALES REVENUES

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|------------------------------|---|---|
| Sales of coal | 1,484,524 | 1,632,429 |
| Other operations | 25,526 | 26,291 |
| Sales of goods and materials | 7,646 | 8,244 |
| Total revenues on sales | 1,517,696 | 1,666,964 |

The main categories of contracts in the above revenue types include:

- Coal sales contracts relating to the Company's core business; there are two types of these contracts – with the transport service (in which the Company organises transport to the customer) or without the service.
- Contracts relating to the sale of goods and materials, mainly scrap metal; revenues from such contracts represent a small percentage of all revenue from sales. The total amount of all revenues on this account in the first 6 months of 2025 amounted to PLN 7,646 thousand (PLN 8,244 thousand in the corresponding period of the previous year).
- Contracts relating to sales of other services, with the highest amounts being revenues from the rental of space in shower rooms (hooks and lockers). This service is provided almost exclusively to the Company's sub-contractors (providing mining services to the Company) whose employees are obliged by OHS regulations to use shower rooms. The total amount of revenue from sales from the rental of shower room space in the first 6 months of 2025 was PLN 7,746 thousand (PLN 7,032 thousand in the corresponding period of the previous year).

19. OTHER REVENUES

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|--|---|---|
| Compensations received** | 147,736 | 1,920 |
| Excise tax refund | 506 | 253 |
| Reversal of other provisions for liabilities | 291 | 121 |
| Reversal of impairment losses | 14 | 1,691 |
| Other revenues | 2 | 22 |
| Total other income | 148,549 | 4,007 |

** Very high increase in compensations received as well as in the entire item "Other income" results from the compensation received at the beginning of 2025 for the damage to wall 3/VII/385. A broader description is presented in note 31.

20. OTHER COSTS

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|--------------------------------|---|---|
| Donations | (1,814) | (351) |
| Enforcement fees and penalties | (12) | (182) |
| Claims | - | (136) |
| Other | (77) | (164) |
| Total other costs | (1,903) | (833) |

21. OTHER NET LOSSES

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|---|---|---|
| Profit on the sale of fixed assets | 8 | 10 |
| Exchange gains or losses | (59) | (53) |
| Result on the liquidation of fixed assets | (1,189) | (4,042) |
| Write-down on inventories | (317) | - |
| Other losses | (888) | (986) |
| Total other losses - net | (2,445) | (5,071) |

22. FINANCIAL INCOME AND COSTS

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|--|---|---|
| Interest income on short-term bank deposits | 22,631 | 17,584 |
| Dividends received | 12,126 | 1,617 |
| Other revenues, including: | 4,745 | 5,164 |
| - <i>Interest relating to the Mine Closure Fund</i> | 4,565 | 4,994 |
| - <i>Other</i> | 180 | 170 |
| Total finance income | 39,502 | 24,365 |
| Interest cost from valuation of employee benefits | (7,411) | (5,420) |
| Settlement of discount relating to provision for Mine Closure and for land reclamation | (4,379) | (4,067) |
| Other interest costs and indexation | (1,273) | (1,301) |
| Interest expenses relating to the lease of fixed assets | (1,205) | (910) |
| Other costs | (285) | (328) |
| Total financial costs | (14,553) | (12,026) |

23. INCOME TAX

23.1 Tax liability

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|--|---|---|
| Current Tax | 37,436 | 27,931 |
| Deferred tax recognised in profit or loss | 19,219 | (243,328) |
| Deferred tax recognised in other comprehensive losses: | (1,224) | (3,991) |
| - <i>due to actuarial losses recognised in the interim statement of comprehensive income</i> | (1,224) | (3,991) |
| Total | 55,431 | (219,388) |

23.2 Reconciliation of effective tax rate

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 June 2024 |
|--|---|---|
| Profit/ (loss) before tax | 323,644 | (1,124,533) |
| Tax calculated at a rate of 19% | 61,492 | (213,661) |
| Correction of income tax for previous years | (3,983) | (1,435) |
| Tax effect of revenues permanently excluded from the tax base, of which: | (2,304) | (1,186) |
| - <i>dividend from subsidiaries</i> | (2,304) | (307) |
| - <i>other</i> | - | (879) |
| Tax effect of costs permanently excluded from the tax base, of which: | 1,450 | 885 |
| - <i>payment to the PFRON disabled persons fund</i> | 973 | 862 |
| - <i>donations</i> | 4 | 23 |
| - <i>amortisation and other costs</i> | 473 | - |
| Income tax debiting/(crediting) of financial result | 56,655 | (215,397) |
| Effective tax rate | 18% | 19% |

Income tax in the interim condensed financial statements was assessed using a nominal tax rate for 2025 of 19.0% (2024: 19.0%).

The regulations governing VAT, property tax, corporate income tax, personal income tax, or social security contributions are frequently amended, as a result of which there is often no reference to established regulations or legal precedents. The current regulations also contain ambiguous provisions that result in differences of opinion about the legal interpretation of tax regulations both between various state authorities and between state authorities and businesses.

Tax and other (e.g. customs or foreign exchange) settlements may be audited by authorities, which may levy significant penalties; any additional liabilities determined as a result of the audit must be paid with high interest. Consequently, tax risk in Poland is higher than in countries with better developed tax systems. Tax settlements may be audited for a period of five years. As a result, the amounts stated in the financial statements may change at a later date after the final determination of their amounts by the tax authorities.

23.3 Current income tax receivables and liabilities

The current income tax receivables of PLN 34,786 thousand relate entirely to 2025.

24. EARNINGS PER SHARE

Basic

Basic earnings/(losses) per share are calculated as a quotient of profit/(loss) attributable to the Company's shareholders and the weighted average number of ordinary shares during the year.

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|---|---|---|
| Profit/(Loss) attributable to shareholders of the Company | 266,989 | (909,136) |
| Weighted average number of ordinary shares (in thousand) | 34,014 | 34,014 |
| Basic earnings/(loss) per share (PLN) | 7.85 | (26,73) |

Diluted

Diluted earnings/(losses) per share are calculated by adjusting the weighted average number of ordinary shares as if the conversion to potential dilutive ordinary shares had occurred. As at 30 June 2025, the Company did not have any instruments giving rise to potential dilution of ordinary shares.

25. DIVIDEND PER SHARE

The dividend per share ratio is calculated as the quotient of the dividend payable to Company shareholders and the number of ordinary shares outstanding as at the dividend record date.

On 25 June 2025, the Company's AGM was held, at which the Shareholders passed a resolution to cover the loss for 2024, according to which the Company's net loss of PLN 1,504,054 thousand was fully covered from the reserve capital.

The resulting ratios measuring dividends due to Company's shareholders are presented in the table below:

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|---|---|---|
| Dividend due and disbursed | - | 85,034 |
| Number of ordinary shares at the dividend record date (in thousand) | 34,014 | 34,014 |
| Dividend per share (in PLN) | - | 2.50 |

26. ADDITIONAL INFORMATION FOR RECONCILIATION OF CONSOLIDATED CASH FLOWS FROM OPERATING ACTIVITIES

| NOTE | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|--|---|---|
| Balance sheet change in liabilities, liabilities from contracts with customers and subsidies | (148,076) | 83,790 |
| Change in investment commitments | 10,003 | (201,279) |
| Change in liabilities for the purposes of the interim statement of cash flows | (138,073) | (117,489) |
| Increases in fixed assets | 5 | 298,911 |
| Other non-cash adjustments | | (568) |
| Change in investment liabilities | | 10,003 |
| Acquisition of property, plant and equipment | | 308,346 |
| | | 274,004 |

27. CONTINGENT ITEMS

The Company has conditional liabilities on account of property tax as well as conditional liabilities and assets on account of legal claims arising in the regular course of business.

Property Tax

In connection with the settlement of property tax on underground roadways, in the part deemed probable by the Company, the Company no longer recognises a provision for property tax. Nevertheless, the potential contingent liability may arise mainly from the existing differences between the Company's position and the position of tax authorities regarding the subject of this tax. The differences are related to the issue whether the underground roadways of the Company contain other structures (in addition to those already declared) within the meaning of the provisions of the Act on Local Taxes and Charges that are taxable with this tax; other discrepancies may also relate to the value of individual facilities if it is determined that they are indeed subject to property tax.

At the same time, the provisions of the Act of 19 November 2024 amending the Agricultural Tax Act, the Local Taxes and Fees Act and the Stamp Duty Act enter into force on 1 January 2025. The legislation introduces quite significant changes to the property tax, including a revised definition of a building and a new list and scope of facilities that will be considered as structures subject to property tax.

Price collusion claims

The conditional assets resulting from the legal action brought by the Company on 30 December 2020 against "A. Weber" Sp. z o.o., Minova Ekochem S.A. and "DSI Schaum Chemie" Sp. z o.o. for payment of the amount of PLN 23,124 thousand (principal amount plus interest) as compensation for damage caused as a result of violation of competition law (unlawful anti-competitive arrangements, including price collusion, market sharing and collusive bidding in the purchase of mining chemical products, including polyurethane adhesives). The damage to the Company resulted from the necessity to pay inflated prices due to the prohibited agreements in 2006-2010 (following the decision of the President of UOKiK of 16 December 2013, which was subsequently appealed by the aforementioned penalized entities).

On 11 October 2023, the Supreme Court dismissed the cassation appeal of the President of the UOKiK against the unfavourable judgement of the Court of Appeals in respect of the original decision, which has the effect of removing the decision of the President of the UOKiK finding price collusion from legal circulation. The first trial date was set for 1 August 2024, however, on 24 July 2024, the Company filed a request with the court to refer the case to mediation so the trial date was cancelled. At the moment, the Company is awaiting further Court's decision.

Legal claims relating to patents

The contingent liability for legal claims relating to the fee for co-creators of the inventions covered by Patent No. 206048 and functioning in the Company, for which the Company does not recognise a provision, may result mainly from the inability to assess the grounds for the amount of the claim in question and the difference between the Company's position and the position of the co-creators of the inventions covered by the above patent.

In Q1 2024, there was a significant change in the status of legal claims concerning patents previously recognised as a contingent liability. Namely, on 15 February 2024, the Court of Appeals in Warsaw ruled that the plaintiffs were entitled to the remuneration in the amount of PLN 4,075 thousand with interest from 2013, thus largely upholding the Company's appeal. The judgement is final and therefore the Company has made a payment to the plaintiffs. On 15 March 2024, the Company received a written justification for the aforementioned judgement, which was subject to detailed analysis, as a result of which the Company decided to file a cassation appeal.

On 28 May 2024, the Company filed a cassation appeal with the Supreme Court; in addition, the plaintiffs also filed an appeal. The company is still waiting for setting the date for a hearing on the matter.

28. FUTURE CONTRACTUAL LIABILITIES

Investment liabilities

Contractual investment liabilities incurred as at the balance sheet date but not yet recognised in the interim statement of financial position are as follows:

| | AS AT 30 JUNE 2025 | AS AT 31 DECEMBER 2024 |
|-------------------------------|--------------------|------------------------|
| Property, plant and equipment | 255,910 | 217,676 |
| Investment liabilities | 255,910 | 217,676 |

Future contractual liabilities arise mainly under concluded contracts for mining work and for the purchase of mining machinery and equipment, which depend on the amount of preparatory work (excavation of roadways) planned.

29. TRANSACTIONS WITH RELATED PARTIES

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

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

The Company 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., Miejskie Przedsiębiorstwo Energetyki Cieplnej Sp. z o.o. in Chełm, Krajowa Grupa Spożywcza S.A. and Orlen Termika S.A.

In the reporting periods ended 30 June 2025 and 30 June 2024, the revenue on sales to the above-mentioned entities and the balance of the Company's receivables from these entities were as follows:

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2024 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|---|---|--|---|
| Sales in the period | 125,300 | 357,706 | 172,147 |
| Balance of receivables at end of period, including VAT | 43,983 | 104,043 | 93,296 |

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 30 June 2025 and 30 June 2024, the turnover resulting from purchases from the above entities and the balance of amounts payable by the Group to these entities were as follows:

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2024 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|---|---|--|---|
| Purchases in the period | 140,609 | 341,934 | 179,077 |
| Balance of liabilities at end of period, including VAT | 16,802 | 36,700 | 28,566 |

Transactions with ENEA Group companies

Purchase transactions mainly involve the purchase of electricity from ENEA S.A., the purchase of services from Enea Centrum Sp. z o.o. and materials from ENEA Wytwarzanie Sp. z o.o.

In the reporting periods ended 30 June 2025 and 30 June 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 FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2024 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|---|---|--|---|
| Purchases in the period | 78,902 | 274,246 | 132,018 |
| Balance of liabilities at end of period, including VAT | 29,152 | 58,419 | 52,081 |

Sales transactions involved 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 30 June 2025 and 30 June 2024, the revenue from sales to ENEA Group companies and the balance of the Company's receivables from these entities was as follows:

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2024 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|---|---|--|---|
| Sales in the period | 1,221,859 | 3,079,286 | 1,368,247 |
| Balance of receivables at end of period, including VAT | 212,108 | 404,143 | 320,350 |

In the reporting periods ended 30 June 2025 and 30 June 2024, the values of liability on account of dividends paid to ENEA Group companies were as follows:

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2024 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|---|---|--|---|
| Dividend liability for ENEA Group companies | - | - | 54,905 |
| Dividend paid to ENEA Group companies | - | 54,905 | - |

The Company's transactions with subsidiaries in the Lubelski Węgiel Bogdanka Group

The revenue earned by the 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 reinvoicing 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 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 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 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 30 June 2025 and 30 June 2024, the turnover resulting from purchases from Lubelski Węgiel Bogdanka Group companies and the amounts payable by the Company to these entities were as follows:

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2024 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|---|---|--|---|
| Purchases in the period, of which: | 133,203 | 240,980 | 115,285 |
| - <i>Purchases of services activated as property, plant and equipment</i> | 6,647 | 38,226 | 20,250 |
| Balance of liabilities at end of period, including VAT | 22,087 | 25,505 | 20,091 |

In the reporting periods ended 30 June 2025 and 30 June 2024, the turnover resulting from sales to Lubelski Węgiel Bogdanka Group companies and the amounts receivable by the Company from these entities were as follows:

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2024 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|--|---|--|---|
| Sales in the period | 10,676 | 25,221 | 12,355 |
| Balance of receivables at end of the period including VAT | 1,651 | 5,270 | 1,514 |

In the reporting periods ended 30 June 2025 and 30 June 2024, the values of dividends received from the subsidiaries comprising the Lubelski Węgiel Bogdanka Group were as follows:

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2024 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|---|--|--|---|
| Dividend received from LW Bogdanka Group companies | 5,803 | - | 592 |
| Dividend received from LW Bogdanka Group companies | 6,323 | 1,617 | 1,025 |

30. INFORMATION ON REMUNERATION OF MANAGEMENT BOARD MEMBERS, SUPERVISORY BOARD MEMBERS AND COMMERCIAL PROXIES

| | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025 | FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 |
|--|---|---|
| Remuneration of the Management Board members and commercial proxies | 2,316 | 2,888 |
| Remuneration of the Supervisory Board members | 190 | 322 |

In addition to the standard remuneration under management contracts, appointments or employment, in the first half of 2025, as well as in the corresponding period of the previous year, there were no other transactions with the key personnel of the Company.

31. SIGNIFICANT EVENTS AFFECTING THE COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE FIRST HALF OF 2025

On 24 January 2025, the Company received the insurance decision issued by the insurer, Towarzystwo Ubezpieczeń Wzajemnych Polski Zakład Ubezpieczeń Wzajemnych ("TUW PZUW"). The decision of TUW PZUW of 22 January 2025 concerns the award and payment of compensation to the Company for the damage to underground assets resulting from the incident in wall 3/VII/385 of February 2023 (groundwater spill). According to the insurer's decision, the Company was paid compensation in the amount of PLN 144.85 million.

32. EVENTS AFTER THE BALANCE SHEET DATE

In accordance with the knowledge possessed, there have been no material events after the balance sheet date that could have an impact on the financial result as at 30 June 2025 and have not been included in the interim condensed financial statements.

33. APPROVAL OF THE FINANCIAL STATEMENTS

The Management Board of Lubelski Węgiel Bogdanka S.A. hereby represents that on 8 September 2025, it approves these financial statements of the Company for the period from 1 January to 30 June 2025 for publication.

34. SIGNATURES OF ALL MEMBERS OF THE MANAGEMENT BOARD AND THE CHIEF

ZBIGNIEW STOPA

President of the Management Board

.....

ARTUR WASILEWSKI

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

.....

BARTOSZ ROŻNAWSKI

Vice-President of the Management Board,
Production

.....

SŁAWOMIR KRENCZYK

Vice-President of the Management Board,
Development

.....

URSZULA PIĄTEK

Chief Accountant

.....

ACCOUNTANT