

Current report 33/2020

Subject: Result of main capacity market auction for the year 2025

The Management Board of the company Zespół Elektrociepłowni Wrocławskich KOGENERACJA Spółka Akcyjna („Issuer”) discloses that on 14 December 2020 the PGE Polska Grupa Energetyczna S.A. (“PGE”) a parent company within the meaning of art. 4 § 1 section 4a) of the Commercial Companies Code, informed in Current Report No. 35/2020 about the result of the auction of the capacity market for 2025 (main auction). Below, the Issuer announces unchanged information provided by PGE:

“The Management of PGE Polska Grupa Energetyczna S.A. (“PGE”) discloses that on December 14, 2020, as a result of capacity market auction for the year 2025 (the main auction), total capacity obligation of 364.15 MW has been contracted for generation units owned by PGE Group.

Including long term contracts from previous auctions, PGE Group contracted 10 037 MW of capacity obligations for 2025 delivery.

Auction clearing price has been set within the range between 172.86 and 207.40 PLN/kW/year and on the basis of article 38 par. 1 of the Capacity Market Act of December 8, 2017 - the price will be disclosed by PSE S.A. within 3 business days.

Total capacity obligation involves not less than 161.6 MW for units being modernized (with 7-years capacity contract) and not less than 200 MW for existing units (with 1-year contract). No 15-year and 17-year contracts were obtained.

The above capacity obligations are not final results of capacity auction.

Final results are to be published by the President of Energy Regulatory Office on its website (in the section Biuletyn Informacji Publicznej) on the first business day following 21st day after the close of capacity auction. Until then all capacity obligation contracts are conditional.”

Due to integrated activities related to the capacity market, internally regulated between PGE Polska Grupa Energetyczna S.A. and the companies of the PGE Capital Group, the Company is unable to determine the obligations related to the capacity market. The contracted capacity obligation resulting from the capacity market auction for 2025 concerns only the subsidiary EC Zielona Góra S.A.

Legal basis: art. 17 sec. 1 MAR