Separate financial statements

of ORLEN
for the year ended
31 December 2025

2025

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(PLN million)

SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	NOTE	2025	2024 (restated*)
Revenue	*8, 9.1, 9.2*	174,483	201,353
Cost of sales	*9.3.1*	(152,271)	(180,924)
Gross profit		**22,212**	**20,429**
Selling expenses		(7,852)	(8,331)
General and administrative expenses		(2,903)	(2,440)
Other operating income	*9.4.1*	6,462	10,547
Other operating expenses	*9.4.2*	(11,856)	(12,853)
(Impairment loss)/reversal of impairment loss on trade and other receivables	*9.6*	(104)	(112)
Operating profit		**5,959**	**7,240**
Finance income	*9.5.1*	5,690	6,731
Finance costs	*9.5.2*	(17,942)	(6,645)
Net finance income/(costs)		**(12,252)**	**86**
Profit/(loss) before tax		**(6,293)**	**7,326**
Income tax	*9.8*	(1,625)	(2,089)
Net profit/(loss)		**(7,918)**	**5,237**
Other comprehensive income:			
that will not be reclassified subsequently to profit or loss		**(225)**	**10**
measurement of investment property at fair value at the date of reclassification		*11*	-
actuarial gains and losses		*(34)*	*15*
gains and losses on investments in equity instruments measured at fair value through other comprehensive income		*(254)*	*(3)*
deferred tax	*9.8.2*	*52*	*(2)*
that may be reclassified subsequently to profit or loss		**2,417**	**(2,094)**
hedging instruments	*12.2*	*2,201*	*(1,976)*
costs of hedging	*12.2*	*802*	*(609)*
income tax	*9.8*	*(586)*	*491*
		2,192	**(2,084)**
Total comprehensive income		**(5,726)**	**3,153**
Basic earnings/(loss) per share and diluted earnings/(loss) per share (PLN per share)		(6.82)	4.51

** Comparative data have been restated; detailed information is set out in Note 4.2.*

(PLN million)

SEPARATE STATEMENT OF FINANCIAL POSITION

	NOTE	31/12/2025	31/12/2024 (restated*)	01/01/2024 (restated*)
ASSETS				
Non-current assets				
Property, plant and equipment	*10.1*	45,409	45,929	43,799
Investment property	*10.2*	266	225	161
Intangible assets	*10.3*	2,027	3,652	4,933
Right-of-use assets	*13.3.1*	4,757	4,765	4,696
Investments in subsidiaries, associates and joint arrangements	*10.4*	54,052	65,065	67,974
Deferred tax assets	*9.8.2*	268	-	-
Other financial assets, including:	*10.11.1*	21,130	22,278	14,016
loans		*17,765*	*19,587*	*11,271*
Mandatory stocks		8,470	9,789	9,128
Other assets	*10.11.4*	10	27	15
		136,389	**151,730**	**144,722**
Current assets				
Inventories	*10.6.1*	10,727	12,779	14,598
Trade receivables	*10.6.2*	12,651	13,268	16,044
Income tax receivables		22	85	46
Cash and cash equivalents	*10.7*	20,129	1,368	2,854
Other financial assets, including:	*10.11.1*	11,010	15,534	19,237
loans		*3,811*	*3,912*	*4,637*
cash pool		*3,558*	*8,870*	*12,312*
Other assets	*10.11.4*	1,736	1,629	2,379
Non-current assets classified as held for sale		1,401	980	3,926
		57,676	**45,643**	**59,084**
Total assets		**194,065**	**197,373**	**203,806**
EQUITY AND LIABILITIES				
EQUITY				
Share capital	*10.10.1*	1,974	1,974	1,974
Share premium	*10.10.2*	46,405	46,405	46,405
Other components of equity	*10.10.3*	3,190	972	3,066
Retained earnings	*10.10.4*	73,848	88,766	88,335
Total equity		**125,417**	**138,117**	**139,780**
LIABILITIES				
Non-current liabilities				
Borrowings and bonds	*10.8*	18,370	11,712	9,337
Provisions	*10.12*	3,233	3,060	2,871
Deferred tax liabilities	*9.8.2*	-	564	363
Lease liabilities	*13.3.1*	2,900	2,871	2,899
Other financial liabilities	*10.11.2*	774	561	883
Other liabilities	*10.11.4*	106	105	74
		25,383	**18,873**	**16,427**
Current liabilities				
Trade payables	*10.6.3*	12,913	14,547	14,853
Lease liabilities	*13.3.1*	536	559	482
Borrowings and bonds	*10.8*	1,103	2,721	3,319
Provisions	*10.12*	4,223	3,965	4,428
Income tax liabilities		1,611	244	7
Other financial liabilities, including:	*10.11.2*	17,040	11,790	15,428
cash pool		*11,822*	*6,545*	*7,732*
Other liabilities	*10.11.4*	5,839	6,557	9,082
		43,265	**40,383**	**47,599**
Total liabilities		**68,648**	**59,256**	**64,026**
Total equity and liabilities		**194,065**	**197,373**	**203,806**

** Comparative data have been restated; detailed information is set out in Note 4.2.*

(PLN million)

SEPARATE STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Other components of equity	*Treasury shares*	*Hedging reserve*	*Costs of hedging*	*Fair value reserve*	Retained earnings	Equity total
NOTE	*10.10.1*	*10.10.2*	*10.10.3*					*10.10.4*	
01/01/2025 (restated)	1,974	46,405	972	-	*714*	*245*	*13*	88,766	138,117
Net (loss)	-	-	-	-	-	-	-	(7,918)	(7,918)
Components of other comprehensive income	-	-	2,218	-	*1,767*	*650*	*(199)*	(26)	2,192
Total comprehensive income	**-**	**-**	**2,218**	**-**	***1,767***	***650***	***(199)***	**(7,944)**	**(5,726)**
Equity arising from business combinations	-	-	-	-	-		-	(8)	(8)
Dividends	-	-	-	-	-	-	-	(6,966)	(6,966)
Transactions with owners	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(6,966)**	**(6,966)**
31/12/2025	**1,974**	**46,405**	**3,190**	**-**	***2,481***	***895***	***(186)***	**73,848**	**125,417**
01/01/2024 (as published)	1,974	46,405	3,066	*(2)*	*2,314*	*739*	*15*	89,454	140,899
Adjustment to opening balance	-	-	-	-	-	-	-	(1,119)	(1,119)
01/01/2024 (restated)	1,974	46,405	3,066	*(2)*	*2,314*	*739*	*15*	88,335	139,780
Net profit	-	-	-	-	-	-	-	5,237	5,237
Components of other comprehensive income	-	-	(2,096)	-	*(1,600)*	*(494)*	*(2)*	12	(2,084)
Total comprehensive income	**-**	**-**	**(2,096)**	**-**	***(1,600)***	***(494)***	***(2)***	**5,249**	**3,153**
Dividends	-	-	-	-	-	-	-	(4,818)	(4,818)
Sale of treasury shares	-	-	2	*2*	-	-		-	2
Transactions with owners	**-**	**-**	**2**	***2***	**-**	**-**	**-**	**(4,818)**	**(4,816)**
31/12/2024 (restated*)	**1,974**	**46,405**	**972**	**-**	***714***	***245***	***13***	**88,766**	**138,117**

** Comparative data have been restated; detailed information is set out in Note 4.2.*

(PLN million)

SEPARATE STATEMENT OF CASH FLOWS

	NOTE	2025	2024 (restated*)
Cash flows from operating activities			
Profit/(loss) before tax		**(6,293)**	**7,326**
Adjustments for:			
Depreciation and amortisation	*9.3.1*	4,651	4,364
Foreign exchange (gains)	*11.1*	(430)	(132)
Net interest	*11.2*	(1,450)	(1,557)
Dividends	*9.5.1*	(2,224)	(2,535)
Loss on investing activities	*11.3*	22,147	9,114
Change in provisions	*11.4*	3,182	3,028
Change in working capital	*10.6*	422	4,275
Other adjustments	*11.5*	1,634	(9,824)
Income tax (paid)	*11.6*	(1,572)	(1,164)
Net cash provided by operating activities		**20,067**	**12,895**
Cash flows from investing activities			
Acquisition of property, plant and equipment, intangible assets, and right-of-use assets		(10,120)	(10,530)
Purchase of energy rights		(1,675)	(2,113)
Proceeds from sale of property, plant and equipment, intangible assets and right-of-use assets		1,481	4,767
Acquisition of shares in subsidiaries		(861)	(658)
Additional capital contributions to subsidiaries		(959)	(357)
Disposal of shares		-	171
Interest received	*11.2*	1,958	1,861
Dividends received		2,253	2,501
Outflows on loans granted		(4,440)	(11,033)
Inflows from repayment of loans granted		4,723	3,902
Net cash flows within the cash pooling arrangement		4,284	2,526
Other		89	(32)
Net cash (used in) investing activities		**(3,267)**	**(8,995)**
Cash flows from financing activities			
Proceeds from borrowings	*10.8, 10.9.1*	2,830	10,128
Repayment of borrowings	*10.8, 10.9.1*	(5,784)	(8,227)
Proceeds from issuance of bonds	*10.9.1*	9,508	-
Repayment of bonds	*10.8, 10.9.1*	(1,000)	-
Interest paid on borrowings, bonds, and cash pool arrangements	*11.2, 10.9.1*	(1,090)	(805)
Interest paid on lease liabilities	*11.2, 10.9.1*	(156)	(160)
Dividends paid to owners of the Parent	*10.10.6*	(6,966)	(4,818)
Net cash flows within the cash pooling arrangement	*10.9.1*	5,053	(1,163)
Repayment of lease liabilities	*10.9.1*	(521)	(434)
Government grants received		234	208
Other		(116)	(97)
Net cash provided by/(used in) financing activities		**1,992**	**(5,368)**
Net increase/(decrease) in cash		**18,792**	**(1,468)**
Effect of exchange rate changes on cash		(31)	(18)
Cash at beginning of period		1,368	2,854
Cash at end of period	*10.7*	**20,129**	**1,368**
including restricted cash	*10.7*	*109*	*293*

* *Comparative data have been restated; detailed information is set out in Note 4.2.*

(PLN million)

GENERAL INFORMATION

1. PRINCIPAL BUSINESS OF ORLEN

GENERAL INFORMATION ABOUT THE COMPANY	
NAME	ORLEN Spółka Akcyjna
REGISTERED OFFICE	ul. Chemików 7, 09-411 Płock, Poland
NATIONAL COURT REGISTER (KRS) NUMBER	0000028860
COURT OF REGISTRATION	District Court for Łódź-Śródmieście in Łódź, 20th Commercial Division
STATISTICAL NUMBER (REGON)	610188201
TAX IDENTIFICATION NUMBER (NIP)	774-00-01-454
PRINCIPAL BUSINESS	• processing of crude oil, • production of fuels, petrochemical products, and chemicals • retail and wholesale of fuel products, • generation, distribution, and trading of electricity and heat, • exploration for and production of natural gas, • gas imports, trading in gaseous fuels, • other services, including those relating to storage.

ORLEN Spółka Akcyjna (the 'Company', 'ORLEN', the 'Issuer', or the 'Parent') was formed on 7 September 1999 through the merger of Petrochemia Płock S.A. and Centrala Produktów Naftowych S.A. On 1 August 2022, ORLEN merged with Grupa LOTOS S.A., and on 2 November 2022, with PGNiG S.A. In accordance with the resolution of the Annual General Meeting of ORLEN S.A. dated 21 June 2023, on 3 July 2023, the District Court for Łódź-Śródmieście in Łódź, XX Commercial Division of the National Court Register, registered the change of the Company's name from its previous name: Polski Koncern Naftowy ORLEN S.A. to ORLEN S.A.

ORLEN shares have been listed on the Warsaw Stock Exchange (GPW) main market under the continuous trading system since 26 November 1999.

ORLEN, together with its subsidiaries forming the ORLEN Group (the 'ORLEN Group' or the 'Group'), is the largest and one of the most modern multi-energy groups in Central Europe. The Company operates mainly on the Polish market, but also maintains branches in Pakistan, the United Arab Emirates, Lithuania and Czechia.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The separate financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU IFRS). The accounting policies applied by the Company are based on the standards and interpretations endorsed by the EU that are applicable to the period beginning on 1 January 2025 or to earlier periods.
The financial statements have been prepared on a historical cost basis, except for derivative financial instruments and investment property measured at fair value, and financial assets measured at fair value. These separate financial statements have been prepared on the accrual basis of accounting, except for the separate statement of cash flows, which is presented on a cash basis.
The scope of the separate financial statements also complies with the Regulation of the Minister of Finance dated 6 June 2025 on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent to information required under the laws of a non-member state, and covers the annual reporting period from 1 January to 31 December 2025 and the comparative period from 1 January to 31 December 2024.
In the opinion of the Management Board, the separate financial statements present fairly the financial and asset position of the Company as at 31 December 2025, and its financial performance and cash flows for the year ended 31 December 2025.
The separate financial statements have been prepared on a going concern basis, on the assumption that operations will be continued for at least twelve months from the end of the reporting period.
In assessing the Company's ability to continue as a going concern, the Management Board analysed financial and operational risks, taking into account their potential impact on the Company's operations over a period of at least 12 months from the reporting date. The analysis covered, in particular, an assessment of the Company's financial position and key financial indicators, including liquidity, leverage, profitability, and turnover ratios, which did not indicate any threats to the Company's financial stability.
The Company identifies and actively manages liquidity risk, i.e. the risk that it may be unable, in whole or in part, to meet its current and future financial obligations, by maintaining an appropriate level of cash and access to diversified sources of funding. The Company is able to meet its liabilities as they fall due, in particular through positive cash flows from operating activities and access to external financing. To mitigate liquidity gap risk, the Company diversifies its funding sources and uses a variety of instruments to manage liquidity effectively. Selected matters relating to equity management and liquidity risk management are set out in Notes 10.9.2 and 12.1.4.
As part of its going concern assessment, the Management Board also considered risks arising from the macroeconomic and geopolitical environment and from climate change, analysing their potential impact on the Company's operations and financial performance.
Based on the analyses performed, as at the date of signing the consolidated financial statements, the Management Board of the Parent has not identified any facts or circumstances that would indicate a threat to the Group's ability to continue as a going concern in the foreseeable future, i.e. for at least 12 months from the reporting date.
The Company has been established for an indefinite period.

3. FUNCTIONAL AND PRESENTATION CURRENCY OF THE FINANCIAL STATEMENTS

The functional currency of the Parent and the presentation currency of these separate financial statements is the Polish zloty (PLN). All amounts in these separate financial statements are expressed in PLN million unless otherwise indicated.
Any rounding differences of up to PLN 1 million in the totals of items presented in the notes to the financial statements arise from the rounding applied.
Transactions denominated in foreign currencies are initially recognised at the foreign exchange rate of the functional currency prevailing on the transaction date. At the reporting date:
- Monetary items denominated in foreign currencies are translated at the functional currency exchange rate (quoted by the National Bank of Poland, 'NBP') prevailing at the end of the reporting period;
- Non-monetary items denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevailing on the transaction date;
- Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate applicable on the date on which the fair value was determined.

Exchange differences on the settlement of monetary items or on the translation of monetary items at exchange rates different from those applied at initial recognition are recognised in profit or loss. Exchange differences that form part of the gain or loss on the measurement of a hedging instrument in a hedge accounting relationship are recognised in other comprehensive income.
To hedge foreign exchange risk, the Company seeks to hedge its net position using derivative financial instruments (for the Company's accounting policies for derivative financial instruments, see Note 12).

4. ACCOUNTING POLICIES

4.1. Significant accounting policies

Selected significant accounting policies and key judgements and estimates are presented in the relevant notes to the separate financial statements. The Company has applied its accounting policies consistently throughout all reporting periods presented, except for the changes described below.

Following material acquisitions completed in prior periods, the Company has in recent years undertaken a project to develop a new, standardised financial reporting framework. In 2025, as part of that process, the Company changed the presentation of gains and losses on the measurement and settlement of derivative instruments not designated in hedge accounting relationships that hedge foreign exchange risk. Previously, the effects of the measurement and settlement of such derivative instruments were presented within finance income and finance costs. With effect from 1 January 2025, gains and losses on the measurement and settlement of derivative instruments not designated in hedge accounting relationships that hedge foreign exchange risk are presented in accordance with the nature of the hedged exposure. This approach is consistent with the change made in 2024 to the presentation of foreign exchange differences on trade receivables and trade payables. In addition, the Company changed the classification of selected asset and liability line items between financial and non-financial categories:
- the line item 'Trade and other receivables' was renamed 'Trade receivables', and all receivables representing non-financial assets, together with receivables representing financial assets that do not arise from the entity's core operating activities – namely the sale or purchase of goods or services – were separated from that line item;
- the line item 'Trade and other payables' was renamed 'Trade payables', and all liabilities representing non-financial liabilities, together with liabilities representing financial liabilities that do not arise from the entity's core operating activities – namely the sale or purchase of goods or services – were separated from that line item; and
- new statement of financial position line items, ‘Other financial assets’ and ‘Other financial liabilities’, were introduced for financial assets and financial liabilities that do not arise directly from operating activities, including derivatives, which in the previous period had been presented in a separate line item in the statement of financial position.

The impact of the above changes on comparative data is set out in Note 4.2.

In the Company's opinion, the changes to the accounting policies introduced in respect of the events indicated above, arising from significant acquisitions completed in previous periods that materially changed the scale and nature of the Company's operations and the Management Board's approach to analysing operating results, will provide more useful and reliable information that better reflects the Company's operating results and operational performance. These changes were introduced primarily to enhance the usefulness, transparency, clarity and comparability of the Company's financial statements; in the Company's view, they also respond to investors' needs and are consistent with market practice observed among other global multi-energy groups.

Also, at the beginning of 2025 the Company presented its updated 2035 Strategy, ‘Energy of Tomorrow Starts Today’, setting out the Company’s development directions across four key operating segments:

- Upstream & Supply,
- Downstream,
- Energy,
- Consumers & Products.

Accordingly, the Company also changed the presentation of its operating segments for financial reporting purposes. The new segments reflect the current management model, which is aligned with key trends, the Company's decision-making structure in place since 2025, and the manner in which the Parent's Management Board reviews financial performance. Disclosures on the operating segments, including a description of the new segments and financial information attributed to each, are set out in Notes 7 and 8.

4.2. Restatement of comparative data

Changes in accounting policies

The Company restated the comparative data following the presentation changes described in Note 4.1.

Recognition of forward contracts

In prior years, the Company recognised certain natural gas purchase and sale transactions entered into on the over-the-counter (OTC) market as contracts meeting the criteria for the 'own-use' exemption under IFRS 9 Financial Instruments. Accordingly, those contracts were not recognised as financial instruments and were not subject to fair value measurement, which represented a departure from the requirements of IFRS 9.
The Company carried out a further detailed analysis of the nature, structure and manner of settlement of those transactions. Following that review, the Company concluded that the criteria for applying the 'own-use' exemption were not met. In particular, notwithstanding the physical nature of those transactions, the manner of their settlement and the primary business purpose for entering into them meant that the contracts could not be regarded as having been entered into and held solely for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected requirements. As a result of the previous incorrect accounting treatment, the Company recognised the contracts in question as financial instruments measured at fair value and restated the comparative data retrospectively, including as at 1 January 2024 and 31 December 2024.

Adjustments for other departures from IFRS requirements

In the current reporting period, the Company analysed the VAT balances presented in the statement of financial position. The Company concluded that, where a legally enforceable right to set off exists, in particular where VAT receivables and payables arise from tax imposed by the same tax authority on the same taxpayer, they should be offset; Consequently, the Company applied a corresponding retrospective restatement of the comparative information as at 31 December 2024 and 1 January 2024.
Details of the impact of the above adjustments on the separate statement of profit or loss and other comprehensive income, the separate statement of financial position, and the separate statement of cash flows are set out in the tables below. In the statement of changes in equity, the above adjustments affected only retained earnings.

(PLN million)

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	31/12/2024 (as published)	Changes in accounting policies	Recognition of forward contracts	Other adjustments	31/12/2024 (restated)
ASSETS					
Non-current assets					
Property, plant and equipment	45,929	-	-	-	45,929
Investment property	225	-	-	-	225
Intangible assets	3,652	-	-	-	3,652
Right-of-use assets	4,765	-	-	-	4,765
Investments in subsidiaries, associates and joint arrangements	65,065	-	-	-	65,065
Mandatory stocks	9,789	-	-	-	9,789
Other financial assets, including:	-	22,278	-	-	22,278
loans	-	*19,587*	-	-	*19,587*
Derivatives	1,343	(1,404)	61	-	-
Long-term lease receivables	19	(19)	-	-	-
Other assets, including:	20,882	(20,855)	-	-	27
loans	*19,587*	*(19,587)*			-
	151,669	**-**	**61**	**-**	**151,730**
Current assets					
Inventories	12,779	-	-	-	12,779
Trade receivables	-	13,268	-	-	13,268
Trade and other receivables	16,027	(16,027)	-	-	-
Income tax receivables	85	-	-	-	85
Cash	1,368	-	-	-	1,368
Derivatives	914	(1,103)	189	-	-
Other financial assets, including:	-	15,534	-	-	15,534
loans	-	*3,912*	-	-	*3,912*
cash pool	-	*8,870*	-	-	*8,870*
Other assets, including:	13,916	(11,672)	-	(615)	1,629
loans	*3,912*	*(3,912)*	-	-	-
cash pool	*8,870*	*(8,870)*	-	-	-
Non-current assets held for sale	980	-	-	-	980
	46,069	**-**	**189**	**(615)**	**45,643**
Total assets	**197,738**	**-**	**250**	**(615)**	**197,373**
EQUITY AND LIABILITIES					
EQUITY					
Share capital	1,974	-	-	-	1,974
Share premium	46,405	-	-	-	46,405
Other components of equity	972	-	-	-	972
Retained earnings	88,592	-	174	-	88,766
Total equity	**137,943**	**-**	**174**	**-**	**138,117**
LIABILITIES					
Non-current liabilities					
Borrowings and bonds	11,712	-	-	-	11,712
Provisions	3,060	-	-	-	3,060
Deferred tax liabilities	523	-	41	-	564
Contract liabilities	25	(25)	-	-	-
Other financial liabilities	-	561	-	-	561
Derivatives	441	(441)	-	-	-
Lease liabilities	2,871	-	-	-	2,871
Other liabilities	200	(95)	-	-	105
	18,832	**-**	**41**	**-**	**18,873**
Current liabilities					
Trade payables	-	14,547	-	-	14,547
Trade and other payables	25,825	(25,825)	-	-	-
Lease liabilities	559	-	-	-	559
Contract liabilities	326	(326)	-	-	-
Borrowings and bonds	2,721	-	-	-	2,721
Provisions	3,965	-	-	-	3,965
Income tax liabilities	244	-	-	-	244
Other financial liabilities, including:	-	11,790	-	-	11,790
cash pool	-	*6,545*			*6,545*
Derivatives	536	(571)	35	-	-
Other liabilities, including:	6,787	385	-	(615)	6,557
cash pool	*6,545*	*(6,545)*	-	-	-
	40,963	**-**	**35**	**(615)**	**40,383**
Total liabilities	**59,795**	**-**	**76**	**(615)**	**59,256**
Total equity and liabilities	**197,738**	**-**	**250**	**(615)**	**197,373**

(PLN million)

	01/01/2024 (as published)	Changes in accounting policies	Recognition of forward contracts	Other adjustments	01/01/2024 (restated)
ASSETS					
Non-current assets					
Property, plant and equipment	43,799	-	-	-	43,799
Investment property	161	-	-	-	161
Intangible assets	4,933	-	-	-	4,933
Right-of-use assets	4,696	-	-	-	4,696
Investments in subsidiaries, associates and joint arrangements	67,974	-	-	-	67,974
Mandatory stocks	9,128	-	-	-	9,128
Other financial assets, including:	-	14,016	-	-	14,016
loans	-	*11,271*			*11,271*
Derivatives	1,505	(1,505)	-	-	-
Long-term lease receivables	19	(19)	-	-	-
Other assets, including:	12,507	(12,492)	-	-	15
loans	*11,271*	*(11,271)*	-	-	-
	144,722	**-**	**-**	**-**	**144,722**
Current assets					
Inventories	14,598	-	-	-	14,598
Trade receivables	-	16,044	-	-	16,044
Trade and other receivables	18,792	(18,792)	-	-	-
Income tax receivables	46	-	-	-	46
Cash	2,854	-	-	-	2,854
Derivatives	1,594	(1,594)	-	-	-
Other financial assets, including:	-	19,237	-	-	19,237
loans	-	*4,637*	-	-	*4,637*
cash pool	-	*12,312*	-	-	*12,312*
Other assets, including:	17,837	(14,895)	-	(563)	2,379
loans	*4,637*	*(4,637)*	-	-	-
cash pool	*12,312*	*(12,312)*	-	-	-
Non-current assets held for sale	3,926	-	-	-	3,926
	59,647	**-**	**-**	**(563)**	**59,084**
Total assets	**204,369**	**-**	**-**	**(563)**	**203,806**
EQUITY AND LIABILITIES					
EQUITY					
Share capital	1,974	-	-	-	1,974
Share premium	46,405	-	-	-	46,405
Other components of equity	3,066	-	-	-	3,066
Retained earnings	89,454	-	(1,119)	-	88,335
Total equity	**140,899**	**-**	**(1,119)**	**-**	**139,780**
LIABILITIES					
Non-current liabilities					
Borrowings and bonds	9,337	-	-	-	9,337
Provisions	2,871	-	-	-	2,871
Deferred tax liabilities	626	-	(263)	-	363
Contract liabilities	6	(6)	-	-	-
Other financial liabilities	-	883	-	-	883
Derivatives	629	(767)	138	-	-
Lease liabilities	2,899	-	-	-	2,899
Other liabilities	184	(110)	-	-	74
	16,552	**-**	**(125)**	**-**	**16,427**
Current liabilities					
Trade payables	-	14,853	-	-	14,853
Trade and other payables	26,226	(26,226)	-	-	-
Lease liabilities	482	-	-	-	482
Contract liabilities	431	(431)	-	-	-
Borrowings and bonds	3,319	-	-	-	3,319
Provisions	4,428	-	-	-	4,428
Income tax liabilities	7	-	-	-	7
Other financial liabilities, including:	-	15,428	-	-	15,428
cash pool	-	*7,732*		-	*7,732*
Derivatives	1,030	(2,274)	1,244	-	-
Other liabilities, including:	10,995	(1,350)	-	(563)	9,082
cash pool	*7,732*	*(7,732)*	-	-	-
	46,918	**-**	**1,244**	**(563)**	**47,599**
Total liabilities	**63,470**	**-**	**1,119**	**(563)**	**64,026**
Total equity and liabilities	**204,369**	**-**	**-**	**(563)**	**203,806**

(PLN million)

	2024 (as published)	Changes in accounting policies	Recognition of forward contracts	2024 (restated)
Revenue	201,353	-	-	201,353
Cost of sales	(180,924)	-	-	(180,924)
Gross profit	**20,429**	**-**	**-**	**20,429**
Selling expenses	(8,331)	-	-	(8,331)
General and administrative expenses	(2,440)	-	-	(2,440)
Other operating income	8,860	55	1,632	10,547
Other operating expenses	(12,756)	(62)	(35)	(12,853)
(Impairment loss)/reversal of impairment loss on trade and other receivables	(112)	-	-	(112)
Operating profit	**5,650**	**(7)**	**1,597**	**7,240**
Finance income	6,786	(55)	-	6,731
Finance costs	(6,707)	62	-	(6,645)
Net finance income/(costs)	**79**	**7**	**-**	**86**
Profit before tax	**5,729**	**-**	**1,597**	**7,326**
Income tax	(1,785)	-	(304)	(2,089)
deferred tax	*(386)*	-	*(304)*	*(690)*
Net profit	**3,944**	**-**	**1,293**	**5,237**
Basic and diluted earnings per share (PLN per share)	3.40	-	1.11	4.51

	2024 (as published)	Changes in accounting policies	Recognition of forward contracts	2024 (restated)
Cash flows from operating activities				
Profit before tax	**5,729**		**1,597**	**7,326**
Adjustments for:				
Depreciation and amortisation	4,364	-	-	4,364
Foreign exchange (gains)	(132)	-	-	(132)
Net interest	(1,557)	-	-	(1,557)
Dividends	(2,535)	-	-	(2,535)
Loss on investing activities	9,114	-	-	9,114
Change in provisions	3,028	-	-	3,028
Change in working capital	4,052	223	-	4,275
Other adjustments	(8,004)	(223)	(1,597)	(9,824)
derivatives	*(2,526)*	-	*(1,597)*	*(4,123)*
Income tax (paid)	(1,164)	-	-	(1,164)
Net cash provided by operating activities	**12,895**	**-**	**-**	**12,895**

4.3. Impact of sustainability matters on the financial statements

Sustainability-related matters materially affect the Company's operations, particularly its business models, operating processes, ability to raise financing, and relationships with investors and customers.

Climate change and the resulting energy transition are key factors shaping the regulatory, market, and technological environment in which the Company operates. Given the energy-intensive nature of its operating segments, ORLEN has a material impact on the climate through greenhouse gas emissions arising both from its own operations and across its value chain.

In relation to climate change mitigation and energy, the Company identifies regulatory, legal, technological, market, financial, and reputational risks that may increase operating costs, in particular as a result of the greenhouse gas emissions trading system, more stringent environmental regulations, and changes in demand for fossil fuels. At the same time, the Company identifies opportunities arising from the development of low-emission activities, improvements in energy efficiency, and diversification of its business portfolio.

Accordingly, ORLEN's strategic planning is based on an analysis of macroeconomic, regulatory, and technological changes, as well as consumer preferences, over the short, medium, and long term. These factors are closely linked to the European Union's climate policy and may affect the Company's financial performance, financial position, and cash flows in future periods.

The response to these conditions is the ORLEN Group Strategy to 2035 and the resulting ORLEN Transition Plan, published in 2025. The document sets out the directions and framework for the Group's energy transition. The implementation of the ORLEN Transition Plan represents a transitional stage in the Group's transformation and is intended to prepare the operational and technological infrastructure for further emission reductions after 2035, towards achieving climate neutrality by 2050.

The key assumptions of the plan include greenhouse gas emission reduction targets for 2030 and 2035, the planned phase-out of coal-fired electricity and heat generation, the minimisation of methane emissions, and the development of new business lines based on low-emission technologies. Energy transition-related capital projects, including the development of renewable and low-emission energy sources, sustainable transport using alternative fuels, and carbon capture, utilisation and storage (CCUS) technologies, represent a significant proportion of the Group's planned capital expenditure, accounting for approximately 40% of planned capital expenditure to 2035.

In parallel with matters relating to the transition to a low-emission economy, the Company also identifies a range of material impacts, risks, and opportunities in other sustainability areas that affect financial matters. These include climate change adaptation in response to the materialisation of physical risks; environmental matters, including biodiversity, water and wastewater management, and pollution; matters relating to employees and communities affected by the Company's activities; and responsible governance.

Sustainable development – the Group's Strategy

The ORLEN Group Sustainable Development Strategy is a comprehensive document constituting the Group's overarching plan for action and development in line with sustainability requirements.

In 2025, in connection with the update of the business strategy and the extension of its horizon to 2035, the Group also updated its Sustainable Development Strategy. The current Sustainable Development Strategy defines objectives across five pillars: Climate, Environment, Employees, Communities, and Governance, with targets set for the periods to 2026 and 2030, and ambitions defined for 2035+.

CLIMATE

Within the Climate pillar, the key focus areas are decarbonisation and the energy transition. Targets have been set for investments in renewable energy sources, such as the Baltic Power wind farm in the Baltic Sea, and for biogas and biofuel production, as well as greenhouse gas emission reduction targets for 2030 and 2035 (2019 baseline), on the pathway to Net Zero in 2050.

Another key objective is the decision to end coal-fired electricity generation by 2030 and heat generation from coal by 2035. By 2030, the ORLEN Group also intends to achieve two dedicated targets in its upstream operations – Near-Zero Upstream Methane Emissions and Zero Routine Flaring.

ENVIRONMENT

The Environment pillar focuses on minimising the adverse impact of the ORLEN Group's operations on the environment and counteracting biodiversity loss. Another important element is sustainable water and wastewater management, where the aim is to develop a water and wastewater policy and calculate the water footprint. Within this work stream, planned initiatives include, inter alia, closing water circuits, for example through upgrades to car wash facilities at service stations.

Another important workstream within the Environment pillar is the circular economy and the minimisation of pollution. In 2025, a Circular Economy Policy was adopted, setting out development directions, operating principles and key measures supporting the implementation of circular economy solutions at every stage of the ORLEN Group's operations.

EMPLOYEES

In the Employees pillar, targets have been established to further minimise workplace accidents across the ORLEN Group, alongside the implementation of uniform occupational health, safety, and process safety standards throughout the expanded Group. Another key element of this pillar is the well-being of Group employees, with the aim of continuing and further expanding the portfolio of projects developing employee competencies, as well as initiatives promoting physical and mental health.

COMMUNITIES

Communities are an important pillar given the significant impact of the ORLEN Group on local communities. ORLEN intends to continue engaging with local communities, including by implementing a comprehensive communication system, while developing projects that involve and support local communities. The implementation of the comprehensive communication system includes the appointment of a Local Communities Ombudsman and the development and promotion of a system for managing submissions from local communities. A key objective is to develop and implement a Just Transition programme that will safeguard local communities in areas affected by the energy transition.

GOVERNANCE

The final pillar, essential for integrating all the others, is Governance. Objectives set under this pillar relate, inter alia, to due diligence across the ORLEN Group's value chain for human rights and environmental protection. The objectives set under this pillar also relate to ensuring consistent standards for the protection of human rights, ethics, and anti-corruption across the ORLEN Group, promoting diversity, and implementing a centralised cyber security management model. Numerous training programmes on diversity and equality across the organisation will continue to be delivered and further developed.

Significant judgements, key sources of estimation uncertainty, and accounting policies

In preparing these separate financial statements, the Management Board has assessed the impact of sustainability-related matters – particularly climate change, the energy transition, and associated risks and opportunities – on the significant judgements and estimates made by the Company, particularly in the context of the decarbonisation strategy being implemented, which includes specific commitments to reduce emissions and achieve climate neutrality.

In accordance with IFRS, when making assumptions and estimates, the Management Board relies on rational and factually supported assumptions that reflect management's best estimate of all economic conditions that may arise in the foreseeable future. Nevertheless, the estimates relating to the impact of climate change and the energy transition on the Company's operations are subject to significant uncertainty and may change materially in subsequent periods, depending on the pace of the transition. External sources of climate and energy transition data that could inform these estimates often differ substantially in their projections of future price levels and the variability thereof, as well as projected demand and supply. In the Company's assessment, key factors will include the final form and timing of implementation of forthcoming legal regulations, including revisions to the European emissions trading system and European directives on renewable energy sources and improvements in energy efficiency. No less significant from the Company's perspective is the legislative trend towards transport decarbonisation, including substantially higher environmental standards for new internal combustion engine vehicles, which could result in reduced revenue from conventional fuel sales. Also of significance will be the manner in which EU directives on climate issues, energy transition and sustainable development are transposed into the national laws of the countries in the region in which the Company companies operate. The increasing pressure to decarbonise may also lead to shifts in consumer preferences and transport behaviours. At the same time, uncertainty regarding the reliability and scalability of new technological solutions may result in a failure to achieve the projected returns on planned investments in the future.

The table below maps key sustainability issues to the relevant notes in this separate financial statement, summarising the information contained in those notes and covering areas that are or may in the future be affected by environmental, social, and governance matters.

ESG* area	Topic	Note	Description
Environment (E)	Impact of climate-related matters on judgements and estimates applied to non-financial non-current assets	10.1 Property, plant and equipment 10.5 Impairment of property, plant and equipment, intangible assets, right-of-use assets, and investments in joint arrangements and associates	The Company reviews the useful lives of property, plant and equipment at the end of each financial year. As part of this process, the Company also currently considers the impact of climate-related factors, particularly in relation to assets whose useful lives may be shortened as part of its emissions reduction plans. In determining the assumptions underlying the estimation of future expected cash flows used in impairment tests, the Company has considered key macroeconomic parameters, including probability-weighted estimates of the impact of CO_2 emission allowance prices on revenue from product sales, as well as other factors relevant to determining the recoverable amount of assets. The Company recognises environmental provisions, in light of legal requirements applicable to the Company and anticipated obligations, based on an assessment of the extent of soil and groundwater contamination and the estimated costs of remediation, as well as provisions for costs associated with the decommissioning of wind and photovoltaic farms.

(PLN million)

ESG* area	Topic	Note	Description
Environment (E)	Recognition of environmental provisions, including those related to reclamation and decommissioning obligations.	10.12 Provisions	The Company also considered potential additional contingent liabilities arising from regulatory requirements, including: • obligations requiring remediation of environmental damage, • additional environmental levies or penalties, • potential onerous contracts, • the need for restructuring to achieve climate-related objectives. Based on the analysis performed, as at 31 December 2025, the Company did not identify any contingent liabilities related to climate change.
Environment (E)	Recognition of a provision for obligations arising from regulatory requirements related to the surrender of CO_2 emission allowances and energy certificates, as well as environmental levies.	9.3.1. Operating costs 10.12 Provisions 12.2. Hedge accounting	The Company companies are subject, among other things, to the EU regulation establishing a greenhouse gas emissions trading scheme. It also incurs environmental fees under the following statutes: the Environmental Protection Law and the Water Law, and is required, among other things, to fulfil the National Indicative Target (NCW) and the National Reduction Target (NCR). The Company recognises provisions for obligations arising from regulatory requirements relating to the surrender of CO_2 emission allowances and energy certificates, in accordance with applicable regulations. ORLEN centrally manages the risk associated with the cost of settling CO_2 emissions within the Group. In this context, the Company's disclosures include the following information: • in 2025, the Company incurred net CO_2 emissions costs of PLN 1,716.1 million and environmental charges of PLN 30.6 million (these costs were recognised under 'Taxes and charges'); • the accounting policies applied by the Company for the provisioning of estimated CO_2 emission costs and other environmental risks (Note 10.12); • the Company's policy for hedging market risk arising from fluctuations in CO_2 emission allowance prices, primarily implemented through derivative financial instruments to mitigate the risk of variability in cash flows (Note 12.2).
Environment (E)	Impact of climate change on deferred tax	9.8.2. Deferred tax 10.5. Impairment of property, plant and equipment, intangible assets, right-of-use assets, and investments in joint arrangements and associates	The recoverable amount of deferred tax assets is measured using the assumptions and factors applied in determining the recoverable amount of the assets. Accordingly, they also cover matters and processes relating to the energy transition and climate change. The Company expects that forecast cash flows will be sufficient to support the utilisation of the deferred tax assets recognised as at 31 December 2025.
Environment (E)	Green financing	10.8.3 Bonds	Mounting climate and regulatory pressure is affecting overall economic conditions in the markets in which Company companies operate, translating into the availability and prices of certain commodities, as well as interest rates, exchange rates, inflation indicators, and access to financing. Environmental regulations are gradually being supplemented by sustainable finance guidelines, under which funds raised must be allocated to investments that reduce climate-related and environmental risks. As at 31 December 2025, ORLEN had open Series A and Series D Green Bond issuance programmes with a total nominal value of EUR 1,100 million. In June 2025, ORLEN updated its Green Finance Framework – a document enabling the issuance of green financial instruments, including eurobonds, the proceeds of which will be allocated to investments supporting the energy transition and climate change mitigation – based on the published ORLEN Transition Plan. Under the Green Finance Framework, the ORLEN Group may allocate proceeds from green bonds to finance a range of projects supporting the energy transition and sustainable development, including: • construction and acquisition of new renewable energy generation capacity; • further development of the electric vehicle fast-charging network; • development of refuelling infrastructure for hydrogen-powered buses and cars, • production of green hydrogen; • implementation of energy efficiency projects; • implementation of electricity transmission and distribution projects; and • implementation of projects involving the production of biogas or biofuels for use in transport.

(PLN million)

ESG* area	Topic	Note	Description
Environment (E)	Government grants	10.3 Intangible assets 10.3.1 Energy rights 10.8.1 Bank borrowings	The Company uses available government support programmes from national and international institutions for projects focused on the transition to a low-carbon economy and the research and development of green technologies. Recently, the Company has secured financing on preferential terms from, among others: • the European Investment Bank (EIB), for energy transition objectives. The funds raised from the EIB, totalling PLN 3.5 billion, will be allocated to investments in the electricity distribution network, through its modernisation and expansion (Note: 10.8.1). The Company also accessed financing from the National Fund for Environmental Protection and Water Management (NFOŚiGW) to support environmental protection and sustainable development projects. In addition, the Company obtained funding under EU programmes. In 2025, the Company also signed a co-financing agreement with Bank Gospodarstwa Krajowego for the 'Hydrogen Eagle – construction of facilities for the production of RFNBO and low-carbon hydrogen' project, which envisages the construction of RFNBO and low-carbon hydrogen production infrastructure to support the decarbonisation of the transport and refinery sectors. The funds come from the National Recovery and Resilience Plan, which aims to rebuild the economy's development potential and support its competitiveness. In 2025 and 2024, the Company also received free allocations of CO_2 emission allowances and energy certificates, amounting in total to 4,303 thousand tonnes and 1 thousand MWh in 2025, and 4,826 thousand tonnes and 9 thousand MWh in 2024, respectively, which reduced the costs of meeting the Group's surrender obligations.
Social responsibility (S)	Benefits provided free of charge Community, cultural, and sports sponsorship	9.4.2. Other operating expenses 9.3.1. Operating costs	The Company, both directly and in partnership with its corporate foundations, engages in social and educational initiatives, supporting local community development and promoting environmentally friendly innovation and technology. It also runs community, cultural, and amateur-sport sponsorship programmes; the related costs are recognised within operating expenses. Furthermore, ORLEN is also engaged in employee volunteering programmes aimed at supporting local communities and delivering socially significant projects. The ORLEN Charitable Giving Policy sets out the principles for granting, using, and accounting for donations, thereby ensuring transparency and effectiveness of activities. In 2025, the value of benefits provided free of charge amounted to PLN 158.5 million and was recognised within other operating expenses.
Corporate governance (G)	Remuneration policy for key management personnel	13.7 Related-party transactions	The Bonus Schemes are aligned with the Company's strategy, promote collaboration between individual employees, and motivate the achievement of the best results at ORLEN Group level. Incentive schemes linked to climate and sustainability-related performance are embedded in the annual qualitative objectives related to the execution of the ORLEN Group's strategic initiatives. Sustainability-related initiatives and actions have been operationalised and incorporated into the Management by Objectives (MBO) system. Implementation of the initiatives has a direct effect on annual bonuses awarded to the Management Board and executive management, ensuring alignment of the Company's activities with sustainable development goals. The Management Board's bonus scheme includes, inter alia, targets relating to: • the delivery of decarbonisation measures that contribute to reducing greenhouse gas emissions, in line with operational decarbonisation targets for 2030 and 2035 and the Net-Zero 2050 target; • the delivery of tasks under the five pillars of the Sustainable Development Strategy – Climate, Environment, Employees, Communities, and Governance – and reducing the Total Recordable Rate (TRR) injury rate; Similarly, specific targets for individual decarbonisation and sustainability projects are linked to the performance bonuses of senior executives who report directly to the Management Board and are responsible for delivering specific GHG-reduction initiatives at ORLEN.

* *(Environmental, Social, Corporate Governance) covers matters relating to environmental protection, social responsibility, and corporate governance.*

Details of significant climate- and energy-transition-related actions and events affecting the 2025 financial data are set out in the individual notes referenced above to these separate financial statements. Based on the analysis carried out, the Management Board concluded that, provided the Company continues systematically to assess climate-related risks and to implement appropriate adaptation measures to strengthen the resilience of its business models, climate change and the ongoing energy transition will not have a significant impact on the Company's going concern assessment, either in the short term or in the foreseeable future.

5. IMPACT OF AMENDMENTS TO IFRS ON ORLEN'S SEPARATE FINANCIAL STATEMENTS

The following amendments to existing standards, issued by the International Accounting Standards Board (IASB) and endorsed by the EU, are effective for annual periods beginning on or after 1 January 2025 and are applied for the first time in the Company's financial statements for the year ended 31 December 2025:

- Amendments to IAS 21 Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability, endorsed by the EU on 12 November 2024 (effective for annual periods beginning on or after 1 January 2025).

The above amendments did not materially affect the Company's separate financial statements for 2025.

Standards issued by the International Accounting Standards Board, endorsed by the EU but not yet effective

- Amendments to the Classification and Measurement of Financial Instruments (amendments to IFRS 9 and IFRS 7), endorsed by the EU on 27 May 2025 (effective for annual periods beginning on or after 1 January 2026),
- Contracts Referencing Nature-dependent Electricity (amendments to IFRS 9 and IFRS 7), endorsed by the EU on 30 June 2025 (effective for annual periods beginning on or after 1 January 2026),
- Annual Improvements to IFRS Accounting Standards – Volume 11, endorsed by the EU on 9 July 2025 (effective for annual periods beginning on or after 1 January 2026), with amendments to: 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: Cost Method,
- IFRS 18 Presentation and Disclosure in Financial Statements, endorsed by the EU on 13 February 2026 (effective for annual periods beginning on or after 1 January 2027).

Standards issued by the International Accounting Standards Board pending endorsement by the EU

- IFRS 19 *Subsidiaries without Public Accountability: Disclosures* (effective for annual periods beginning on or after 1 January 2027),
- Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency* (effective for annual periods beginning on or after 1 January 2027),
- Amendments to IFRS 19 *Subsidiaries without Public Accountability: Disclosures* (effective for annual periods beginning on or after 1 January 2027).

The Company expects that, with the exception of IFRS 18 – whose application will materially affect the manner of presentation and the scope of disclosures in the financial statements – the above-mentioned standards will not have a material impact on ORLEN’s separate financial statements.
The introduction of IFRS 18 will affect the Company's separate financial statements, in particular the structure of the separate statement of profit or loss and other comprehensive income, and the manner of classification and presentation of individual categories of income and expenses.
The Standard requires all items of income and expenses to be assigned to five defined categories – operating, investing, financing, income tax, and discontinued operations – and introduces new mandatory subtotals. As a consequence, some items presented to date within other operating income and expenses may need to be reclassified to other categories, depending on the nature of the transaction and the Company’s principal activities.
In addition, IFRS 18 also introduces new disclosure requirements relating to management-defined performance measures (Management Defined Performance Measure, MPM) used in the Company's external communications.
As at the date of preparation of these separate financial statements, the Company continues to analyse the performance measures it uses to determine which of them meets the definition of a management-defined performance measure under IFRS 18 and which is consistent with the ESMA Guidelines on Alternative Performance Measures (APMs).
As at the date of authorisation for issue of these separate financial statements, the Company is carrying out a detailed analysis of the classification of income and expenses into the individual profit or loss categories, including the identification of items that may require reclassification. This work also covers a review of the subtotals used, the new aggregation and disaggregation requirements, and the presentation of management-defined performance measures.
In addition, the Company is analysing the effect of amendments to other standards arising from the implementation of IFRS 18, including amendments to IAS 7 relating to the classification of cash flows.

The Company intends to adopt the new IFRS standards mentioned above, issued by the International Accounting Standards Board (IASB) and published but not yet effective as at the date of authorisation for issue of these separate financial statements, in accordance with their respective effective dates.

(PLN million)

6. CHANGES COMPARED WITH DATA DISCLOSED IN THE REPORT FOR THE FOURTH QUARTER OF 2025

	Data disclosed in the quarterly financial report for the fourth quarter of 2025	Changes in accounting policies	Other changes	Data disclosed in the separate financial statements for 2025
ASSETS				
Non-current assets				
Property, plant and equipment	45,963	-	(554)	45,409
Investment property	244	-	22	266
Intangible assets	2,071	-	(44)	2,027
Right-of-use assets	4,769	-	(12)	4,757
Investments in subsidiaries, associates and joint arrangements	65,480	-	(11,428)	54,052
Deferred tax assets	122	-	146	268
Mandatory stocks	8,470	-	-	8,470
Other financial assets	-	21,112	18	21,130
Derivatives	2,326	(2,326)	-	-
Long-term lease receivables	18	-	(18)	-
Other assets	18,796	(18,786)	-	10
	148,259	**-**	**(11,870)**	**136,389**
Current assets				
Inventories	10,756	-	(29)	10,727
Trade receivables	-	12,642	9	12,651
Trade and other receivables	14,615	(14,615)	-	-
Income tax receivables	22	-	-	22
Cash	20,129	-	-	20,129
Derivatives	2,885	(2,885)	-	-
Other financial assets	-	11,560	(550)	11,010
Other assets	8,435	(6,702)	3	1,736
Non-current assets held for sale	1,401	-	-	1,401
	58,243	**-**	**(567)**	**57,676**
Total assets	**206,502**	**-**	**(12,437)**	**194,065**
EQUITY AND LIABILITIES				
EQUITY				
Share capital	1,974	-	-	1,974
Share premium	46,405	-	-	46,405
Other components of equity	3,182	-	8	3,190
Retained earnings	86,289	-	(12,441)	73,848
Total equity	**137,850**	**-**	**(12,433)**	**125,417**
LIABILITIES				
Non-current liabilities				
Borrowings and bonds	18,370	-	-	18,370
Provisions	3,233	-	-	3,233
Deferred tax liabilities	-	-	-	-
Contract liabilities	27	(27)	-	-
Other financial liabilities	-	789	(15)	774
Derivatives	620	(620)	-	-
Lease liabilities	2,900	-	-	2,900
Other liabilities	248	(142)	-	106
	25,398	**-**	**(15)**	**25,383**
Current liabilities				
Trade payables	-	12,941	(28)	12,913
Trade and other payables	21,441	(21,441)	-	-
Lease liabilities	536	-	-	536
Contract liabilities	470	(470)	-	-
Borrowings and bonds	1,103	-	-	1,103
Provisions	4,183	-	40	4,223
Income tax liabilities	1,614	-	(3)	1,611
Other financial liabilities	-	17,027	13	17,040
Derivatives	1,696	(1,696)	-	-
Other liabilities	12,211	(6,361)	(11)	5,839
	43,254	**-**	**11**	**43,265**
Total liabilities	**68,652**	**-**	**(4)**	**68,648**
Total equity and liabilities	**206,502**	**-**	**(12,437)**	**194,065**

(PLN million)

	Data disclosed in the quarterly financial report for the fourth quarter of 2025	Other changes	Data disclosed in the separate financial statements for 2025
Revenue	174,445	38	174,483
Cost of sales	(152,411)	140	(152,271)
Gross profit	**22,034**	**178**	**22,212**
Selling expenses	(7,853)	1	(7,852)
General and administrative expenses	(2,896)	(7)	(2,903)
Other operating income	6,250	212	6,462
Other operating expenses	(10,953)	(903)	(11,856)
(Impairment loss)/reversal of impairment loss on trade and other receivables	(104)	-	(104)
Operating profit	**6,478**	**(519)**	**5,959**
Finance income	5,733	(43)	5,690
Finance costs	(5,912)	(12,030)	(17,942)
Net finance income/(costs)	**1,590**	**(13,842)**	**(12,252)**
Profit/(loss) before tax	**6,299**	**(12,592)**	**(6,293)**
Income tax	(1,776)	151	(1,625)
deferred tax	*1,026*	*149*	*1,175*
Net profit/(loss)	**4,523**	**(12,441)**	**(7,918)**
Other comprehensive income:			
that will not be reclassified subsequently to profit or loss	**(232)**	**7**	**(225)**
fair value measurement of investment properties as at the date of reclassification	-	*11*	*11*
actuarial gains and losses	*(34)*	-	*(34)*
gains/(losses) on investments in equity instruments measured at fair value through other comprehensive income	*(254)*	-	*(254)*
deferred tax	*56*	*(4)*	*52*
that may be reclassified subsequently to profit or loss	**2,416**	**1**	**2,417**
hedging instruments	*2,889*	*(688)*	*2,201*
costs of hedging	*114*	*688*	*802*
income tax	*(587)*	*1*	*(586)*
	2,184	**8**	**2,192**
Total comprehensive income	**6,707**	**(12,433)**	**(5,726)**
Basic and diluted earnings/(loss) per share (PLN per share)	3.90	(10.72)	(6.82)

(PLN million)

	Data disclosed in the quarterly financial report for the fourth quarter of 2025	Changes in accounting policies	Other changes	Data disclosed in the separate financial statements for 2025
Cash flows from operating activities				
Profit/(loss) before tax	**6,299**	**-**	**(12,592)**	**(6,293)**
Adjustments for:				
Depreciation and amortisation	4,651	-	-	4,651
Foreign exchange (gains)	(430)	-	-	(430)
Net interest	(1,493)	-	43	(1,450)
Dividends	(2,224)	-	-	(2,224)
Loss on investing activities	9,490	-	12,657	22,147
Change in provisions	3,142	-	40	3,182
Change in working capital	(97)	519	-	422
Other adjustments	2,459	(519)	(306)	1,634
derivatives	*1,080*	-	*288*	*1,368*
Income tax (paid)	(1,572)	-	-	(1,572)
Net cash provided by/(used in) operating activities	**20,225**	**-**	**(158)**	**20,067**
Cash flows from investing activities				
Acquisition of property, plant and equipment, intangible assets and right-of-use assets	(11,953)	-	1,833	(10,120)
Purchase of energy rights	-	-	(1,675)	(1,675)
Net cash provided by/(used in) by investing activities	**(3,425)**	**-**	**158**	**(3,267)**

The above changes affecting assets and liabilities, and profit or loss, comprehensive income, primarily related to:
- recognition of impairment losses on shares in subsidiaries totalling PLN (11,523) million; further information in Note 10.5.;
- recognition of impairment losses on assets totalling PLN (925) million (Upstream & Supply and Downstream segments); further information in Note 10.5.;
- reversal of impairment losses on assets totalling PLN 298 million (Upstream & Supply segment); further information in Note 10.5.;
- recognition of an impairment loss on financing assets in subsidiary S54 totalling PLN (550) million;
- update of the deferred tax calculation reflecting the above adjustments;
- change in the presentation of the measurement of derivative instruments used to hedge foreign currency risk, by transferring the relevant amounts between Hedge reserve and Costs of hedging.

SEGMENT DATA

7. OPERATING SEGMENTS

DOWNSTREAM

- Production of fuels
- Production of petrochemicals
- Production of fertilisers
- Production of hydrogen
- Specialised downstream services
- Wholesale trade in refinery and petrochemical products

UPSTREAM & SUPPLY

- Natural gas production
- Crude oil production
- Production of NGL
- CO_2 storage

ENERGY

- Distribution of electricity
- Distribution of gas
- Generation and sale of electricity
- Generation and sale of heat

CONSUMERS & PRODUCTS

- Retail sales
- Services for end customers

CORPORATE FUNCTIONS

- GOVERNANCE
- Administration
- Support functions
- Other, comprising reconciliation items

SELECTED ACCOUNTING POLICIES

The Company's organisational and management structure is based on separate operating segments. Operating segments are determined based on factors such as the types of products and services offered, the characteristics of the production process, the types of customers, and other economic similarities. The Company does not aggregate operating segments for reporting purposes; therefore, each operating segment is reported separately.
Assessment of operating segments' financial performance and resource-allocation decisions are primarily based on EBITDA. EBITDA is one of the measures of business performance and is not defined under IFRS. ORLEN defines EBITDA as net profit/(loss) for the reporting period before income tax, finance income and costs, and depreciation and amortisation.
Revenue from transactions with third parties and inter-segment transactions are conducted on an arm's length basis.

(PLN million)

8. REVENUE, EXPENSES, PROFIT OR LOSS, ADDITIONS TO NON-CURRENT ASSETS, SEGMENT ASSETS

2025

	NOTE	Upstream & Supply	Downstream	Energy	Consumers & Products	Corporate Functions	Eliminations	Total
Revenue from external customers	*9.1*	83,224	56,034	3,671	31,379	175	-	174,483
Inter-segment revenue		48,509	22,605	3,403	19	233	(74,769)	-
Revenue		131,733	78,639	7,074	31,398	408	(74,769)	174,483
Total operating expenses		(125,986)	(73,560)	(6,301)	(29,310)	(2,638)	74,769	(163,026)
Other operating income	*9.4.1*	3,234	2,974	82	57	115	-	6,462
Other operating expenses	*9.4.2*	(4,403)	(7,112)	(27)	(53)	(261)	-	(11,856)
impairment losses on property, plant and equipment, intangible assets and other assets, net		*(1,039)*	*(4,573)*	*(1)*	-	*(2)*	-	*(5,615)*
(Impairment loss)/reversal of impairment loss on trade and other receivables		(62)	-	-	(2)	(40)	-	(104)
Profit/(loss) from operating activities (A)		**4,516**	**941**	**828**	**2,090**	**(2,416)**	**-**	**5,959**
Net finance income/(costs)	*9.5*							(12,252)
(Loss) before tax								**(6,293)**
Income tax								(1,625)
Net (loss)								**(7,918)**
Depreciation and amortisation (B)	*9.3.1*	**1,765**	**1,563**	**352**	**607**	**364**	**-**	**4,651**
EBITDA (A+B)		**6,281**	**2,504**	**1,180**	**2,697**	**(2,052)**	**-**	**10,610**
LIFO		**(268)**	**(633)**					**(901)**
LIFO-BASED EBITDA		**6,549**	**3,137**	**1,180**	**2,697**	**(2,052)**	**-**	**11,511**
LIFO-based EBITDA (excluding impairment losses)		**7,588**	**7,710**	**1,181**	**2,697**	**(2,050)**	**-**	**17,126**
Additions to non-current assets (CAPEX)	*10.1, 10.2, 10.3, 13.3.1*	**1,642**	**6,948**	**547**	**805**	**848**	**-**	**10,790**
Segment assets		**208,712**	**38,082**	**6,976**	**7,242**	**109,484**	**(176,431)**	**194,065**

(PLN million)

2024

	NOTE	Upstream & Supply (restated)	Downstream (restated)	Energy (restated)	Consumers & Products (restated)	Corporate Functions (restated)	Eliminations (restated)	Total (restated)
Revenue from external customers	*9.1*	97,470	63,336	5,574	34,800	173	-	201,353
Inter-segment revenue		59,872	26,083	3,086	11	217	(89,269)	-
Revenue		157,342	89,419	8,660	34,811	390	(89,269)	201,353
Total operating expenses		(152,829)	(85,277)	(7,487)	(33,027)	(2,344)	89,269	(191,695)
Other operating income	*9.4.1*	4,599	5,686	110	29	123	-	10,547
Other operating expenses	*9.4.2*	(1,678)	(10,808)	23	(156)	(234)	-	(12,853)
impairment losses on property, plant and equipment, intangible assets and other assets, net		*897*	*(6,086)*	-	*(2)*	*(5)*	-	*(5,196)*
(Impairment loss)/reversal of impairment loss on trade and other receivables		(102)	(5)	-	-	(5)	-	(112)
Profit/(loss) from operating activities (A)		**7,332**	**(985)**	**1,306**	**1,657**	**(2,070)**	**-**	**7,240**
Net finance income/(costs)	*9.5*							86
Profit before tax								**7,326**
Income tax								(2,089)
Net profit								**5,237**
Depreciation and amortisation (B)	*9.3.1*	**1,843**	**1,280**	**324**	**654**	**263**	**-**	**4,364**
EBITDA (A+B)		**9,175**	**295**	**1,630**	**2,311**	**(1,807)**	**-**	**11,604**
LIFO		**(235)**	**80**					**(155)**
LIFO-BASED EBITDA		**9,410**	**215**	**1,630**	**2,311**	**(1,807)**	**-**	**11,759**
LIFO-based EBITDA (excluding impairment losses)		**8,513**	**6,301**	**1,630**	**2,313**	**(1,802)**	**-**	**16,955**
Additions to non-current assets (CAPEX)	*10.1, 10.2, 10.3, 13.3.1*	**1,818**	**8,329**	**562**	**936**	**561**	**-**	**12,206**
Segment assets		**177,868**	**38,060**	**7,646**	**7,557**	**106,563**	**(140,321)**	**197,373**

Total operating expenses *consist primarily of cost of sales. Selling, general and administrative expenses represent less than 10%.*
LIFO *– reflects the difference between operating profit/(loss) measured using the weighted-average cost of production or acquisition (as reported in the separate financial statements) and operating profit/(loss) measured using the LIFO (Last In, First Out) inventory valuation method. LIFO is an inventory cost formula under which the cost of the inventory items most recently received into stock is charged to cost first.*
Under IFRS, the use of the LIFO inventory measurement method is not permitted. Accordingly, it is not applied under ORLEN's accounting policies and therefore not used in ORLEN's financial statements.
LIFO-based EBITDA *– operating profit/(loss) measured using the LIFO inventory valuation method, increased by depreciation and amortisation. Under IFRS, the use of the LIFO inventory measurement method is not permitted. Accordingly, it is not applied under ORLEN's accounting policies and therefore not used in ORLEN's financial statements.*
LIFO-based EBITDA (excluding impairment losses) *– operating profit/(loss) measured using the LIFO inventory valuation method, increased by depreciation and amortisation, and adjusted for the reversal or recognition of impairment losses on property, plant and equipment, intangible assets and other assets. Under IFRS, the use of the LIFO inventory measurement method is not permitted. Accordingly, it is not applied under ORLEN's accounting policies and therefore not used in ORLEN's financial statements.*
Capital expenditure (CAPEX) *comprises additions to property, plant and equipment, intangible assets, investment property, and right-of-use assets, together with the capitalisation of borrowing costs, less penalties received or receivable for defective contract performance. This item does not include CO_2 emission allowances purchased or received free of charge.*
Segment assets *comprise all assets other than financial assets, tax assets, cash and cash equivalents, and immaterial items. Shared assets used by multiple operating segments are allocated using a revenue-based allocation key.*

(PLN million)

Details of non-current assets by geographical region of operation are as follows:

	31/12/2025	31/12/2024 (restated)
Poland	51,857	53,850
Pakistan	602	629
United Arab Emirates	-	92
	52,459	**54,571**

Non-current assets by geographical area as at 31 December 2025 and as at 31 December 2024 comprise property, plant and equipment (Note 10.1), investment property (Note 10.2), intangible assets (Note 10.3), and right-of-use assets (Note 13.3.1).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

9. NOTES TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

9.1. Revenue

SELECTED ACCOUNTING POLICIES

Revenue from sale of goods and services is recognised when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to the customer, in an amount that reflects the consideration to which the Company expects to be entitled in exchange for that good or service. For contracts where the consideration comprises a variable amount, the Company applies the same principle and recognises revenue at the expected amount of consideration to the extent that it is highly probable that it will not be reversed in the future. The Company considers that the transfer of an asset occurs when the customer obtains control of the asset. The following circumstances indicate that control has been transferred in accordance with IFRS 15: the entity has a present right to payment for the asset, the customer has legal title to the asset, the customer has physical possession of the asset, the customer has the significant risks and rewards of ownership, and the customer has accepted the asset. Revenue comprises amounts received and receivable for goods delivered and services rendered, net of discounts, penalties, value-added tax (VAT), excise duty, and the fuel levy. Revenue from sale of goods and services is adjusted for gains or losses arising on settlement of instruments designated in cash flow hedges that represent the effective portion of the hedge previously accumulated in the cash flow hedge reserve within equity, and is set out in the notes under the category corresponding to the nature of the hedged item for the reporting period.

For sales recognised over time, revenue is recognised based on progress towards complete satisfaction of the performance obligation, i.e. the transfer of control of the promised goods or services to the customer. The Company applies both output methods and input methods to measure progress towards satisfying performance obligations. When applying input methods, the Company excludes costs that do not reflect its performance in transferring control of goods or services to the customer. Under the output method, the Company mostly applies the practical expedient under which it recognises revenue in the amount it has a right to invoice, corresponding directly to the value to which the Company is entitled for goods and services transferred to the customer to date.

There is no significant financing component in the Company's customer contracts.

PROFESSIONAL JUDGMENT

Based on its analysis of contractual clauses in sales contracts, the Company has identified the agency model mainly with respect to LPG sales in the Consumers & Products segment. In other transactions, including the sale of crude oil to ORLEN Group subsidiaries, the Company acts as the principal.

A liability under the Company's VITAY loyalty programme arises at the moment of each individual sale of goods and services at company-owned and franchised stations and from the crediting of VITAY points for other activities, such as purchases made by the ORLEN Group's customers at partner e-stores. The liability is measured using a factor reflecting the probability of redemption, based on empirical data and the annual trend in points redeemed relative to points awarded to customers, amounting in 2025 to 85% and in 2024 to 68.5%.

The Company has assessed that marketing services provided to suppliers in the Consumers & Products segment are inextricably linked to the purchase of those goods. Accordingly, revenue from marketing services reduces the costs of their purchase and of making them available for sale.

(PLN million)

Revenue by product and category

2025	UPSTREAM & SUPPLY	DOWNSTREAM	ENERGY	CONSUMERS & PRODUCTS	CORPORATE FUNCTIONS	Total
Revenue from contracts with customers (IFRS 15)						
Sale of crude oil	33,133	-	-	-	-	**33,133**
Sale of gas, including:	44,727	-	-	-	-	**44,727**
Natural gas	*43,970*	-	-	-	-	***43,970***
*LNG****	*757*	-	-	-	-	***757***
Sale of light distillates, including:	-	8,401	-	11,784	-	**20,185**
Gasoline	-	*7,670*	-	*10,144*	-	***17,814***
LPG	-	*731*	-	*1,640*	-	***2,371***
Sale of middle distillates, including:	-	34,231	-	14,471	-	**48,702**
Diesel oil	-	*28,666*	-	*14,471*	-	***43,137***
Light fuel oil	-	*619*	-	-	-	***619***
Jet A-1	-	*4,946*	-	-	-	***4,946***
Sale of heavy fractions	-	4,857	-	-	-	**4,857**
Sale of electricity	3,895	-	3,118	-	-	**7,013**
Sale of petrochemical products, including:	-	4,624	-	-	-	**4,624**
Monomers	-	*2,579*	-	-	-	***2,579***
Polymers	-	*376*	-	-	-	***376***
Aromatics	-	*526*	-	-	-	***526***
PTA	-	*1,143*	-	-	-	***1,143***
Helium	257	-	-	-	-	**257**
Other	548	3,885*	551	5,053**	152	**10,189**
Revenue from contracts with customers (IFRS 15)	**82,560**	**55,998**	**3,669**	**31,308**	**152**	**173,687**
Revenue outside the scope of IFRS 15	**664**	**36**	**2**	**71**	**23**	**796**
Total	**83,224**	**56,034**	**3,671**	**31,379**	**175**	**174,483**

By timing of transfer:						
At a point in time	58,569	51,062	-	21,671	55	**131,357**
Over time, including:	23,991	4,936	3,669	9,637	97	**42,330**
based on time and inputs used	-	*705*	*4*	-	-	***709***
based on output	*23,991*	*4,231*	*3,665*	*9,637*	*97*	***41,621***
	82,560	**55,998**	**3,669**	**31,308**	**152**	**173,687**

By contract duration:						
Short-term	82,560	55,962	1,861	31,295	46	**171,724**
Long-term	-	36	1,808	13	106	**1,963**
	82,560	**55,998**	**3,669**	**31,308**	**152**	**173,687**

By type of contract:						
Fixed-price contracts	82,560	55,998	3,669	31,308	120	**173,655**
Variable-price contracts	-	-	-	-	32	**32**
	82,560	**55,998**	**3,669**	**31,308**	**152**	**173,687**

(PLN million)

2024	UPSTREAM & SUPPLY (restated)	DOWNSTREAM (restated)	ENERGY (restated)	CONSUMERS & PRODUCTS (restated)	CORPORATE FUNCTIONS (restated)	Total (restated)
Revenue from contracts with customers (IFRS 15)						
Sale of crude oil	39,403	-	-	-	-	**39,403**
Sale of gas, including:	48,059	-	-	-	-	**48,059**
Natural gas	*47,382*	-	-	-	-	***47,382***
*LNG****	*677*	-	-	-	-	***677***
Sale of light distillates, including:	-	9,066	-	12,986	-	**22,052**
Gasoline	-	*8,253*	-	*11,245*	-	***19,498***
LPG	-	*813*	-	*1,741*	-	***2,554***
Sale of middle distillates, including:	-	37,427	-	16,846	-	**54,273**
Diesel oil	-	*31,688*	-	*16,846*	-	***48,534***
Light fuel oil	-	*761*	-	-	-	***761***
Jet A-1	-	*4,978*	-	-	-	***4,978***
Sale of heavy fractions	-	6,532	-	-	-	**6,532**
Sale of electricity	5,043	-	5,041	-	-	**10,084**
Sale of petrochemical products, including:	-	6,090	-	-	-	**6,090**
Monomers	-	*3,071*	-	-	-	***3,071***
Polymers	-	*421*	-	-	-	***421***
Aromatics	-	*777*	-	-	-	***777***
PTA	-	*1,821*	-	-	-	***1,821***
Helium	318	-	-	-	-	**318**
Other	1,546	4,194*	531	4,887**	145	**11,303**
Revenue from contracts with customers (IFRS 15)	**94,369**	**63,309**	**5,572**	**34,719**	**145**	**198,114**
Revenue outside the scope of IFRS 15	**3,101**	**27**	**2**	**81**	**28**	**3,239**
Total	**97,470**	**63,336**	**5,574**	**34,800**	**173**	**201,353**

By timing of transfer:						
At a point in time****	67,566	34,773	-	24,113	61	**126,513**
Over time, including:	26,803	28,536	5,572	10,606	84	**71,601**
based on time and inputs used	-	*897*	*332*	-	-	***1,229***
*based on outputs*** **	*26,803*	*27,639*	*5,240*	*10,606*	*84*	***70,372***
	94,369	**63,309**	**5,572**	**34,719**	**145**	**198,114**

By contract duration:						
Short-term	94,369	63,282	4,053	34,719	49	**196,472**
Long-term	-	27	1,519	-	96	**1,642**
	94,369	**63,309**	**5,572**	**34,719**	**145**	**198,114**

By type of contract:						
Fixed-price contracts	94,369	63,309	5,572	34,719	109	**198,078**
Variable-price contracts	-	-	-	-	36	**36**
	94,369	**63,309**	**5,572**	**34,719**	**145**	**198,114**

** Other includes mainly: sulphur, butadiene, acetone, phenol, glycols, and ethylene oxide. Also included is revenue from the sale of services and materials.*
*** Other mainly comprises non-fuel goods.*
**** LNG – Liquefied natural gas*
***** Compared with the 2024 financial statements, the presentation of revenue from gas sales on commodity exchanges – classified as revenue recognised at a point in time – has been changed.*

In 2025, the Company recognised revenues from sales which individually exceeded 10% of total sales revenue from two customers of products and goods, totalling PLN 43,607 million. By contrast, in 2024, the Company recognised revenues from sales which individually exceeded 10% of total sales revenue from one customer of products and goods, totalling PLN 49,138 million. These mainly related to the Downstream and Upstream & Supply segments. The customers were subsidiaries of ORLEN. In 2025, more than 10% of the Company's total revenue was generated from transactions executed on the Polish Power Exchange (TGE) and cleared by the Polish Power Exchange Clearing House (IRGiT).

(PLN million)

9.2. Geographical disaggregation of revenue – presented by the country of the customer's registered office

	NOTE	31/12/2025	31/12/2024
Revenue from contracts with customers			
Poland		121,536	141,734
Lithuania, Latvia, Estonia		18,756	22,694
Czech Republic		14,602	17,202
Germany		5,592	2,463
Other countries, including:		13,201	14,021
Switzerland		*3,550*	4,798
Ukraine		*2,966*	2,123
United Kingdom		*1,062*	1,148
Ireland		*942*	938
Finland		*542*	524
		173,687	**198,114**
outside the scope of IFRS 15 - Poland		796	3,239
	9.1	**174,483**	**201,353**

Performance obligations

Under its contractual arrangements, the Company undertakes to supply customers principally with refined and petrochemical products and goods, electricity and heat, crude oil, natural gas, electricity distribution and gas transmission services, geophysical and geological services, and connection services. The Company acts as the principal in fulfilling these obligations.
Transaction prices in contracts with customers are not subject to restrictions, other than for customers whose tariffs must be approved by the President of the Energy Regulatory Office (URE). These restrictions apply mainly to the Energy segment and the Consumers & Products segment, and relate primarily to the sale and distribution of electricity and heat and to the sale and distribution of gaseous fuels. The Company enter into contracts that provide for material refunds of consideration or other similar obligations. The Company does not identify any conditional rights to consideration and therefore does not present Assets from contracts with customers.
Warranties provided under the contracts serve to assure the customer that the relevant product complies with the agreed specifications. They do not represent a distinct service.
In the Company, sales are predominantly made on deferred payment terms. Payment terms in contracts with customers are generally 30 days or less; however, for petrochemical products in the Downstream segment and for sales in the Upstream & Supply segment, payment terms generally do not exceed 60 days. For significant customers, the Company accepts longer payment terms in justified cases. Additionally, the Consumers & Products segment operates cash sales at service stations. Payments are generally due upon the transfer of control of goods or completion of services.
Revenue from the supply of electricity, heat and gaseous fuel, and from electricity distribution, heat transmission and distribution, and gas transmission and distribution, is recognised in ten-day, monthly or bi-monthly cycles based on invoiced volumes and prices.

Macroeconomic environment

The Company operates in a volatile macroeconomic environment. Economic conditions, the labour market and macroeconomic trends materially influence the consumption of fuels, electricity and gas, and petrochemical products, which in turn affects their sales volumes and prices. Margins in the Downstream, Upstream & Supply and Energy segments are driven primarily by market quotations for refined and petrochemical products, crude oil, natural gas, electricity, and CO_2 emission allowances. The prices of crude oil and natural gas are shaped by factors such as demand fluctuations, production levels, global crude oil inventories, and fuel price quotations. Recently, geopolitical tensions and market tensions associated with the energy transition have re-emerged among the factors influencing crude oil and natural gas prices.
Gross Domestic Product (GDP) is the primary indicator reflecting economic conditions. Driven by consumption, capital expenditure and exports, GDP provides a basis for assessing where the economy stands in the cycle. Changes in GDP typically correlate with movements in unemployment rates, fuel consumption, and demand for electricity and gas. The overall condition of the economy, measured by GDP among other indicators, influences both current and future consumer behaviour.

Disaggregation of revenue into categories reflecting significant economic factors affecting its recognition

In addition to the disaggregation of revenue by product category and geographical region set out in Notes 9.1 and 9.2, the Company analyses revenue based on contract type, timing of transfer, contract duration, and sales channels (Note 9.1).

- Type of contract

In the Company, most contracts with customers in exchange for goods/services delivered are based on a fixed price, and accordingly the revenue already recognised will not change. The Company treats as variable consideration the revenue arising from contracts where: the consideration is based on a variable fee linked to sales volumes; customers have rights to discounts and bonuses; certain revenue relates to penalties charged; or the selling price of services is determined based on costs incurred.

- Timing of transfer

Where control of goods is transferred at a point in time, revenue is recognised, and customer settlements occur upon each delivery.

Most point-in-time revenue is generated within the Consumers & Products segment from the sale of goods and services at service stations, where the performance obligation is satisfied and settlement with customers takes place when the goods are released, except for goods sold under the Flota Programme, where settlement with customers is generally on a two-weekly basis.
For performance obligations satisfied at a point in time, the Company also recognises revenue from gas sales on commodity exchanges and from the connection of entities to the network upon completion of works.
In the Company, deliveries of goods and provision of services where the customer simultaneously receives and consumes the benefits, and no sales documents are issued, are settled over time. The Company applies output methods for over-time revenue recognition, principally for sales and distribution services of electricity, heat and gas, for petrochemical products, and for fuel sales through the Flota Programme. In the Downstream and Upstream & Supply segments, for continuous deliveries of goods transported through pipelines, legal title to the transferred goods passes to the customer at a designated point within the installation. This moment is considered the date of sale.

- Contract duration

In the Company, most contracts have a short-term duration.
As at 31 December 2025, the Company analysed the transaction price allocated to unsatisfied performance obligations. Unsatisfied or partially unsatisfied performance obligations as at 31 December 2025 primarily related to contracts for the sale of electricity, gas and other energy utilities to business and institutional customers, and to parcel-delivery and -collection services. These contracts are either expected to be completed within twelve months or are open-ended with termination notice periods of twelve months or less. As these obligations form part of contracts that can be considered short-term, or where revenue from satisfying performance obligations is recognised in the amount the Company has the right to invoice, the Company has applied the practical expedient under which it does not disclose the aggregate transaction price allocated to outstanding performance obligations.

- Sales channels

The Company primarily generates revenue from direct sales to customers through its own, leased, or franchised sales channels.
The Company manages the network of 1,964 service stations: 1,520 own stations and 444 stations operated under franchise agreements.
In addition, the Company's direct sales to customers are delivered through a complementary network of fuel terminals, inland transhipment terminals, pipeline networks, rail transport, and road tankers. Sales and distribution of gas and electricity are conducted primarily through the Company's own distribution infrastructure.

(PLN million)

9.3. Operating expenses

SELECTED ACCOUNTING POLICIES

Cost of sales comprises the cost of goods and services sold and inventory write-downs to net realisable value. Costs are adjusted for gains or losses arising from the settlement of instruments hedging cash flows relating to these costs. Additionally, costs are reduced by grants, including compensation, relating to the relevant cost items. The line item 'Cost of gas' comprises the cost of gas purchased from domestic and foreign sources, together with a justified portion of system and transaction charges, extraction costs from domestic sources and nitrogen rejection costs.

Selling expenses comprise sales agency costs, trading expenses, advertising and promotion costs, and distribution costs, as well as fees incurred by the Company under regulatory requirements calculated based on the volume of certain goods placed on the market, such as the National Reduction Target (NCR) and the National Indicative Target (NCW).

Administrative expenses comprise costs of managing and administering the Company as a whole.

ESTIMATES

The Company makes estimates in respect of the recognised compensation for indirect costs awarded to it under the Act on the compensation scheme for energy-intensive sectors and subsectors. The amount of compensation for a given financial year is determined based on available data on actual electricity consumption and production volumes for each eligible installation within sectors covered by the compensation scheme. This determination also takes into account any estimated reductions arising from the statutory maximum financial limits allocated for compensation awards.

PROFESSIONAL JUDGEMENT

Costs of fulfilling a contract In determining whether it is a party to an onerous contract and in estimating the related provision, the Company exercises professional judgement to determine which categories of costs incurred constitute costs of fulfilling the contract, in particular in allocating costs, other than incremental costs, that relate directly to contract fulfilment.

9.3.1. Operating costs

	2025	2024 (restated)
Raw materials and consumables used	(59,349)	(75,635)
Cost of gas	(37,146)	(31,799)
Cost of goods held for resale and materials sold	(41,230)	(47,567)
Services	(9,356)	(8,837)
Employee benefits, including:	(3,553)	(3,189)
salaries and wages	*(2,722)*	*(2,449)*
social security contributions	*(497)*	*(446)*
Depreciation and amortisation	(4,651)	(4,364)
Taxes and charges, including:	(5,597)	(20,832)
contribution to the Price Difference Compensation Fund	-	*(15,109)*
Other*	(2,144)	528
Operating expenses	**(163,026)**	**(191,695)**
Cost of sales	(152,271)	(180,924)
Selling expenses	(7,852)	(8,331)
General and administrative expenses	(2,903)	(2,440)

** 'Other' comprises changes in inventories and cost of products and services for own use and other.*

(PLN million)

9.4. Other operating income and expenses

SELECTED ACCOUNTING POLICIES

Other operating income and expenses

Within other operating activities, the Company recognises income and expenses unrelated to its core operations, including:
- *interest income on trade receivables;*
- *the recognition or reversal of impairment losses on property, plant and equipment, intangible assets, and other assets;*
- *gains or losses on the settlement and/or measurement of derivatives not designated in hedge accounting relationships, for exposures associated with operating and investing activities, including derivatives hedging the foreign exchange risk arising on those exposures; and*
- *foreign exchange gains and losses on trade receivables and trade payables are presented net, as the excess of such gains over such losses, or vice versa.*

9.4.1. Other operating income

	NOTE	2025	2024 (restated)
Gain on disposal of non-current non-financial assets		130	474
Reversal of provisions		45	61
Interest income		119	72
Net foreign exchange gains on trade receivables and payables		994	-
Reversal of impairment losses on property, plant and equipment, intangible assets, and other assets	*10.5.3*	1,154	4,278
Arbitration award – interest on overcharges for natural gas		527	-
Penalties and compensation		37	985
Gains on settlement and/or measurement of derivative instruments, including:		3,253	4,132
not designated in hedge accounting relationships – settlement and measurement		*3,193*	*3,816*
cash flow hedge derivatives – ineffective portion related to measurement and settlement		*6*	*143*
cash flow hedge derivatives – cost of hedging		*53*	*171*
Other		203	545
		6,462	**10,547**

In 2025, reversals of impairment losses on property, plant and equipment, intangible assets and other assets were driven mainly by the release of the provision for well decommissioning and by an increase in the production potential of the Kościan–Brońsko field on production assets within the Upstream & Supply segment.
The item 'Arbitration award – interest on overcharges for natural gas' relates to the recognition in the fourth quarter of 2025 of PLN 527 million following the final award rendered by the arbitral tribunal in favour of ORLEN on ORLEN's claim against Gazprom for interest on overcharges for natural gas supplied under the Yamal Contract in 2014–2020. For more information, see Note 13.5.1.

(PLN million)

9.4.2. Other operating expenses

	NOTE	2025	2024 (restated)
Loss on disposal of non-current non-financial assets		(71)	(84)
Provisions recognised		(829)	(158)
Net foreign exchange losses on trade receivables and payables		-	(245)
The recognition of impairment losses on property, plant and equipment, intangible assets, and other assets	*10.5.3*	(6,769)	(9,474)
(Losses) on settlement and/or measurement of derivative instruments, including:		(3,808)	(2,403)
not designated in hedge accounting relationships – settlement and measurement		*(3,777)*	*(2,387)*
cash flow hedge derivatives – ineffective portion related to measurement and settlement		*(7)*	*(11)*
cash flow hedge derivatives – cost of hedging		*(23)*	*(4)*
Other, including:		(379)	(489)
benefits provided free of charge		*(159)*	*(307)*
		(11,856)	**(12,853)**

In 2025, the recognition of impairment losses on property, plant and equipment, intangible assets and other assets mainly related to impairment losses on non-current assets in the Downstream and Upstream & Supply segments. For further details, see Note 10.5.

The recognition of provisions in 2025 mainly related to the recognition of a potential liability of PLN (783) million to Gazprom arising from the retroactive settlement of the Yamal Contract price for the period from January 2018 to January 2021. For more information, see Note 13.5.1.

Gains/(losses) on settlement and/or measurement of derivative instruments

In 2025 and 2024, the net measurement and settlement of derivative financial instruments not designated in hedge accounting relationships, presented within other operating activities, mainly related to hedging of natural gas purchase and sale prices and electricity sale prices (commodity futures and forwards), as well as prices for the timing mismatch on crude oil purchases (commodity swap). In addition, the effect of the measurement and settlement of foreign currency forward contracts related to the hedging of foreign exchange risk arising from the Company's operating activities, mainly in USD, was recognised within other operating activities.

(PLN million)

9.5. Finance income and finance costs

SELECTED ACCOUNTING POLICIES

Finance income and finance costs
Interest income mainly comprises interest on investments in debt instruments, in particular loans, as well as on cash. Such income is calculated using the effective interest method on the amortised-cost carrying amount. Other interest income includes, inter alia, interest on leases.
Other interest expense comprises interest costs arising from financing obtained by the Company, including interest on lease liabilities measured at amortised cost, as well as bank fees and commissions.
Finance income and costs also include interest accrued on the provision for employee benefits and gains or losses on the settlement and/or measurement of derivatives not designated in hedge accounting relationships, to the extent they relate to exposures associated with financing activities.
Foreign exchange gains and losses, excluding exchange differences on trade receivables and trade payables, are presented net, as the excess of such gains over such losses, or vice versa.

9.5.1. Finance income

	NOTE	2025	2024 (restated)
Interest income from financial assets measured at amortised cost		2,754	2,163
Other interest income (including interest on leases)		48	53
Net foreign exchange gains		270	154
Dividends		2,224	2,535
Gains on the settlement and/or measurement of derivative financial instruments not designated in hedge accounting relationships		197	97
Reversal of impairment loss on other financial assets	*9.6*	-	1,401
Other		197	328
		5,690	**6,731**

9.5.2. Finance costs

	NOTE	2025	2024 (restated)
Interest expense on financial liabilities measured at amortised cost		(403)	(256)
Other interest expense (including interest on leases)		(380)	(209)
Losses on the settlement and/or measurement of derivative financial instruments not designated in hedge accounting relationships		(386)	(73)
(Impairment loss) on other financial assets	*9.6*	(2,276)	-
Recognition of impairment losses on shares in subsidiaries, associates and joint arrangements	*10.5.4*	(14,311)	(5,974)
Other		(186)	(133)
		(17,942)	**(6,645)**

The item 'recognition of impairment losses on shares in subsidiaries' in the amount of PLN (14,311) million in 2025 mainly concerned the recognition of impairment losses on shares in ORLEN Unipetrol of PLN (7,102) million, ORLEN Upstream Norway of PLN (2,319) million, ORLEN Lietuva of PLN (1,504) million, ORLEN Petrobaltic of PLN (555) million, and Anwil of PLN (399) million; and the recognition of impairment losses on shares in LOTOS Upstream of PLN (1,470) million and ORLEN Austria of PLN (477) million. In addition, the recognition of impairment losses on shares includes an impairment loss on a receivable for a declared capital contribution to Anwil of PLN (94) million, which was settled in January 2026.
By contrast, in 2024 it mainly concerned the recognition of impairment losses on shares in ORLEN Lietuva of PLN (4,005) million and on shares in ORLEN Trading Switzerland of PLN (1,324) million and ORLEN Upstream of PLN (410) million. For further details, see Note 10.5.4.

Gains/(losses) on the settlement and/or measurement of derivative financial instruments not designated in hedge accounting relationships

In 2025 and 2024, the net fair value measurement and settlement of derivative financial instruments not designated in hedge accounting relationships mainly related to hedging currency risk on liquidity-management transactions (foreign currency forwards) and hedging interest rate risk (interest rate swaps and cross-currency interest rate swaps). In January 2025, upon the issuance of 10-year, fixed-rate USD-denominated bonds, the Company entered into cross-currency interest rate swaps (CCIRS) that (i) exchanged the fixed USD coupon for a floating EURIBOR-linked rate and (ii) converted the bond principal from USD into EUR. Consistent with the Company's Market Risk Management Policy, the Company optimises the structure of fixed-rate debt relative to total debt (the FIXED-to-TOTAL ratio). The switch from USD to EUR exposure mirrors the Company's larger current and forecast natural long position in EUR relative to USD, thereby facilitating servicing of the bond liabilities. As part of optimising the FIXED-to-TOTAL ratio, and to benefit from the expected decline in euro interest rates, the fixed rate was swapped for a floating rate while maintaining an optimal ratio of fixed-rate debt to total debt. Additionally, to reduce funding costs, the benchmark reference rate was changed from the higher-yielding SOFR to six-month EURIBOR. Measurement and settlement of derivative financial instruments were driven primarily by movements in PLN/EUR and PLN/USD exchange rates and by changes in EURIBOR.

(PLN million)

9.6. (Impairment loss)/reversal of impairment loss on trade receivables and other financial assets

	NOTE	2025	2024 (restated)
(Impairment loss) on trade receivables	*10.6.2.1*	(703)	(334)
(Impairment loss) on interest accrued on trade receivables	*10.6.2.1*	(13)	(24)
Reversal of impairment loss on trade receivables	*10.6.2.1*	593	251
Reversal of impairment loss on interest accrued on trade receivables	*10.6.2.1*	8	11
(Impairment loss) on other receivables		(6)	(18)
Reversal of impairment losses on other receivables		17	2
(Impairment loss)/reversal of impairment loss on trade and other receivables		**(104)**	**(112)**
(Impairment loss) on financing assets		(554)	(12)
Reversal of impairment loss on financing assets		2	40
(Impairment loss) on loans	*10.11.1.3*	(3,176)	(766)
Reversal of impairment loss on loans	*10.11.1.3*	1,370	1,141
(Impairment loss) on cash pool receivables		(325)	(327)
Reversal of impairment loss on cash pool receivables		407	1,324
Reversal of impairment loss on collateral deposits		-	1
(Impairment loss)/reversal of impairment loss on other financial assets		**(2,276)**	**1,401**
		(2,380)	**1,289**

(Impairment loss) / reversal of impairment loss on trade receivables and other financial assets presented in profit or loss:
- within operating activities, relates to the impairment of trade receivables and other receivables;
- within financing activities, relates to the impairment of loans and other financial instruments.

9.7. Items of income, expenses, profit or loss and other comprehensive income

		2025	2024 (restated)
Net profit/(loss) for the period	*Measured at amortised cost*	4,164	5,898
	Measured at fair value through profit or loss	(773)	1,454
	Hedging instruments recognised in profit or loss for the period	29	299
	Hedging instruments recognised in other comprehensive income	3,003	(2,585)
	Outside the scope of classification and measurement under IFRS 9	(161)	(161)
	Measured at fair value through other comprehensive income	(254)	(3)
		6,008	**4,902**

(PLN million)

9.8. Income tax

SELECTED ACCOUNTING POLICIES

Income tax comprises current and deferred tax. Current income tax is the amount determined under applicable tax legislation, calculated on taxable profit for the period and recognised as a liability to the extent unpaid, or as a receivable to the extent tax already paid exceeds the amount due. Deferred tax assets and liabilities are classified entirely as non-current and are not discounted. They are offset where there is an enforceable legal right to set off the recognised amounts and they relate to income taxes levied by the same taxation authority on the same taxpayer.

Deferred tax is measured using tax rates expected to apply when the carrying amounts of assets are realised or liabilities are settled, based on tax rates and tax legislation enacted or substantively enacted as at the reporting date.
The impact of deferred tax is recognised in profit or loss for the period, except when deferred tax arises from transactions or events recognised outside profit or loss – in other comprehensive income or directly in equity – or when it arises from a business combination.

	2025	2024 (restated)
Income tax recognised in the statement of profit or loss		
Current tax	(2,800)	(1,399)
Deferred tax	1,175	(690)
	(1,625)	**(2,089)**
Deferred tax recognised in other comprehensive income		
Hedging instruments	(423)	491
Actuarial gains and losses	8	(3)
Gains and losses on investments in equity instruments measured at fair value through other comprehensive income	46	1
Fair value measurement of investment property as at reclassification date	(2)	-
	(371)	**489**
Current income tax recognised in other comprehensive income		
Hedging instruments	(163)	-
	(2,159)	**(1,600)**

International Tax Reform – Pillar Two

The Pillar Two tax reform introduces the general framework for a global minimum tax, and is an outcome of the BEPS 2.0 project led by the Organisation for Economic Co-operation and Development (OECD).
The objective of the Pillar Two tax reform is to limit competition between jurisdictions with respect to corporate income tax rates by establishing a global minimum level of taxation.
The Pillar Two framework introduces a top-up tax, requiring affected groups to pay an additional amount of tax when the effective tax rate (ETR) of a given group in a given jurisdiction falls below 15% for the relevant tax year, and should result in the attainment of a 15% minimum level of income taxation. The new rules apply to entities within groups whose annual consolidated revenue exceeds EUR 750 million in at least two of the four tax years immediately preceding the tested tax year.
In Poland, the Pillar Two tax reform was introduced into domestic law with effect from 1 January 2025 through the Act of 6 November 2024 on top-up taxation of constituent entities of multinational and domestic groups (the Top-up Tax Act), with the option of voluntary application from 1 January 2024; however, ORLEN and the constituent entities located in Poland did not exercise the option to apply those provisions voluntarily with effect from 1 January 2024. 2025 is the first year in which the Company is subject to top-up tax requirements.
In response to the new regulatory requirements, the Company is running a project to align its reporting processes and to determine the impact of the global minimum tax provisions on its tax expense.
Preliminary analyses and calculations performed on the basis of 2025 data, drawing on the effective tax rate computation and the available exclusions, indicate that the Company will not be liable for top-up tax for 2025.
Given the high complexity of the Pillar Two regulations, the rules provide for a relatively long period, of more than a year, for the determination and filing of top-up tax. Accordingly, as at the date of authorisation for issue of these separate financial statements, work relating to top-up tax for 2025 remains ongoing.
Information on the effective tax rate for 2025 and the comparative period is set out in Note 9.8.1. The Company has applied the exception permitted by the amendments to IAS 12 issued in May 2023, under which it is not required to recognise deferred tax assets and liabilities relating to Pillar Two income taxes, nor to disclose information on such assets and liabilities.

(PLN million)

9.8.1. Reconciliation of effective tax rate

	NOTE	2025	2024 (restated)
Profit/(loss) before tax		**(6,293)**	**7,326**
Income tax computed at the applicable rate (19%)		1,196	(1,392)
Differences between statutory tax rates		(109)	(119)
Foreign Branches		*(109)*	*(119)*
Impairment loss on shares in subsidiaries		(2,719)	(1,135)
Dividends received		421	482
Free allocations of energy rights		(10)	(129)
(Impairment loss)/reversal of impairment loss on other financial assets		(450)	283
Other		46	(79)
Income tax	*9.8*	**(1,625)**	**(2,089)**
Effective tax rate		**n/a***	**29%**

* In view of the loss before tax incurred, the effective tax rate is not considered meaningful and has not been presented.

As at 31 December 2025 and 31 December 2024, impairment losses on shares in subsidiaries, for which deferred tax assets were not recognised, amounted to PLN (27,755) million and PLN (13,538) million, respectively.

9.8.2. Deferred tax

	01/01/2025 (restated)	Deferred tax recognised in profit or loss	Deferred tax recognised in other comprehensive income	Acquisition/disposal of an organised part of the enterprise	Exchange differences on translation of Foreign Branches	31/12/2025
Deferred tax assets						
Impairment losses on assets	4,610	831	46	-	-	5,487
Provisions and accruals	658	436	8	-	-	1,102
Lease liabilities	602	20	-	-	-	622
Other	224	(28)	-	-	2	198
	6,094	**1,259**	**54**	**-**	**2**	**7,409**
Deferred tax liabilities						-
Temporary differences arising from non-current assets	5,747	127	2	(26)	-	5,850
Unrealised exchange differences	122	199	-	-	-	321
Measurement of derivative financial instruments	280	(138)	423	-	-	565
Other	509	(104)	-	-	-	405
	6,658	**84**	**425**	**(26)**	**-**	**7,141**
	(564)	**1,175**	**(371)**	**26**	**2**	**268**

`	01/01/2024 (restated)	Deferred tax recognised in profit or loss	Deferred tax recognised in other comprehensive income	31/12/2024 (restated)
Deferred tax assets				
Impairment losses on assets	3,969	640	1	4,610
Provisions and accruals	677	(16)	(3)	658
Unrealised exchange differences				-
Measurement of derivative financial instruments	473	(473)	-	-
Lease liabilities	593	9	-	602
Other	256	(32)	-	224
	5,968	**128**	**(2)**	**6,094**
Deferred tax liabilities				
Temporary differences arising from non-current assets	5,743	4	-	5,747
Unrealised exchange differences	139	(17)	-	122
Measurement of derivative financial instruments	-	771	(491)	280
Other	449	60	-	509
	6,331	**818**	**(491)**	**6,658**
	(363)	**(690)**	**489**	**(564)**

10. NOTES TO THE STATEMENT OF FINANCIAL POSITION

10.1. Property, plant and equipment

SELECTED ACCOUNTING POLICIES

Property, plant and equipment are measured and presented in the statement of financial position at net carrying amount, which represents the purchase price or cost of production (initial value), increased by subsequent improvement costs and reduced by accumulated depreciation and impairment losses.

The initial cost of property, plant and equipment is increased by the discounted value of provisions for reclamation, remediation, restoration of contaminated soil and groundwater, and decommissioning of property, plant and equipment, including costs relating to the decommissioning of production and storage wells, to which the Company is obligated on the installation, construction or acquisition of the given asset. Amounts arising from discounted provisions and recognised as part of property, plant and equipment are depreciated over the assets' useful lives.

The initial cost of constructed gas pipelines or gas storage facilities (classified as Buildings and structures) also comprises the value of the gas used for their initial filling. The volume of gas used for the initial filling of a pipeline or storage chamber corresponds to the amount required to achieve the minimum operating pressure of the pipeline or storage facility.
Routine maintenance, repairs, and servicing costs related to property, plant and equipment are recognised in profit or loss as incurred.

Costs of major overhauls, repairs, and periodic inspections are capitalised as part of property, plant and equipment.
The Company also classifies significant spare parts and stand-by equipment as property, plant and equipment if they are expected to be used for more than one year and can be attributed to specific items of property, plant and equipment.

The initial cost of property, plant and equipment includes borrowing costs.
Borrowing costs (i.e. interest and other costs incurred on the borrowing of funds) are expensed as incurred. An exception to this rule applies to borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset, which are capitalised as part of its cost. This includes foreign exchange differences to the extent that they are regarded as an adjustment to interest, and exchange differences on fees and commissions. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Where funds are borrowed specifically to obtain a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined as the difference between the actual borrowing costs incurred on that borrowing during the period and any investment income earned on the temporary investment of those borrowed funds.

Where funds are borrowed without a specific purpose and are subsequently allocated to finance the acquisition of a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying an appropriate capitalisation rate to the expenditure incurred on that asset.
Property, plant and equipment are depreciated using the straight-line method and, in justified cases, using the unit-of-production method (catalysts).

Individual components of property, plant and equipment that are significant in relation to the total value of the asset are depreciated separately over their respective useful lives.
The following typical useful lives are applied to property, plant and equipment:

Buildings and structures	*10–40 years*
Plant and equipment	*4–35 years*
Vehicles and other property, plant and equipment	*2–20 years*

The depreciation method, residual value, and useful life of an asset are reviewed at least at the end of each year. If necessary, adjustments to depreciation charges are made prospectively in subsequent periods.

Exploration and extraction of mineral resources

As part of exploration and extraction of mineral resources, the following classification of project phases is applied:
Phases of the exploration and evaluation stage:
- *Preliminary analyses,*
- *Acquisition of exploration and appraisal rights,*
- *Expenditure incurred on exploration and appraisal wells.*

Preliminary analyses

During the preliminary analysis phase, seismic, geological, and geophysical data are assessed for large areas potentially rich in mineral resource deposits. This phase is typically conducted prior to acquiring exploration or production rights (concessions or licences). Costs incurred during this phase are recognised as an expense in profit or loss as incurred.

Acquisition of exploration and appraisal rights

The appraisal of natural gas and/or crude oil deposits may commence once the Company has obtained:
- *a licence for the appraisal of mineral deposits,*
- *a licence for the exploration for and appraisal of mineral deposits, and*
- *signed an agreement on the establishment of mining usufruct.*

The cost of a licence for the appraisal of deposits of natural gas and/or crude oil, and the cost of renewing such a licence, comprise the fee for the activities specified in the licence. The Company recognises the costs of appraisal licences for natural gas and/or crude oil deposits as exploration and evaluation assets.

Expenditure incurred on exploration and appraisal wells

Exploration and evaluation expenditure for natural gas and crude oil deposits comprises geological work performed to discover and document deposits and is accounted for using the successful efforts method.
During the exploration phase, geological activities are conducted to locate and initially document deposits of mineral resources. Activities conducted during the exploration phase closely resemble preliminary geological and geophysical analyses but are performed over smaller geographical areas. They typically involve the acquisition and processing of 2D and 3D seismic surveys, the interpretation of geological and geophysical data, and exploration drilling. Exploration activities conclude either with a negative result, indicating that production is not technically feasible or commercially viable, or with the discovery of a deposit.
During the appraisal stage, geological appraisal activities are conducted in the area of an initially documented mineral resource deposit. The purpose of the appraisal phase is to determine the size and extent of the deposit and to assess the technical feasibility and commercial viability of extraction. In some cases, exploration and appraisal activities may temporarily overlap and be conducted simultaneously.
Expenditure incurred during the exploration and appraisal phases comprises:
- *expenditure on exploration and appraisal wells and other expenditure, including seismic data acquisition, processing and interpretation, and analysis of geological and geophysical data;*
- *other costs directly attributable to the exploration and appraisal phases that are capitalised. If direct allocation of costs to the exploration and appraisal phases is not possible, such costs are recognised as an expense in profit or loss as incurred;*
- *borrowing costs related to the financing of capitalised exploration and appraisal expenditure.*

The Company conducts an annual review of expenditure incurred during the exploration and appraisal phases to confirm the continued intention to pursue these activities. These analyses are conducted at the project level and cover activities with a defined exploration and/or appraisal objective within a designated area. If exploration work is unsuccessful and results in a decision to discontinue further activities, expenditure initially capitalised as an asset is recognised as an expense in profit or loss in the current period. When a well is determined to be dry (non-productive), the capitalised expenditure relating to that well is recognised in other operating expenses in the period in which the well is confirmed as dry. Upon confirmation of the technical feasibility and commercial viability of extraction, expenditure incurred during the exploration and appraisal phases is recognised as development and production assets within property, plant and equipment and tested for impairment. If no impairment loss is recognised, the Company reclassifies these assets, to the extent possible, to the appropriate categories of property, plant and equipment.

Development and production stage

Expenditure incurred during the development and production stage is capitalised and depreciated using either the straight-line method or the unit-of-production method, calculated proportionally to hydrocarbon extraction volumes on a per-unit-of-production basis.

When a field is in the test production phase, proceeds from the sale of extracted minerals during this phase are recognised directly in profit or loss as revenue from principal activities.

The depreciation method and rates applied to specific assets reflect the Company's expected pattern of consumption of the economic benefits derived from those assets. The Company applies the straight-line method to assets used in fields or mines for which annual production is expected to remain relatively constant. If there is a material change in estimated reserves, impairment losses are recognised or previously recognised impairment losses are reversed as at the reporting date.

PROFESSIONAL JUDGEMENT

Expenditure on exploration and evaluation assets for mineral resources

The application of the Company's accounting policy to expenditure incurred on exploration and evaluation assets requires judgement in determining whether future economic benefits from future production or sale are probable, or whether there is not yet sufficient evidence to estimate resources. In estimating reserves, the Company makes assessments of future events and circumstances, including determining whether extraction will be economically viable.

(PLN million)

ESTIMATES

Useful lives of property, plant and equipment

The Company reviews the useful lives of property, plant and equipment at the end of each financial year. The reassessment of useful lives is primarily based on evaluations conducted by the technical teams responsible for asset operations. Such estimates are subject to uncertainty regarding future business conditions, technological advancements, and market competition, which may lead to a revised assessment of the assets' economic utility and remaining useful lives, consequently having a material impact on the carrying amount of property, plant and equipment and future depreciation expenses. As part of this process, the Company also considers the impact of factors associated with climate change and the energy transition, particularly with respect to assets whose useful lives may be reduced as part of its emission-reduction plans. This is especially relevant in operating segments where certain production activities remain dependent on high-emission assets, including coal-based assets. The review of useful lives performed in 2025 resulted in a PLN 40 million increase in depreciation expense compared with the depreciation expense that would have been recognised based on the useful lives applied in 2024. In 2025, the Company did not identify any material reductions in the useful lives of property, plant and equipment due to climate-related factors or the ongoing energy transition.

Movement in property, plant and equipment

	Land	Buildings and structures	Plant and machinery	Means of transport and other	Assets for exploration and evaluation of mineral resources	Property, plant and equipment under construction	Total
Net carrying amount as at 01/01/2025 (restated)							
Gross carrying amount	636	43,708	23,040	1,930	1,935	23,375	**94,624**
Accumulated depreciation and impairment losses	-	(18,219)	(14,793)	(1,005)	(278)	(14,400)	**(48,695)**
	636	**25,489**	**8,247**	**925**	**1,657**	**8,975**	**45,929**
increases/(decreases), net	**16**	**537**	**1,196**	**(391)**	**(168)**	**(1,710)**	**(520)**
Capital expenditure	-	8	198	-	531	7,447	8,184
Depreciation	-	(2,108)	(1,552)	(178)	(16)	-	(3,854)
Borrowing costs	-	105	79	3	-	662	849
Impairment losses	-	(427)	(345)	(14)	(469)	(4,265)	(5,520)
Recognition	-	*(1,411)*	*(390)*	*(23)*	*(575)*	*(4,271)*	*(6,670)*
Reversal	-	*984*	*45*	*9*	*106*	*6*	*1,150*
Reclassifications	18	2,714	2,872	180	(240)	(5,523)	21
Provision for site reclamation*	-	235	-	-	25	-	260
Other**	(2)	10	(56)	(382)	1	(31)	(460)
	652	**26,026**	**9,443**	**534**	**1,489**	**7,265**	**45,409**
Net carrying amount as at 31/12/2025							
Gross carrying amount	652	46,719	25,459	1,592	2,010	25,882	**102,314**
Accumulated depreciation and impairment losses	-	(20,693)	(16,016)	(1,058)	(521)	(18,617)	**(56,905)**
	652	**26,026**	**9,443**	**534**	**1,489**	**7,265**	**45,409**
Net carrying amount as at 01/01/2024 (restated)							
Gross carrying amount	624	42,375	21,582	1,716	2,095	16,305	**84,697**
Accumulated depreciation and impairment losses	-	(17,942)	(14,376)	(921)	(260)	(7,399)	**(40,898)**
	624	**24,433**	**7,206**	**795**	**1,835**	**8,906**	**43,799**
increases/(decreases), net	**12**	**1,056**	**1,041**	**130**	**(178)**	**69**	**2,130**
Capital expenditure	-	10	150	21	462	9,847	10,490
Depreciation	-	(2,169)	(1,294)	(231)	(16)	-	(3,710)
Borrowing costs	-	37	15	1	-	472	525
Impairment losses	-	1,735	517	3	(375)	(7,125)	(5,245)
Recognition	-	*(1,078)*	*(675)*	*(94)*	*(398)*	*(7,125)*	*(9,370)*
Reversal	-	*2,813*	*1,192*	*97*	*23*	*-*	*4,125*
Reclassifications	12	1,346	1,676	372	(271)	(3,116)	19
Provision for site reclamation*	-	193	-	-	23	-	216
Other**	-	(96)	(23)	(36)	(1)	(9)	(165)
Net carrying amount as at 31/12/2024 (restated)	**636**	**25,489**	**8,247**	**925**	**1,657**	**8,975**	**45,929**

** 'Provision for site reclamation' comprises additions classified as CAPEX, amounting to PLN 328 million in 2025 and PLN 395 million in 2024.*
*** 'Other' mainly comprises a contribution in kind*

The capitalisation rates applied in calculating capitalised borrowing costs for 2025 and 2024 were 4.48% and 4.59%, respectively. As at 31 December 2025 and 31 December 2024, the gross carrying amount of fully depreciated property, plant and equipment still in use amounted to PLN 3,225 million and PLN 2,649 million, respectively.

(PLN million)

10.2. Investment property

SELECTED ACCOUNTING POLICIES

Investment property is initially measured at acquisition cost or cost of construction.
After initial recognition, the Company measures investment property at fair value, applying either the market approach or the income approach, depending on the nature of the investment property.
The market approach is applied on the assumption that the value of the property being measured is equal to the price obtainable in the market for a property of a similar nature. Under the income approach, the valuation is performed using the discounted cash flow method. The discount rate applied:

- *reflects the relationship required by property purchasers between the annual income generated by the property and the outlay required to acquire it; and*
- *reflects the level of risk required by property purchasers in relation to cash flows generated by the property, relative to alternative investments in the capital market.*

Discounted cash flow projections for the properties being measured reflect the terms of all lease agreements and external evidence, such as current market rental rates for similar properties in similar locations, in a comparable technical condition and standard, and serving similar purposes.

	31/12/2025	31/12/2024
At the beginning of the period	225	161
Reclassification to/from property, plant and equipment	4	-
Fair value measurement*	38	65
Other	(1)	(1)
	266	**225**

** 'Fair value measurement' comprises additions classified as CAPEX, amounting to PLN 41 million in 2025 and PLN 75 million in 2024.*

As at 31 December 2025 and 31 December 2024, investment property consisted principally of office and ancillary buildings, and land, including land held under perpetual usufruct rights. The fair value of investment property was estimated mainly on the basis of the comparative method, using valuation reports prepared by independent experts and observable market data (Level 2 of the fair value hierarchy). The market comparison approach was applied on the assumption that the value of the property being measured is equal to the price obtainable in the market for a property of a similar nature.

10.3. Intangible assets

SELECTED ACCOUNTING POLICIES

Intangible assets

An intangible asset is initially measured at cost, either as purchase price or cost of production, and is set out in the statement of financial position at its net carrying amount.
Intangible assets with a finite useful life are amortised on a straight-line basis from the date they are available for use, i.e. when they are brought to the location and condition necessary for them to operate as intended by management, over a period reflecting their estimated useful life.
Typical useful lives for intangible assets range from 2 to 10 years for software and from 2 to 15 years for licences, patent rights, and similar intangible assets.
The amortisation method and useful life of an intangible asset are reviewed at least at the end of each reporting year.

Energy rights

The primary category of energy rights comprises CO_2 emission allowances, which are not amortised but are tested for impairment.
Free allocations of CO_2 emission allowances are recognised and presented as intangible assets, with a corresponding entry in deferred income, at fair value as at the date of their registration. Government grants are recognised on a systematic basis over the relevant reporting periods to ensure matching with the costs of the provision being created. Purchased allowances are recognised at cost.
A provision is recognised for estimated CO_2 emissions for the reporting period, with a corresponding charge to core operating costs (taxes and charges).
Energy rights also include energy certificates.
Energy rights, including CO_2 emission allowances and energy certificates, are surrendered against the carrying amount of the provision as part of its settlement. CO_2 emission allowances and energy certificates issued from inventory are measured using the weighted-average cost formula.

ESTIMATES

Useful lives of intangible assets

The Company reviews the useful lives of intangible assets at the end of each year, with any adjustments taking effect from the beginning of the following year. The review of useful lives performed in 2025 did not result in a material change to amortisation expense compared with the amortisation expense that would have been recognised based on the useful lives applied in 2024

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(PLN million)

Change in internally generated intangible assets

As at 31 December 2025, internally generated intangible assets amounted to PLN 9 million.

Change in other intangible assets

	Patents and licences	Energy rights	Other	Total
Net carrying amount as at 01/01/2025				
Gross carrying amount	1,581	3,178	806	**5,565**
Accumulated amortisation and impairment losses	(1,290)	(58)	(565)	**(1,913)**
	291	**3,120**	**241**	**3,652**
increases/(decreases), net	**226**	**(1,894)**	**34**	**(1,634)**
Capital expenditure	-	-	570	570
Amortisation	(222)	-	(53)	(275)
Borrowing costs	-	-	9	9
Impairment losses	(1)	-	(55)	(56)
Recognition	*(1)*	-	*(55)*	*(56)*
Reversal	-	-	-	-
Reclassifications	456	(350)	(436)	(330)
Energy rights purchased and received free of charge	-	1,511	-	1,511
Settlement of emissions	-	(3,055)	-	(3,055)
Other	(7)	-	(1)	(8)
	517	**1,226**	**275**	**2,018**
Net carrying amount as at 31/12/2025				
Gross carrying amount	1,925	1,284	854	**4,063**
Accumulated amortisation and impairment losses	(1,408)	(58)	(579)	**(2,045)**
	517	**1,226**	**275**	**2,018**
Net carrying amount as at 01/01/2024				
Gross carrying amount	1,401	4,477	690	**6,568**
Accumulated amortisation and impairment losses	(1,103)	(59)	(473)	**(1,635)**
	298	**4,418**	**217**	**4,933**
increases/(decreases), net	**(7)**	**(1,298)**	**24**	**(1,281)**
Capital expenditure	2	-	165	167
Amortisation	(143)	-	(49)	(192)
Borrowing costs	-	-	10	10
Impairment losses	2	-	30	32
Recognition	*(17)*	-	*(44)*	*(61)*
Reversal	*19*	-	*74*	*93*
Reclassifications	135	-	(129)	6
Energy rights purchased and received free of charge	-	2,204	-	2,204
Settlement of emissions	-	(3,502)	-	(3,502)
Other	(3)	-	(3)	(6)
Net carrying amount as at 31/12/2024	**291**	**3,120**	**241**	**3,652**

As at 31 December 2025 and 31 December 2024, the gross carrying amount of fully depreciated property, plant and equipment still in use amounted to PLN 948 million and PLN 891 million, respectively.

10.3.1. Energy rights

Change in the balance of CO_2 emission allowances held

	Quantity (thousand of tonnes)	Carrying amount
01/01/2025	9,285	3,115
Free allocation	4,303	1,279
Settlement of 2024 emissions obligation	(9,354)	(3,025)
Purchase	756	205
Transferred to non-current assets classified as held for sale	(1,083)	(350)
31/12/2025	**3,907**	**1,224**
01/01/2024	11,135	4,413
Free allocation	4,826	1,405
Settlement of 2023 emissions obligation	(9,421)	(3,472)
Purchase	2,745	769
31/12/2024	**9,285**	**3,115**

In 2025, CO_2 emissions at ORLEN amounted to 9,799 thousand tonnes, while the carrying amount of the provision for CO_2 emissions as at 31 December 2025 amounted to PLN 3,069 million.
As at 31 December 2025, the market price of a single EUA allowance was PLN 369.29 (equivalent to EUR 87.37 at the exchange rate as at 31 December 2025) (source: www.theice.com).

In addition, as at 31 December 2025, the Company recognised, under assets held for sale, CO_2 emission allowances relating to a company accounted for using the equity method in the amount of PLN 1,390 million.

Change in the balance of energy certificates held

	(thousand MWh)	Carrying amount
01/01/2025	44	5
Free allocation	1	1
Settlement of 2024 emissions obligation	(25)	(30)
Purchase	13	26
31/12/2025	**33**	**2**
01/01/2024	37	5
Free allocation	9	2
Settlement of 2023 emissions obligation	(143)	(30)
Purchase	141	28
31/12/2024	**44**	**5**

In 2025, the obligation to surrender energy certificates at ORLEN amounted to 1,394 thousand MWh, while the provision recognised in respect of that obligation as at 31 December 2025 amounted to PLN 265 million.

10.4. Investments in subsidiaries, joint arrangements and associates

SELECTED ACCOUNTING POLICIES

Investments in subsidiaries, associates and joint arrangements presented in the separate financial statements

Investments in subsidiaries and associates and investments in joint ventures, not classified as held for sale (or not included in a disposal group classified as held for sale in accordance with IFRS 5), are recognised at acquisition cost less impairment losses.

PROFESSIONAL JUDGEMENT

Applying professional judgment, the Company has assessed that its investment in Rafineria Gdańska constitutes a joint operation. Accordingly, the Company recognises its share (70%) of the assets, liabilities, income, and expenses of this entity.

The contractual arrangements governing this investment indicate that the parties to the agreement have rights to substantially all of the economic benefits generated by the company's assets and that the parties are its primary source of revenue ensuring its ongoing operations.

Under the existing processing agreement for Rafineria Gdańska, the contract grants the processors access to the refinery's production capacity and precludes the use of the refinery's production capacity by third parties. Under the agreement, the processors are required to cover Rafineria Gdańska's fixed operating costs, including during periods of shutdown. Rafineria Gdańska's liabilities are accordingly financed almost entirely from cash flows received from the processors. The processors thus bear the financial burden of those liabilities in substance and constitute the principal source of cash flows supporting the refinery's continued operations.

(PLN million)

	Registered office	31/12/2025	31/12/2024	Company's interest in share capital / total voting rights as at as at 31/12/2025	Company's interest in share capital / total voting rights as at as at 31/12/2024	Principal business
Subsidiaries						
Polska Spółka Gazownictwa Sp. z o.o.	Tarnów, Poland	14,952	14,949	100.00%	100.00%	distribution of gaseous fuels in network systems
ORLEN Upstream Norway AS	Stavanger, Norway	8,833	11,152	100.00%	100.00%	exploration for and production of natural gas and crude oil
ORLEN Unipetrol a.s.	Prague, Czech Republic	-	7,102	100.00%	100.00%	managing assets of the ORLEN Unipetrol Group
ORLEN Energy Trading GmbH (formerly: PGNiG Supply & Trading GmbH)	Munich, Germany	3,393	3,393	100.00%	100.00%	trading of gaseous fuels in network systems
ENERGA S.A.	Gdańsk, Poland	3,230	3,144	93.28%	90.92% / 93.28%	generation, distribution and trading of electricity and heat, and gas trading
ORLEN Upstream Polska Sp. z o.o.	Warsaw, Poland	2,958	3,101	100.00%	100.00%	exploration for and appraisal of hydrocarbon deposits, production of oil and gas
ORLEN New Power (formerly: ORLEN Wind 3 Sp. z o.o.)	Warsaw, Poland	2,648	2,648	100.00%	100.00%	activities of financial holding companies
ORLEN Petrobaltic S.A.	Gdańsk, Poland	1,967	2,522	99.99%	100.00%	exploration for and production of crude oil and natural gas
myORLEN Sp. z o.o. (formerly: PGNiG Obrót Detaliczny Sp. z o.o.)	Warsaw, Poland	1,931	1,931	100.00%	100.00%	trading of gaseous fuels in network systems
ORLEN Południe S.A.	Trzebinia, Poland	1,684	1,284	100.00%	100.00%	crude oil processing, production and sale of biofuels, oils
LOTOS Upstream Sp. z o.o.	Gdańsk, Poland	1,482	2,952	100.00%	100.00%	activities of head offices and holding companies
ORLEN TERMIKA S.A. (formerly: PGNiG TERMIKA S.A.)	Warsaw, Poland	1,113	1,113	100.00%	100.00%	production, distribution and sale of heat and electricity
CCGT Ostrołęka Sp. z o.o.	Gdańsk, Poland	967	967	50.00%	50.00%	generation, distribution and trading of electricity and heat, and gas trading
EUROPOL GAZ S.A.	Warsaw, Poland	787	787	100.00%	100.00%	gas transmission
ORLEN Trading Switzerland GmbH	Baar,	734	734	100.00%	100.00%	wholesale trade in raw materials and commodities, refined petroleum products, crude oil and similar products
ORLEN Austria GmbH	Wels, Austria	159	662	100.00%	100.00%	marketing and sale of fuels and goods, particularly for service stations
Other subsidiaries		5,200	4,610			
Joint arrangements and associates						
Baltic Power Sp. z o.o.	Warsaw, Poland	1,122	1,122	51.00%	51.14%	construction and operation of offshore wind farms
Basell ORLEN Polyolefins Sp. z o.o.	Płock, Poland	454	454	50.00%	50.00%	production, distribution and sale of polyolefins
ORLEN Synthos Green Energy Sp. z o.o.	Warsaw, Poland	360	360	100.00%	50.00%	commercialisation of micro and small nuclear reactor technology
Naftoport Sp. z o.o.	Gdańsk, Poland	46	46	26.92%	26.92%	transshipment and transit of crude oil and petroleum products
Płocki Park Przemysłowo-Technologiczny S.A.	Płock, Poland	32	32	50.00%	50.00%	property development and leasing
		54,052	**65,065**			

As at 31 December 2025 and as at 31 December 2024, impairment losses on shares in subsidiaries for which deferred tax assets were not recognised amounted to PLN (27,755) million and PLN (13,538) million, respectively, and mainly related to impairment of shares in ORLEN Lietuva, ORLEN Unipetrol and ORLEN Upstream Norway

Further information on impairment losses on shares in subsidiaries is provided in Note 10.5.4.

10.5. Impairment of property, plant and equipment, intangible assets, right-of-use assets and investments in joint arrangements and associates

SELECTED ACCOUNTING POLICIES

At the reporting date, the Company assesses whether there is any indication that an asset or a cash-generating unit ('CGU') may be impaired or that a previously recognised impairment loss on any asset or CGU may require reversal.

If such indications exist, an impairment test is conducted, in which the Company estimates the recoverable amount of the asset or CGU by determining the higher of its fair value less costs of disposal and its value in use, applying an appropriate discount rate.

Recognition and reversal of impairment losses on property, plant and equipment, intangible assets, and right-of-use assets are presented in other operating expenses and other operating income, respectively.

JUDGEMENTS

Impairment of property, plant and equipment, intangible assets, right-of-use assets

The recoverable amount is determined at the level of the CGU to which the asset belongs. Assets that do not individually generate cash flows are grouped at the lowest level at which they generate cash flows that are largely independent of those from other assets or groups of assets (CGU).

Determination of recoverable amount
The recoverable amount of assets and cash-generating units is determined as the higher of value in use and fair value less costs of disposal. Fair value less costs of disposal is estimated for selected CGUs where there is a sufficient basis and available data to estimate fair value reliably, for example where there is a deep and liquid market for the relevant asset type or comparable transactions are available. For many of the Company's specialised assets or CGUs, where there is no sufficiently deep and liquid market and no comparable market transactions providing a reliable basis for estimating fair value less costs of disposal, the Company determines the recoverable amount based on value in use.

ESTIMATES

The Company tested assets for impairment using discounted cash flow models. The assumptions used in the models to project expected future cash flows, including assumptions regarding key macroeconomic variables, and the methodology for calculating discount rates are the most significant areas of estimation.
Detailed information on the key macroeconomic assumptions is set out in Note 10.5.2, and detailed assumptions used to calculate discount rates are presented in Note 10.5.1.

As at 31 December 2025, the Company recognised impairment losses on assets for which impairment had been identified. For cash-generating units for which impairment indicators were identified, the Company performed impairment tests based on discounted cash flow models.

10.5.1. Discount rate

The Company determines individual discount rates for each defined cash-generating unit using the Capital Asset Pricing Model (CAPM). As at the date of the impairment tests, i.e. 31 December 2025, the discount rates calculated for each CGU incorporated market risks specific to the relevant country and business segment, reflecting the market's assessment as at the reporting date of the time value of money and the risks specific to that group of assets, corresponding to the return that investors would require when making an investment that would generate cash flows of the amount, timing and risk profile that the Company expects to obtain from the relevant CGU.
For the impairment tests performed as at 31 December 2025, the Company applied variable discount rates reflecting expected changes in yields on 10-year government bonds in the countries covered by the analysis.

(PLN million)

The principal after-tax discount rates as at 31 December 2025 for the years 2026–2030 were as follows:

Country	Activity	2026	2027	2028	2029	2030+	unlevered beta	D/E
Poland	Refining	5.47%	6.12%	6.64%	7.04%	7.34%	46.61%	75.59%
Poland	Petrochemicals	7.18%	7.84%	8.37%	8.78%	9.09%	85.64%	48.42%
Poland	Retail	5.32%	5.98%	6.50%	6.90%	7.20%	43.12%	70.35%
Poland	Processing	5.26%	5.90%	6.41%	6.81%	7.10%	41.87%	97.16%
Poland	Exploratory extraction	6.15%	6.81%	7.33%	7.74%	8.04%	47.64%	60.49%
Poland	Development and production	5.52%	6.18%	6.71%	7.11%	7.41%	47.64%	60.49%
Poland	Business services	6.45%	7.13%	7.67%	8.09%	8.40%	68.00%	30.91%
Sweden	Business services	5.61%	5.61%	5.61%	5.61%	5.61%	68.00%	30.91%
Lithuania	Refining	6.35%	6.29%	6.50%	6.74%	6.97%	46.61%	75.59%
Czech Republic	Refining	5.39%	5.70%	5.94%	6.25%	6.53%	46.61%	75.59%
Czech Republic	Petrochemicals	7.06%	7.38%	7.62%	7.94%	8.23%	85.64%	48.42%
Czech Republic	Retail	5.26%	5.57%	5.80%	6.12%	6.40%	43.12%	70.35%
Norway	Development and production	7.75%	7.67%	7.72%	7.84%	7.98%	47.64%	60.49%
Austria	Retail	5.01%	5.15%	5.40%	5.63%	5.81%	43.12%	70.35%
Pakistan	Upstream development and production	17.56%	17.50%	17.71%	17.96%	18.19%	107.13%	24.82%
Canada	Development and production	5.51%	5.84%	6.08%	6.31%	6.53%	77.13%	63.86%

The discount rates used to determine the recoverable amounts as at 31 December 2025 were calculated using the guideline public companies method as the weighted average cost of equity and debt. The macroeconomic indicators used to estimate the cost of equity and the cost of debt – including beta and the debt-to-equity (D/E) ratio – were sourced from the Bloomberg service and the publications of Professor Aswath Damodaran (source: http://pages.stern.nyu.edu) and the quotations of 10-year government bonds available as at 31 December 2025, and for the scope of activities, including the Energa Group and renewable energy assets, publications of the Energy Regulatory Office, and quotations of 10-year government bonds available as at 31 December 2025.
For the first five years, the discount rate applied incorporates a variable risk-free rate estimated from the yield curve of 10-year government bonds. For the subsequent years, the discount rate was assumed at the 2030 rate.

The market risk premium was estimated based on the publications of Professor Aswath Damodaran (source: http://pages.stern.nyu.edu) and available reports from financial institutions.
The discount rates used to determine the fair value less costs of disposal of the upstream assets in Canada as at 31 December 2025 were set individually for each area and ranged from 14% to 18%, reflecting the market discount rate and risks specific to those assets, including geological risks.

The principal after-tax discount rates estimated by the Company as at 31 December 2024 were presented on the same basis as for 2025 and were as follows:

Country	Activity	2025	2026	2027	2028	2029	Unlevered beta	D/E
Poland	Refining	7.42%	7.78%	8.04%	8.20%	8.30%	52.28%	70.18%
Poland	Petrochemicals	8.70%	9.06%	9.33%	9.50%	9.60%	80.18%	43.71%
Poland	Retail	7.38%	7.74%	8.00%	8.17%	8.26%	50.66%	58.19%
Poland	Processing	6.97%	7.32%	7.58%	7.75%	7.84%	42.54%	90.79%
Poland	Exploratory extraction	8.10%	8.46%	8.73%	8.89%	8.99%	52.28%	54.84%
Poland	Development and production	7.45%	7.81%	8.08%	8.25%	8.34%	52.28%	54.84%
Lithuania	Refining	7.43%	7.56%	7.71%	7.80%	7.87%	52.28%	70.18%
Pakistan	Upstream development and production	19.44%	19.57%	19.72%	19.81%	19.88%	98.63%	23.12%
Canada	Development and production	6.38%	6.43%	6.59%	6.78%	6.95%	87.61%	49.05%
Poland	Media	10.14%	10.50%	10.77%	10.94%	11.04%	85.16%	40.82%

10.5.2. Key assumptions applied in asset impairment tests as at 31 December 2025

Asset impairment tests were performed in accordance with IAS 36 based on expected future cash flows as at 31 December 2025. Where recoverable amount was determined based on value in use, the tests primarily used the macroeconomic assumptions adopted in the base scenario, based on independent and objective forecasts provided by S&P Global and Nexant.
In addition, to reflect uncertainty in the environment in which the Company operates, additional determinations of recoverable amount based on alternative macroeconomic scenarios were prepared for selected assets and CGUs.
The key parameter differentiating the scenarios was the assumed pace of the energy transition and its impact on macroeconomic assumptions.
The base scenario, to which the highest weighting of 70% was assigned, assumes an increase in the share of energy from renewable sources. However, demand for fossil fuels remains relatively resilient, and not all EU emissions-reduction targets are achieved.

(PLN million)

The scenario assuming the fastest emissions-reduction pathway was considered the least likely and assigned a weighting of 10%. The remaining 20% was assigned to the scenario assuming the slowest emissions-reduction pathway.
Other key parameters differentiating the scenarios include emission allowance prices, hydrocarbon prices – in particular Brent crude and natural gas – and prices of refined and petrochemical products.

Value in use under the 'weighted scenario' was calculated as the sum of the probability-weighted values in use under each individual scenario. Where value in use under the 'base scenario' did not differ materially from the value under the weighted scenario, the base scenario valuation was retained.
For assets in the Upstream & Supply segment, additional fair value estimates were prepared based on hydrocarbon forward curves as at 31 December 2025. The recoverable amount was determined as the higher of value in use derived from the scenarios and fair value derived from forward curves.

For most CGUs, detailed cash-flow forecasts for 2026–2030 were prepared to estimate value in use. Cash flows beyond the period covered by the detailed forecast were extrapolated using growth rates equal to or lower than the forecast inflation targets for the respective countries, ranging from 2% to 2.5%.

The net cash flows were discounted to present value using discount rates that reflect current market assessments of the time value of money and the risks specific to the assets tested.
The descriptions below relate to the base scenario used to determine value in use.

Detailed forecasts of net cash flows, prepared on the basis of approved budgets or financial plans, which include updated five-year (10-year for Petrochemicals) assumptions for:
- crude oil prices and benchmark quotations for key refined and petrochemical products – based on S&P Global ('S&P') data, Nexant forecasts, other supporting sources (including forward curves, bank forecasts, and analyses prepared by government agencies), and the Group's expert judgement;
- natural gas prices – based on forward curves for the Polish Power Exchange (TGE) and Trading Hub Europe (THE), and S&P projections;
- prices of electricity and CO_2 emission allowances – derived from S&P Global projections and opinions of the Group's experts.
- inflation targets – based on information published by the relevant central banks;
- Reserve Reports or assessments prepared by the technical teams responsible for field operations, for the assets of the Upstream & Supply segment;
- key climate-related factors and energy-transition policies, including rising CO_2 emission allowance prices, CO_2 emission reductions, capital expenditure required for individual CGUs, and the impact of passing through CO_2 emission allowance prices to revenue from product sales.

The principal macroeconomic assumptions applied in the impairment tests as at 31 December 2025 were as follows:

		2026	2027	2028	2029	2030
Brent	USD/bbl	69.02	69.85	72.63	75.85	81.24
Natural gas	EUR/MWh	35.18	31.18	27.45	21.79	16.13
gasoline crack spread	USD/t	200.93	165.49	186.25	207.52	219.39
diesel crack spread	USD/t	128.74	105.76	113.87	123.75	126.24
naphtha crack spread	USD/t	71.14	82.28	101.73	118.14	131.99
ethylene crack spread	EUR/t	612.55	627.86	693.37	611.36	622.15
propylene crack spread	EUR/t	467.62	488.97	492.36	523.05	527.33
Electricity BASE	[PLN/MWh]	413,04	413,75	451,64	471,36	460,30
Electricity PV	[PLN/MWh]	308,58	310,73	342,05	344,14	337,20
Electricity onshore	[PLN/MWh]	370,48	364,00	383,07	378,78	372,41
CO_2 emission allowances	EUR/t	86.00	90.57	95.19	105.21	116.00

Key macroeconomic assumptions used for impairment testing as at 31 December 2024

		2025	2026	2027	2028	2029
Brent	USD/bbl	81.05	82.31	83.68	85.41	87.19
Natural gas	EUR/MWh	37.06	32.39	28.58	25.76	22.95
gasoline crack spread	USD/t	182.10	138.16	147.11	172.48	187.75
diesel crack spread	USD/t	144.76	108.87	106.75	120.97	127.44
naphtha crack spread	USD/t	32.41	62.70	88.23	124.71	142.41
ethylene crack spread	EUR/t	630.84	646.80	662.35	678.06	693.43
propylene crack spread	EUR/t	503.00	515.25	527.87	540.47	553.08
Electricity BASE	[PLN/MWh]	419.85	479.14	516.18	563.63	556.43
Electricity PV	[PLN/MWh]	325.20	417.66	428.81	449.52	431.59
Electricity onshore	[PLN/MWh]	358.33	454.38	477.75	504.12	480.80
CO_2 emission allowances	EUR/t	75.92	88.73	101.53	114.34	127.15

Key climate-related factors considered in determining the recoverable amount of assets
As at the reporting date, 31 December 2025, European Union policy meant that CO_2 emission allowances were a key factor affecting future forecasts across all operating segments. The impact of this factor reflected the costs of emission allowances incurred by the ORLEN Group and the Group's limited ability, over the medium and long term, to pass those costs through to revenue. At the reporting date, 31 December 2025, applicable legislation included mechanisms that were expected to drive a gradual increase in emission costs. At the same time, the forecasts assume that the costs of other environmental regulations, including in particular ETS 2, RED 3, and the Biomethane Act, will be passed through to revenue in full or in part.

Net cash flows planned for assets and for shares
The Company performed impairment tests for Downstream segment assets for which impairment indicators had been identified, using the discounted future operating cash flow method (value in use). The tests applied the above-mentioned quotations and margins, which, in accordance with IAS 36, reflect expectations as at 31 December 2025.

- a moderate increase in nominal crude oil quotations is expected over the forecast period. Brent crude prices may fall below USD 70/bbl by 2027, at the peak of production, before recovering to around USD 81/bbl by 2030, with production stabilising at the same time;
- in the long term, demand for gasoline is assumed to decline steadily. The private passenger car and light commercial vehicle segments are undergoing a transition towards low-emission technologies, which are gaining increasing market acceptance;
- diesel margins are expected to continue to decline owing to increased supply. From 2029–2030, diesel margin quotations are expected to strengthen on the back of CO_2 emission costs, before stabilising despite the decline in diesel demand in Europe. Demand for diesel in the heavy-duty transport sector is expected to persist until mid-century;
- naphtha is expected to remain the principal feedstock for the production of petrochemical products, particularly in Europe and Asia. The strongest growth in naphtha demand is being seen in Asian countries. In Poland and Europe, demand is expected to remain broadly stable;
- the global ethylene market remains in an oversupply phase, resulting in low capacity utilisation and pressure on producers' margins. The largest increase in production capacity is being observed in China, further deepening the global oversupply and the weakening of margins. The European petrochemicals industry is expected to face overcapacity, high energy costs, and weaker demand, compounded by rising imports, mainly from China. These factors will lead to weaker product margins, operating performance and profitability and, as a consequence, to the displacement of local producers;
- production growth in China may, over the medium term, stabilise global supply of propylene, polypropylene, and other petrochemical products, including benzene, butadiene, and paraxylene, while also increasing competition for European producers, which may result in prices remaining close to current levels in the coming years;
- the rapid long-term increase in CO_2 emission allowance prices is driven by the assumption that the EU will continue its decarbonisation policy, and that the decarbonisation of sectors other than power generation will require high CO_2 emission allowance costs to be economically justified;
- replacement capital expenditure was included at a level sufficient to maintain the production capacity of existing non-current assets, taking into account updates to investments in progress – including the Nowa Chemia (ORLEN) and Hydrocracking (ORLEN Lietuva) programmes;
- reserves of ORLEN Upstream Canada fields were estimated based on reserve reports incorporating current forward estimates of crude oil, natural gas, and condensate prices;
- reserves for the other assets were estimated based on assessments by technical teams using current hydrocarbon price path forecasts. the pricing assumptions are presented above;
- capital expenditure was assumed at a level ensuring optimal efficiency under the pricing assumptions adopted;
- production volumes reflect the current assessment of the prospects and potential of producing fields and exploration assets;
- impairment tests for upstream assets comprise tests of individual CGUs, being individual mines or production centres/areas;
- for ORLEN's upstream assets located in Pakistan, ORLEN Upstream Polska, and ORLEN Upstream Polska, Petrobaltic, the recoverable amount was determined on the basis of value in use;
- for ORLEN's upstream assets located in Poland, ORLEN Upstream Norway AS, and ORLEN Upstream Canada, the recoverable amount was determined on the basis of fair value less costs of disposal (a Level 3 measurement, as defined in IFRS 13 *Fair Value Measurement*);
- fuel and non-fuel margins in the Consumers & Products segment based on assumptions adopted in the Group's financial plan for 2026;
- replacement capital expenditure in the Consumers & Products segment at a level sufficient to maintain the service station network;
- consumption and market share forecasts.

(PLN million)

10.5.3. Recognition and reversal of impairment losses on property, plant and equipment, intangible assets, and right-of-use assets.

As at 31 December 2025, ORLEN performed asset impairment tests, which resulted in the recognition of impairment losses in the Downstream segment and the Upstream & Supply segment.

For the other segments, the Company did not identify any impairment indicators.

Recoverable amounts for which assets were remeasured as at 31 December 2025 and 31 December 2024

		2025		2024	
	Measurement method	**Recoverable amount**	**Net impairment loss**	**Recoverable amount**	**Net impairment loss**
Upstream & Supply		21,594	(1,039)	21,003	897
ORLEN's assets in Poland	*fair value***	*21,254*	*(823)*	*20,499**	*914*
ORLEN's assets in Pakistan	*value in use*	*340*	*(125)*	*504*	*-*
Other	*n/a*		*(91)*		*(17)*
Downstream		18,632	(4,573)	28,171	(6,086)
ORLEN Refinery CGU	*value in use*	*32,292*	(98)	*32,083*	*2,114*
ORLEN CGU Petrochemicals	*value in use*	*(13,660)*	(4,475)	*(3,912)*	*(8,200)*
Energy	n/a		(1)		-
Consumers & Products	n/a		-		(2)
Corporate Functions	n/a		(2)		(5)
Total			**(5,615)**		**(5,196)**

** In 2024, assets in Poland were measured based on value in use.*
*** Fair value means fair value less costs of disposal.*

Changes in impairment losses by asset class are presented in the tables showing movements in the net carrying amount of the relevant classes in Notes 10.1. – Property, plant and equipment and 10.3. – Intangible assets.

Upstream & Supply segment assets

In 2025, following the decline in hydrocarbon prices observed at the end of 2025 and weaker forecasts for the segment, the Company identified impairment indicators and performed impairment tests on the segment's assets.
In the Upstream & Supply segment, production assets are analysed as individual CGUs – production areas or fields that generate independent cash flows.
The impairment losses arising from the tests, together with the principal factors driving the impairment, are set out below.
Other impairment losses in this segment resulted primarily from costs incurred on wells with no economic benefit or from other operating activities, including abandoned projects, damage, decommissioning, etc.

<u>Upstream assets located in Poland</u>
In 2025, the tests resulted in the recognition of impairment losses of PLN (1,640) million and reversals of impairment losses of PLN 942 million, following an increase in resource potential of PLN 618 million, principally at the Kościan-Brońsko field.
The estimated fair value, determined using forward curves available as at 31 December 2025 and the discount rate applicable to Poland – production and development, is presented in the table above.

<u>Exploration and production assets located in Pakistan</u>
In 2025, the tests resulted in the recognition of impairment losses of PLN (125) million.
The estimated value in use of ORLEN's exploration and production assets located in Pakistan, calculated using the base scenario and presented in the table above, was calculated using the discount rate applicable to Pakistan – development and production of fields (Note 10.5.1).

Sensitivity analysis of the value in use of upstream assets located in Poland as at 31 December 2025

		EBITDA		
	change	**-5%**	**0%**	**5%**
DISCOUNT RATE	**-1pp**	*increase in impairment loss* (16)	*decrease in impairment loss* 757	*decrease in impairment loss* 1,530
	0.0pp	*increase in impairment loss* (733)	-	*decrease in impairment loss* 733
	+1pp	*increase in impairment loss* (1,377)	*increase in impairment loss* (678)	*decrease in impairment loss* 19

(PLN million)

Sensitivity analysis of the value in use of upstream assets located in Pakistan as at 31 December 2025

DISCOUNT RATE	EBITDA		
change	**-5%**	**0%**	**5%**
-1pp	*increase in impairment loss* (8)	*decrease in impairment loss* 9	*decrease in impairment loss* 26
0.0pp	*increase in impairment loss* (17)	-	*decrease in impairment loss* 17
+1pp	*increase in impairment loss* (25)	*increase in impairment loss* (8)	*decrease in impairment loss* 8

Downstream segment assets

n 2025, indicators of impairment were identified, reflecting the persistently challenging environment and the deteriorating outlook for petrochemical operations relative to previous assumptions. Following events in 2025 – in particular Dow's decision to close the Böhlen petrochemical complex at the end of 2025 and the sale by LyondellBasell of certain European assets to AEQUITA at near-zero consideration – the Group revised its previous assumption that CO_2 emission costs arising under EU ETS 1 could be passed through to revenue in the medium and long term, leading to a remeasurement of production assets at ORLEN and ORLEN Unipetrol.

Refining CGU
As at 31 December 2025, indicators of impairment were identified and the related tests were performed. No impairment losses on assets were recognised.

Petrochemicals CGU
In 2025, indicators of impairment were identified and the related tests were performed, resulting in the recognition of impairment losses on assets of PLN (4,477) million
The impairment losses arose principally from capital expenditure incurred on the Nowa Chemia project. Following the market events in 2025 described above, it was concluded that the previous assumption – that CO_2 emission costs arising under EU ETS 1 could be passed through to revenue in the medium and long term – was no longer supportable.

The values in use presented in the table above were calculated using scenario analysis based on detailed cash-flow projections over a 10-year horizon and the discount rate applicable to Poland – Petrochemicals (Note 10.5.1). Extending the detailed forecast period to 10 years is justified by the specific nature of the Nowa Chemia project, which is being implemented within the CGU. Given the multi-year capital project cycle, the start-up phase, and the gradual achievement of target technological and operating parameters, normalised cash flows suitable as a basis for further extrapolation are expected to be achieved only after 10 years.

Sensitivity analysis of the value-in-use calculation for ORLEN, assuming changes of ±1 pp in the discount rate and ±5% in EBITDA, indicated no impact on the amount of the impairment loss recognised.

(PLN million)

10.5.4. Recognition and reversal of impairment losses on shares in subsidiaries, joint arrangements and associates

In 2025, ORLEN tested for impairment its shares in subsidiaries, joint ventures, and associates where indicators of impairment had been identified. The tests resulted in the recognition of impairment losses, principally on investments in ORLEN Unipetrol, ORLEN Upstream Norway, ORLEN Lietuva, LOTOS Upstream, ORLEN Petrobaltic, ORLEN Austria, Anwil, ORLEN Upstream Polska, S54, and ORLEN VC.

Net impairment losses on ORLEN's shares in companies in 2025:

	2025		2024	
	Carrying amount of shares after impairment	Net impairment loss	Carrying amount of shares after impairment	Net impairment loss
ORLEN Unipetrol	-	(7,102)	7,102	-
ORLEN Upstream Norway	8,833	(2,319)	11,152	-
ORLEN Lietuva	-	(1,504)	-	(4,005)
Lotos Upstream	1,482	(1,470)	2,952	-
ORLEN Petrobaltic	1,967	(555)	2,522	-
ORLEN Austria	159	(477)	662	-
Anwil*	-	(493)	399	-
S54	-	(144)	-	-
Usługi Logistyczne Group in liquidation	-	-	-	(130)
(Polska Press)	87	-	87	(105)
ORLEN Upstream Polska	2,958	(143)	3,101	(410)
ORLEN Venture Capital	323	(55)	346	-
ORLEN Trading Switzerland GmbH USD	734	-	734	(1,324)
Other	-	(49)	-	-
Total		**(14,311)**		**(5,974)**

** Including PLN (94) million on receivables from declared capital contributions that were paid in January 2026.*

Shares in ORLEN Unipetrol

As at 31 December 2025, an impairment loss of PLN (7,102) million was recognised on ORLEN's shares in ORLEN Unipetrol. The impairment loss arose principally from the specific characteristics of the Czech market, the difficult situation in the petrochemical market, and the assumption that CO_2 emission costs arising under EU ETS 1 could not be passed through to revenue in the medium and long term.

The net carrying amount of the shares as at 31 December 2025, determined under the base case scenario using the discount rates applicable to Czechia – Refining, Petrochemicals, and Retail, was PLN 0 million (Note 10.5.1).
The sensitivity analysis of impairment of the shares in ORLEN Unipetrol, assuming changes in discount rates of ±1 pp and changes in EBITDA of ±5%, indicated no impact on the impairment loss recognised.

Shares in ORLEN Upstream Norway

As at 31 December 2025, an impairment loss of PLN (2,319) million was recognised on ORLEN's shares in ORLEN Upstream Norway. The impairment loss was principally attributable to the progressive depletion of the fields, the challenging macroeconomic environment at the end of 2025, and weaker hydrocarbon price forecasts.

Sensitivity analysis of the value of shares in ORLEN Upstream Norway as at 31 December 2025

		EBITDA	0	0
	change	**-5%**	**0%**	**5%**
DISCOUNT RATE	**-1pp**	*increase in impairment loss* (285)	*decrease in impairment loss* 382	*decrease in impairment loss* 1,049
	0.0pp	*increase in impairment loss* (643)	-	*decrease in impairment loss* 643
	+1pp **0%**	*increase in impairment loss* (971)	*increase in impairment loss* (350)	*decrease in impairment loss* 270

The net carrying amount of the shares as at 31 December 2025, determined on the basis of forward curves as at 31 December 2025 and the discount rate applicable to Norway – Development and Production, was PLN 8,833 million (Note 10.5.1).

(PLN million)

Shares in ORLEN Lietuva
As at 31 December 2025, an impairment loss of PLN (1,504) million was recognised on ORLEN's shares in ORLEN Lietuva. The impairment loss arose principally from capital expenditure incurred on, and delays in the implementation of, the Hydrocracking project.

The net carrying amount of the shares as at 31 December 2025, determined on the basis of scenario analysis using the discount rate applicable to Lithuania – Refining, was PLN 0 million (Note 10.5.1).
The impairment loss on ORLEN's shares in ORLEN Lietuva is not sensitive to changes in the discount rate of ±1 pp or EBITDA of ±5%.

Shares in LOTOS Upstream
As at 31 December 2025, following impairment testing, an impairment loss of PLN (1,470) million was recognised on ORLEN's shares in LOTOS Upstream. The impairment loss arose from a reduction in the Company's operating resources, the remeasurement of the Baltic Gas project, and the payment of a dividend to ORLEN.
The net carrying amount of the shares as at 31 December 2025 was PLN 1,482 million.

Sensitivity analysis of the value of shares in LOTOS Upstream as at 31 December 2025

		EBITDA		
	change	**-5%**	**0%**	**5%**
DISCOUNT RATE	**-1pp**	*decrease in impairment loss* 51	*decrease in impairment loss* 178	*decrease in impairment loss* 306
	0.0pp	*increase in impairment loss* (115)	-	*decrease in impairment loss* 115
	+1pp	*increase in impairment loss* (104)	*increase in impairment loss* (155)	*decrease in impairment loss* 104

The net carrying amount of the shares as at 31 December 2025 was PLN 1,482 million.

Shares in ORLEN Petrobaltic

As at 31 December 2025, following impairment testing, ORLEN recognised an impairment loss of PLN (555) million on its investment in ORLEN Petrobaltic shares, with a corresponding charge to profit or loss. The impairment loss arose principally from the natural depletion of fields and the unfavourable macroeconomic forecasts at the end of 2025.

Sensitivity analysis of the value in use of ORLEN Petrobaltic shares as at 31 December 2025

		EBITDA		
	change	**-5%**	**0%**	**5%**
DISCOUNT RATE	**-1pp**	*increase in impairment loss* (24)	*increase in impairment loss* (74)	*decrease in impairment loss* 172
	0.0pp	*increase in impairment loss* (94)	-	*decrease in impairment loss* 94
	+1pp	*increase in impairment loss* (160)	*increase in impairment loss* (69)	*decrease in impairment loss* 21

The net carrying amount of Petrobaltic shares as at 31 December 2025, determined on the basis of scenario analysis using the discount rate applicable to Poland – Production and Development, was PLN 1,967 million (Note 10.5.1).

Shares in ORLEN Austria
As at 31 December 2025, following impairment testing, ORLEN recognised an impairment loss of PLN (477) million on its investment in ORLEN Austria shares. The impairment loss arose from the revision of assumptions regarding the development of the service-station network, including margin levels and sales volumes on the Austrian market.

(PLN million)

Sensitivity analysis of the value in use of shares in ORLEN Austria as at 31 December 2025

DISCOUNT RATE	EBITDA		
change	-5%	0%	5%
-1pp	*increase in impairment loss* (55)	*decrease in impairment loss* 2	*decrease in impairment loss* 59
0.0pp	*increase in impairment loss* (53)	-	*decrease in impairment loss* 53
+1pp	*increase in impairment loss* (52)	*decrease in impairment loss* (3)	*decrease in impairment loss* 46

The net carrying amount of the shares as at 31 December 2025, determined on the basis of the base case scenario using the discount rate applicable to Austria – Retail, was PLN 159 million (Note 10.5.1).

Shares in Anwil
As at 31 December 2025, following impairment testing, ORLEN recognised an impairment loss of PLN (493) million on its investment in Anwil shares, including PLN (94) million on receivables from declared capital contributions paid in January 2026. The impairment loss arose from the difficult conditions on the petrochemicals market.

Sensitivity analysis of the value in use of shares in Anwil based on the tests performed as at 31 December 2025

DISCOUNT RATE	EBITDA		
change	-5%	0%	5%
-1pp	*decrease in impairment loss* 7	*decrease in impairment loss* 295	*decrease in impairment loss* 582
0.0pp	*increase in impairment loss* (262)	-	*decrease in impairment loss* 262
+1pp	*increase in impairment loss* (491)	*increase in impairment loss* (251)	*decrease in impairment loss* (11)

As at 31 December 2025, the carrying amount of the shares, determined on the basis of the base case scenario using the discount rate applicable to Poland – Petrochemicals, was PLN 0 million (Note 10.5.1).

Shares in S54
As at 31 December 2025, following impairment testing, ORLEN recognised an impairment loss of PLN (144) million on its investment in S54 shares. The impairment loss arose from the difficult conditions on the petrochemicals market.
As at 31 December 2025, the carrying amount of the shares, determined on the basis of the base case scenario using the discount rate applicable to Poland – Petrochemicals, was PLN 0 million (Note 10.5.1).

Shares in ORLEN Upstream Polska
As at 31 December 2025, following impairment testing, ORLEN recognised an impairment loss of PLN (143) million on its investment in ORLEN Upstream Polska shares. The impairment loss arose principally from a change in the level of indebtedness, the fall in hydrocarbon prices observed at the end of 2025, and weaker forecasts for the segment.

Sensitivity analysis of the value in use of shares in ORLEN Upstream Polska as at 31 December 2025

DISCOUNT RATE	EBITDA		
change	-5%	0%	5%
-1pp	*decrease in impairment loss* 80	*decrease in impairment loss* 298	*decrease in impairment loss* 516
0.0pp	*increase in impairment loss* (203)	-	*decrease in impairment loss* 203
+1pp	*increase in impairment loss* (291)	*increase in impairment loss* (92)	*decrease in impairment loss* 106

The net carrying amount of the shares as at 31 December 2025, determined on the basis of the base case scenario using the discount rate applicable to Poland – Petrochemicals, was PLN 2,958 million (Note 10.5.1).

Shares in ORLEN Venture Capital

As at 31 December 2025, following impairment testing, ORLEN recognised an impairment loss of PLN (55) million on its investment in ORLEN Venture Capital shares. The impairment loss arose from the remeasurement of the portfolio of shares held. The net carrying amount of the shares as at 31 December 2025 was PLN 323 million.

Other

As at 31 December 2025, other impairment losses on shares totalled PLN (49) million and related principally to ORLEN Capital, in the amount of PLN (5) million, the investment in Gas-Trading shares, in the amount of PLN (17) million, and ORLEN SPV6, in the amount of PLN (14) million.
As at 31 December 2024, following impairment testing, ORLEN did not recognise any impairment of its investments in other shares.

(PLN million)

10.6. Net working capital

Net working capital

The Company defines net working capital as inventories, excluding mandatory stocks, plus trade receivables, less trade payables.

	Inventories	Trade receivables	Trade payables	Net working capital
31/12/2024 (restated)	**12,779**	**13,268**	**14,547**	**11,500**
31/12/2025	**10,727**	**12,651**	**12,913**	**10,465**
Change in working capital in the statement of financial position	**2,052**	**617**	**(1,634)**	**1,035**
Adjustments	**(39)**	**(571)**	**(3)**	**(613)**
Set-off of receivables against the capital increase in ORLEN Lietuva	*-*	*(578)*	*-*	*(578)*
Other	*(39)*	*7*	*(3)*	*(35)*
Change in working capital in the statement of cash flows	**2,013**	**46**	**(1,637)**	**422**

	Inventories	Trade receivables	Trade payables	Net working capital
31/12/2023 (restated)	**14,598**	**16,044**	**14,853**	**15,789**
31/12/2024 (restated)	**12,779**	**13,268**	**14,547**	**11,500**
Change in working capital in the statement of financial position	**1,819**	**2,776**	**(306)**	**4,289**
Adjustments	**(14)**	**-**	**-**	**(14)**
Other	*(14)*	*-*	*-*	*(14)*
Change in working capital in the statement of cash flows	**1,805**	**2,776**	**(306)**	**4,275**

10.6.1. Inventories

SELECTED ACCOUNTING POLICIES

Inventories comprise finished goods, semi-finished products, work in progress, goods held for resale, and materials.
Inventories also include mandatory stocks under separate regulations, which may be held for periods longer than 12 months. Due to their nature, mandatory stocks are presented within non-current assets.
Finished goods, semi-finished products and work in progress are initially measured at the cost of production. The cost of production comprises input costs, processing costs attributable to the production period for finished goods, semi-finished products and work in progress, and an allocation of fixed and variable indirect costs of production determined at the normal level of capacity utilisation.
As at the reporting date, finished goods, semi-finished products, and work in progress are measured at the lower of the cost of production and net realisable value. Finished goods, semi-finished products, and work in progress issued from inventory are measured using the weighted-average cost of production.
Goods held for resale and materials are initially measured at purchase price. At the reporting date, they are measured at the lower of purchase price and net realisable value. The cost of goods held for resale and materials issued is recognised using the weighted average cost method.
The initial carrying amount of inventories is adjusted for gains and losses on the settlement of cash flow hedging instruments relating to those inventories.
High-methane gas inventories are measured on an aggregate basis across all storage facilities using the weighted-average acquisition cost. Natural gas issued from inventory for sale and own consumption in Underground Gas Storage (UGS) facilities, as well as balancing differences, is measured using the weighted-average acquisition cost, comprising in particular the cost of gas purchased from all sources together with an appropriate portion of system and transaction charges, the actual cost of extraction from domestic sources, the cost of nitrogen removal, and the cost of regasification.

LNG inventories are measured at actual cost of production or purchase price, depending on the source. Purchase price is increased by acquisition costs, including the costs of transporting gas to the storage site (including towing and mooring services, port fees, etc.). LNG inventories are measured using the weighted average method. LNG issued from inventory for sale and consumption (including for regasification) is measured at the average actual unit cost for the reporting period at the respective location.

ESTIMATES

Net realisable value of inventories

If the purchase price or cost of production of inventories cannot be ascertained, the Company recognises inventory write-downs based on estimates of their actual net realisable value. Inventories that have become obsolete, unfit for use or subject to a decline in selling prices are written down to their net realisable value.

At the end of each month, the Company compares the purchase price of inventories (the weighted-average purchase price for a given inventory group) or the cost of production of inventories (the weighted-average cost of production for a given inventory group) with their net realisable value. Net realisable value is determined as the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

In practice, realisable values are determined on the basis of actual selling prices of inventories, both retail and wholesale, from transactions executed on the last day of the month and in the first days of the following month after the date as at which the inventory impairment analysis is prepared, but no later than the date on which the accounting books are closed. This assessment also takes into account the current inventory turnover cycle and the selling prices under contracts in force as at the reporting date.

The value of materials designated for use in the production process is not written down below purchase price if the finished goods in whose production they will be used are expected to be sold at prices equal to or exceeding the estimated cost of production, as determined on the basis of historical data. However, if the cost of production exceeds net realisable value, the value of materials is written down to net realisable value.

For semi-finished products and work in progress, the need for a write-down is assessed by comparing the average cost of production with actual selling prices, reflecting dedicated pricing formulas that reflect the degree of processing relative to finished goods.

Depending on the type of inventory, the Company recognises both item-specific and group-level inventory write-downs.

Item-specific write-downs are recognised when an analysis and comparison indicate that net realisable value is lower than either the purchase price or costs of production of a given inventory item, with the write-down recorded at the amount of the difference. If there is a subsequent change in net realisable value, a write-down is either recognised or reversed to reflect the amount of the change.

Group-level inventory write-downs are applied when similar or related inventory items are grouped based on shared characteristics – for example, belonging to the same product line, having a similar intended use or final application, being produced and sold at the same manufacturing facility, and being impractical to assess separately from other items within the same product line. Such write-downs primarily apply to inventories of crude oil and petroleum products.

At the end of each month, the amount of aggregate inventory write-down for a group of inventories is determined. The change in the group-level inventory write-down at the end of the following reporting period represents one of the following:

- *recognition of a write-down – an increase in the write-down amount compared with the balance at the end of the previous reporting period;*
- *reversal of a write-down – a reduction in the write-down amount compared with the balance at the end of the previous reporting period;*
- *utilisation of a write-down – a reduction in the write-down amount due to the use, sale, or disposal of the inventory items for which the write-down was originally recognised.*

The recognition and reversal of inventory write-downs, both item-specific and group-level, are recorded under cost of sales.

For gas inventories held for sale, the carrying amount is compared with its expected realisable value, based on data from executed gas sales contracts, forecast sales volumes, and forecast selling prices on the Polish Power Exchange (TGE), specifically the forward monthly contract prices for the next 12 months. Using contract data and monthly sales forecasts for a one-year period, a weighted average selling price is calculated, based on planned and contracted sales volumes for each month. If the forecast revenue so determined is lower than the carrying amount, as at the reporting date, of gas inventories held in storage for sale, an inventory write-down is recognised in the amount of the difference between those values and charged to cost of sales.

The Company classifies stand-by spare parts as inventories unless they meet the criteria for recognition as property, plant and equipment under IAS 16 and the Company's policy for the capitalisation of significant components. Under this policy, the materiality threshold for spare parts has been set at PLN 100,000. Stand-by spare parts with a value equal to or above that threshold are assessed to determine whether they meet the capitalisation criteria set out in IAS 16. Accordingly, stand-by spare parts recognised as inventories are, in particular, those of immaterial value, those not subject to regular replacement, or those whose use does not increase the future economic benefits from the related item of property, plant and equipment relative to the assumptions adopted on its initial recognition. The costs of stand-by spare parts recognised as inventories are recognised in profit or loss when consumed, as costs of the routine maintenance of property, plant and equipment.

(PLN million)

	31/12/2025	31/12/2024 (restated)
Materials, including:	7,953	9,548
crude oil	*3,530*	*4,308*
gaseous fuel	*2,594*	*3,025*
Semi-finished goods and work in progress	824	995
Finished goods	1,464	1,825
Goods held for resale	486	411
Net current inventories	**10,727**	**12,779**
Net non-current inventories (mandatory stocks)	**8,470**	**9,789**
Total net inventories	**19,197**	**22,568**
Inventory write-downs to net realisable value	110	76
Gross inventories	**19,307**	**22,644**

Mandatory stocks represent specified quantities of crude oil, petroleum products and natural gas that the ORLEN required to maintain to ensure energy security. Their primary purpose is to secure the supply of energy commodities in the event of market disruptions or crisis situations.

The obligation to maintain mandatory stocks in Poland arises under the Act of 16 February 2007 on Stocks of Crude Oil, Petroleum Products and Natural Gas, and the Principles of Conduct in Situations Threatening State Fuel Security and Disruptions to the Oil Market.

Under those regulations, mandatory stocks may be released only on the instruction of the minister responsible for energy, in specified circumstances such as:
- declaration of a state of emergency;
- disruptions to the supply of energy commodities;
- other situations threatening the State's energy security.

In practice, this means that ORLEN may not freely dispose of these stocks, and their use is strictly regulated by the relevant state authorities. Furthermore, the Company is required to replenish any mandatory stocks consumed within a specified period, which gives rise to additional costs and logistical obligations.
Inventories recognised as an expense in 2025 and 2024 amounted to PLN 141,525 million and PLN 135,794 million, respectively, and were included in cost of sales.

Change in inventory write-downs to net realisable value

	2025	2024
At the beginning of the period	76	96
Increase	347	340
Decrease	(313)	(360)
	110	**76**

10.6.2. Trade receivables

SELECTED ACCOUNTING POLICIES

Upon initial recognition, the Company measures trade receivables that do not contain a significant financing component at their transaction price. After initial recognition, those receivables – other than the portfolio of receivables designated for full non-recourse factoring within the limit granted to the Company – are measured at amortised cost, less expected credit loss allowances. Receivables designated for full non-recourse factoring are measured at fair value through profit or loss.
The Company applies measurement simplifications to receivables measured at amortised cost where this does not distort the information presented in the statement of financial position, in particular where the period until settlement of the receivable is not long.
Receivables measured at amortised cost to which the Company applies such simplifications are initially recognised at the amount of consideration due and, subsequently, including at the reporting date, are measured at the amount of consideration due less impairment allowances for expected credit losses.

ESTIMATES

Impairment of trade and other receivables

(PLN million)

The Company considers a credit event (i.e. an assumption that the counterparty will fail to meet its obligation) to have occurred where payment is more than 90 days past due from the receivable's due date, there is a high probability of insolvency, the counterparty is subject to bankruptcy or restructuring proceedings, there is an ongoing legal dispute as to the amount or validity of the claim underlying the receivable, or other qualitative factors indicate an inability to settle all financial obligations in full.

For selected trade receivables assessed on an individual basis, the Company uses credit default swap (CDS) quotations for entities with a given credit rating and sector classification, applying them to the expected future cash flows of the asset concerned. The individual approach is applied to so-called key counterparties, for which the Company's exposure arising from trade receivables is significant relative to the overall trade receivables portfolio, or which are subject to individual assessment due to the specific characteristics of the counterparty, its country of operation or its business sector. An exposure arising from trade receivables is considered material if it accounts for 1% or more of the Company's total trade receivables portfolio, provided that this share represents a material value within the overall portfolio.

The Company incorporates forward-looking information into the parameters applied in its expected credit loss model, including under the provision matrix approach, by applying management overlays to baseline probability of default (PD) rates. In this respect, the Company takes into account changes in macroeconomic data such as GDP growth, the inflation rate, the unemployment rate and stock market indices (including the WIG index) and, if they deteriorate significantly compared with the previous period, assesses whether it is necessary to reflect an additional risk factor in the calculation of expected credit losses in light of the economic environment and forward-looking forecasts. As at 31 December 2025, the Company did not identify any indicators requiring revision of the assumptions adopted for the measurement of expected credit losses.

Expected credit losses are calculated at the time a receivable is recognised in the statement of financial position and are subsequently updated at each reporting date, based on the number of days past due. For counterparties assessed individually, credit exposure is reduced by collateral held against the specific financial asset, reflecting the assumed recovery rate. Expected credit losses for individual exposures are determined on a counterparty-specific basis, using the loss given default (LGD) parameter with forecast loss rates derived from external reports, and current probability of default (PD) levels implied by market quotations for CDS instruments (forward-looking), taking into account the counterparty's current rating and sector.
The expected credit loss calculated on initial recognition of trade receivables, and any subsequent increase in expected credit loss, is recognised in profit or loss.

	31/12/2025	31/12/2024 (restated)
Trade receivables from contracts with customers	10,949	12,988
Trade receivables within non-recourse factoring limit	1,622	218
Other	80	62
Net trade receivables	**12,651**	**13,268**
Expected credit loss	536	437
Gross trade receivables	**13,187**	**13,705**

The Company has active full (non-recourse) factoring agreements in place for the sale of trade receivables. Receivables presented under trade receivables within the non-recourse factoring limit represent the amount of receivables eligible for sale to the factor within the limit available as at the reporting date.
A breakdown of trade receivables denominated in foreign currencies is set out in Note 12.1.2. Details of receivables from related parties are set out in Note 13.7.2.
The Company has not identified any material trade receivables falling due more than 12 months after the reporting date.

10.6.2.1. Change in expected credit loss on trade receivables

	NOTE	2025	2024 (restated)
At the beginning of the period		437	346
Recognition	*9.6*	716	358
Reversal	*9.6*	(601)	(262)
Utilisation		(8)	(20)
Other		(8)	15
		536	**437**

(PLN million)

10.6.2.2. Ageing analysis of trade receivables and expected credit loss

31 December 2025

	Trade receivables – gross value	Expected credit loss (lifetime)	Weighted average expected credit loss rate	Trade receivables – net value
not past due	12,521	139	0.0111	12,382
past due by 1 to 30 days	125	3	0.0240	122
past due by 31 to 60 days	28	1	0.0357	27
past due by 61 to 90 days	23	2	0.0870	21
past due by more than 90 days	490	391	0.7980	99
	13,187	**536**		**12,651**

31 December 2024

	Trade receivables – gross value	Expected credit loss (lifetime)	Weighted average expected credit loss rate	Trade receivables – net value
not past due	12,877	39	0.0030	12,838
past due by 1 to 30 days	282	1	0.0035	281
past due by 31 to 60 days	101	59	0.5842	42
past due by 61 to 90 days	33	-	-	33
past due by more than 90 days	412	338	0.8204	74
	13,705	**437**		**13,268**

(restated)

For more information on credit risk, see Note 12.1.4.

10.6.3. Trade payables

SELECTED ACCOUNTING POLICIES

Liabilities
Trade payables are measured at the date they arise at fair value and subsequently at amortised cost using the effective interest method.
The Company applies simplified measurement approaches to financial liabilities measured at amortised cost where this does not give rise to distortion of the information presented in the statement of financial position, in particular where the time to settlement is short. Financial liabilities to which the Company applies those simplifications are measured on initial recognition and subsequently, including at the reporting date, at the amount payable. Other non-financial liabilities are measured at the amount payable.

	31/12/2025	31/12/2024 (restated)
Trade payables	9,614	10,569
Outstanding liability to GAZPROM	3,178	3,619
Other	121	359
Trade payables	**12,913**	**14,547**

A breakdown of trade payables denominated in foreign currencies is set out in Note 12.1.2. Details of liabilities to related parties are set out in Note 13.7.2.
As at 31 December 2025 and 31 December 2024, the Company had no material overdue liabilities, except for unsettled liabilities to GAZPROM arising mainly from sanctions imposed on Russia.

(PLN million)

10.7. Cash

SELECTED ACCOUNTING POLICIES

Cash comprises cash on hand, cash in bank accounts, and cash in transit.
The cash balance presented in the statement of cash flows corresponds to the components classified above as cash in the statement of financial position.
The Company classifies cash as financial assets measured at amortised cost, subject to impairment allowances determined in accordance with the expected credit loss model.

	31/12/2025	31/12/2024
Cash on hand and in bank	20,129	1,368
	20,129	**1,368**
including restricted cash	109	293

Cash at bank principally comprises negotiated deposits with maturities of three months or less. Additional information on the concentration of cash and the methods used to invest the Company's cash surpluses is set out in Note 12.1.4.
Restricted cash principally comprises funds held in VAT accounts under the split payment mechanism and margin deposits securing commodity exchange transactions, including those on the Polish Power Exchange (TGE).

10.8. Borrowings and bonds

SELECTED ACCOUNTING POLICIES

At initial recognition, all borrowings and bonds are recorded at fair value, net of transaction costs and any discounts or premiums. Subsequently, they are measured at amortised cost using the effective interest method.

	Non-current		Current		Total	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Bank borrowings	4,235	5,910	195	1,509	4,430	7,419
Non-bank borrowings	9	578	679	142	688	720
Bonds	14,126	5,224	229	1,070	14,355	6,294
	18,370	**11,712**	**1,103**	**2,721**	**19,473**	**14,433**

In 2025, as part of cash flows from financing activities, the Company made drawdowns and repayments of loans and borrowings under available credit facilities in a total amount of PLN 2,830 million and PLN (5,784) million, respectively. The decrease in the Company's debt under bank borrowings as at 31 December 2025 was mainly attributable to repayment of a syndicated credit facility of PLN (2,500) million.

During the 12 months of 2025, the Company raised funds in connection with the following bond issuances carried out by ORLEN:
- On 30 January 2025, ORLEN issued Series C bonds with a nominal value of USD 1,250 million, which as at 31 December 2025 represented the equivalent of PLN 4,502 million. The proceeds from the issue will be used to finance ongoing operations, including the implementation of investment plans set out in the ORLEN Group Strategy.
- On 2 July 2025, ORLEN issued Series D bonds with a nominal value of EUR 600 million, which as at 31 December 2025 represented the equivalent of PLN 2,536 million. The bonds qualify as green bonds, and the proceeds from the issue will be used to finance projects in three eligible categories – renewable energy, energy efficiency and clean transport – in accordance with the green and sustainable finance principles set out in the Green Finance Framework.
- On 23 December 2025, ORLEN issued Series E bonds with a nominal value of PLN 2,000 million. The proceeds from the issue will be used to finance ongoing operations, including the implementation of investment plans set out in the ORLEN Group Strategy.

Cash flows from the Series C and Series D issues are presented net of discounts.
On 19 December 2025, Series C bonds under the non-public domestic bond programme with a nominal value of PLN 1,000 million were redeemed.

10.8.1. Bank borrowings

disaggregated by currency (translated into PLN)/by type of interest rate

	31/12/2025	31/12/2024
PLN – WIBOR	1,981	3,831
EUR – EURIBOR	1,686	2,816
EUR – fixed interest rate	763	772
	4,430	**7,419**

As at 31 December 2025, total undrawn committed credit facilities (Note 12.1.4), together with trade receivables (Note 10.6.2) and cash (Note 10.7), exceeded trade payables (Note 10.6.3) by PLN 45,584 million.
As at 31 December 2025, all three financing agreements between ORLEN and the European Investment Bank (EIB), totalling PLN 3,500 million and signed to finance the strategic programme for the modernisation of the electricity distribution network implemented by Energa-Operator S.A., remained drawn and active. The funds will be used for capital projects aimed at strengthening the security and efficiency of electricity supply, including the connection of renewable energy sources. The financing has a 15-year tenor and takes the form of an amortising investment loan.
During the reporting period, and after the reporting date, there were no instances of non-payment of principal or interest, or breaches of other terms of loan agreements. Under most of the Company's credit facility agreements, a single covenant has been defined: the net debt-to-EBITDA ratio before net impairment (impairment losses and reversals thereof), adjusted for exclusions in accordance with the definitions of the individual components set out in the credit facility agreements. As at 31 December 2025, the level of that covenant complied with the requirements set out in the credit agreements.
A portion of the Company's borrowings is secured on assets. The security relates to joint operation loans. The granting of such security gives rise to specific contractual obligations, including the requirement to maintain appropriate level of financial ratios. The existence of these security arrangements restricts the Company's ability to freely dispose of the relevant assets, in particular to sell them, create further security over them, or use them as collateral for other creditors without the consent of the financing institution.
Detailed information on security for the repayment of liabilities is presented in the table below.

Type of collateral	Collateralised asset	Carrying amount of collateralised asset (PLN million)	Principal terms and restrictions
Powers of attorney over bank accounts	Cash held in bank accounts	23	the terms and restrictions applied are those customary for standard bank financing arrangements

The amounts presented in the table correspond to the carrying amounts of the pledged assets as at the reporting date. The Company did not identify any breaches of the terms governing the establishment of collateral during the reporting period.

10.8.2. Non-bank borrowings

disaggregated by currency (translated into PLN)/by type of interest rate

	31/12/2025	31/12/2024
EUR – fixed interest rate	571	577
PLN – fixed interest rate	10	11
EUR – EURIBOR	-	9
USD – SOFR	107	123
	688	**720**

As at 31 December 2025, the Company had intra-group loans received from ORLEN Capital AB and ORLEN Insurance.
During the reporting period, and after the reporting date, there were no instances of non-payment of principal or interest, or breaches of other terms of loan agreements.

10.8.3. Bonds

	Issuer	Nominal value (million)	Nominal value PLN	Carrying amount PLN	Subscription date	Maturity date	Interest basis	Rating
Non-public bond issue programme since 2006								
Series D	ORLEN S.A.	PLN 1,000	1,000	1,004	25.03.2021	25.03.2031	Fixed interest rate 2.875%	-
Series E	ORLEN S.A.	PLN 2,000	2,000	2,002	23.12.2025	09.12.2032	6M WIBOR + 1%	BBB+, AA+(pol)
Domestic bonds			**3,000**	**3,006**				
Euro Medium Term Note Programme (GMTN Programme)								
Series A 'Green Bonds'	ORLEN S.A.	EUR 500	2,113	11,349	27.05.2021	27.05.2028	Fixed interest rate 1.125%	BBB+, A3
Series B	ORLEN S.A.	EUR 500	2,113		13.07.2023	13.07.2030	Fixed interest rate 4.75%	BBB+, A3
Series C	ORLEN S.A.	USD 1,250	4,502		30.01.2025	30.01.2035	Fixed interest rate 6%	BBB+, A3
Series D "Green Bonds"	ORLEN S.A.	EUR 600	2,536		02.07.2025	02.07.2032	Fixed interest rate 3.625%	BBB+, A3
Foreign bonds			**11,264**	**11,349**				
			14,264	**14,355**				

The nominal value of the bonds was translated using the exchange rate quoted as at 31 December 2025.

disaggregated by currency (translated into PLN)

	31/12/2025	31/12/2024
PLN	3,006	2,004
USD	4,538	-
EUR	6,811	4,290
	14,355	**6,294**

- by type of interest rate

	Fixed-rate bonds		Floating-rate bonds		Total	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Nominal value	12,264	5,274	2,000	1,000	14,264	6,274
Carrying amount	12,353	5,293	2,002	1,001	14,355	6,294

The difference between the nominal value of the bonds and their carrying amount arises from the measurement of the bonds at amortised cost using the effective interest method.
In January 2025, in connection with the issuance of fixed-rate USD-denominated bonds, the Company entered into cross-currency interest rate swap (CCIRS) transactions. Details of the derivative transactions are set out in Note 9.5.
ORLEN's Series D domestic bonds, with a nominal value of PLN 1,000 million, were issued as sustainability-linked bonds, the structure of which incorporates the ESG rating. ESG ratings are assigned by independent agencies and assess the ability of a company or an industry to achieve long-term sustainable development, taking into account three principal non-financial factors: environmental, social, and governance. In environmental matters, key considerations include product emissions and carbon footprint, environmental pollution, the use of natural resources, and the deployment of green technologies.
The fixed interest rate on these bonds depends on the ESG rating, which periodically measures ORLEN's exposure to defined ESG risks and ORLEN's management of those risks. The most recent ESG rating assessment conducted by MSCI ESG Research Limited in the first quarter of 2025 maintained ORLEN's ESG rating at A, thereby allowing the bond issuance terms to remain at the base level for the next/upcoming interest period, i.e. 2.875% per annum. If the rating is downgraded to BBB, or to BB or below, the interest rate will increase by 10 and 20 basis points per annum, respectively, in the relevant interest periods.
ORLEN's Series A and Series D foreign bonds, with a total nominal value of EUR 1,100 million, were issued as green bonds to finance projects supporting environmental protection and climate objectives. In June 2025, the Green Finance Framework was updated and published on ORLEN's website (https://www.orlen.pl/pl/zrownowazony-rozwoj/zielone-finansowanie). The framework received a very good Sustainability Quality Score of SQS2 from Moody's Ratings.

All series of foreign bonds were admitted to trading on the regulated market operated by Euronext Dublin. Series A, B, and D of the foreign bonds are listed on the regulated market of the Warsaw Stock Exchange (WSE), while Series E of the domestic bonds has been listed on the Alternative Trading System (ASO) operated by the WSE since 26 January 2026.

(PLN million)

10.9. Net debt and capital management

10.9.1. Change in financing liabilities and net debt

	Borrowings	Bonds	Cash	Net debt	Leases	Cash pool	Liabilities from financing activities
	(A)	(B)	(C)	(A + B - C)	(D)	(E)	(A + B +D + E)
01/01/2025	8,139	6,294	1,368	**13,065**	3,430	6,545	**24,408**
Cash changes							
net inflows/(outflows)	*(2,954)*	*8,508*	*18,792*	***(13,238)***	*(521)*	*5,053*	***10,086***
interest and fees paid	*(179)*	*(375)*	*-*	***(554)***	*(156)*	*(536)*	***(1,246)***
Non-cash changes							
foreign exchange differences	*(55)*	*(616)*	*(31)*	***(640)***	*(14)*	*(212)*	***(897)***
debt measurement	*167*	*544*	*-*	***711***	*161*	*972*	***1,844***
new lease contracts and increase in lease payments	*-*	*-*	*-*	***-***	*798*	*-*	***798***
*other**	*-*	*-*	*-*	***-***	*(262)*	*-*	***(262)***
31/12/2025	**5,118**	**14,355**	**20,129**	**(656)**	**3,436**	**11,822**	**34,731**

	Borrowings	Bonds	Cash	Net debt	Leases	Cash pool	Liabilities from financing activities
	(A)	(B)	(C)	(A + B - C)	(D)	(E)	(A + B +D + E)
01/01/2024	6,295	6,361	2,854	**9,802**	3,381	7,732	**23,769**
Cash changes							
net inflows/(outflows)	*1,901*	*-*	*(1,468)*	***3,369***	*(434)*	*(1,163)*	***304***
interest and fees paid	*(156)*	*(226)*	*-*	***(382)***	*(160)*	*(423)*	***(965)***
Non-cash changes							
foreign exchange differences	*(32)*	*(78)*	*(18)*	***(92)***	*(15)*	*21*	***(104)***
debt measurement	*131*	*237*	*-*	***368***	*161*	*378*	***907***
new lease contracts and increase in lease payments	*-*	*-*	*-*	***-***	*526*	*-*	***526***
*other**	*-*	*-*	*-*	***-***	*(29)*	*-*	***(29)***
31/12/2024	**8,139**	**6,294**	**1,368**	**13,065**	**3,430**	**6,545**	**24,408**

** Other non-cash changes primarily comprise terminations and accrued lease charges, the majority of the latter having been paid and reflected in cash flows under net inflows.*

Net debt is defined as long-term and short-term borrowings and bonds, less cash and cash equivalents and short-term deposits. For liquidity management purposes, the ORLEN Group operates domestic and international cash pooling systems designed to optimise the overall finance costs of the Group.
The Company acts as the agent for these cash pooling arrangements, in which ORLEN Group companies participate. Participation in the cash pooling structures can result in positive or negative balances for individual participants on individual days in the reporting period. For presentation purposes in the separate financial statements, balances arising from transactions within the cash pooling structures at the reporting date are recognised as financial assets or financial liabilities due from or to subsidiaries, and related interest income and interest expense are recognised as finance income and finance costs, respectively. In the preparation of the statement of cash flows, interest received is presented as part of investing activities, whereas interest paid is presented as part of financing activities. Cash flows arising from transfers of surplus cash into the cash pool are classified as investing activities, while cash flows associated with funding cash deficits from the cash pool are presented as financing activities. Given the short-term settlement periods, these cash flows are presented on a net basis, separately within investing or financing activities, as appropriate.
Funds transferred from the accounts of cash pool participants holding end-of-day surpluses are not classified as cash equivalents as defined by IAS 7 *Statement of Cash Flows*. Considering the operational terms of the cash pooling systems within the ORLEN Group, there is insufficient basis to classify participants' cash balances as cash assets in bank accounts.
The primary rationale for classifying cash balances within the cash pooling arrangements as other financial assets or other financial liabilities is the fact that the Company is not independent from the entities participating in these structures. Funds deposited in participants' accounts through the ORLEN Group's cash pooling systems become the property of the Agent (ORLEN); however, participants retain the right to freely use these funds up to the cumulative balance amount. Depending on the specific type of cash pooling structure, accumulated funds are either returned in the morning to the participant's account (physical cash pooling) or held for settlement through bank system entries (notional cash pooling).

10.9.2. Equity management policy

The objective of capital management is to ensure financial security while maximising returns for shareholders from ORLEN's operations, in particular by:
- setting and enforcing, at a strategic level, minimum required rates of return for individual investments, reflecting their fit with the Company's strategic pillars and their contribution to reducing the Company's emission intensity;
- openness to cooperation with third parties through investment partnerships to mitigate business risk and secure technological, organisational, or capital support for the relevant projects;
- ensuring access to liquidity for Group companies and developing an efficient liquidity distribution framework within the Group;
- diversifying sources of external financing and maintaining their long maturity, including both bank and non-bank sources.

These activities are carried out through ongoing monitoring of:
- capital expenditure and the project portfolio to assess projected profitability and maintain cost control;
- the covenant levels set out in ORLEN's credit facility agreements (Note 10.8.1);
- ORLEN's investment-grade rating.

Additionally, the ORLEN Group's Strategy 2035, announced in January 2025, links the dividend amount to operating cash flows generated. The new dividend policy assumes a dividend payment of no more than 25% of operating cash flows in a given financial year, less financing costs. At the same time, the amount of payment per share will not be lower than its guaranteed level, which in 2025 is PLN 4.50 per share. In addition, the dividend policy provides for an annual increase in the guaranteed dividend of PLN 0.15 per share.
The Management Board's recommendations regarding the proposed coverage of the loss and dividend payment are set out 10.10.5. and 10.10.6.

(PLN million)

10.10.Equity

SELECTED ACCOUNTING PRINCIPLES

Share capital
Share capital represents capital contributed by shareholders, recognised at nominal value in accordance with the Parent's articles of association and as recorded in the National Court Register.
As at 31 December 1996, in accordance with IAS 29.24–25, share capital was restated using monthly consumer price indices.
Share premium
Share premium consists of the excess of the issue price of shares over their nominal value, net of issuance costs. As at 31 December 1996, in accordance with IAS 29.24–25, share premium was restated using monthly consumer price indices.
Other components of equity, including:
- *Hedging reserve*

The reserve comprises the measurement and settlement of hedging instruments designated in cash flow hedge accounting.
- *Costs of hedging*
- *This item comprises the cumulative change in the fair value of the costs of hedging recognised in accordance with hedge accounting principles, in particular the change in the forward element of derivative instruments used to hedge currency risk, in respect of spot-rate risk.*
- *Fair value reserve*

The fair value reserve includes changes in the fair value of financial assets measured at fair value through other comprehensive income, and differences between the net carrying amount and the fair value of investment properties on their reclassification from owner-occupied property to investment property.
Retained earnings comprise:
- *reserve capital, created and used in accordance with the Polish Commercial Companies Code,*
- *actuarial gains and losses on post-employment benefits,*
- *profit or loss for the current reporting period,*
- *other reserves, created and used in accordance with applicable law.*

Under the Act of 15 September 2000 – the Commercial Companies Code, the Company is required to appropriate at least 8% of profit for a given financial year to reserve capital until that reserve capital reaches at least one-third of the registered share capital. These amounts are not distributable and may be used solely to cover any loss disclosed in the financial statements.
As at 31 December 2025, reserve capital arising from the mandatory appropriation made by the Company amounted to PLN 658 million (recognised within retained earnings).
Earnings/(loss) per share
Earnings/(loss) per share is calculated by dividing the profit or loss for the period attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the period. Diluted earnings/(loss) per share for each period is determined by dividing the net profit/(loss) for the period, adjusted for changes in profit/(loss) resulting from the conversion of potential ordinary shares into ordinary shares, by the adjusted weighted average number of ordinary shares. As the Company has no dilutive instruments, diluted earnings per share is equal to basic earnings per share.

10.10.1. Share capital

	31/12/2025	31/12/2024
Share capital	1,451	1,451
Adjustment for share capital restatement	523	523
	1,974	**1,974**

The share capital of ORLEN, as recorded in the National Court Register as at 31 December 2025 and 31 December 2024, was divided into 1,160,942,049 ordinary shares with a nominal value of PLN 1.25 per share.

Number of shares issued						
Series A	**Series B**	**Series C**	**Series D**	**Series E**	**Series F**	**Total**
336,000,000	6,971,496	77,205,641	7,531,924	198,738,864	534,494,124	**1,160,942,049**

Each new issue of shares in Poland is designated as the next series in sequence. All shares in the above series carry the same rights.

(PLN million)

Shareholder structure

	Number of shares / voting rights	% ownership interest
State Treasury	579,310,079	49.90%
Nationale-Nederlanden OFE*	60,004,000	5.17%
Other	521,627,970	44.93%
	1,160,942,049	**100.00%**

** In accordance with information from the Extraordinary General Meeting of ORLEN S.A. held on 13 November 2025, continued after a break in the proceedings announced on 28 October 2025.*

10.10.2. Share premium

	31/12/2025	31/12/2024
Share premium	46,288	46,288
Issuance costs	(52)	(52)
Adjustment for restatement of share premium	169	169
	46,405	**46,405**

10.10.3. Other components of equity

	31/12/2025	31/12/2024
Hedging reserve	2,481	714
Costs of hedging	895	245
Fair value reserve	(186)	13
	3,190	**972**

10.10.4. Retained earnings

	31/12/2025	31/12/2024 (restated)
Reserve capital	81,039	84,060
Other reserves	806	806
Equity arising from business combinations	(148)	(140)
Actuarial gains and losses	(105)	(78)
Net profit/(loss) for the period	(7,918)	5,237
Retained earnings	174	(1,119)
	73,848	**88,766**

10.10.5. Dividend for 2025

As at the date of authorisation for issue of these separated financial statements, the ORLEN Management Board is preparing its recommendation on the payment of a dividend for 2025.
The decision on the dividend payment will be taken by the shareholders at the Annual General Meeting in 2026.

10.10.6. Dividend for 2024

The Annual General Meeting of ORLEN held on 5 June 2025 resolved to allocate PLN 6,965,652,294 for dividend payment, representing PLN 6.00 per share. 14 August 2025 was the dividend record date, and the dividend was paid on 1 September 2025.

10.10.7. Earnings per share

	2025	2024 (restated)
Net profit/(loss)	(7,918)	5,237
Number of shares	1,160,942,049	1,160,942,049
Basic earnings/(loss) per share and diluted earnings/(loss) per share (PLN per share)	(6.82)	4.51

10.11.Other financial assets and liabilities

SELECTED ACCOUNTING POLICIES

The Company recognises a financial asset or financial liability in its statement of financial position when, and only when, it becomes a party to the contractual provisions of the instrument. A financial asset is derecognised from the statement of financial position when:
- *the contractual rights to the cash flows from the financial asset expire, or*
- *The Company transfers the financial asset to another entity, and the transfer qualifies for derecognition.*

A financial liability is derecognised from the statement of financial position when the obligation is extinguished – that is, when the contractual obligation is satisfied, cancelled or expires.

Measurement of financial assets and liabilities

On initial recognition, the Company measures financial assets or financial liabilities, other than those classified as measured at fair value through profit or loss (i.e. held for trading), at fair value plus transaction costs directly attributable to the acquisition or issue of the financial asset or financial liability. The Company does not classify instruments as measured at fair value through profit or loss on initial recognition, i.e. it does not apply the fair value option.

At the reporting date, the Company measures financial assets and financial liabilities at amortised cost using the effective interest method, except for derivative instruments, which are measured at fair value.

In respect of equity instruments, in particular listed and unlisted shares, held both to collect contractual cash flows that are solely payments of principal and interest and for sale, the Company classifies those instruments as measured at fair value through other comprehensive income.

Derivative financial instruments not designated for hedge accounting

Forward contracts for the purchase of non-financial assets, entered into and held with the intention of settling those transactions through physical delivery of the assets for the Company's own use, are not measured at the reporting date.

Derivative financial instruments entered into to hedge the Company's risk, but not constituting hedging instruments for the purposes of hedge accounting, are classified as financial assets or financial liabilities measured at fair value through profit or loss. Gains and losses arising from changes in the fair value of derivative instruments that do not qualify for hedge accounting are recognised in profit or loss for the reporting period.

Such instruments constitute economic hedges. The Company also engages in speculative transactions; however, these transactions are strictly controlled and subject to risk limits.

Derivative instruments classified as measured at fair value through profit or loss also include derivative instruments for which the hedging relationship has been discontinued.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses (ECLs) on financial assets measured at amortised cost or at fair value through other comprehensive income (FVOCI), excluding investments in equity instruments.

Expected credit losses represent credit losses weighted by the probability of default. The Company applies the following models to determining impairment allowances:
- *General model*

The Company applies the general model to financial assets measured at amortised cost, debt instruments measured at fair value through other comprehensive income (FVOCI), and issued contingent liabilities of a financial nature, such as guarantees and sureties, where, as at the date of preparation of the financial statements, there is a recognised liability secured by such an instrument.

Under the general model, the Company monitors changes in credit risk associated with a given financial asset and classifies financial assets into one of three stages for the determination of the loss allowance, based on observed changes in credit risk relative to initial recognition.

Depending on the stage, the loss allowance for expected credit losses is estimated on either a 12-month or lifetime basis (Stage 1: 12-month ECL; Stages 2 and 3: lifetime ECL).

At each reporting date, the Company assesses whether there are indicators that financial assets should be reclassified between impairment stages, including a change in the debtor's credit rating, serious financial difficulties of the debtor, or a significant adverse change in its economic, legal, or market environment.

Expected credit loss is determined on the basis of current probability of default (PD) levels implied by market CDS quotations for entities with a given rating in a given sector, applied to the expected future cash flows of the asset concerned.
- *Simplified model*

The Company applies the simplified model to trade receivables.

Under the simplified model, the Company does not monitor changes in credit risk over the life of the instrument and estimates expected credit loss over the horizon to the instrument's maturity. Details of the simplified model calculation methodology are described in Note 10.6.2.

(PLN million)

PROFESSIONAL JUDGMENT

Financial instruments

The Management Board exercises judgement in classifying financial instruments, in assessing the nature and extent of risks associated with financial instruments, and in applying hedge accounting. The Company classifies financial instruments into categories based on an assessment of the business model, taking into account the purpose of their acquisition, the nature of the instruments, and the contractual cash flow characteristics.

10.11.1. Other financial assets

As at 31 December 2025 and 31 December 2024, in addition to trade receivables (Note 10.6.2) and cash and cash equivalents (Note 10.7), the Company also held the other financial assets presented in the table below.

	Non-current		Current		Total	Total
	31/12/2025	31/12/2024 (restated)	31/12/2025	31/12/2024 (restated)	31/12/2025	31/12/2024 (restated)
Hedging instruments						
Hedging instruments in cash flow hedges						
currency forwards	*1,269*	*895*	*382*	*173*	*1,651*	*1,068*
commodity swap	*665*	*-*	*155*	*85*	*820*	*85*
CO_2 commodity futures	*234*	*66*	*659*	*307*	*893*	*373*
	2,168	***961***	***1,196***	***565***	***3,364***	***1,526***
Financial assets measured at fair value through profit or loss, including:						
Derivative financial instruments not designated in hedge accounting relationships	158	443	1,689	535	1,847	978
currency forwards	*158*	*382*	*495*	*285*	*653*	*667*
commodity swaps	*-*	*-*	*1,193*	*58*	*1,193*	*58*
interest rate swaps	*-*	*-*	*-*	*2*	*-*	*2*
commodity forwards, including:	*-*	*61*	*1*	*190*	*1*	*251*
electricity	*-*	*-*	*-*	*1*	*-*	*1*
natural gas	*-*	*61*	*1*	*189*	*1*	*250*
Derivative instruments in fair value hedges	-	-	-	3	-	3
commodity swaps	*-*	*-*	*-*	*3*	*-*	*3*
Other	3	4	-	-	3	4
	2,329	***1,408***	***2,885***	***1,103***	***5,214***	***2,511***
Financial assets measured at fair value through other comprehensive income						
Listed shares	26	25	-	-	26	25
Unlisted shares	1	256	-	-	1	256
	27	***281***	***-***	***-***	***27***	***281***
Financial assets measured at amortised cost						
Sale of non-financial non-current assets	*68*	*9*	*185*	*10*	*253*	*19*
*Receivables from settled derivative instruments***	*-*	*-*	*224*	*85*	*224*	*85*
Cash pool	*-*	*-*	*3,558*	*8,870*	*3,558*	*8,870*
Collateral and margin deposits	*-*	*-*	*160*	*921*	*160*	*921*
Loans	*17,765*	*19,587*	*3,811*	*3,912*	*21,576*	*23,499*
Acquired securities	*303*	*288*	*8*	*8*	*311*	*296*
Restricted cash	*185*	*182*	*23*	*25*	*208*	*207*
Financing assets	*434*	*496*	*81*	*85*	*515*	*581*
Other	*19*	*27*	*75*	*515*	*94*	*542*
	18,774	**20,589**	**8,125**	**14,431**	**26,899**	**35,020**
Other assets	**21,130**	**22,278**	**11,010**	**15,534**	**32,140**	**37,812**

* Also includes derivatives as part of centralised risk management framework
** Also includes receivables from settled derivative instruments as part of centralised risk management framework

As at 31 December 2025 and 31 December 2024, the Company held margin deposits not qualifying as cash equivalents in respect of the settlement of commodity transactions and the hedging of commodity risk on commodity exchanges (principally ICE and TGE). The amount of the margin deposits depends on the mark-to-market value of the portfolio of unsettled transactions and on market prices of the underlying products, and is updated on an ongoing basis. The key factor driving the change in their value was the movement in the market price of CO_2 emission allowances relative to the transaction price.

As at 31 December 2025 and 31 December 2024, loans amounted to PLN 21,576 million and PLN 23,499 million respectively, comprising mainly intra-group loans to ORLEN Group companies consolidated using the full consolidation method, of PLN 20,720 million and PLN 22,283 million respectively, and loans to other companies, principally Baltic Power, accounted for using the equity method, of PLN 679 million and PLN 645 million respectively. The loans were granted for general corporate and investment purposes. Other loans were granted under the employee loan programme. The principal change arose from an impairment loss of PLN (422) million recognised on loans granted to Grupa Azoty Polyolefins S.A.

(PLN million)

10.11.1.1 . Impairment loss on other financial assets

	2025	2024
Impairment loss on other receivables	55	90
Impairment loss on other non-current assets	2,066	458
Impairment loss on other current assets	1,123	455
	3,244	**1,003**

10.11.1.2 Change in expected credit loss on other financial assets, excluding loans

	NOTE	2025	2024
At the beginning of the period		419	1,437
Recognition	*9.6*	885	356
Reversal	*9.6*	(426)	(1,366)
Utilisation		(24)	(2)
Other		-	(6)
		854	**419**

10.11.1.3 . Change in expected credit loss on loans

	NOTE	2025	2024
At the beginning of the period		584	959
Recognition	*9.6*	3,176	766
Reversal	*9.6*	(1,370)	(1,141)
		2,390	**584**

The data set out in the table above relate to the expected credit losses on loans calculated using the general approach as at the reporting date as the measurement date – over a 12-month horizon (Stage 1), over the remaining expected life of the instrument (Stage 2), and at the present value of cash flows that the Company expects to recover in the future (Stage 3).

10.11.1.4 . Financial assets measured at fair value through other comprehensive income

Investments in equity instruments measured at fair value through other comprehensive income	Fair value of the asset 31/12/2025	Fair value of the asset 31/12/2024	Dividends recognised during the reporting period in respect of equity instruments held at the reporting date 31/12/2025	Dividends recognised during the reporting period in respect of equity instruments held at the reporting date 31/12/2024	Justification for the presentation method applied
Bank Ochrony Środowiska S.A.	25	24	-	-	Acquired instruments not held for trading, with no effect of reclassification of gains/losses on profit or loss
Wodkan S.A.	1	1	-	-	
Grupa Azoty Polyolefins S.A.	-	256	-	-	
Huta Stalowa Wola S.A.	1	-	1	1	
	27	**281**	**1**	**1**	

In 2025 and 2024, the Company did not dispose of any investments, nor were any accumulated gains or losses recognised in equity in respect of those investments transferred.

(PLN million)

10.11.2. Other financial liabilities

As at 31 December 2025 and 31 December 2024, in addition to trade payables (Note 10.6.3) and borrowings and bonds (Note 10.8), the Company also had the other financial liabilities set out in the following table.

	Non-current		Current		Total	Total
	31/12/2025	31/12/2024 (restated)	31/12/2025	31/12/2024 (restated)	31/12/2025	31/12/2024 (restated)
Hedging instruments						
Hedging instruments in cash flow hedges						
currency forwards	*6*	*16*	*11*	*4*	*17*	*20*
commodity swaps	*91*	*39*	*281*	*174*	*372*	*213*
CO_2 commodity futures	*1*	*1*	*-*	*15*	*1*	*16*
	98	**56**	**292**	**193**	**390**	**249**
Financial liabilities measured at fair value through profit or loss, including:						
Derivative financial instruments not designated in hedge accounting relationships	501	382	1,386	372	1,887	754
currency forwards	*146*	*382*	*457*	*253*	*603*	*635*
commodity swaps	*-*	*-*	*696*	*82*	*696*	*82*
interest rate swaps	*-*	*-*	*-*	*2*	*-*	*2*
cross-currency interest rate swaps	*298*	*-*	*-*	*-*	*298*	*-*
commodity forwards, including:	*57*	*-*	*233*	*35*	*290*	*35*
natural gas	*57*	*-*	*233*	*35*	*290*	*35*
Derivative instruments in fair value hedges	6	3	16	6	22	9
commodity swaps	*6*	*3*	*16*	*6*	*22*	*9*
	605	**441**	**1,694**	**571**	**2,299**	**1,012**
Financial liabilities measured at amortised cost						
Investment payables	*50*	*58*	*2,994*	*4,125*	*3,044*	*4,183*
*Liabilities from settled derivative instruments***	*-*	*-*	*131*	*192*	*131*	*192*
Collateral and margin deposits	*-*	*-*	*227*	*-*	*227*	*-*
Cash pool	*-*	*-*	*11,822*	*6,545*	*11,822*	*6,545*
Other	*119*	*62*	*172*	*357*	*291*	*419*
	169	**120**	**15,346**	**11,219**	**15,515**	**11,339**
Other liabilities	**774**	**561**	**17,040**	**11,790**	**17,814**	**12,351**

* Also includes derivatives as part of centralised risk management framework
** Also includes liabilities arising from settled derivative instruments as part of centralised risk management framework

As part of the ORLEN Group's market risk management framework, the process of centralising the management of derivative financial instruments is ongoing. Under this centralisation arrangement, ORLEN enters into a transaction with a financial institution (bank or the ICE exchange) and subsequently executes an intra-group transaction with an ORLEN Group company.

For commodity and currency exposures, ORLEN acts as an intermediary in such transactions. The effect of this intermediation is presented under revenue from sales of services.

Additionally, within its commodity exposure, ORLEN enters into transactions with ORLEN Group companies, the valuation and settlement of which are recognised in other operating activities.

Receivables and payables arising from settled derivative instruments relate to instruments that matured on or before the reporting date but whose payment date falls after the reporting date. As at 31 December 2025, these balances included mainly matured commodity swaps used to hedge timing mismatches in crude oil purchases, excess inventories, and natural gas exposures.

(PLN million)

10.11.3. Fair value measurement

SELECTED ACCOUNTING POLICIES

Fair value measurement

The Company maximises the use of observable inputs and minimises the use of unobservable inputs when estimating fair value, being the price that would be paid to transfer a liability or an equity instrument in an orderly transaction between market participants at the measurement date under current market conditions.

The Company measures derivative instruments at fair value using financial instrument valuation models based on publicly available foreign exchange rates, interest rates, forward curves, and volatilities for currencies and commodities derived from active markets. The fair value of derivative instruments is determined on the basis of discounted future cash flows arising from the transactions entered into, calculated by reference to the difference between the forward price and the transaction price. The forward exchange rate is determined directly on the basis of quoted swap points, which are added to the spot exchange rate.

There were no transfers between levels of the fair value hierarchy at the Company during the reporting period or the comparative period.

	NOTE	31/12/2025 Carrying amount	31/12/2025 Fair value	Fair value hierarchy Level 1*	Fair value hierarchy Level 2**	Fair value hierarchy Level 3***
Financial assets						
Listed shares	10.11.1	26	26	26	-	-
Shares of companies not listed on an active market measured at fair value through other comprehensive income	10.11.1	1	1	-	-	1
Other financial assets measured at fair value through profit or loss	10.11.1	3	3	-	-	3
Loans	10.11.1	21,576	23,179	-	23,179	-
Acquired securities	10.11.1	311	399	-	399	-
Derivatives	10.11.1	5,211	5,211	909	4,302	-
		27,128	**28,819**	**935**	**27,880**	**4**
Financial liabilities						
Bank borrowings	10.8.1	4,430	4,435	-	4,435	-
Non-bank borrowings	10.8.2	688	689	-	689	-
Bonds	10.8.3	14,355	14,536	11,526	3,010	-
Derivatives	10.11.2	2,299	2,299	18	2,281	-
		21,772	**21,959**	**11,544**	**10,415**	**-**

	NOTE	31/12/2024 Carrying amount	31/12/2024 Fair value	Fair value hierarchy Level 1*	Fair value hierarchy Level 2**	Fair value hierarchy Level 3***
Financial assets						
Listed shares	10.11.1	25	25	25		-
Other financial assets measured at fair value through profit or loss	10.11.1	4	4	-	-	4
Shares of companies not listed on an active market measured at fair value through other comprehensive income	10.11.1	256	256	-	-	256
Loans	10.11.1	23,499	23,969	-	23,969	-
Acquired securities	10.11.1	296	399	-	399	-
Derivatives	10.11.1	2,507	2,507	376	2,131	-
		26,587	**27,160**	**401**	**26,499**	**260**
Financial liabilities						
Bank borrowings	10.8.1	7,419	7,421	-	7,421	-
Non-bank borrowings	10.8.2	720	720	-	720	-
Bonds	10.8.3	6,294	6,252	5,245	1,007	-
Derivatives	10.11.2	1,012	1,012	92	920	-
		15,445	**15,405**	**5,337**	**10,068**	**-**

(restated)

** Fair value determined on the basis of quoted market prices for identical assets in active markets.*

*** Fair value of liabilities under borrowings and bonds, and of receivables and liabilities under loans, determined using the discounted cash flow method. Discount rates are determined on the basis of market rates derived from quoted 1-month, 3-month, and 6-month rates, adjusted by a margin appropriate for the respective financial instruments.*

**** Fair value determined on the basis of expected discounted cash flows for which no observable inputs are available.*

For all other classes of financial assets and financial liabilities, fair value approximates their carrying amount.
For information on the fair value of investment properties, see Note 10.2.

(PLN million)

10.11.4. Other assets and liabilities

SELECTED ACCOUNTING POLICIES

Other assets

Other non-financial assets comprise, in particular, receivables arising from public-law settlements, advances for property, plant and equipment, prepayments, and other non-financial assets that do not meet the definition of financial instruments.
Other non-financial assets are recognised when the right to receive them arises and are measured at the amount due or the cost incurred, reduced, where appropriate, by impairment allowances recognised for loss of value.
Prepayments comprise costs incurred in the current reporting period that relate to future periods and are recognised over time in proportion to the period to which they relate.

Other liabilities

Other non-financial liabilities comprise, in particular, liabilities arising from public-law settlements, employee remuneration liabilities, and other non-financial liabilities as well as government grants.
Other non-financial liabilities, except for grants, are recognised when the obligation to pay arises and are measured at the amount payable.

Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and that all related conditions will be met.
Grants related to property, plant and equipment are recognised as deferred income and released to other operating income on a systematic basis over the useful life of the related asset.
Grants related to cost items are recognised as a reduction of the related costs when incurred, while the excess of the grant received over the amount of the related costs is recognised in other operating income.

Other assets

	Non-current		Current		Total	Total
	31/12/2025	31/12/2024 (restated)	31/12/2025	31/12/2024 (restated)	31/12/2025	31/12/2024 (restated)
Excise tax and fuel charge	-	-	140	155	140	155
Other taxes, duties, social security contributions, and other levies	-	-	132	129	132	129
Prepayments for non-current non-financial assets	-	-	642	945	642	945
Advance payments to suppliers	-	-	184	85	184	85
Prepaid expenses	4	24	174	162	178	186
Compensation for indirect costs for energy-intensive customers	-	-	198	136	198	136
Other	6	3	266	17	272	20
	10	**27**	**1,736**	**1,629**	**1,746**	**1,656**

Other liabilities

	Non-current		Current		Total	Total
	31/12/2025	31/12/2024 (restated)	31/12/2025	31/12/2024 (restated)	31/12/2025	31/12/2024 (restated)
Salaries and wages	-	-	488	439	488	439
Excise tax and fuel charge	-	-	2,067	2,020	2,067	2,020
Value added tax	-	-	1,658	2,429	1,658	2,429
Other taxes, duties, social security contributions, and other levies	-	-	498	485	498	485
Accrued expenses for unused employee holiday entitlements	-	-	155	106	155	106
Fee for implementation of the National Reduction Target (NRT) and the National Indicative Target (NIT)	-	-	283	510	283	510
Contract liabilities	28	25	470	326	498	351
Government grants	77	76	10	19	87	95
Other	1	4	210	223	211	227
	106	**105**	**5,839**	**6,557**	**5,945**	**6,662**

(PLN million)

10.11.5. Contract liabilities

SELECTED ACCOUNTING POLICIES

Contract liabilities represent the entity's obligations to transfer goods or services to a customer in exchange for consideration received from the customer or for which consideration is due from the customer.
Contract liabilities include obligations relating to advances and prepayments received. This line item also includes the deferred portion of revenue relating to the VITAY loyalty programme, under which customers are entitled to future benefits (VITAY points), as well as an allowance granted to a subsidiary for failure to meet the conditions of an agreement. Points remain valid for three years from the date on which they are earned. During this period, the Company expects to satisfy its performance obligation by exchanging accumulated points for goods delivered or services provided to customers, and to recognise the resulting revenue.

	2025	**2024**
At the beginning of the period	351	437
Revenue recognised in the reporting period relating to:	(189)	(299)
contract liabilities at the beginning of the period	(254)	(366)
performance obligations satisfied in prior periods	65	67
Advance payments from customers	336	213
	498	**351**

10.12. Provisions

SELECTED ACCOUNTING POLICIES

Provisions are recognised at the best estimate of the expenditure required to settle the present obligation as at the reporting date. Provisions are reviewed on an ongoing basis during the reporting period to align them with estimates consistent with the state of knowledge at that date. Where the effect of the time value of money is material, provisions are measured at the present value of the expected future outflows necessary to settle the obligation.

Provision for environmental and decommissioning costs

The Company recognises provisions for future obligations where there is a legal or constructive obligation to incur costs of reclamation, remediation, restoration of contaminated soil and groundwater, decommissioning of property, plant and equipment (including service stations, fuel terminals, fuel storage facilities, production plants, manufacturing installations, mining and storage wells, electrical substations, and ash disposal sites), or removal of hazardous substances.

The Company also recognises provisions for future obligations for mandatory land reclamation, remediation, and restoration costs for leased land or plots before they are returned to the lessor on expiry of the lease.

The provision is reviewed periodically to reflect updated estimates of expected costs based on current prices and the extent of contamination. Changes in the provision, to the extent that they relate to the installation, construction or acquisition of an asset, increase or decrease the carrying amount of the asset giving rise to the reclamation obligation in the current period, except for changes arising from the periodic unwinding of the discount, which the Company recognises as a finance cost when incurred. If a reduction in the provision exceeds the carrying amount of the related asset, the excess is recognised in profit or loss.

Provisions for costs incurred during the period of use of an asset, such as contamination removal costs associated with its operation, are not capitalised and are recognised directly in profit or loss.

For provisions for the decommissioning of exploration, production, and storage wells, where the provision relates to wells classified as exploration and evaluation assets, the discounted amount of the provision increases the carrying amount of those items of property, plant and equipment and, after transition to the development and production phase, is depreciated over the expected economic useful life of the wells. The provision for the cost of decommissioning exploration, production, and storage wells also includes the portion of decommissioning costs that will be funded from amounts accumulated in the Hydrocarbon Production Facility Decommissioning Fund (FLZG).

The FLZG is established under the Geological and Mining Law, which imposes an obligation on the Company to decommission hydrocarbon production facilities at the end of their useful operation. Funds accumulated in the FLZG are held in a designated bank account and may only be used to cover the costs of decommissioning an extraction facility or its specific parts, including in particular:

- *Decommissioning and securing of production, storage, disposal, observation, and piezometric wells,*
- *Dismantling of redundant structures and decommissioning of machinery and equipment,*
- *Land reclamation and site rehabilitation following extraction activities,*
- *Maintenance of facilities scheduled for decommissioning to ensure operational safety.*

Long-service awards and post-employment benefits

Under the Company's remuneration schemes, employees are entitled to long-service awards, payable after completion of a specified period of service, and to post-employment benefits under defined benefit plans, namely retirement and disability severance payments payable on retirement or on becoming entitled to a disability pension, death benefits for beneficiaries of Company employees, and post-employment benefits from the Employee Social Benefits Fund. The amount of long-service awards, retirement and disability severance payments, and death benefits is calculated individually for each employee on the basis of age, gender, length of service at the Company, and the salary base used to calculate the benefit. The provision for contributions to the Employee Social Benefits Fund after the end of employment was calculated as the aggregate of provisions recognised for employees of the Company employed as at the reporting date and for retirees, pensioners, and other eligible persons whose last employer was the Company. The amount of long-service awards, retirement and disability severance payments, and death benefits is calculated individually for each employee on the basis of age, gender, length of service at the Company, and the salary base used to calculate the benefit.

Long-service awards are classified as other long-term employee benefits, whereas retirement and disability severance payments, benefits from the Employee Social Benefits Fund, and death benefits are classified as defined benefit plans under post-employment benefits.

The provisions are estimated by an independent actuary and remeasured when material indicators affecting their amount arise, taking into account, inter alia, employee turnover and planned salary adjustments.

Actuarial gains and losses on post-employment benefits are recognised in other comprehensive income, whereas those on other employee benefits are recognised in profit or loss.

CO_2 emissions and energy certificates

The Company recognises a provision for estimated CO_2 emission costs incurred during the reporting period, which is charged to operating expenses (taxes and charges). The provision is measured based on the carrying amount of emission allowances held, applying the weighted average cost method. Where there is a shortfall in allowances, the provision is recognised based on either the purchase price of allowances specified in concluded forward contracts or the market price of allowances quoted as at the reporting date.

Energy certificates comprise energy rights and energy efficiency certificates. The Company recognises provisions for the estimated volume of energy rights and energy efficiency certificates required for surrender during the reporting period, which are charged to operating expenses as costs of raw materials and consumables used if related to energy purchases for the Company's own use, or as taxes and charges if related to energy sales.

(PLN million)

The obligation to surrender energy certificates, pay a substitution fee, or provide a declaration supported by an energy efficiency audit is governed by separate legislation.

Other provisions

Other provisions primarily comprise provisions for ongoing legal proceedings, recognised based on available information, including assessments from independent experts. The Company recognises a provision when, as at the reporting date, it has a present obligation arising from past events, the amount can be reliably estimated, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

This category also includes provisions for onerous contracts. Where the Company is party to an onerous contract, meaning a contract under which the unavoidable costs of meeting the contractual obligations exceed the economic benefits expected to be received, the present obligation is recognised and measured as a provision charged to operating expenses. Unavoidable costs arising from a contract comprise, at a minimum, the net cost of exiting the contract, corresponding to the lower of the cost of fulfilling the contract and the cost of any compensation or penalties arising from failure to fulfil it.

ESTIMATES

The recognition of provisions requires an assessment of the probability of an outflow of resources embodying economic benefits and the determination of the most reliable estimate of the expenditure required to settle the present obligation as at the reporting date. Provisions are recognised when the probability of an outflow of resources embodying economic benefits exceeds 50%.

To discount provisions, the Company applies a pre-tax risk-free rate, being a nominal rate corresponding to the current yield on government bonds. The discount rate is not adjusted for other specific risks, as these are reflected in the estimates of future cash flows.

Decommissioning and environmental provisions

The measurement of these provisions is subject to significant estimation uncertainty, influenced by factors such as changes in legal and regulatory requirements, additional costs identified during the works performed, the emergence of new techniques for carrying out those works, climate change, changes in the expected useful lives of assets, and changes in discount rates and inflation indices. In particular, the Company's estimates of decommissioning costs are based on the known regulatory and external environment. These cost estimates may change in the future, including as a result of the energy transition and measures taken by the Company to achieve emissions neutrality.

Provisions

	Non-current		Current		Total	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Decommissioning and environmental costs	2,680	2,378	47	72	2,727	2,450
Long-service awards and post-employment benefits	553	510	92	86	645	596
CO_2 emissions, energy certificates	-	-	3,334	3,327	3,334	3,327
Other	-	172	750	480	750	652
	3,233	**3,060**	**4,223**	**3,965**	**7,456**	**7,025**

Change in provisions

	Decommissioning and environmental costs	Provision for long-service awards and post-employment benefits	CO_2 emissions, energy certificates	Other	Total
01/01/2025	2,450	596	3,327	652	7,025
Recognition	341	155	3,371	964	4,831
Reversal	(31)	(29)	(73)	(68)	(201)
Utilisation	(33)	(77)	(3,291)	(792)	(4,193)
Foreign exchange differences	-	-	-	(6)	(6)
31/12/2025	**2,727**	**645**	**3,334**	**750**	**7,456**
01/01/2024	2,251	609	3,780	659	7,299
Recognition	361	109	3,368	58	3,896
Reversal	(41)	(51)	(98)	(58)	(248)
Utilisation	(121)	(71)	(3,723)	(7)	(3,922)
31/12/2024	**2,450**	**596**	**3,327**	**652**	**7,025**

(PLN million)

10.12.1. Provision for environmental and decommissioning costs

The Company is legally obligated to remediate contaminated soil and groundwater within the area of the production plant in Płock, service stations, fuel terminals, former storage depots, and former gasworks.
The ORLEN Management Board has estimated the provision for environmental risk related to the remediation of contamination based on assessments prepared by independent experts incorporating forecast remediation costs. Depending on the type of facility generating contamination, the provision is estimated taking into account the frequency of remediation, the extent of environmental contamination, and the environmental outcomes achieved. As the decommissioning of most facilities is expected to take place in the distant future, there is inherent uncertainty regarding the assessment of specific requirements that will have to be satisfied at the time of decommissioning. The level of uncertainty is further affected by potential changes in regulations relating, inter alia, to environmental protection, climate-related factors – including the increased risk of extreme weather events and shifts in average rainfall – and societal expectations. Furthermore, climate-related factors and the ongoing energy transition may shift the originally planned timing of remediation works due to the shortening of asset useful lives, leading to earlier land reclamation, remediation activities, or the decommissioning of wells and extraction sites. At the same time, technological advancements are a key factor in shaping future decommissioning costs.
At the exploration, development, and production stages of hydrocarbon extraction, the Company recognises provisions for the decommissioning of wells and supporting infrastructure.
A provision for well decommissioning costs is recognised when the Company is obliged to decommission wells after the end of their use. Where the provision relates to wells classified as property, plant, and equipment (PPE), the discounted value of the provision is capitalised as part of the initial carrying amount of the well. Once the asset transitions to the production phase, the capitalised amount is amortised over the well's expected useful life. Subsequent adjustments to the provision due to changes in estimates are also recognised as adjustments to the carrying amount of the related property, plant and equipment. Adjustments arising from the unwinding of the discount (due to the passage of time) are recognised in profit or loss.
The well decommissioning provision is based on estimated future decommissioning and land reclamation costs, which are significantly influenced by the applied discount rates and the expected timing of future cash outflows. The provision for future well decommissioning costs is calculated based on the average well decommissioning cost incurred at the individual extraction divisions over the past three full financial years, adjusted for the forecast consumer price index for goods and services and the time value of money. Applying a three-year reference period reflects variability in the number of wells decommissioned and the associated costs across different years.
In measuring the provision, the Company applied variable discount rates reflecting expected changes in yields on 10-year government bonds in the respective countries. For the first five years, the discount rate applied reflects a variable risk-free rate estimated based on the yield curve of 10-year government bonds.
From 2031 onwards, the risk-free rate has been estimated as the sum of the inflation target and the historical average spread between 10-year government bond yields and inflation over the period 2007–2020. As at 31 December 2025 and 31 December 2024, the weighted average discount rate was 4.76% and 4.63%.
In 2025, changes in discount rates resulted in an increase in the amount of the provision by PLN 130 million.
As at 31 December 2025, the Company performed a sensitivity analysis of a ±0.5pp change in the financial discount rates applied to the calculation of the environmental provision and the provision for decommissioning costs. An increase of 0.5pp in the discount rates would reduce the provision by PLN 157 million, while a decrease of 0.5pp would increase it by PLN 172 million.

10.12.2. Provision for long-service awards and post-employment benefits

Change in employee benefits obligations

	Long-service awards provision		Post-employment benefits		Total	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
At the beginning of the period	302	303	294	306	596	609
Current service cost	17	17	12	11	29	28
Interest expenses	17	16	17	16	34	32
Actuarial gains and losses arising from changes in assumptions:	25	10	34	(13)	59	(3)
demographic assumptions	*(6)*	*2*	*-*	*-*	*(6)*	*2*
financial	*18*	*(7)*	*19*	*(4)*	*37*	*(11)*
other	*13*	*15*	*15*	*(9)*	*28*	*6*
Past service cost	1	-	1	-	2	-
Programme payments	(44)	(44)	(31)	(26)	(75)	(70)
	318	**302**	**327**	**294**	**645**	**596**

The carrying amount of employee benefit obligations as at 31 December 2025 and 31 December 2024 was equal to their present value.

(PLN million)

Employee benefit obligations by active and retired employees

Active employees		Retired employees		Total	
31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
565	525	80	71	**645**	**596**

Employee benefit obligations cover active employees and pensioners in Poland.

	Long-service awards provision		Post-employment benefits		Total	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Maturity analysis of employee benefits						
up to 1 year	49	45	43	41	92	86
from 1 to 5 years	122	119	76	70	198	189
over 5 years	147	138	208	183	355	321
	318	**302**	**327**	**294**	**645**	**596**

The weighted average duration of post-employment benefit obligations in 2025 and 2024 was 11 and 12 years, respectively.
In 2025, the employee benefit provision changed as a result of updated assumptions, primarily the discount rate, expected inflation, and the projected salary growth rate. Had the provision been estimated using the 2024 assumptions, it would have been lower by PLN (32) million.
As at 31 December 2025, the Company adopted the following actuarial assumptions affecting the amount of actuarial provisions for Polish entities: discount rate: 5.2%, salary growth rate: 5% in 2026 and 2.5% in 2027 and subsequent years.

Sensitivity analysis for changes in actuarial assumptions

The discount rate, employee turnover rate, and projected salary growth are key assumptions used in the actuarial model. The selection of the discount rate is driven primarily by current conditions in the Polish Treasury bond market, whereas projected salary growth reflects the Company's future remuneration policy. The analysis also covered the effect of changes in employee turnover rates, which also have a material impact on the balance of employee benefit provisions, but depend on the Company's historical employee turnover. The sensitivity analysis performed using, for the above assumptions, a deviation of ± 0.5 pp showed no material impact on the level of provisions.
Within employee benefits, the Company also operates additional defined contribution plans, under which the obligation is discharged through the payment of contributions to separate funds (the Employee Pension Programme and the Employee Capital Plan). The related costs are recognised under Employee Benefits in the financial statements.

10.12.3. Provision for CO_2 emissions and energy certificates

The provision for CO_2 emissions and energy certificates primarily comprises provisions for estimated CO_2 emission costs incurred during the reporting period. As at 31 December 2025 and 31 December 2024, the provision for CO_2 emissions amounted to PLN 3,069 million and PLN 3,100 million, respectively. As at 31 December 2025, the provision was lower by PLN (31) million compared with the balance as at the end of 2024, mainly as a result of remeasurement of the provision for 2024 of PLN (72) million.

10.12.4. Other provisions

As at 31 December 2025 and 31 December 2024, other provisions mainly comprised provisions for risks relating to unfavourable outcomes of ongoing administrative, court and tax proceedings, as well as a provision for onerous contracts amounting to PLN 571 million and PLN 401 million, respectively.

(PLN million)

11. NOTES TO THE STATEMENT OF CASH FLOWS

SELECTED ACCOUNTING POLICIES

The Company applies the following principles in preparing the statement of cash flows:
- *Cash flows from operating activities are presented using the indirect method;*
- *The components of cash presented in the statement of cash flows are consistent with those disclosed in the statement of financial position;*
- *Inflows and outflows related to the settlement of derivative financial instruments are presented within cash flows from operating activities.*

11.1. Foreign exchange (gains)

	NOTE	2025	2024
Net foreign exchange gains presented in the statement of profit or loss and other comprehensive income	*9.5.1*	**270**	**154**
Adjustments to profit/(loss) before tax for foreign exchange differences presented in the statement of cash flows		**(430)**	**(132)**
realised foreign exchange gains or losses on investing and financing activities		*102*	*(19)*
unrealised exchange differences on investing and financing activities		*(563)*	*(131)*
foreign exchange differences on cash		*31*	*18*
Foreign exchange differences on operating activities not adjusting profit/(loss) before tax		(160)	22

11.2. Net interest

	NOTE	2025	2024
Net interest income and costs presented in the statement of profit or loss and other comprehensive income	*9.5.1, 9.5.2*	**2,019**	**1,751**
Adjustments to profit/(loss) before tax for interest presented in the statement of cash flows		**(1,450)**	**(1,557)**
interest received related to investing activities		*(1,958)*	*(1,861)*
interest paid related to financing activities		*1,246*	*965*
accrued interest related to investing and financing activities		(738)	*(661)*
Net interest income and expense relating to operating activities not adjusting profit/(loss) before tax		569	194

11.3. Loss on investing activities

	NOTE	2025	2024
(Gain)/Loss on disposal of non-current non-financial assets	*9.4.1, 9.4.2*	(59)	(390)
Recognition/(reversal) of impairment losses on property, plant and equipment, intangible assets, and other assets	*9.4.1, 9.4.2*	5,615	5,196
Recognition of impairment losses on shares in subsidiaries, associates and joint arrangements	*9.5.2*	14,311	5,974
Impairment loss/(reversal of impairment loss) on loans	*9.6*	1,806	(375)
Impairment loss/(reversal of impairment loss) on cash pool assets	*9.6*	(82)	(997)
Impairment loss/(reversal of impairment loss) on financing assets	*9.6*	552	(28)
Other		4	(266)
		22,147	**9,114**

11.4. Change in provisions

	NOTE	2025	2024
Change in provisions presented in the statement of financial position		**431**	**(274)**
Utilisation of the provision for CO_2 emissions and energy certificates from the previous year		3,055	3,503
Change in reclamation provisions recognised in non-current assets	*10.1, 13.3.1*	(270)	(216)
Actuarial gains and losses		(34)	15
Change in provisions in the statement of cash flows		**3,182**	**3,028**

(PLN million)

11.5. Other adjustments

	NOTE	2025	2024 (restated)
Settlement of grant for energy rights		(1,291)	(1,412)
Collateral and margin deposits	*10.11.1, 10.11.2*	988	(717)
Mandatory stocks	*10.6.1*	1,319	(661)
Change in assets and liabilities arising from contracts measured at final accounting for business combination		-	(2,461)
Derivatives		1,368	(4,123)
Change in contract liabilities	*10.11.4, 10.11.5*	147	(105)
Change in VAT liabilities	*10.11.4*	(771)	303
Other		(126)	(648)
		1,634	**(9,824)**

11.6. Income tax (paid)

	NOTE	2025	2024 (restated)
Income tax on profit/(loss) before tax	*9.8.1*	**(1,625)**	**(2,089)**
Change in deferred tax assets and liabilities	*9.8.2*	(832)	201
Change in current tax receivables and liabilities		1,430	198
Tax recognised in other comprehensive income		(534)	489
Other		(11)	37
		(1,572)	**(1,164)**

12. NOTES ON FINANCIAL RISKS AND HEDGE ACCOUNTING

12.1. Risk identification

The Company's risk management activities are designed to limit the effect of difficult-to-predict market volatility in individual risk factors on the Company's financial performance.

<table>
<tr><th colspan="2">Type of risk</th><th>Risk description</th><th>Exposure identification</th><th>Management/Hedging</th></tr>
<tr><td rowspan="3">MARKET RISK</td><td>Commodity risk</td><td>– risk of volatility in margins generated on refined and petrochemical products sold;
– risk of volatility in crude oil, natural gas, and product prices arising from timing mismatches;
– risk of volatility in prices of CO_2 emission allowances;
– risk of volatility in natural gas prices;
– risk of volatility in crude oil and refining product prices arising from the obligation to maintain mandatory stocks of crude oil and fuels;
– risk arising from highly probable liabilities and receivables linked to offering counterparties products at a fixed price over time;
– risk of volatility in electricity prices and related derivative products on the wholesale market.</td><td>Based on planned cash flows.</td><td rowspan="3">Market risk management policies and hedging strategies/plans, setting out the principles for measuring individual exposures, the parameters and time horizon for hedging a given risk, and the hedging instruments used.

Market risk is managed using, among other instruments, derivative financial instruments, which are used to hedge exposures to changes in fair value and cash flows.
In determining the fair value of the instruments, the Company uses its own systems for recording and measuring derivative instruments and relies on information obtained from leading banks active in the relevant market, as well as from brokerage firms and information service providers. Transactions are entered into on the basis of the required documentation and only with reputable counterparties admitted to trading following appropriate prior verification procedures.</td></tr>
<tr><td>Foreign exchange risk</td><td>– operating foreign exchange exposure arising from receipts and expenditures indexed to, or denominated in, a currency other than the functional currency;
– foreign exchange exposure arising from investments or highly probable liabilities and receivables denominated in foreign currencies;
– foreign exchange exposure arising from assets and liabilities denominated in foreign currencies, including foreign-currency debt financial liabilities incurred under established bond issuance programmes.</td><td>Based on planned cash flows.

Based on analyses of the statement of financial position items.</td></tr>
<tr><td>Interest rate risk</td><td>– exposure arising from the Company's assets and liabilities for which interest income and interest expense depend on variable interest rates, including placed cash surpluses and debt liabilities.</td><td>Based on analyses of the statement of financial position items.</td></tr>
<tr><td colspan="2">Liquidity risk</td><td>Risk of an unforeseen shortfall in cash or lack of access to financing sources – both short- and long-term – leading to a temporary or permanent inability to meet obligations, resulting in the need to obtain financing on less favourable terms or in the loss of potential benefits stemming from surplus liquidity.</td><td>Based on projected cash flows from operating, investing, and financing activities in the short- and long-term.</td><td>Liquidity management policy that outlines the principles for liquidity reporting and liquidity consolidation. The Company pursues a policy of diversifying its sources of funding and uses a variety of instruments to manage liquidity effectively. The Company also conducts ongoing monitoring of its financial covenants and prepares long-term forecasts of those covenants.</td></tr>
<tr><td colspan="2" rowspan="2">Credit risk</td><td>Risk of insolvency of domestic or foreign banks holding or receiving deposits of the Company's funds, or the risk of default by issuers whose securities have been acquired, representing a statement of financial position exposure for financial assets such as cash and cash equivalents and short-term financial assets.</td><td>Regular reviews of the creditworthiness and ratings of banks and issuers of securities, and setting concentration limits for fund placements.</td><td>Surplus cash is managed under a policy setting the rules for assigning concentration limits to individual banks, based on factors such as credit ratings and financial reporting data. The Company primarily maintains relationships with lending banks. Restriction on the types and maturities of acquired securities, taking into account the issuer's credit risk.</td></tr>
<tr><td>Risk that customers may fail to settle receivables for delivered products and services under deferred payment terms.</td><td>Assessment of counterparties' creditworthiness and solvency.</td><td>Management governed by established procedures and policies on trade credit and debt collection, including the setting of credit limits and establishment of collateral.</td></tr>
</table>

The Company applies a consistent approach to hedging financial risk, based on market risk management policies and strategies, under the oversight of the Market Risk Committee, the Credit Risk Committee, the Management Board, and the Supervisory Board.

Commodity risk

The hedge ratio for each commodity-risk exposure is set out in a dedicated hedging strategy approved by the Market Risk Committee.

Exposure to commodity price risk arises from:

- timing mismatches in non-standard operating inventories, which are hedged for 100% of the highly probable inventory volume exposed to that risk;
- highly probable liabilities or receivables, which are hedged for 100% of the volume exposed to the risk associated with offering counterparties products priced under fixed-price formulae over time;
- timing mismatches in crude oil purchases, which are hedged for a volume corresponding to 90% of the crude oil purchase volume designated for hedging.

The commodity risk management strategy for natural gas purchases and sales is implemented by hedging the identified open position arising from the Company's own production and contracts entered into, taking into account potential offsetting between positions. Given the availability of instruments enabling effective management of natural gas price risk, and notwithstanding the generally long-term nature of gas purchase contracts, the Company manages this risk category over a rolling 60-month horizon.

Exposure to refining margin volatility may be hedged over a horizon of up to 36 months for planned production volumes, in accordance with the relevant decisions adopted in this area.

The Company centrally manages the risk associated with the cost of settling CO_2 emissions. As part of its risk management process, ORLEN purchases emission allowances both for its own requirements and to hedge the estimated volume and cost of acquiring CO_2 emission allowances for Group companies. Exposure to the cost of settling CO_2 emissions is determined by reference, among other things, to the current balance of allowances held, purchase transactions entered into for future delivery, actual and forecast emissions from individual Group installations, and forecasts of free allowance allocations.

Foreign exchange risk

Under the standard approach, foreign exchange exposure is hedged on a rolling and recurring basis, with each hedging cycle covering the next 12 months; EUR economic exposure may be hedged for periods of up to 60 months. The foreign exchange risk hedging strategy sets target hedge ratios of up to 100% of the amount exposed to risk for the standard hedging horizon and specifies the permitted tolerance bands. Given the Company's forecast exposure to EUR and USD FX risk and the potential for natural hedging, the Company holds a portion of its borrowings in foreign currencies, particularly EUR.

Interest rate risk

The Company manages interest-rate risk using interest-rate swaps (IRS) and cross-currency interest-rate swaps (CIRS). Interest-rate hedging transactions take into account fixed-rate debt as a proportion of total debt, as well as the requirements of institutions financing capital projects under project finance arrangements. The maturities of interest-rate hedging instruments are matched, in each case, to the repayment profile of the financial liabilities.

All commodity, foreign exchange, and interest-rate hedging transactions entered into by ORLEN with Group companies are recognised in ORLEN's statement of financial position and subsequently transferred to those companies through intra-group transactions.

Liquidity risk

The Company manages liquidity risk primarily through short-term cash-flow planning and monitoring over a period of up to 12 months and through long-term planning over a period of up to five years. The Company manages this risk under a centralised model, with ORLEN providing Group companies with access to diversified sources of financing. The liquidity management process is governed by the applicable liquidity management policy. Additional information is set out in Note 12.1.4.

Credit risk

The Company manages credit risk primarily by assessing the financial standing of counterparties and by setting transaction limits for customers and, in the case of settlement risk, for suppliers.

ORLEN's Credit Risk Committee approves the directions for the development of credit risk management at the Company, including approval of control tools, and monitors compliance of the activities undertaken with the adopted credit risk management policy across the Company's individual business areas.

A detailed description of the process is provided in Note 12.1.4.

(PLN million)

12.1.1. Commodity risk

The table below sets out the volumes of outstanding hedging instruments held against price volatility in refined products, petrochemical products, and feedstocks as at 31 December 2025 and 31 December 2024.

Type of hedged feedstock/product	Unit of measure	31/12/2025	31/12/2024 (restated)
Crude oil	bbl	10,565,260	8,847,390
Natural gas THE	MWh	17,459,881	9,166,550
Natural gas TTF	MWh	121,515,850	13,220,680
Natural gas HH	mmBtu	264,453,798	62,389,500
CO_2 emission allowances	t	29,375,000	20,948,000

Sensitivity analysis for changes in product and feedstock prices

The table below sets out the potential impact of changes in the carrying amount of financial instruments on profit before tax and the hedging reserve, resulting from a hypothetical change in product and feedstock prices, calculated on the basis of historical volatility over 2024–2025.

	Assumed deviations		Effect on profit or loss before tax		Effect on hedging reserve			
	2025	2024	2025	2024 (restated)	2025	2024	2025	2024 (restated)
				Price increase		Price increase		Total
Crude oil USD/bbl	31%	28%	(132)	(273)	67	68	(65)	(205)
Natural gas Henry Hub USD/mmBtu	71%	77%	-	-	2,446	458	2,446	458
Natural gas TTF EUR/MWh	45%	52%	1,624	-	(3,549)	(1,005)	(1,925)	(1,005)
Natural gas THE EUR/MWh	45%	45%	934	941	-	-	934	941
CO_2 emission allowances	38%	38%	-	-	4,118	2,221	4,118	2,221
			2,426	**668**	**3,082**	**1,742**	**5,508**	**2,410**

An equivalent percentage fall in prices would, in the sensitivity analysis, produce movements of the same magnitude as those in the table above, but with the opposite sign.
The sensitivity analysis for changes in the prices of other products is immaterial and has been prepared using the same assumptions.
For derivative instruments, the analysis measures the impact of changes in product prices on fair value, holding foreign exchange rates constant.
The carrying amount of derivative instruments used to hedge commodity risks – both those designated in a hedge accounting relationship and those not so designated – is disclosed in Notes 10.11.1 and 10.11.2, respectively.

(PLN million)

12.1.2. Foreign exchange risk

Currency structure of financial instruments

The following table sets out the classes of the Company's financial instruments exposed to foreign exchange risk.
The amounts in the table are denominated in foreign currencies, and the Total column presents their aggregate amount translated into PLN.

Classes of financial instruments	EUR		USD		CZK		CAD		Other currencies translated into PLN		Total foreign currencies translated into PLN	
	31/12/2025	31/12/2024*	31/12/2025	31/12/2024*	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024*
Financial assets												
Trade payables	324	382	459	462	-	-	-	-	13	27	3,035	3,551
Loans	451	456	-	-	-	-	306	292	-	-	2,711	2,784
Derivatives	1,069	406	22	21	-	-	-	-	-	-	4,596	1,818
Cash	994	43	92	66	4	2	-	-	14	4	4,546	459
Cash pool	171	243	1	450	-	-	-	-	-	-	725	2,884
Collateral and margin deposits	-	124	21	52	27	27	-	-	-	-	83	747
Receivables from settled derivative instruments	32	6	20	10	-	-	-	-	-	-	208	65
Other	29	5	15	106	-	-	-	-	9	1	183	458
	3,070	**1,665**	**630**	**1,167**	**31**	**29**	**306**	**292**	**36**	**32**	**16,087**	**12,766**
Financial liabilities												
Bank borrowings	579	839	-	-	-	-	-	-	-	-	2,449	3,588
Non-bank borrowings	135	137	30	30	-	-	-	-	-	-	678	709
Bonds	1,612	1,004	1,262	-	-	-	-	-	-	-	11,349	4,290
Trade payables	537	606	1,276	1,208	15	10	-	-	65	57	6,933	7,602
Leases	146	112	-	-	-	-	-	-	-	1	618	483
Investment payables	168	390	22	61	155	96	-	-	16	2	830	1,936
Derivatives	303	65	111	23	-	-	-	-	-	-	1,680	371
Cash pool	63	63	272	35	-	-	-	-	-	-	1,246	409
Collateral and margin deposits	54	-	-	-	-	-	-	-	-	-	227	-
Liabilities from settled derivative instruments	21	33	2	7	-	-	-	-	-	-	98	168
Outstanding liability to GAZPROM	-	-	883	883	-	-	-	-	-	-	3,178	3,619
Other	2	72	8	2	-	-	-	-	-	11	37	328
	3,620	**3,321**	**3,866**	**2,249**	**170**	**106**	**-**	**-**	**81**	**71**	**29,323**	**23,503**

** (restated)*

Sensitivity analysis for changes in foreign exchange rates

The following table sets out how a hypothetical +15% change in foreign exchange rates would affect the Company's statement of profit or loss and other comprehensive income in respect of financial instruments exposed to foreign exchange risk.

	Assumed deviations		Effect on profit or loss before tax		Effect on hedging reserve		Total	
	31/12/2025	31/12/2024	2025	2024*	2025	2024	2025	2024*
EUR/PLN	+15%	+15%	(1,561)	(1,443)	(1,022)	(1,341)	(2,583)	(2,784)
USD/PLN	+15%	+15%	(1,671)	(628)	94	54	(1,577)	(574)
CZK/PLN	+15%	+15%	(4)	(2)	-	-	(4)	(2)
CAD/PLN	+15%	+15%	121	125	-	-	121	125
			(3,115)	**(1,948)**	**(928)**	**(1,287)**	**(4,043)**	**(3,235)**

** (restated)*

A 15% decrease in foreign exchange rates would produce movements of the same magnitude as those in the table above, but with the opposite sign.
The above foreign exchange rate deviations were calculated on the basis of the average volatility of the individual exchange rates in 2025 and 2024.
For derivative instruments, the analysis measures the impact of changes in foreign exchange rates on fair value, holding interest rates constant.
Due to the insignificant impact of these deviations on profit before tax from intermediary activities, the Company does not disclose a detailed analysis of sensitivity to changes in foreign exchange rates.

(PLN million)

12.1.3. Interest rate risk

Structure of financial instruments exposed to the interest rate risk

The table below sets out the classes of financial instruments sensitive to changes in interest rates, reflecting both the direct effect of such changes and the indirect effect arising from discounting using an interest-rate curve. The amounts are presented in PLN.

Classes of financial instruments	NOTE	WIBOR		SOFR		EURIBOR		CORRA		Total	
		31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Financial assets											
Loans	10.11.1	18,865	20,715	-	-	1,906	1,950	805	834	21,576	23,499
Derivatives	10.11.1	-	-	80	86	3,623	1,108	-	-	3,703	1,194
Cash pool	10.11.1	2,833	5,986	4	1,844	721	1,040	-	-	3,558	8,870
Financing assets	10.11.1	515	581	-	-	-	-	-	-	515	581
		22,213	**27,282**	**84**	**1,930**	**6,250**	**4,098**	**805**	**834**	**29,352**	**34,144**
Financial liabilities											
Bank borrowings	10.8.1	1,981	3,831	-	-	1,686	2,816	-	-	3,667	6,647
Non-bank borrowings	10.8.2	-	11	107	123	-	9	-	-	107	143
Bonds	10.8.3	2,002	1,001	-	-	-	-	-	-	2,002	1,001
Derivatives	10.11.2	-	-	400	94	1,279	226	-	-	1,679	320
Cash pool	10.11.2	10,576	6,136	979	142	267	267	-	-	11,822	6,545
		14,559	**10,979**	**1,486**	**359**	**3,232**	**3,318**	**-**	**-**	**19,277**	**14,656**

Sensitivity analysis for changes in interest rates

The table below sets out the potential impact of changes in the carrying amounts of financial instruments and other items in the statement of financial position on profit before tax and the hedging reserve, resulting from a hypothetical change in market interest rates calibrated to historical volatility over 2024–2025.

Interest rate	Assumed deviations		Effect on profit or loss before tax		Effect on hedging reserve		Total	
	31/12/2025	31/12/2024	2025	2024	2025	2024	2025	2024
WIBOR	+0.5pp	+0.5pp	38	82	-	-	38	82
SOFR USD	+0.5pp	+0.5pp	(5)	8	-	-	(5)	8
EURIBOR	+0.5pp	+1.0pp	(183)	(1)	(15)	(12)	(198)	(13)
CORRA	+1.5pp	+1.5pp	12	13	-	-	12	13
			(138)	**102**	**(15)**	**(12)**	**(153)**	**90**
WIBOR	-0.5pp	-0.5pp	(38)	(82)	-	-	(38)	(82)
SOFR USD	-0.5pp	-0.5pp	5	(8)	-	-	5	(8)
EURIBOR	-0.5pp	-1.0pp	192	1	15	12	207	13
CORRA	-1.5pp	-1.5pp	(12)	(13)	-	-	(12)	(13)
			147	**(102)**	**15**	**12**	**162**	**(90)**

The effect of changes in interest rates is presented on an annualised basis.
For derivative instruments, the sensitivity analysis applies a parallel shift in the interest-rate curve corresponding to a potential change in reference rates, with all other risk factors held constant.
Due to the insignificant impact of these deviations on profit before tax from intermediary activities, the Company does not disclose a detailed analysis of sensitivity to changes in interest rates.

Interest-rate benchmark reform (IBOR Reform)

Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts (the ‘IBOR Reform’), which has applied since 1 January 2018, resulted in certain reference rates previously used by the Company being replaced by alternative benchmarks over 2022–2024, while the methodology used to determine certain other rates was revised. Further details are provided in Note 5.1 to the Separate Financial Statements for 2023.
At present, the IBOR Reform continues in respect of the WIBOR reference rate. On 28 March 2025, the Steering Committee of the National Working Group ('KS NGR') published an updated Roadmap confirming the selection of POLSTR as the new reference rate and indicating the end of 2027 as the final date for conversion of the portfolio of contracts and instruments from WIBOR to the new benchmark. In addition, the Roadmap envisaged preparing the market for the full implementation of POLSTR in credit products, bonds, and derivative instruments. The Roadmap also envisaged the development and publication of a catalogue of interest rate conventions for POLSTR-based instruments.
In accordance with the Roadmap timetable, the official calculation of the POLSTR interest rate index and indices from the POLSTR compounded index family commenced on 2 June 2025. POLSTR is administered by GPW Benchmark S.A., an entity authorised by the Polish Financial Supervision Authority and entered in the register of benchmark administrators maintained by the European Securities and Markets Authority (ESMA).

On 30 September 2025, GPW Benchmark S.A. announced its decision to discontinue calculation of the WIBID and WIBOR reference rates listed below on the following dates:

- Overnight (O/N) – from 1 October 2026;
- Tomorrow/Next (T/N) and 2 weeks (2W) – from 22 December 2025;
- 1 year (1Y) – from 22 December 2025 under the existing methodology, and from 22 December 2026 under the algorithmic methodology.

  The Company applies the following approach to financial instruments that will be modified as a result of changes in benchmarks arising from the IBOR Reform:
- Financing and borrowings: Where contractual terms are modified solely as a direct consequence of the IBOR reform, and the replacement benchmark rate is economically equivalent to the rate applied immediately prior to the modification, the Company will prospectively adjust the basis for determining contractual cash flows by updating the effective interest rate. For any other modifications made during this period that are not directly related to the reform, the Company will apply the relevant requirements of IFRS 9.
- Leases: Where a lease contract is modified as a direct consequence of the IBOR reform, and the revised benchmark rate used to determine lease payments is economically equivalent to the rate previously applied, the Company will remeasure the lease liability to reflect the revised lease payments, applying an updated discount rate.
- Hedge accounting: Where the IBOR reform results in changes to the hedging instrument, hedged item, or hedged risk, and the replacement benchmark rate is economically equivalent, the Company will amend the hedge documentation without discontinuing the hedging relationship. Any remeasurement reflecting the updated discount rate is treated as a market-driven adjustment, in accordance with the Company's hedge accounting policy. For any other modifications made during this period that are not directly related to the reform, the Company will apply the relevant requirements of IFRS 9.

Information on the nature and extent of the Company's exposure to risks arising from changes in the WIBOR benchmark is presented below.

Operational and systemic risks

The Company assesses the risk as low and, in line with the approach adopted in previous benchmark transitions, intends to apply market-based solutions consistent with established market practice, make appropriate changes and updates to its IT systems to implement replacements for the market data currently used, and agree any amendments to existing contracts that may be required so as to enable application of the exemptions provided for in IFRS 9.

Liquidity risk

The current WIBOR rate and the selected alternative benchmark are significantly different. IBOR rates are forward-looking rates determined at the beginning of a specified period (for example, three months) and incorporate an interbank credit spread. In contrast, alternative benchmarks are risk-free overnight rates, published at the end of each day, and do not include a credit spread. These differences will introduce additional uncertainty regarding variable-rate interest payments; however, in the Company's assessment, they will not have a material impact on liquidity management.

Transition to alternative reference rates

For new trade and financial assets and liabilities referencing a variable WIBOR rate, the Company applies either general provisions relating to the alternative benchmark or uses benchmarks with confirmed availability of quotations.
The IBOR Reform has no material impact on the Company's cash flow or fair value hedge accounting.

(PLN million)

12.1.4. Liquidity and credit risks

Liquidity risk

Maturity analysis of financial liabilities as at 31 December 2025

	NOTE	less than 1 year	over 1 to 3 years	over 3 to 5 years	over 5 years	Total	Carrying amount
Bank borrowings	10.8.1	288	609	1,558	3,119	5,574	4,430
Non-bank borrowings	10.8.2	688	2	2	12	704	688
Bonds	10.8.3	610	3,341	3,292	11,649	18,892	14,355
variable-rate bonds – undiscounted amount		*95*	*198*	*196*	*2,197*	*2,686*	*2,002*
fixed rate bonds – undiscounted amount		*515*	*3,143*	*3,096*	*9,452*	*16,206*	*12,353*
Trade payables	10.6.3	9,614	-	-	-	9,614	9,614
Investment payables	10.11.2	2,994	15	14	21	3,044	3,044
Derivatives – undiscounted amount	10.11.2	1,695	317	22	253	2,287	2,299
gross cash settlement, including:		*491*	*112*	*8*	*253*	*864*	*900*
currency forwards		*258*	*54*	*8*	*-*	*320*	*311*
cross-currency interest rate swaps		*-*	*-*	*-*	*253*	*253*	*298*
commodity forwards (natural gas)		*233*	*57*	*-*	*-*	*290*	*290*
net cash settlement, including:		*1,204*	*205*	*14*	*-*	*1,423*	*1,399*
currency forwards		*218*	*89*	*14*	*-*	*321*	*309*
commodity swaps		*986*	*116*	*-*	*-*	*1,102*	*1,090*
Cash pool	10.11.2	11,822	-	-	-	11,822	11,822
Liabilities from settled derivative instruments	10.11.2	131	-	-	-	131	131
Collateral and margin deposits	10.11.2	227	-	-	-	227	227
Outstanding liability to GAZPROM	10.6.3	3,178	-	-	-	3,178	3,178
Other	10.6.3, 10.11.2	293	50	44	25	412	412
		31,540	**4,334**	**4,932**	**15,079**	**55,885**	**50,200**

Additionally, the Company has an obligation to disburse funds under loan agreements entered into with Group companies. Some of these agreements are renewable.

	less than 1 year	over 1 to 3 years	over 3 to 5 years	over 5 years	Total
Undrawn intra-group loans	4,416	6,922	-	1,110	**12,448**

Maturity analysis of financial liabilities as at 31 December 2024

	NOTE	less than 1 year	over 1 to 3 years	over 3 to 5 years	over 5 years	Total	Carrying amount
Bank borrowings	10.8.1	3,253	2,617	836	1,018	7,724	7,419
Non-bank borrowings	10.8.2	149	584	-	-	733	720
Bonds	10.8.3	1,221	309	2,421	3,281	7,232	6,294
variable-rate bonds – undiscounted amount		*1,067*	*-*	*-*	*-*	*1,067*	*1,001*
fixed rate bonds – undiscounted amount		*154*	*309*	*2,421*	*3,281*	*6,165*	*5,293*
Trade payables	10.6.3	10,569	-	-	-	10,569	10,569
Investment payables	10.11.2	4,125	15	14	29	4,183	4,183
Derivatives – undiscounted amount	10.11.2	618	393	58	-	1,069	1,012
gross cash settlement, including:		*261*	*201*	*35*	*-*	*497*	*465*
currency forwards		*210*	*187*	*35*	*-*	*432*	*414*
commodity forwards (natural gas)		*36*	*14*	*-*	*-*	*50*	*35*
net exchange of cash		*357*	*192*	*23*	*-*	*572*	*547*
currency forwards		*54*	*186*	*23*	*-*	*263*	*241*
commodity swaps		*300*	*6*	*-*	*-*	*306*	*304*
Cash pool	10.11.2	6,545	-	-	-	6,545	6,545
Liabilities from settled derivative instruments	10.11.2	192	-	-	-	192	192
Outstanding liability to GAZPROM	10.6.3	3,619	-	-	-	3,619	3,619
Other	10.6.3, 10.11.2	716	32	7	23	778	778
		31,007	**3,950**	**3,336**	**4,351**	**42,644**	**41,331**

(restated)

	less than 1 year	over 1 to 3 years	over 3 to 5 years	over 5 years	Total
Undrawn intra-group loans	2,515	8,352	12	1,070	**11,949**

The maturity analysis of lease liabilities is set out in Note 13.3.1.

The Company defines financial liquidity risk as the loss of ability to meet current liabilities as they fall due. This risk is measured using the current liquidity ratio, defined as the ratio of current assets to current liabilities. As at 31 December 2025 and 31 December 2024, the current ratio was 1.3 and 1.1, respectively.

The objective of the Company's liquidity risk management process is to ensure financial security and stability in both the short and long term. The principal tool for mitigating this risk is the ongoing planning and monitoring of the Company's liquidity position, together with regular review of the alignment between asset maturity dates and liability due dates. The Company's actual cash flows are regularly reviewed against forecasts, with variances analysed and their underlying causes identified.

ORLEN ensures access to a range of financial instruments to support the Company's liquidity and pursues a policy of diversifying its sources of financing. The availability of instruments with varying characteristics allows for rapid deployment and operational flexibility, enabling the Company to respond to specific needs while supporting the overarching objective of effective liquidity management. The instruments used by the Company include:

- cash pool arrangements to optimise liquidity and financing costs within the Group. As at 31 December 2025, ORLEN managed three cash pool arrangements, one of which is multi-currency, covering a total of 114 Group companies.
- active bond issuance programmes, under which the Company can issue bonds to various groups of investors. The value of the Company's two active bond programmes as at 31 December 2025 was PLN 4,000 million and EUR 5,000 million, respectively, with PLN 1,000 million and EUR 2,335 million remaining available, respectively. For additional information on bonds, see Note 10.8.3.
- credit facility agreements with banks, including syndicated and bilateral arrangements, provide flexibility regarding the choice of currency for drawdowns and timing of tranche repayments, ranging from investment loans, working capital and revolving credit facilities, through to overdraft facilities. As at 31 December 2025 and 31 December 2024, the maximum committed amounts under the Company's borrowing agreements were PLN 30,838 million and PLN 30,876 million, respectively. As at 31 December 2025 and 31 December 2024, PLN 25,717 million and PLN 22,761 million, respectively, remained undrawn and available. The increase in the Company's maximum available indebtedness and committed credit lines reflects principally the signing in March 2025 of a third agreement with the European Investment Bank for PLN 1,700 million to finance the strategic modernisation programme for the electricity distribution network, and the signing in October 2025 of two loan agreements with Bank Gospodarstwa Krajowego under the NRRP for Investment G3.1.5 Construction of offshore wind farms. Under the PLN 900 million loan agreement relating to the Baltic Power project, the full amount available under the agreement remained available for drawdown as at 31 December 2025. Under the second loan agreement, in the amount of PLN 900 million and EUR 397 million, related to the Baltic East project, the first disbursements will be available after 30 June 2028.
- active non-recourse factoring arrangements, enabling access to additional funds during periods of temporarily increased liquidity needs. For additional information on the amount of trade receivables available under existing factoring limits, see Note 10.6.2.

The Company mitigates financial liquidity risk by monitoring the concentration level of cash balances held and assessing the risk of the banks with which funds are deposited. The level of concentration is governed by internal procedures, and no excessive concentration of credit risk exists. As at 31 December 2025, the percentage shares of the three banks with the highest concentration of cash held in bank accounts were as follows: 36%, 20%, and 18%, respectively, and the investment-grade ratings of those banks are A2, A2, and A1, respectively. In 2025, the Company invested surplus cash mainly in bank deposits. Decisions regarding bank deposits are guided by the objective of maximising returns within predefined concentration limits per bank, supported by ongoing assessments of each bank's financial position, requiring banks to hold a short-term deposit rating at the investment grade level. When selecting bond investments, the Company considers concentration limits and threshold parameters for securities approved for purchase (issuer, maturity). As at 31 December 2025, expected credit losses on the Company's term deposits and bonds were immaterial.

Guarantees and letters of credit are an important tool in liquidity risk management, providing an alternative to margin deposits and cash collateral and enabling commercial transactions to be secured without using the Company's own cash resources. As at 31 December 2025 and 31 December 2024, the nominal amount of guarantees issued in the ordinary course of business in respect of obligations to third parties was PLN 3,908 million and PLN 4,872 million, respectively. These guarantees related principally to civil-law guarantees securing the proper performance of contracts, and to public-law guarantees required under generally applicable regulations to ensure the proper conduct of licensed activities in the liquid fuels sector and the discharge of related tax and customs liabilities.

In addition, guarantees and sureties granted to subsidiaries in favour of third parties amounted to PLN 13,314 million and PLN 14,097 million as at 31 December 2025 and 31 December 2024, respectively. These related principally to the securing of liabilities arising from the operating activities of ORLEN Energy Trading GmbH, ORLEN Upstream Norway AS, ORLEN Trading Switzerland GmbH, ORLEN LNG Shipping Limited and ORLEN LNG Trading Limited, in an aggregate amount of PLN 10,823 million, as well as future obligations of Group companies arising from bond issues, in an aggregate amount of PLN 5,341 million, and the timely settlement by subsidiaries of other liabilities. The Company recognised income from guarantees issued in 2025 and 2024, amounting to PLN 62 million and PLN 69 million, respectively.

At the end of the reporting period, the Company assessed the probability of an outflow in respect of the contingent liabilities arising from the above amounts as low.

The Company is currently implementing agreements concluded with Group companies, giving rise to the following commitments:

- to secure funds to finance capital expenditure for the CCGT Ostrołęka project, relating to the construction of a gas-fired power plant in Ostrołęka, either by subscribing for the number of shares in CCGT Ostrołęka specified in the agreement or by providing ENERGA with the financing required for the project, in an amount not exceeding PLN 1.55 billion. As part of this arrangement, ORLEN carried out a share capital increase and made additional contributions to the equity of CCGT Ostrołęka, totalling PLN 967 million;

- to secure funds to finance up to 100% of capital expenditure on the CCGT Grudziądz project – the construction of a combined-cycle gas turbine power plant in Grudziądz – up to PLN 1.8 billion. As part of this arrangement, on 29 December 2023, a loan agreement was signed between CCGT Grudziądz and ORLEN for an amount up to PLN 1.746 billion. As at 31 December 2025, the entire amount of the loan had been drawn down;
- to secure funding for up to 100% of capital expenditure incurred by ORLEN Lietuva relating to the construction of the 'Bottom of Barrel' unit at the ORLEN Lietuva production plant in Mažeikiai, up to a maximum amount of approximately EUR 633 million. As at 31 December 2025, the arrangements under the project agreement had been secured in a different form;
- to agree the strategic approach to financing capital projects at ORLEN Południe: 'Design and construction of the UCO FAME production and distillation line' and 'Construction of a second-generation bioethanol (B2G) production complex' (the 'B2G Project'). Under this arrangement to finance ORLEN Południe's capital projects, between 2022 and 2025 tranches of an intra-group loan funded from proceeds obtained by ORLEN from the European Investment Bank, totalling PLN 197 million and EUR 67 million, were disbursed, and ORLEN Południe's equity was increased by PLN 555 million;
- to provide ENERGA and its subsidiaries with financing of up to PLN 5.5 billion for an undertaking known as the 'Renewable Energy Project Portfolio', comprising investments in renewable energy sources, whether through construction or acquisition; Under this arrangement, by 2025 approximately PLN 3,421 million had been secured for an Energa Group company to finance the construction of wind farms and photovoltaic farms;
- to secure funds through an increase by ORLEN in ORLEN Południe's equity for ORLEN Południe to finance the capital project 'Construction of a rapeseed oil pressing plant with extraction unit, with an annual capacity of 200 thousand tonnes, together with storage facilities for rapeseed grain, rapeseed oil and rapeseed meal, associated facilities and the necessary rail and road infrastructure in Kętrzyn', of up to PLN 850.7 million. As at 31 December 2025, ORLEN Południe's equity had been increased by PLN 400 million under this arrangement;
- to secure funds to finance 51% of the equity contribution towards the construction of an offshore wind farm developed by Baltic Power (with the remaining 49% to be funded by the joint venture partner). As at 31 December 2025, the sole outstanding commitment was a conditional obligation to provide contingency funding of up to EUR 26 million in the event of any increase in capital expenditure.
- to secure funds to finance capital expenditure on the CCGT Grudziądz project – the construction of a combined-cycle gas turbine power plant (Unit BO2) in Grudziądz – of up to PLN 3,700 million, and to provide a working capital loan to CCGT Grudziądz of up to PLN 300 million. Under this arrangement, the loan amount as at 31 December 2025 was PLN 922 million. As at 31 December 2025, PLN 597 million of the loan had been drawn down;
- to secure funds to finance capital expenditure on the CCGT Gdańsk project – the construction of a combined-cycle gas turbine power plant in Gdańsk – of up to PLN 3,700 million, and to provide a working capital loan to CCGT Gdańsk of up to PLN 300 million. Under this arrangement, the loan amount in force as at 31 December 2025 was PLN 914 million. As at 31 December 2025, PLN 600 million of the loan had been drawn down.

Credit risk

The Company is exposed to credit risk primarily in relation to trade receivables, loans advanced, and derivative transactions.

The Company considers the risk of non-payment by counterparties in respect of receivables that are not past due, and past due receivables not covered by an impairment allowance, to be negligible, given its credit risk management framework.

In granting trade credit, the Company assesses counterparties' creditworthiness based on financial information obtained and/or current business-intelligence reports, together with prior trading history, then sets credit limits and, where appropriate, requires collateral. The Company can also to offset mutual receivables and uses a reverse factoring solution Credit limits are generally granted for periods of no more than one year, allowing counterparties' financial standing to be reviewed on a regular basis. The principal forms of collateral accepted by the Company comprise bank and insurance guarantees, third-party sureties, cash deposits paid into the Company's bank accounts, mortgages, registered pledges, promissory notes, trade credit insurance, and notarised deeds of submission to enforcement. As at 31 December 2025 and 31 December 2024, the Company had received bank and insurance guarantees for a total amount of PLN 3,264 million and PLN 3,890 million, respectively. These guarantees related principally to the due performance of contracts concluded with counterparties and to securing the repayment of advances paid to suppliers.

These measures serve to mitigate the risk of entering into deferred payment transactions with excessive credit exposure. For customers in the Upstream & Supply segment, credit exposure is calculated in accordance with the requirements of the Energy Law, taking into account an additional sales period of one month, during which gaseous fuel must continue to be supplied even if the customer ceases to settle its obligations.

In addition, the Company seeks to structure contracts so as to allow the set-off of mutual receivables. Financial assets and financial liabilities of the Company are offset, and the net amount is presented in the statement of financial position, only when the Company has a legally enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company also has agreements that do not meet the offsetting criteria specified in IFRS 32, but provide for the related amounts to be offset in certain circumstances, such as default by the counterparty, bankruptcy, or early termination of the agreement.

Security has been provided for some of the loans granted to the Company. During the reporting period, and after the reporting date, there were no instances of non-payment of principal or interest, or breaches of other terms of loan agreements, other than the event described below.

Grupa Azoty Polyolefins S.A., classified as an investment in equity instruments measured at fair value through other comprehensive income, failed to repay principal and interest falling due on 27 January 2026 under the loan agreement concluded with ORLEN. ORLEN is currently taking steps to recover the overdue receivable, including, potentially, through arrangement approval proceedings initiated by the company, and is assessing the possibility of enforcing the collateral it holds. The carrying amount of the loan has been fully impaired (Note 10.11.1).

As part of its debt recovery process, the Company continually monitors overdue receivables, including the number of days past due. The Company applies standard recovery measures, including notices of arrears, payment demands, suspension of deliveries, enforcement of collateral, referral to debt collection agencies and, where necessary, termination of contracts and commencement of court and enforcement proceedings to recover outstanding amounts. Receivables not recovered through the prescribed debt recovery procedures may be offered for sale.

Certain transactions involving the sale of gas are executed on the Polish Power Exchange (TGE). Transactions on the Polish Power Exchange (TGE) do not give rise to credit risk exposure, as the clearing system operated by the Commodity Clearing House (IRGiT), based on margin deposits and additionally supported by a guarantee fund, safeguards deferred payments for every IRGiT member, even in the event of a market participant’s insolvency.

Derivative transactions are entered into with banks of established reputation and strong financial standing or are executed on commodity exchanges with clearing systems based on margin deposits. Relationships with banks are governed by Master Agreements or International Swaps and Derivatives Association Master Agreements (ISDA agreements). For some of these agreements, threshold amounts are specified to cap the maximum exposure arising from the derivative instruments entered into. The agreements provide for financial assets and financial liabilities to be offset by netting transactions denominated in the same currency and aggregating them into a single net amount payable by one party to the agreement. If an event of default occurs in respect of either party to the agreement (e.g. a failure to perform its obligations), all outstanding transactions under the agreement are terminated and settled as a single net amount. The Company assesses the risk of losses arising from a bank's failure to perform or settle hedging transactions when due as low. No such risk arises in respect of exchange-traded transactions.

In the Company’s assessment, there is no excessive concentration of credit risk. As at 31 December 2025, the percentage shares of the three counterparties with the highest concentration of trade receivables were as follows: 21%, 11% and 10%, and the Company's internal credit rating for these counterparties corresponds to Caa2, B3 and B1 on the rating agencies' scale. The expected credit loss (ECL) for these receivables was measured as at 31 December 2025 in accordance with the applicable procedures.

As a result of the significant increase in energy commodity prices, primarily natural gas, for European producers (the petrochemical, chemical and fertiliser sectors), some of the Company's customers have sought extended payment terms for gas supplies.

In response to customers’ needs, the Company grants extended payment terms in justified cases, which periodically results in increased credit exposure. Each such case is subject to detailed business analysis and, in parallel, each customer granted extended payment terms undergoes a detailed assessment of its financial standing.

The Company’s maximum exposure to credit risk for each class of financial assets is equal to their carrying amounts (see Notes 10.6.2 and 10.11.1).

A description of the Company’s credit risk management practices, including the adopted definition of default, together with the inputs, assumptions, and estimation techniques applied in the expected credit loss model, is provided in Note 10.6.2 (trade receivables) and Note 10.11.1 (other financial assets).

12.2. Hedge accounting

SELECTED ACCOUNTING POLICIES

Hedge accounting
In hedge accounting, the Company applies the requirements of IFRS 9.
The Company has two types of hedging relationships: cash flow hedges and fair value hedges.
Fair value hedges
For fair value hedge accounting, the Company recognises gains or losses arising from the remeasurement of the fair value of the hedging derivative in profit or loss. Simultaneously, the carrying amount of the hedged item is adjusted for the gains or losses attributable to the hedged risk, with corresponding recognition in profit or loss, within the same line item as the hedging derivative. The cumulative fair value adjustment of the hedged item related to the hedged risk is transferred to profit or loss when the hedged item impacts profit or loss
Cash flow hedges
In applying cash flow hedge accounting, the Company recognises in other comprehensive income the portion of gains or losses on the hedging instrument that constitutes an effective hedge (i.e. the portion offset by movements in the hedging reserve), while the ineffective portion is recognised in profit or loss under other operating income/expenses.
The Company assesses the effectiveness of cash flow hedges both at inception and in subsequent periods, at least at the end of each reporting period.
The Company assesses hedge effectiveness using statistical methods, primarily the direct offset method.
The verification of hedge effectiveness is conducted on a prospective basis, using a qualitative analysis. If necessary, the Company applies quantitative analysis, including linear regression, to confirm the existence of an economic relationship between the hedging instrument and the hedged item.
When hedging foreign exchange risk, if the Company separates the forward element from the spot element of a forward contract and designates only the spot element as the hedging instrument, changes in the forward element are recognised in a separate component of equity – costs of hedging.
If a hedge of a forecast transaction results in the recognition of a non-financial asset (inventories, intangible assets), the Company removes the related gains or losses from the hedging reserve and includes them in the initial cost of the asset. In all other cases, gains or losses are reclassified from the hedging reserve to the appropriate line item in profit or loss (revenue, cost of production) in the same period or periods in which the hedged expected future cash flows affect profit or loss. For foreign exchange risk hedges, the Company reclassifies amounts representing changes in the forward element, accumulated in a separate component of equity – the costs of hedging – to profit or loss (other operating income/expenses) as a reclassification adjustment in the same period or periods in which the hedged expected future cash flows affect profit or loss.
The Company discontinues cash flow hedge accounting if the hedging relationship (or a portion thereof) no longer meets the hedge accounting criteria. This applies, in particular, when the hedged forecast transaction is no longer highly probable, the hedging instrument expires, is sold, terminated, or exercised, or there is a change in the risk management objective, and the designated hedging relationship no longer serves the revised risk management objective. If the Company discontinues cash flow hedge accounting but still expects the hedged future cash flows to occur, this amount remains in the hedging reserve within equity until those cash flows materialise. If the hedged future cash flows are no longer expected to occur, the Company immediately reclassifies the cumulative amount from the hedging reserve to profit or loss as a reclassification adjustment.

PROFESSIONAL JUDGEMENT

Financial instruments
The Management Board exercises judgement in assessing the nature and extent of risks associated with financial instruments and in applying hedge accounting.

The following table summarises the market risk hedging strategies used by the Company, together with a brief description of the corresponding types of hedge accounting applied.

Hedging strategies under hedge accounting applied in 2025	Component	Type of relationship
Excess inventories	Brent Dtd risk component, forming part of the future purchase of crude oil; the position is identified based on the crude oil deliveries from the hedging transaction's settlement/delivery month, in the order in which those deliveries are received.	cash flow hedge
	EBOB / ULSD / 3.5PCT risk component, forming part of petrol, diesel oil, or heating oil sales; the position is identified based on sales invoices issued during the hedging transaction's settlement/delivery month, in the order they are issued.	
Sale of products denominated in foreign currencies/indexed to foreign currencies	Invoices for sales denominated in or indexed to a foreign currency, issued on the Forward transaction's maturity date and subsequent days in the order they are issued; the nominal amount denominated in foreign currency, up to the notional amount of the hedging instrument denominated in foreign currency.	cash flow hedge
Purchases of goods denominated in a foreign currency or indexed to a foreign exchange rate	Purchases of goods denominated in foreign currency or indexed to a foreign exchange rate, received on the forward transaction's maturity date and subsequent days in the order they are delivered; the nominal amount denominated in foreign currency, up to the notional amount of the hedging instrument denominated in foreign currency.	cash flow hedge
Purchase of liquefied natural gas (LNG) at indexed prices	Purchase volume of liquefied natural gas (LNG) priced with reference to the Henry Hub index	cash flow hedge
Sale and purchase of natural gas at indexed prices	TTF index risk component, arising from gas purchase and sales contracts priced against European gas market indexes that are correlated with the TTF index	cash flow hedge
Hedging price risk on CO_2 emission allowances	Hedging of the purchase price of CO_2 emission allowances arising from physical purchases of allowances required to meet the obligation to settle emissions (highly probable forecast purchases of CO_2 emission allowances by the Company).	cash flow hedge
Bitumen sales at fixed price	Brent / Fuel Oil / Gas Oil risk component, which is part of the unconditional and binding commercial obligation arising from a fixed-price sales transaction	fair value hedge

Currently, the sources of hedge ineffectiveness in foreign exchange risk hedge accounting arise from the difference in maturity dates between the hedging instrument, which matures on the last business days of month M-1, and the hedged item, for which revenue from the sale of petrochemical and refined products is recognised in the first few days of month M, or from the difference between the initial value of the hedging instrument and the hedged item.
In the case of commodity risk, the sources of ineffectiveness arise from the designated risk components for the hedged item, which form part of highly probable planned future purchases of crude oil and sales and purchases of gas, whereas the hedging instruments are based solely on commodity indices of the refined products being sold or on the TTF European gas index.
The Company identifies the existence of an economic relationship between the hedging instrument and the hedged item based on the alignment of key terms, in particular the settlement currency, commodity reference price indices, volumes, nominal amounts, execution dates, and maturities arising from the corresponding cash flows. Hedge effectiveness is assessed using the hypothetical derivative method by analysing whether the derivative designated in a given hedging relationship is expected to be effective, and has been effective, in offsetting changes in the cash flows of the hedged item at the date on which the hedging relationship is designated and at each hedge effectiveness measurement date.
For all hedge accounting strategies used in 2025, the Company applied a hedge ratio of 1:1.

Hedging instruments

The table below presents a maturity analysis of material cash flow hedging instruments, prepared on the basis of nominal transaction values and weighted-average execution prices.

(PLN million)

2025

Type of risk / type of instrument	Unit of measure	up to 1 year	from 1 to 3 years	from 3 to 5 years
Foreign exchange risk				
Currency Forwards - (buy transactions)				
Notional amount	USD	39,984,047	29,100,907	-
Average USD/PLN exchange rate		3.88	3.82	-
Foreign exchange forwards - (sell transactions)				
Notional amount	EUR	449,500,000	984,000,000	975,000,000
Average EUR/PLN exchange rate		5.13	5.43	4.83
Commodity risk				
Commodity swaps - (sell transactions)				
Natural gas				
Volume	MWh	37,871,025	43,242,830	-
Average price (EUR/MWh)		35.77	29.67	-
Commodity swap - (buy transactions)				
Natural gas				
Volume	MWh	9,346,745	-	-
Average price (EUR/MWh)		28.64	-	-
Natural gas				
Volume	mmBtu	146,013,798	118,440,000	-
Average price (USD/mmBtu)		4.08	3.97	-
CO_2 commodity futures - (buy transactions)				
Volume	MT	23,147,000	6,228,000	-
Average price (EUR/EUA)		80.01	80.46	-

2024

Type of risk / type of instrument	Unit of measure	up to 1 year	from 1 to 3 years	from 3 to 5 years
Foreign exchange risk				
Currency Forwards - (buy transactions)				
Notional amount	USD	53,186,454	18,067,636	-
Average USD/PLN exchange rate		4.14	4.07	-
Foreign exchange forwards - (sell transactions)				
Notional amount	EUR	402,000,000	1,433,500,000	515,000,000
Average EUR/PLN exchange rate		4.78	5.34	4.91
Commodity risk				
Commodity swaps - (sell transactions)				
Natural gas				
Volume	MWh	9,510,420	2,023,680	-
Average price (EUR/MWh)		41.31	40.82	-
Commodity swap - (buy transactions)				
Natural gas				
Volume	MWh	1,686,580	-	-
Average price (EUR/MWh)		35.44	-	-
Natural gas				
Volume	mmBtu	62,389,500	-	-
Average price (USD/mmBtu)		3.29	-	-
CO_2 commodity futures - (buy transactions)				
Volume	MT	18,140,000	2,808,000	-
Average price (EUR/EUA)		69.32	68.76	-

Expected (or forecast) date of the hedged cash flow

	31/12/2025	31/12/2024
Operating foreign exchange exposure	2026-2030	2025-2030
Commodity risk exposure	2026-2028	2025-2027

(PLN million)

Effects of hedge accounting on financial position and profit or loss

The table below presents the carrying amount of hedging instruments by risk category, together with the change in fair value. Hedging instruments are presented in the statement of financial position under other financial assets/liabilities (Notes 10.11.1 and 10.11.2).

2025

Type of relationship / type of risk / type of instrument	Buy (B) / Sell (S)	Cash flow hedge strategies	Unit of measure	Notional amount volume 31/12/2025	Assets 31/12/2025	Liabilities 31/12/2025	Changes in fair value (as the basis for determining the ineffective portion during the period)
Cash flow hedges							
Foreign exchange risk							
EUR/PLN	S	sale of products denominated in foreign currencies/indexed to foreign currencies	EUR	2,408,500,000	1,651	-	605
USD/PLN	B	deliveries for purchases denominated in foreign currency or indexed to foreign exchange rate	USD	69,084,954	-	17	(19)
					1,651	**17**	**586**
Commodity risk							
Natural gas	S	sale of natural gas at indexed prices	MWh	81,113,855	745	2	952
Natural gas	B	purchase of natural gas at indexed prices	MWh	9,346,745	71	370	(377)
Natural gas	B	purchase of liquefied natural gas (LNG) at indexed prices	mmBtu	264,453,798			
CO_2 emission allowances	B	hedging purchase price of CO_2 emission allowances	MT	29,375,000	893	1	535
					1,709	**373**	**1,110**
Other					**4**	**-**	**1**
					3,364	**390**	**1,697**

2024

Type of relationship / type of risk / type of instrument	Buy (B) / Sell (S)	Cash flow hedge strategies	Unit of measure	Notional amount volume 31/12/2024	Assets 31/12/2024	Liabilities 31/12/2024	Changes in fair value (as the basis for determining the ineffective portion during the period)
Cash flow hedges							
Foreign exchange risk							
EUR/PLN	S	sale of products denominated in foreign currencies/indexed to foreign currencies	EUR	2,350,500,000	1,062	16	(7)
USD/PLN	B	deliveries for purchases denominated in foreign currency or indexed to foreign exchange rate	USD	71,254,090	6	4	33
					1,068	**20**	**26**
Commodity risk							
Natural gas	S	sale of natural gas at indexed prices	MWh	11,534,100	-	209	(446)
Natural gas	B	purchase of natural gas at indexed prices	MWh	1,686,580	81	3	87
Natural gas	B	purchase of liquefied natural gas (LNG) at indexed prices	mmBtu	62,389,500			
CO_2 emission allowances	B	hedging purchase price of CO_2 emission allowances	MT	20,948,000	373	16	98
					454	**228**	**(261)**
Other					**4**	**1**	**(200)**
					1,526	**249**	**(435)**

(PLN million)

The table below sets out year-on-year changes in the fair value of existing hedged items used as the basis for recognising hedge ineffectiveness in the period, together with the amount of equity attributable to the hedged items arising from the application of hedge accounting for continuing hedges.

2025

Type of risk / type of position	Changes in fair value of the hedged item (basis for determining hedge ineffectiveness during the period – off-balance-sheet item)	Hedging reserve (gross) for continuing hedge relationships
Foreign exchange risk (EUR)		
Future revenue	(414)	551
Foreign exchange risk (USD)		
Future cost of production	28	(10)
	(386)	**541**
Commodity risk		
Inventories	754	(517)
Future revenue	(1,641)	1,379
Intangible assets	(201)	426
Other non-current assets held for sale	(334)	466
	(1,422)	**1,754**
	(1,808)	**2,295**

2024

Type of risk / type of position	Changes in fair value of the hedged item (basis for determining hedge ineffectiveness during the period – off-balance-sheet item)	Hedging reserve (gross) for continuing hedge relationships
Foreign exchange risk (EUR)		
Future revenue	225	751
Future cost of production	3	-
Foreign exchange risk (USD)		
Future cost of production	(29)	1
	199	**752**
Commodity risk		
Inventories	(4)	(141)
Future revenue	242	(36)
Intangible assets	(102)	225
Other non-current assets held for sale	37	132
	173	**180**
	372	**932**

(PLN million)

Effect of cash flow hedge accounting on the statement of profit or loss and other comprehensive income

2025

Type of risk / type of position	Hedging gains or losses for the period recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss during the period	Amount reclassified from other comprehensive income to profit or loss as a reclassification adjustment when the hedged item affected profit or loss	Line item in profit or loss containing the reclassification adjustment
Foreign exchange risk (EUR/PLN)				
currency forwards	(200)	-	185	Revenue
currency forwards	804	-	31	Other operating income/expenses
Foreign exchange risk (USD/PLN)				
currency forwards	(12)	-	(28)	Cost of production (operating expenses)
currency forwards	(7)	-	(1)	Other operating income/expenses
	585	**-**	**187**	
Commodity risk				
commodity swaps	(375)	1	(461)	Inventories
commodity swaps	1,415		250	Revenue
commodity futures	200	-	(13)	Intangible assets
commodity futures	334	-	305	Other non-current assets held for sale
	1,574	**1**	**81**	
	2,159	**1**	**268**	

Within other comprehensive income, under the hedging reserve (gross) of PLN (3,003) million, the Group recognised losses of PLN (2,159) million in 12, as well as PLN 844 million relating to settled hedging instruments awaiting designation of a hedged item, of which PLN 832 million related to 2025 and PLN (12) million was settled in the prior year.

2024

Type of risk / type of position	Hedging gains or losses for the period recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss during the period	Amount reclassified from other comprehensive income to profit or loss as a reclassification adjustment when the hedged item affected profit or loss	Line item in profit or loss containing the reclassification adjustment
Foreign exchange risk (EUR/PLN)				
currency forwards	536	-	234	Revenue
currency forwards	(597)	-	162	Other operating income/expenses
Foreign exchange risk (USD/PLN)				
currency forwards	24	-	(36)	Cost of production (operating expenses)
currency forwards	-	-	(162)	Inventories
currency forwards	9	-	5	Other operating income/expenses
	(28)	**-**	**203**	
Commodity risk				
commodity swaps	232	2	(189)	Inventories
commodity swaps	(2,916)		2,550	Revenue
commodity futures	101	-	(99)	Intangible assets
commodity futures	(3)	-	(83)	Other non-current assets held for sale
	(2,586)	**2**	**2,179**	
	(2,614)	**2**	**2,382**	

The line item ‘Hedging gains or losses for the period recognised in other comprehensive income’ relates to the effective portion recognised in the period and the costs of hedging for the hedging instruments entered into. This amount is presented within equity in the hedging reserve.
In 2025 and 2024, there were no reclassification adjustments in respect of items for which hedge accounting had previously been applied but for which the hedged future cash flows are no longer expected to occur.

(PLN million)

Reconciliation of hedging reserve

The reconciliation below presents movements during the period in the hedging reserve, including the effects of deferred and current income tax.

2025

Hedging reserve	Effective portion of the change in fair value	Effective portion from the settlement of hedging instruments	Costs of hedging associated with the hedged transaction	Total
Foreign exchange risk				
01/01/2025	**752**	**8**	**302**	**1,062**
Effect of measurement of transactions (effective portion)	(60)	(1)	820	759
Reclassification to profit or loss when the hedged item affects profit or loss, including:	(151)	(6)	(30)	(187)
reclassification of instruments from the previous year	-	*(6)*	*(7)*	*(13)*
Instruments pending settlement	-	2	12	14
31/12/2025	**541**	**3**	**1,104**	**1,648**
Commodity risk				
01/01/2025	**180**	**(57)**	**-**	**123**
Effect of measurement of transactions (effective portion)	1,680	-	n/a	1,680
Reclassification to profit or loss when the hedged item affects profit or loss, including:	(250)	-	n/a	(250)
reclassification of instruments from the previous year	-	-	n/a	-
Reclassification to the carrying amount of the hedged item, including:	144	25	n/a	169
reclassification of instruments from the previous year	-	25	n/a	25
Instruments pending settlement	-	818	n/a	818
31/12/2025	**1,754**	**786**		**2,540**
Gross hedging reserve 01/01/2025	**932**	**(49)**	**302**	**1,185**
Deferred tax	(177)	9	(58)	(226)
Net hedging reserve 01/01/2025	**755**	**(40)**	**244**	**959**
Gross hedging reserve 31/12/2025	**2,295**	**789**	**1,104**	**4,188**
Deferred tax	(430)	(11)	(208)	(649)
Current tax	-	(161)	(2)	(163)
Net hedging reserve 31/12/2025	**1,865**	**617**	**894**	**3,376**

(PLN million)

2024

Hedging reserve	Effective portion of the change in fair value	Effective portion from the settlement of hedging instruments	Costs of hedging associated with the hedged transaction	Total
Foreign exchange risk				
01/01/2024	**192**	**(22)**	**911**	**1,081**
Effect of measurement of transactions (effective portion)	622	-	(449)	173
Reclassification when the hedged item affects profit or loss, including:	(60)	24	(167)	(203)
reclassification of instruments from the previous year	-	*24*	*(28)*	*(4)*
Instruments pending settlement	-	6	7	13
Settlement of ineffective portion	(2)	-	-	(2)
31/12/2024	**752**	**8**	**302**	**1,062**
Commodity risk				
01/01/2024	**2,766**	**(77)**	**-**	**2,689**
Effect of measurement of transactions (effective portion)	(308)	-	n/a	(308)
Reclassification when the hedged item affects profit or loss, including:	(2,149)	(30)	n/a	(2,179)
reclassification of instruments from the previous year		*(30)*		*(30)*
Instruments pending settlement	-	50		50
Settlement of ineffective portion	(129)	-	-	(129)
31/12/2024	**180**	**(57)**		**123**
Gross hedging reserve 01/01/2024	**2,958**	**(99)**	**911**	**3,770**
Deferred tax	(562)	19	(174)	(717)
Net hedging reserve 01/01/2024	**2,396**	**(80)**	**737**	**3,053**
Gross hedging reserve 31/12/2024	**932**	**(49)**	**302**	**1,185**
Deferred tax	(177)	9	(58)	(226)
Net hedging reserve 31/12/2024	**755**	**(40)**	**244**	**959**

13. OTHER NOTES

13.1. Licences and concessions

The Company operates in regulated sectors where, due to public interest considerations, its activities require licences and concessions.

31/12/2025	Remaining licence terms (years)
Electricity: generation, trading	5 - 10
Thermal energy: generation, transmission, distribution, trading	5 - 15
Liquid fuels: production, transmission, storage, handling, trading at home and abroad	4 - 15
Natural gas: distribution, trading at home and abroad	4 - 15
Natural gas: operation of, exploration for and production from oil and gas fields; storage	25 - 32

As at 31 December 2025 and 31 December 2024, the Company had no contractual obligations related to concession arrangements within the scope of IFRIC 12 Service Concession Arrangements.
Licence fees incurred in connection with licences required for business operations under the provisions of the Energy Law and its implementing regulations, are recognised within operating expenses under Taxes and charges.

13.2. Disclosures pursuant to Article 44 of the Energy Law

As an energy undertaking, ORLEN has certain disclosure obligations under Article 44 of the Energy Law. As part of these disclosures, the Company separately presents licensed activities related to trading in gaseous fuel.
The primary allocation keys applied to selected assets and liabilities, as well as costs corresponding to revenue, are fixed capacity, volume-based, or percentage-based keys. For unallocated or unidentifiable items, additional allocation keys are applied based on the share of separately presented activities in the Company's total income/expenses.

Selected items of the separate statement of financial position (PLN thousand)

	31/12/2025 Gas trading	31/12/2024 Gas trading (restated)
Non-current assets		
Mandatory stocks	301,358	387,780
Current assets		
Inventories	2,568,100	3,551,543
Trade receivables	3,350,872	3,719,464
Current liabilities		
Trade payables	4,139,257	4,453,393

Separate statement of profit or loss (PLN thousand)

	2025 Gas trading	2024 Gas trading (restated)
Revenue	46,884,527	53,403,163
Cost of sales	(42,149,685)	(35,842,078)
Gross profit	**4,734,842**	**17,561,085**
Operating profit	**4,734,842**	**17,561,085**
Net profit	**4,734,842**	**17,561,085**

Gas trading is conducted as both a licensed and an unlicensed activity. In addition, the Company conducts non-licensed trading in hydrogen, which amounted to PLN 80 thousand.

13.3. Leases

SELECTED ACCOUNTING POLICIES

The Company as lessee
Rights arising from lease, tenancy, rental, and other arrangements that meet the definition of a lease under IFRS 16 are recognised as right-of-use assets within non-current assets and, correspondingly, as lease liabilities.

Initial recognition and measurement
At lease commencement, the Company recognises a right-of-use asset and a corresponding lease liability.
At the commencement date, the Company measures right-of-use assets at cost.
The cost of the right-of-use asset comprises:
- *the amount of the initial measurement of the lease liability;*
- *any lease payments made at or before the commencement date, less any lease incentives received;*
- *any initial direct costs incurred by the Company; and*
- *an estimate of costs to be incurred by the Company for dismantling and removing the underlying asset, restoring the site where it was located, or restoring the underlying asset to the condition required under the lease terms, unless such costs relate to the production of inventories.*

If the continued use of a right-of-use asset requires significant periodic inspections or overhauls, the Company capitalises the related costs as a component of the leased asset. This component is depreciated over the period until the next scheduled inspection or overhaul. Capitalised overhaul costs incurred during the refurbishment process are presented as Right-of-use assets under construction. Upon completion, these costs are reclassified to the same asset category as the related right-of-use asset.
Where an inspection or overhaul is contractually required under the lease contract (e.g. in the case of rolling stock), the Company recognises a provision for the estimated costs of the next scheduled inspection or overhaul, recognising it as a component of the leased asset at the lease commencement date and again at the start of each subsequent contractually required inspection or overhaul. The component should be fully depreciated by the time the next contractually required inspection or overhaul begins, with the incurred costs settled against the provision.
Lease payments included in the measurement of the lease liability comprise:
- *fixed lease payments, less any lease incentives receivable;*
- *variable lease payments dependent on an index or rate, initially measured using the index or rate as at the commencement date;*
- *amounts that are expected to be paid by the lessee as part of residual value guarantees;*
- *the exercise price of a purchase option if the Company is reasonably certain to exercise that option;*
- *penalties for terminating the lease, unless the Company is reasonably certain not to exercise that option.*

Variable lease payments that are not linked to an index or rate are not included in the measurement of the lease liability. Instead, they are recognised in profit or loss in the period in which the event triggering their payment occurs.
At the commencement date, the lease liability is measured at the present value of the lease payments outstanding at that date, discounted using the lessee's incremental borrowing rate.
The Company does not discount lease liabilities using the interest rate implicit in the lease, as determining this rate would require information on the unguaranteed residual value of the leased asset and the lessor's directly attributable costs – information that may be known only to the lessor.
The Company recognises as leases agreements granting rights to use subsurface portions of land in which oil and gas pipelines are located, transmission easement agreements for the siting of electricity cables on real property, and agreements granting the Company the right to use the airspace above real property occupied by the sweep of wind turbine blades. Costs necessarily incurred to commence the use of such easements are capitalised as part of the carrying amount of the right-of-use asset.
Determining the lessee's incremental borrowing rate
The incremental borrowing rates were determined as the sum of:
A. a risk-free rate, based on Interest Rate Swaps (IRS), corresponding to the maturity of the discount rate and the applicable benchmark rate for each currency; and
B. the Company's credit risk premium, based on its credit margin.

Subsequent measurement
After the commencement date, the Company measures right-of-use assets applying the cost model.
Therefore, the Company measures the right-of-use asset at cost:
A. less accumulated depreciation and accumulated impairment losses;
B. adjusted for any remeasurement of the lease liability that does not result in the recognition of a separate lease component.

After the commencement date, the Company measures the lease liability by
A. increasing the carrying amount to reflect interest on the lease liability,
B. reducing the carrying amount to reflect lease payments made, and
C. remeasuring the carrying amount to reflect any reassessment or lease modifications or to revise in-substance fixed lease payments.

The Company remeasures the lease liability when it reassesses the liability following a change in future lease payments resulting from a change in an index or a rate used to determine those payments, including changes in perpetual usufruct fees, a change in the amounts expected to be payable under a residual value guarantee, or a revised assessment of whether the Company will exercise a purchase, extension, or lease termination option.
A remeasurement of the lease liability results in a corresponding adjustment to the carrying amount of the right-of-use asset. If the carrying amount of the right-of-use asset has been reduced to zero, any further reduction in the lease liability is recognised by the Company in profit or loss.

Depreciation

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset, unless the Company has sufficient certainty that it will obtain title before the lease term ends. In that event, the right-of-use asset is depreciated from the lease commencement date through the end of the underlying asset's useful life.
The estimated useful life of right-of-use assets is determined in the same manner as for property, plant and equipment.
The Company's lease contracts primarily relate to:

A. Land, including:
- *perpetual usufruct of land for terms of up to 99 years,*
- *land used for service stations and motorway service areas leased for periods of up to 30 years;*

B. Buildings and structures, including service stations, storage tanks, and office premises leased for periods of up to 30 years;

C. Vehicles and other assets, including:
- *rail tank cars leased for periods from 3 to 10 years,*
- *passenger cars leased for periods of up to 3 years, and*
- *locomotives leased for periods of up to 3 years,*

Impairment

The Company applies IAS 36 Impairment of Assets to determine whether the right-of-use asset has been impaired and to account for any impairment loss identified.

Exclusions, simplifications and practical expedients applied under IFRS 16

Exclusions

The following contracts held by the Company fall outside the scope of IFRS 16:
- *licence agreements accounted for under IFRS 15 Revenue from Contracts with Customers, and*
- *leases of intangible assets accounted for under IAS 38 Intangible Assets*.

Simplifications and practical expedients

Short-term leases

The Company applies a practical expedient to all classes of assets relating to short-term leases, defined as those with a maximum possible lease term, including any renewal options, of up to 12 months.
The practical expedients applicable to these contracts consist in recognising lease payments as expenses:
- *on a straight-line basis over the lease term, or*
- *using another systematic basis if that method better reflects the pattern of the lessee's benefit.*

Leases of low-value assets

The Company does not apply the general recognition, measurement, and presentation requirements of IFRS 16 to leases of low-value assets.
Low-value assets are defined as those with an individual value, when new, of no more than USD 5,000 or an equivalent amount in another currency, translated at the average NBP closing exchange rate prevailing at the lease commencement date for each lease contract.
The practical expedients applicable to these contracts consist in recognising lease payments as expenses:
- *on a straight-line basis over the lease term, or*
- *using another systematic basis if that method better reflects the pattern of the lessee's benefit.*

An asset under a lease arrangement cannot be classified as a low-value asset if, by its nature, the asset typically has a high value when new. The Company classifies items such as industrial gas cylinders, coffee machines, minor office and telecommunications equipment, and other small items of equipment as low-value assets.
An underlying asset may qualify as low-value only if:

A. The Company can benefit from its use either individually or together with other readily available resources,

B. and if the underlying asset is neither highly dependent on nor highly interrelated with other assets.

If the Company subleases or intends to sublease an asset, the head lease does not qualify as a lease of a low-value asset.

Determining the lease term: indefinite contracts

In determining the lease term for indefinite-period contracts, the Company establishes the duration it considers to be "reasonably certain", taking into account, among other factors:
- *costs already incurred under the contract; or*
- *potential termination costs, including costs of obtaining a replacement lease such as negotiation expenses, relocation costs, costs associated with identifying another underlying asset that meets the lessee's requirements, costs of integrating a new asset into the Company's operations; penalties and similar expenses, including costs associated with returning the underlying asset in a condition specified in the lease or to a location stipulated in the contract; or*
- *existing business plans and other existing contracts that justify the continued use of the leased asset over the relevant period.*

Where the costs associated with terminating a lease are significant, the lease term adopted corresponds to the depreciation period of a similar fixed asset with characteristics comparable to the leased asset.
If significant expenditure has been incurred in connection with a given lease contract, the lease term is determined as the period over which the economic benefits from those expenditures are expected to be derived.
The value of such expenditure constitutes an asset separate from the right-of-use asset.
Furthermore, for contracts concluded for an indefinite term where both the lessor and the lessee have the right to terminate the contract without the other party's consent and exit costs are not material, the notice period is taken into account.

Separating non-lease components

For contracts containing both lease and non-lease components, the Company separates and accounts for non-lease components (such as asset servicing arrangements) individually for all asset classes, allocating the consideration appropriately based on the terms of the contract, unless the non-lease components are considered immaterial in the context of the overall contract.

The Company as the lessor

When the Company acts as a lessor, it classifies leases as either finance leases or operating leases at the lease commencement date. To determine the appropriate classification, the Company assesses whether substantially all the risks and rewards incidental to ownership of the underlying asset have transferred to the lessee. If substantially all risks and rewards have been transferred, the lease is classified as a finance lease; otherwise, it is classified as an operating lease.
The determination of risk and reward transfer depends on an assessment of the economic substance of the transaction.
In assessing lease classification, the Company considers factors such as whether ownership of the underlying asset transfers to the lessee before the end of the lease term and the relationship between the lease term and the economic life of the asset, even if legal title does not transfer.
If the contract contains both lease and non-lease components, the Company allocates the contractual consideration to each component separately in accordance with IFRS 15.
At the lease commencement date, assets held under finance leases are recognised by the lessor in the statement of financial position and presented as receivables at an amount equal to the net investment in the lease.
At the lease commencement date, lease payments included in the measurement of the net investment in the lease comprise payments for the right to use the underlying asset during the lease term that are not received at the commencement date, including:

A. fixed lease payments (including substantially fixed lease payments), net of lease incentives payable;
B. variable lease payments dependent on an index or rate, initially measured using the index or rate as at the commencement date;
C. any guaranteed residual values provided to the lessor by the lessee, a party related to the lessee, or an independent third party that is financially capable of fulfilling obligations under such guarantee;
D. the exercise price of a purchase option if it is reasonably certain the lessee will exercise the option; and
E. payments for penalties arising from termination of the lease if the lease contract stipulates that the lessee may exercise a lease termination option.

If the Company has transferred an asset for use by another entity under a finance lease arrangement, the present value of lease payments and the unguaranteed residual value is presented as receivables, classified into current and non-current portions. The discounting of lease payments and the unguaranteed residual value is performed using the lease interest rate, i.e. the interest rate that results in the present value:

A. of the lease payments and
B. the unguaranteed residual value being equal to the sum of:
I. the fair value of the underlying asset and
II. any initial direct costs incurred by the lessor.

Assets leased out by the Company to third parties under operating leases are classified as the Company's assets. Lease payments from operating leases are recognised on a straight-line basis over the lease term as revenue from the sale of products and services.

Subleases

In the case of subleases, the Company acts as both a lessee and a lessor in relation to the same underlying asset. Such contracts are classified as either operating or finance leases based on an analysis of the same criteria applied by the lessor, but with reference to the right-of-use asset under the head lease (rather than the underlying asset itself). If the head lease is a short-term lease, the Company classifies the sublease as an operating lease.

PROFESSIONAL JUDGMENT

Determining the lease term

When determining the lease term, the Company considers all relevant factors and events that provide economic incentives to extend the lease or to refrain from exercising a termination option. For contracts concluded for an indefinite period, the Company exercises professional judgement to establish the enforceable period – that is, the lease term during which termination would not be deemed justified. The lease term is assessed at the commencement date and reassessed if a significant event or material change in circumstances occurs that is within the lessee's control and affects this determination.

(PLN million)

ESTIMATES

Useful lives of right-of-use assets
The estimated useful life of right-of-use assets is determined in the same manner as for property, plant and equipment. However, the useful life of right-of-use assets comprises both the non-cancellable lease term and the useful life of the underlying property, plant and equipment item arising from the highly probable exercise of the purchase option.
Determining the lessee's incremental borrowing rate
As the Company does not have access to the interest rate implicit in lease contracts, it applies an incremental borrowing rate to measure lease liabilities. This rate reflects the interest the Company would incur to obtain financing, in the relevant currency, over a comparable term and with similar security, to acquire an asset of equivalent value to the right-of-use asset in a similar economic environment.

13.3.1 The Company as lessee

Change in the carrying amount of right-of-use assets

	Land	Buildings and structures	Plant and equipment	Vehicles and other	Total
Net carrying amount as at 01/01/2025					
Gross carrying amount	4,122	1,063	4	1,273	**6,462**
Accumulated depreciation and impairment losses	(516)	(464)	(3)	(714)	**(1,697)**
	3,606	**599**	**1**	**559**	**4,765**
increases/(decreases), net	**98**	**48**	**-**	**(154)**	**(8)**
New lease contracts, increase in lease payments	263	178	1	356	798
Depreciation	(127)	(130)	(1)	(264)	(522)
Impairment losses	(5)	-	-	(34)	(39)
Recognition	*(8)*	*(1)*	-	*(34)*	*(43)*
Reversal	*3*	*1*	-	-	*4*
Provision for site reclamation*	10	-	-	-	10
Other	(43)	-	-	(212)	(255)
	3,704	**647**	**1**	**405**	**4,757**
Net carrying amount 31/12/2025					
Gross carrying amount	4,340	1,237	5	990	6,572
Accumulated depreciation and impairment losses	(636)	(590)	(4)	(585)	(1,815)
	3,704	**647**	**1**	**405**	**4,757**
Net carrying amount 01/01/2024					
Gross carrying amount	3,952	971	4	1,149	**6,076**
Accumulated depreciation and impairment losses	(396)	(398)	(2)	(584)	**(1,380)**
	3,556	**573**	**2**	**565**	**4,696**
increases/(decreases), net	**50**	**26**	**(1)**	**(6)**	**69**
New lease contracts and increase in lease payments, purchase	162	123	-	242	527
Depreciation	(121)	(110)	(1)	(230)	(462)
Impairment losses	(3)	32	-	(12)	17
Recognition	*(4)*	-	-	*(39)*	*(43)*
Reversal	*1*	*32*	-	*27*	*60*
Provision for site reclamation*	17	-	-	-	17
Other	(5)	(19)	-	(6)	(30)
Net carrying amount 31/12/2024	**3,606**	**599**	**1**	**559**	**4,765**

** 'Provision for site reclamation' comprises additions classified as CAPEX, amounting to PLN 11 million in 2025 and PLN 17 million in 2024.*

Total expenditure relating to leases, presented within financing and operating activities in the statement of cash flows for 2025 and 2024, amounted to PLN (802) million and PLN (742) million, respectively.

(PLN million)

Lease liabilities

	31/12/2025	31/12/2024
Short-term	536	559
Long-term	2,900	2,871
	3,436	**3,430**

Maturity analysis of lease liabilities

	31/12/2025	31/12/2024 (restated)
up to 1 year	639	661
from 1 to 2 years	472	566
from 2 to 3 years	328	425
from 3 to 4 years	266	277
from 4 to 5 years	215	231
over 5 years	4,360	3,939
	6,280	**6,099**

Amounts from lease contracts recognised in the statement of profit or loss and other comprehensive income

		2025	2024
Costs incurred in respect of:		**(275)**	**(314)**
lease interest	Finance costs	(162)	(162)
short-term lease	Costs by nature of expense: Services	(44)	(77)
variable lease payments not included in the measurement of lease liabilities	Costs by nature of expense: Services	(69)	(75)

13.3.2. The Company as the lessor

Operating lease

Maturity analysis of lease payments

	31/12/2025	31/12/2024
up to 1 year	101	81
from 1 to 2 years	18	28
from 2 to 3 years	15	25
from 3 to 4 years	14	22
from 4 to 5 years	13	22
over 5 years	105	176
	266	**354**

As at 31 December 2025 and 31 December 2024, the net carrying amount of the Company's property, plant and equipment leased out to other entities under operating leases amounted to PLN 2,700 million and PLN 2,695 million respectively, relating principally to buildings and structures (PLN 2,037 million and PLN 2,129 million), machinery and equipment (PLN 419 million and PLN 450 million), and land, including freehold land and perpetual usufruct of land presented within right-of-use assets (PLN 238 million and PLN 109 million). Items of property, plant and equipment subject to operating leases primarily comprise infrastructure assets of underground gas storage facilities which, under an agreement entered into by the Company, have been made available for the exclusive use of Gas Storage Poland Sp. z o.o., the operator of the national natural gas storage system.
Income from operating leases amounted to PLN 796 million in 2025 and PLN 776 million in 2024, of which PLN 646 million and PLN 755 million, respectively, involved variable lease payments not dependent on an index or rate.

13.4. Capital expenditure incurred and future commitments under signed capital expenditure contracts

Total capital expenditure, including borrowing costs, incurred in 2025 and 2024 amounted to PLN 10,790 million and PLN 12,206 million, respectively.
As at 31 December 2025 and 31 December 2024, future commitments under capital expenditure contracts entered into by those dates amounted to PLN 9,670 million and PLN 12,493 million, respectively.

13.5. Contingent assets and contingent liabilities

SELECTED ACCOUNTING POLICIES

At the reporting date, the Company discloses information on contingent assets if the inflow of resources embodying economic benefits is probable. Where practicable, the Company estimates the financial impact of contingent assets, measuring them in accordance with the principles applied to the measurement of provisions.

The Company discloses information on contingent liabilities at the reporting date if:
- *the Company has a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company;*
- *the Company has a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the Company is not able to measure the amount of the obligation with sufficient reliability.*

The Company does not disclose a contingent liability if the likelihood of an outflow of resources embodying economic benefits is remote.

ESTIMATES

Contingent assets
The Company estimates the financial impact of disclosed contingent assets based on the amount of previously recognised related costs that it expects to recover, such as amounts recoverable under insurance contracts or the amount of claims in legal proceedings where Company entities act as the claimant.
Contingent liabilities
The Company estimates potential future obligations classified as contingent liabilities based on the amount of claims in ongoing legal proceedings where Company entities act as the defendant or respondent.

(PLN million)

13.5.1. Claims, legal proceedings, and other contingent assets/liabilities

Parties to the proceedings	Nature of claim	Proceedings commenced	Amount claimed		Parties to the proceedings
			31.12.2025	31.12.2024	
Elektrobudowa v ORLEN	Settlement of the EPC contract dated 1 August 2016 for the construction of the Metathesis Unit, commissioned in 2019.	31.12.2019	-	178	The case brought by the Elektrobudowa S.A. insolvency administrator was closed.
UNIMOT Terminale Sp. z o.o. v ORLEN S.A.	Arbitration dispute between ORLEN and UNIMOT Terminale concerning the final settlement of the sale price for 100% of the shares in LOTOS Terminale.	16.02.2026	84	-	On 19 December 2025, ORLEN filed an arbitration claim with the Polish Chamber of Commerce for payment of PLN 0.3 million by UNIMOT to complete the process of settling the sale price for the shares in LOTOS Terminale. On 16 February 2026, UNIMOT Terminale filed a counterclaim for payment by ORLEN of PLN 84 million as an adjustment to the share sale price. Based on its legal analysis of the claims, the Group has not recognised a provision in this respect, as it considers the risk of an adverse outcome for ORLEN to be low.
ANWIM S.A. v ORLEN and ORLEN Paliwa Sp. z o.o.	Case concerning damages claims brought by ANWIM S.A. for ORLEN's alleged abuse of a dominant position through the alleged lowering of spot fuel prices ahead of the 2023 elections.	17.11.2025	176	-	On 26 February 2026, the Company was served with the statement of claim. ORLEN is preparing its statement of defence. Based on its legal analysis of the claims, the Group has not recognised a provision in this respect, as it considers the risk of an adverse outcome for ORLEN to be low.
Węglokoks Energia ZCP Sp. z o.o. v ORLEN, myORLEN Sp. z o.o. (as successor to PGNiG Obrót Detaliczny Sp. z o.o.)	Case concerning claims for damages by Węglokoks Energia ZCP sp. z o.o. arising from the abuse of a dominant position by ORLEN and myORLEN sp. z o.o. on the gas market through the unilateral imposition of unfavourable and non-transparent commercial terms for purchases of high-methane gas from 13 May 2022.	20.03.2026	63	-	The Company was served with the statement of claim on 20 March 2026. Based on its legal analysis of the claims, the Group has not recognised a provision in this respect, as it considers the risk of an adverse outcome for ORLEN to be low.
PBG S.A. in restructuring, in liquidation v ORLEN S.A. (as successor to PGNiG S.A.)	Counterclaim concerning settlements between the parties under the contracts for the expansion of the Wierzchowice Underground Gas Storage Facility.	01.04.2019	118	118	Counterclaim of 1 April 2019 filed by PBG S.A. against PGNiG S.A. for payment of PLN 118 million in proceedings pending before the Regional Court in Warsaw, arising from the action brought by PGNiG S.A. against PBG S.A. (Wysogotowo), TCM (Paris) and Tecnimont (Milan), with an amount in dispute in that case of PLN 147 million. The counterclaim is based on PBG S.A.'s challenge to PGNiG S.A.'s set-off declarations in respect of mutual receivables and liabilities made when settling the contracts for the expansion of the Wierzchowice Underground Gas Storage Facility. The procedural status of the counterclaim is the same as that of the main claim: evidentiary proceedings remain ongoing; all witnesses have been heard, and expert evidence has been admitted. The panel of experts from CCM sp. z o.o. prepared an expert report in the case. ORLEN submitted comments on the percentage completion of the works, while the other parties requested an extension of the deadline for filing their submissions.
Gazprom v ORLEN	Settlements for natural gas supplied under the Yamal Contract and the suspension of natural gas deliveries by Gazprom	14.01.2022	Arbitration proceedings are pending. A detailed description of the proceedings is provided below.		

Settlements for natural gas supplied under the Yamal Contract and the suspension of natural gas deliveries by Gazprom

On 31 March 2022, the President of the Russian Federation issued Decree No. 172 ('On a Special Procedure for the Performance of Obligations by Foreign Purchasers to Russian Natural Gas Suppliers,' the 'Decree'). Following this, Gazprom formally requested PGNiG to amend certain provisions of the Yamal Contract, notably by introducing settlements in Russian roubles.
On 12 April 2022, the Management Board of PGNiG resolved that it would continue to settle its obligations in respect of gas supplied by Gazprom under the Yamal Contract strictly in accordance with the existing contractual terms. Accordingly, PGNiG expressly rejected Gazprom's request to adopt the alternative settlement procedures prescribed by the Decree.
On 27 April 2022, at 08:00 CET, Gazprom fully and indefinitely suspended natural gas supplies under the Yamal Contract, citing provisions of the Decree prohibiting gas deliveries to foreign customers located in jurisdictions designated as "unfriendly" by the Russian Federation (including Poland) unless payments for deliveries from 1 April 2022 onwards were settled in compliance with the Decree.

In response, PGNiG took steps to protect the Company's contractual position, including issuing a notice to perform the deliveries and to honour the settlement arrangements and other terms of the contract binding the parties until the end of 2022.
As at 31 December 2022, Gazprom had not resumed natural gas supplies. The supplier refused to settle under the contractual terms in force. The Yamal Contract expired at the end of 2022.
Disputes arising under the Yamal Contract remain pending and are currently subject to arbitration proceedings. These proceedings will determine, inter alia, the parties' respective claims concerning amendments to pricing terms applicable to natural gas supplies, following multiple requests for renegotiation submitted by Gazprom and ORLEN (as successor-in-title to PGNiG) from 2021 onwards, as well as the underlying causes and resulting consequences of Gazprom's suspension of gas deliveries effective as of 27 April 2022.
Given the extensive scope and complexity of the claims involved, the arbitration proceedings have been organised into multiple phases, with each phase addressing distinct elements of the parties' respective claims.
On 1 July 2025, by way of a partial award issued by the arbitral tribunal, one phase of the proceedings was concluded, addressing the issues of price-term modification under the renegotiation requests submitted by ORLEN and Gazprom in 2017. The tribunal dismissed the parties' respective opposing claims advanced in the course of the proceedings for a reduction or increase of the contract price with effect from 1 November 2017, while upholding in principle Gazprom's claim for an increase of the contract price with effect from 1 January 2018.
The retroactive adjustment of the Yamal Contract price for the period from January 2018 to January 2021 (i.e. until the next potential adjustment of the contract price, which will be determined in a subsequent phase of the arbitration proceedings) results in an amount payable by ORLEN of approximately USD 291 million. Had Gazprom's original claims in the completed phase of the proceedings been upheld, the amount payable by ORLEN would have been approximately USD 1.7 billion. Gazprom subsequently asserted a claim against ORLEN for interest on the value of the retroactive price adjustment under the Yamal Contract. To date, the parties have not reached agreement either as to the merits or as to the amount of any potential settlement, and accordingly the matter will be resolved at a later stage of the dispute.
In the ongoing arbitration, the matters that fall to be determined include, among others, the question of price-term modification under the renegotiation requests submitted by ORLEN and Gazprom in 2021 (ORLEN and Gazprom have each asserted mutual counterclaims seeking, respectively, a reduction or an increase in the contract price) and, in a subsequent phase, matters relating to the suspension of natural gas deliveries under the Yamal Contract with effect from 27 April 2022, together with related claims (ORLEN and Gazprom have provisionally notified mutual counterclaims, which will likewise be definitively particularised by the parties and determined by the tribunal at a later stage of the arbitration).
The disputes between ORLEN and Gazprom remain pending and involve amounts potentially material to the Company. However, given the complexity and precedent-setting nature of these proceedings – including that the existence and/or quantum of certain claims depends on the outcome of the previous phase of the arbitration – it is not currently possible to determine with precision the aggregate amount in dispute.
In parallel arbitration proceedings brought by ORLEN against Gazprom seeking interest on overpayments for natural gas supplied under the Yamal Contract in 2014–2020, the Tribunal notified the parties on 22 October 2025 that it had issued its final award. The award upheld ORLEN's claim in full in respect of the principal amount of USD 118 million. In addition, it awarded ORLEN interest on that principal amount as well as reimbursement of its costs of the proceedings. The aggregate financial effect in ORLEN's favour was estimated at approximately USD 146 million. That amount was set off by ORLEN against Gazprom's receivable arising from the award concerning retroactive recalculation of the Yamal Contract price for the period from January 2018 to January 2021.
Following the issuance of the final award in October 2025 and the offsetting of mutual receivables and liabilities between the parties, the Company recognised a financial asset of PLN 527 million (USD 146 million), with a corresponding recognition of other operating income. Simultaneously, the Company recognised a financial liability in the same amount relating to the award concerning retroactive recalculation of the Yamal Contract price for the period from January 2018 to January 2021, reflecting the utilisation of a previously recognised provision through other operating expenses. The asset and the liability were offset in the separate statement of financial position in accordance with the applicable accounting policies and are presented in these separate financial statements on a net basis.
With respect to the remaining potential liability towards Gazprom arising from the retroactive adjustment of the Yamal Contract price for the period from January 2018 to January 2021, in the Company's opinion the sanctions imposed on the Russian Federation and Gazprom create uncertainty over both the likelihood and timing of any payment to Gazprom. Nevertheless, the Company has concluded that an outflow of cash is probable and has therefore recognised a provision. The estimated amount of the provision, reflecting developments in the dispute and recognised in these separate financial statements, is PLN 378 million (USD 105 million).The estimate was determined using a range of probability-weighted scenarios, including settlement of the claim at various dates over the period 2027–2050, together with a scenario in which no payment is made to Gazprom. The scenarios involving future cash outflows at various dates were discounted to present value using a discount rate of 4.15%.
As indicated above, the provision estimate is subject to uncertainty regarding the timing and potential occurrence of future cash outflows. Accordingly, the amount of the provision may change materially in subsequent reporting periods. In the Company's assessment, changes in geopolitical factors affecting the EU and Polish sanctions policy towards Russia will be particularly significant in this regard.

(PLN million)

13.5.2 Suspension of the Olefins III project in its current scope

On 10 December 2024, ORLEN announced the suspension of the Olefins III project in its current scope. This decision followed the Management Board's review of the costs and construction conditions of the Olefins III complex, which concluded that continuation of the project in its existing form would not be economically viable. This was primarily attributable to the underestimation of the scope of supplementary infrastructure (OSBL), financing costs, and project schedule, and to the significant increase in projected total capital expenditure.
The infrastructure completed to date will form the basis for the Nowa Chemia project. The Nowa Chemia project is based on revised technological, operational, and commercial assumptions, including strategies designed to achieve emissions reductions. The project will include a state-of-the-art monomer production facility and will also enhance the Group's sales capabilities in ethylene oxide, glycols and C4 butadiene fractions, with production volumes aligned to market demand. The Nowa Chemia project is expected to achieve full start-up of the units in 2030. In recent months, ORLEN has focused on adapting the Project to its new configuration – including the addition of elements required to support the Project's economic viability – and on executing the works, in particular the OSBL packages. On 15 April 2026, an updated budget for the Nowa Chemia project was approved in the amount of PLN 35.8 billion, including PLN 4.6 billion of financing costs.
ORLEN is currently focusing its activities relating to the Nowa Chemia project on ensuring delivery in line with the planned schedule. Furthermore, following the delay in project completion from the original timeline and changes to implementation parameters, ORLEN has initiated discussions with commercial partners contracted to purchase products from the new Olefins complex. Following negotiations held as part of this process, on 18 December 2025 ORLEN signed an agreement with Synthos S.A. for the acquisition of 100% of the shares in S54 Sp. z o.o., the company constructing a new butadiene unit at the Production Plant in Płock.
The estimated cash flows resulting from changes in the assumptions for the Olefins project and its continued implementation under the Nowa Chemia project have been reflected in the Downstream segment's impairment tests performed as at 31 December 2025 (for detailed information, see Note 10.5).
Having regard to the facts and circumstances existing as at 31 December 2025, the Company determined that there was no basis to recognise additional liabilities, including provisions, in connection with its decision to suspend construction of the Olefins III complex in its current scope and to continue the project under the Nowa Chemia programme.

Other than the proceedings detailed above, the Company has identified no further material contingent liabilities.

13.6. Excise duty guarantees

Excise duty guarantees and excise duty on goods held under the excise duty suspension arrangement form part of off-balance-sheet liabilities. As at 31 December 2025 and 31 December 2024, these contingent liabilities amounted to PLN 3,446 million and PLN
3,686 million, respectively. The Company considers the likelihood of such a liability materialising to be very low.

13.7. Related-party transactions

In 2025 and 2024, and as at 31 December 2025 and 31 December 2024, there were no material related-party transactions between members of the Management Board and Supervisory Board of the Company and their close family members, or between other members of the Company's key management personnel and their close family members.

13.7.1. Remuneration paid, payable, or potentially payable to members of the Management Board and Supervisory Board, as well as other key management personnel

	2025	2024
Short-term employee benefits	93.1	76.1
Post-employment benefits	0.2	0.6
Other long-term employee benefits	0.1	0.4
Termination benefits	6.8	32.4
	100.2	**109.5**

Bonus remuneration policy for key management personnel

Bonus remuneration policies applicable to the ORLEN Management Board and other key management personnel within ORLEN share common core features. Under these policies, eligible individuals receive bonuses based upon the achievement of individual objectives established at the outset of each bonus period. For members of the Management Board, objectives are set by the Supervisory Board, while objectives for other key management personnel are determined by the Management Board. The bonus systems support the implementation of the Group Strategy, reflect the objectives set out in the adopted Financial Plan, support segment management, and shape collaborative practices between ORLEN's business areas and Group companies. The objectives set are both qualitative and quantitative, and are settled following the end of the year to which they relate.

(PLN million)

Compensation for non-compete obligations and termination of contract following dismissal from office

Directors reporting directly to the ORLEN Management Board are typically subject to a six-month non-compete obligation following termination of their employment contracts. During this non-compete period, they receive compensation amounting to 75% of six months' base salary, payable in six equal monthly instalments. Severance payable upon termination of employment contracts by the employer typically amounts to six months' base salary.
Under the terms of their contracts, members of the ORLEN Management Board are subject to a six-month non-compete obligation following the termination of their contracts. In respect of the non-compete obligation, members of the ORLEN Management Board receive compensation equal to six months' fixed remuneration. The contractual provisions relating to post-employment non-compete obligations applicable to a member of the Management Board become effective only after that individual has served as a member of the Management Board for at least three months.
In addition, the contracts provide for severance pay where the contract is terminated by the Company for reasons other than a breach of the fundamental, material obligations arising under the contract, provided that the individual has served as a member of the Management Board for at least 12 months. In such circumstances, severance pay is equal to three months' fixed remuneration.
Directors reporting directly to the ORLEN Management Board are, as a rule, required to refrain from competitive activity following termination of their contracts. During that period, they receive compensation. They are also entitled to severance pay where the contract is terminated by the employer.

13.7.2. Transactions and balances outstanding between the Company and related parties

	Subsidiaries		Joint arrangements		Total	
	2025	2024	2025	2024	2025	2024
Sales	70,144	86,170	2,374	2,767	72,518	88,937
Income from the centralised framework for derivative financial instruments	1,578	2,722	-	-	1,578	2,722
Purchases	42,808	42,054	48	42	42,856	42,096
Costs arising from the centralised framework for derivative financial instruments	1,857	2,581	-	-	1,857	2,581
Finance income, including:	4,369	4,763	-	51	4,369	4,814
Dividends	*2,224*	*2,483*	-	*51*	*2,224*	*2,534*
Finance costs (mainly interest)	215	269	-	-	215	269

	Subsidiaries		Joint arrangements		Total	
	31/12/2025	31/12/2024*	31/12/2025	31/12/2024*	31/12/2025	31/12/2024*
Trade receivables	4,967	5,993	454	490	5,421	6,483
Other financial assets, including:	25,410	32,594	-	-	25,410	32,594
Loans	*21,576*	*23,190*	-	-	*21,576*	*23,190*
Cash pool	*3,558*	*8,870*	-	-	*3,558*	*8,870*
Receivables from settled derivative instruments	*21*	*76*	-	-	*21*	*76*
Other assets	312	211	1	1	313	212
Trade payables	2,589	3,581	8	7	2,597	3,588
Non-bank borrowings	679	709	-	-	679	709
Other financial liabilities, including:	13,087	7,725	-	-	13,087	7,725
Cash pool	*11,819*	*6,542*	-	-	*11,819*	*6,542*
Liabilities from settled derivative instruments	*630*	*659*	-	-	*630*	*659*
Other liabilities	1	3	-	-	1	3
Lease liabilities	135	457	-	1	135	458

**restated*

The transactions with subsidiaries and joint arrangements referred to above principally comprise sales and purchases of refined and petrochemical products and services.

(PLN million)

13.7.3. Transactions with State Treasury-related entities

As at 31 December 2025 and 31 December 2024, the largest shareholder of the Company was the State Treasury, holding 49.9% of the shares.
The Company has identified transactions with related parties that are also entities related to the State Treasury, based on the 'List of companies with State Treasury ownership' published by the Chancellery of the Prime Minister.
In 2025 and 2024, and as at 31 December 2025 and 31 December 2024, the Company identified the following transactions:

	2025	2024
Sales	6,323	6,490
Purchases	(3,707)	(3,377)

	31/12/2025	31/12/2024
Trade receivables	633	721
Trade payables	492	333

The above transactions, which were carried out on an arm's-length basis, principally related to the ordinary course of the Company's business activities, and predominantly comprised fuel sales, sales and distribution of natural gas, purchases of electricity, natural gas transmission services, as well as transport and storage services.
Additionally, the Company executed financial transactions with Bank Gospodarstwa Krajowego (including credit facilities, bank fees, and commissions), incurred transaction fees payable to the Polish Power Exchange (Towarowa Giełda Energii), and executed settlement transactions through Zarządca Rozliczeń S.A.

In 2025 and 2024, the Company did not enter into any transactions with related parties on terms other than arm's length.

13.8. Fees payable under the contract with the entity authorised to audit financial statements

	2025	2024
Audit of financial statements	**7.4**	**5.0**
Other assurance services:	**2.7**	**1.9**
review of financial statements	*1.6*	*1.1*
other services	*1.1*	*0.8*
	10.1	**6.9**

* The fees for 2025 comprise fees paid to KPMG Audyt Sp. z o.o. s.k., while the fees for 2024 comprise fees paid to Forvis Mazars Audyt Sp. z o.o.

On 29 October 2024, the Supervisory Board of ORLEN S.A., acting in accordance with the Auditor Selection Policy, selected KPMG Audyt Sp. z o.o. s.k. to:

- audit the separate financial statements of ORLEN S.A. and the consolidated financial statements of the ORLEN Group for the financial years 2025 and 2026;
- review the condensed interim separate financial statements of ORLEN S.A. and the condensed interim consolidated financial statements of the ORLEN Group for the first quarter, the third quarter, and the first half of 2025 and 2026.

14. EVENTS AFTER THE REPORTING DATE

14.1. Significant non-bank financing arrangements

On 17 March 2026, ORLEN completed a tap issue of the second tranche of its Series C bonds with an aggregate principal amount of USD 250 million under the updated Global Medium-Term Note (GMTN) Programme.The bonds bear a fixed coupon of 6%, mature on 30 January 2035, and will be consolidated and form a single series with the Company's Series C bonds with an aggregate principal amount of USD 1.25 billion issued on 30 January 2025. The proceeds will be used to finance the Company's operations, including capital projects under the ORLEN 2035 Strategy. The bonds have been admitted to trading on the regulated market operated by Euronext Dublin.

14.2. Impact of geopolitical developments in Iran and neighbouring countries on the Company's operations and financial performance

For some time, the Company has operated in an environment of heightened geopolitical uncertainty, driven, among other factors, by the continuing war in Ukraine and the new armed conflict in Iran, the trajectory and further development of which remain difficult to predict. Taken together, these developments materially increase political and macroeconomic risk at both regional and global level.

Given the rapidly evolving nature of the conflict in Iran, the assessment of its impact on the Company's operations is ongoing. The scale of that impact will depend in particular on the duration and intensity of the conflict, possible scenarios for its further development, and the responses of other governments and international organisations, especially in relation to the continuation of trade restrictions.

Risks identified in connection with ongoing armed conflicts

Escalation of conflicts in regions of critical importance to global energy commodity markets, particularly in the Middle East, gives rise to significant volatility, observed by the Company, in the prices of crude oil, petroleum products, gas, and electricity, especially where threats arise to energy infrastructure in the region or to the continuity of energy commodity flows. The geopolitical situation also affects financing costs and inflation expectations. At the same time, the Company is unable to determine unambiguously the direction or scale of the impact that changes in the above factors may have on its margins.

Persistently heightened geopolitical uncertainty is also increasing volatility in financial markets, including in exchange rates and interest rates. This affects, among other things, the measurement and settlement of derivative instruments held by the Company, as well as margin and collateral requirements for hedging transactions. Accordingly, the Company may experience increased working capital requirements and elevated liquidity requirements during periods of heightened market volatility.
In the Company's assessment, the continuing conflict involving Iran and geopolitical instability in neighbouring countries may lead to changes in the regulatory environment, at both domestic and international level, which could affect the Company's financial performance.

As at the date of preparation of these separate financial statements, the Company had not identified any material disruption to its operating processes or any material restrictions on the availability of commodities in areas critical to its operations. At the same time, the Company closely monitors commodity and logistics markets and reviews its procurement and logistics plans to safeguard operational continuity.

As part of its risk management activities, the Company has intensified its monitoring of supply-chain risks, cybersecurity risks, and risks to the continuity of operations of critical infrastructure.
Restrictions on shipping through the Strait of Hormuz have, among other things, created tensions in global natural gas and LNG markets, leading to higher gas prices in Europe and a temporary reduction in the availability of LNG volumes from Qatar. The Company received a force majeure notice covering two scheduled LNG deliveries in Q2 2026; however, this did not affect the continuity of gas supplies to Poland. The Company has the ability to diversify its sources of LNG supply, including through spot-market purchases and the use of its own logistics and trading capabilities. In the medium term, the conflict may bring continued price pressure on the European gas market and less favourable commercial terms for LNG supplies from Qatar. At the same time, some of these volumes may be replaced with supplies from North America purchased at market prices.

ORLEN continues to implement business continuity procedures ensuring uninterrupted fuel supplies and therefore does not currently identify a risk of fuel shortages in Poland. Crude oil and liquid fuel stocks comprise mandatory stocks and operating stocks. Operating stocks (also referred to as commercial stocks) are used to meet current demand for fuels, whereas mandatory stocks are maintained to ensure national energy security. The Company maintains mandatory stocks of crude oil and fuels at the required level in accordance with applicable law.

The Company continually monitors the liquid fuels market and takes the necessary commercial and operational measures to ensure fuel supply in line with prevailing demand.

The Company has procedures and contingency plans in place, including the potential reorganisation of supply chains, diversification of commodity sourcing origins, and adjustment of hedging activities on the transaction portfolio in response to changing market conditions.

The Company closely monitors its liquidity position. Heightened market volatility may periodically increase working capital financing needs and collateral requirements in transactions on commodity and financial markets. The Company continually adjusts its activities to limit the adverse impact of these factors on liquidity and results. The Company has sufficient financial resources and available credit facilities to meet its obligations and continue its capital projects.

As at the date of preparation of these separate financial statements, given the rapidly evolving nature of the situation, the Company is unable to estimate reliably the impact of these events on its future financial performance.

Impact of the geopolitical situation on significant estimates and assumptions:

The ORLEN Group assumes that the geopolitical situation, including wars in Iran and in neighbouring countries, may affect significant estimates and assumptions made by the Management Board in future periods. This applies in particular to the following areas:

- commodity prices and supply, including crude oil, gas, electricity, and liquid fuels;
- changes in CO_2 emission allowance prices;
- feedstock optimisation assumptions in response to high prices and supply volatility;
- prices, margins, and volumes for refined and petrochemical products and electricity;
- exchange rates, mainly EUR and USD;
- weighted average cost of capital (WACC) rates; and
- inflation rates and interest rates.

These assumptions will primarily affect the models used to project expected future cash flows under the scenarios prepared by the Company, as well as the determination of discount rates used to estimate value in use in impairment tests for non-current assets that may be performed in future reporting periods.
Changes in assumptions relating to inflation rates and interest rates will also affect estimates for the long-term portion of recognised provisions, as well as the calculation of the incremental borrowing rate used to measure lease liabilities.
Assumptions relating to crude oil and gas prices, and to the prices of refined and petrochemical products, will in turn affect the Company's estimates of the net realisable value of inventories.
In addition, changes in commodity prices, CO_2 emission allowance prices, product margins, exchange rates, and interest rates will have a direct impact on the Company's operating profit, including the measurement and settlement of derivative instruments held by the Company.
Further, assumptions adopted for macroeconomic data, such as trends in gross domestic product, inflation rates, and unemployment rates, may affect the need to revise estimates of expected credit losses on the Company's trade receivables and to include an additional risk component reflecting the economic situation and future forecasts in the calculation of expected credit losses.
Given the relatively short duration of the conflict as at the date of preparation of these financial statements, estimating its potential further macroeconomic and market consequences remains difficult and subject to uncertainty. As at the date of preparation of these separate financial statements, the Company assessed that the escalation of the armed conflict in the Middle East does not affect its going concern assessment.
The Company monitors geopolitical developments on an ongoing basis, and any events that may affect financial reporting will be appropriately reflected in subsequent reporting periods.

Given the high level of uncertainty and significant price volatility in the hydrocarbon market, the Company considers the current situation to be transient. In its analyses, the Company assesses whether observed short-term trends, particularly in commodity prices, may develop into long-term trends, in which case they would be reflected in the future cash flows used in impairment testing.

14.3. Agreement to acquire all shares in Grupa Azoty Polyolefins

On 31 March 2026, ORLEN signed a preliminary share purchase agreement with the remaining shareholders of Grupa Azoty Polyolefins S.A. (‘GAP’), under which the Company will acquire all remaining shares in GAP (the ‘Transaction’). ORLEN currently holds 17.3% of the shares in GAP.
The Transaction covers the acquisition of all remaining shares in GAP and the arrangement by ORLEN of financing required to complete GAP’s restructuring, with an aggregate value of PLN 1.35 billion
Closing of the Transaction is planned for the third quarter of 2026, following:

- completion by GAP of proceedings to conclude a partial arrangement and other out-of-arrangement agreements, resulting in the settlement of all creditors' claims in accordance with the reduction arising from those proceedings, and the final settlement of the EPC contract.
- obtaining the required administrative approvals.

In addition, the terms of the Transaction provide for earn-out payments to key creditors participating in GAP’s restructuring. These payments will become due only after ORLEN has recovered the funds committed to GAP and will accrue over a maximum period of 12 years.

AUTHORISATION FOR ISSUE OF THE SEPARATE FINANCIAL STATEMENTS AND RESPONSIBILITY STATEMENT

The Management Board of ORLEN S.A. represents that, to the best of its knowledge, these separate financial statements and the comparative data have been prepared in accordance with the accounting policies applicable at ORLEN and present a true, fair, and clear view of the financial position, assets, liabilities, and financial results of ORLEN.

These separate financial statements were authorised for issue by the Management Board of the Parent on 28 April 2026.

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Ireneusz Fąfara
President of the Management Board

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Marek Balawejder
Member of the Management Board

digitally signed on the Polish original
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Sławomir Jędrzejczyk
Vice President of the Management Board

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Witold Literacki
Vice President of the Management Board

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Wiesław Prugar
Member of the Management Board

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Ireneusz Sitarski
Vice President of the Management Board

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Robert Soszyński
Vice President of the Management Board

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Sławomir Staszak
Member of the Management Board

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Marcin Wasilewski
Member of the Management Board

digitally signed on the Polish original
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Paweł Wojtunik
Member of the Management Board