



Financial Report 2022/2023

Szymon Oryńczak 191722

Szymon Kasprzycki 193065

Data Engineering 2023/2024

Agenda

1. About the company
2. Income statement
3. Assets analysis
4. Liabilities analysis
5. Ratio analysis
6. Loan repayment schedule
7. WARD calculations for different EBIT values
8. Capital budgeting for investment project

1. About company

Tauron Polska Energia SA is a Polish company grouping companies from the energy industry. The Tauron Group is one of the largest economic entities in Poland, and one of the largest energy holdings in Central and Eastern Europe. It operates in the energy sector, from generation, through distribution, to the sale of electricity and heat, as well as customer service. In 2014, Tauron also entered the gas fuel trading market. Tauron Polska Energia SA is the dominant company in the Tauron capital group.

The companies incorporated into Tauron Polska Energia SA include, among others:

- **Tauron Wytwarzanie SA** – generating energy from conventional sources and biomass co-firing.
- **Tauron Ciepło sp. z o.o.** - production of electricity and heat, providing heat distribution.
- **Tauron Ekoenergia sp. z o.o.** - generating energy from renewable sources (water and wind).
- **Tauron Dystrybucja SA** – electricity distribution services.
- **Tauron Sprzedaż sp. z o.o.** - sale of electricity and gas to individual and business customers.
- **Tauron Obsługa Klienta sp. z o.o.** - customer service.

The Tauron Group has a share capital of over 8.7 billion PLN. At the end of 2022, the holding employed over 25000 people. Its sales revenue in 2022 amounted to 27.5 billion PLN.

2. Income statement

Values in PLN million		
	31.12.2023	31.12.2022
Sales revenue	34314	27545
Cost of sales	-33924	-27160
Profit on sale	390	385
Selling and distribution expenses	-33	-32
Administrative expenses	-116	-145
Other operating income and expenses	-11	-8
Operating profit	230	200
Dividend income	475	1797
Interest income on loans	947	544
Interest expense on debt	-928	-654
Revaluation of shares	-271	-48
Revaluation of loans	-760	-1462
Other finance income and costs	-330	-341
Profit (loss) before tax	-637	36
Income tax expense	-1	31
Net profit (loss)	-638	67
Measurement of hedging instruments	-287	187
Income tax expense	55	-36
Other comprehensive income subject to reclassification to profit or loss	-232	151
Actuarial gains	-	1
Other comprehensive income not subject to reclassification to profit or loss	-	1
Other comprehensive income, net of tax	-232	152
Total comprehensive income	-870	219
Profit (loss) per share (in PLN):		
basic, for net profit (loss)	-0,36	0,04
diluted, for net profit (loss)	-0,36	0,04

3. Assets analysis

Assets		
Values in PLN million		
	31.12.2023	31.12.2022
Current assets		
Inventories	12	72
Receivables from buyers	2490	2240
Income tax receivables	94	79
Loans granted	1138	2368
Derivative instruments	292	459
Other financial assets	433	35
Other non-financial assets	3	601
Cash and cash equivalents	484	1039
Total current assets	4946	6893
Non-current assets		
Investment property	18	19
Right-of-use assets	12	13
Shares	15520	15716
Loans granted	11273	11172
Derivative instruments	149	390
Other financial assets	33	-
Other non-financial assets	17	19
Deferred tax assets	86	-
Total non-current assets	27108	27329
Total assets	32054	34222

	Overall vertical analysis		Detailed vertical analysis		Dynamics	Rate of change
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2023
Current assets						
Inventories	0,04%	0,21%	0,24%	1,04%	16,67%	-83,33%
Receivables from buyers	7,77%	6,55%	50,34%	32,50%	111,16%	11,16%
Income tax receivables	0,29%	0,23%	1,90%	1,15%	118,99%	18,99%
Loans granted	3,55%	6,92%	23,01%	34,35%	48,06%	-51,94%
Derivative instruments	0,91%	1,34%	5,90%	6,66%	63,62%	-36,38%
Other financial assets	1,35%	0,10%	8,75%	0,51%	1237,14%	1137,14%
Other non-financial assets	0,01%	1,76%	0,06%	8,72%	0,50%	-99,50%
Cash and cash equivalents	1,51%	3,04%	9,79%	15,07%	46,58%	-53,42%
Total current assets	15,43%	20,14%	100,00%	100,00%	71,75%	-28,25%
Non-current assets						
Investment property	0,06%	0,06%	0,07%	0,07%	94,74%	-5,26%
Right-of-use assets	0,04%	0,04%	0,04%	0,05%	92,31%	-7,69%
Shares	48,42%	45,92%	57,25%	57,51%	98,75%	-1,25%
Loans granted	35,17%	32,65%	41,59%	40,88%	100,90%	0,90%
Derivative instruments	0,46%	1,14%	0,55%	1,43%	38,21%	-61,79%
Other financial assets	0,10%		0,12%			
Other non-financial assets	0,05%	0,06%	0,06%	0,07%	89,47%	-10,53%
Deferred tax assets	0,27%		0,32%			
Total non-current assets	84,57%	79,86%	100,00%	100,00%	99,19%	-0,81%
Total assets	100,00%	100,00%			93,66%	-6,34%

Current assets: Inventories experienced a sharp decline of 83.33%, while receivables from buyers rose by 11.16%. Other financial assets saw a remarkable surge of 1137.14%, whereas cash and cash equivalents decreased by 53.42%. In total, current assets fell by 21.72%.

Non-current Assets: Investment property and right-of-use assets remained mostly unchanged. Shares saw a slight increase, and loans granted also rose marginally. Derivative instruments dropped significantly by 61.79%. Overall, total non-current assets decreased by 0.81%.

Total assets: Assets saw an overall decrease of 4.74%, which could suggest a strategic reallocation of resources.

4. Liabilities analysis

Equity and liabilities Values in PLN million		
	31.12.2023	31.12.2022
Equity		
Issued capital	8763	8763
Reserve capital	3076	3009
Revaluation reserve from valuation hedging instruments	218	450
Retained earnings/(Accumulated losses)	-607	98
Total equity	11450	12320
Non-current liabilities		
Debt	13111	14754
Derivative instruments	169	10
Other financial liabilities	6	8
Other non-financial liabilities	-	4
Deferred tax liabilities	-	14
Provision for the onerous contract	-	28
Other provisions, accruals, deferred income and government grants	8	4
Total non-current liabilities	13294	14822
Current liabilities		
Debt	4421	3316
Liabilities to suppliers	979	1419
Liabilities arising from the purchase of shares in a subsidiary	-	-
Derivative instruments	644	331
Other financial liabilities	234	146
Other non-financial liabilities	1005	1593
Provision for the onerous contract	-	253
Other provisions, accruals, deferred income and government grants	27	22
Total current liabilities	7310	7080
Total liabilities	20604	21902
Total equity and liabilities	32054	34222

	Overall vertical analysis		Detailed vertical analysis		Dynamics	Rate of change
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2023
Equity						
Issued capital	27,34%	25,61%	76,53%	71,13%	100,00%	0,00%
Reserve capital	9,60%	8,79%	26,86%	24,42%	102,23%	2,23%
Revaluation reserve from valuation hedging instruments	0,68%	1,31%	1,90%	3,65%	48,44%	-51,56%
Retained earnings/(Accumulated losses)	-1,89%	0,29%	-5,30%	0,80%	-619,39%	-719,39%
Total equity	35,72%	36,00%	100,00%	100,00%	92,94%	-7,06%
Non-current liabilities						
Debt	40,90%	43,11%	98,62%	99,54%	88,86%	-11,14%
Derivative instruments	0,53%	0,03%	1,27%	0,07%	1690,00%	1590,00%
Other financial liabilities	0,02%	0,02%	0,05%	0,05%	75,00%	-25,00%
Other non-financial liabilities	#VALUE!	0,01%	#VALUE!	0,03%	#VALUE!	#VALUE!
Deferred tax liabilities	#VALUE!	0,04%	#VALUE!	0,09%	#VALUE!	#VALUE!
Provision for the onerous contract	#VALUE!	0,08%	#VALUE!	0,19%	#VALUE!	#VALUE!
Other provisions, accruals, deferred income and government grants	0,02%	0,01%	0,06%	0,03%	200,00%	100,00%
Total non-current liabilities	41,47%	43,31%	100,00%	100,00%	89,69%	-10,31%
Current liabilities						
Debt	13,79%	9,69%	60,48%	46,84%	133,32%	33,32%
Liabilities to suppliers	3,05%	4,15%	13,39%	20,04%	68,99%	-31,01%
Liabilities arising from the purchase of shares in a subsidiary	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
Derivative instruments	2,01%	0,97%	8,81%	4,68%	194,56%	94,56%
Other financial liabilities	0,73%	0,43%	3,20%	2,06%	160,27%	60,27%
Other non-financial liabilities	3,14%	4,65%	13,75%	22,50%	63,09%	-36,91%
Provision for the onerous contract	#VALUE!	0,74%	#VALUE!	3,57%	#VALUE!	#VALUE!
Other provisions, accruals, deferred income and government grants	0,08%	0,06%	0,37%	0,31%	122,73%	22,73%
Total current liabilities	22,81%	20,69%	100,00%	100,00%	103,25%	3,25%

Total equity and liabilities	100,00%	100,00%			93,66%	-6,34%
------------------------------	---------	---------	--	--	--------	--------

Equity: Issued capital and reserve capital saw moderate increases. The revaluation reserve from valuation hedging instruments decreased significantly. Retained earnings shifted to accumulated losses, resulting in a substantial decrease. Overall, equity decreased slightly by 7.06%.

Non-Current Liabilities: Debt decreased moderately, while derivative instruments increased substantially. Other financial liabilities showed moderate growth, but data for other non-financial liabilities is missing. Overall, non-current liabilities decreased by 10.31%.

Current liabilities: Debt and derivative instruments increased significantly, whereas liabilities to suppliers decreased moderately. Other non-financial liabilities decreased notably. Overall, current liabilities increased by 3.25%.

Total Equity and Liabilities: The total equity and liabilities decreased by 6.34% overall.

5. Ratio analysis

Ratio	Definition	2023	2022	Assessment
Profitability				
Gross profit margin	(Gross profit / Total sales)	1,14%	1,40%	Worse
Return on equity (ROE)	Net income / Total equity	-5,57%	0,54%	Worse
Profit margin on sales	Net income / Total sales	-1,86%	0,24%	Worse
Return on assets (ROA)	Net income / Total assets	-1,99%	0,20%	Worse
Basic earning power (BEP)	EBIT / Total assets	0,72%	0,58%	Better
Liquidity				
Current liquidity ratio	Current assets / Current liabilities	0,677	0,974	Worse
Quick ratio	(Cash + Accounts receivable + Current financial assets) / Current liabilities	0,4789	0,4792	Worse (slightly)
Cash ratio	Cash and cash equivalents / Current liabilities	0,066	0,147	Worse
Indebtedness				
Debt ratio	Total debt / Total assets	64,28%	64,00%	Worse
Debt to Equity Ratio	Total debt / Total equity	1,799	1,778	Worse (slightly)
Assets management				
Days sales outstanding (DSO)	Receivables / Average sales per day	26,486	29,682	Better
Total assets turnover	Total sales / Total assets	1,071	0,805	Better
Fixed assets turnover	Total sales / Net fixed assets	1,266	1,008	Better

Profitability: The Gross Profit Margin decreased from 1.40% to 1.14%. Return on Equity (ROE) declined from 0.54% to –5.57%. The Profit Margin on Sales fell from 0.24% to –1.85%. Return on Assets (ROA) dropped from 0.20% to –1.99%. Basic Earning Power (BEP), however, increased from 0.58% to 0.72%.

Liquidity: The Current Liquidity Ratio decreased from 0.974 to 0.677. The Quick Ratio remained relatively stable, while the Cash Ratio fell from 0.147 to 0.066.

Indebtedness: The Debt Ratio increased from 64% to 64.28%. The Debt to Equity Ratio also increased slightly from 1.778 to 1.799.

Assets Management: Days Sales Outstanding (DSO) improved from 29.68 to 26.49. Total Assets Turnover increased from 0.805 to 1.071. Fixed Assets Turnover also improved from 1.008 to 1.266.

6. Loan repayment schedule

Total value of assets of Tauron Polska Energia SA at the end of 2023 was equal to 32 054 000 000 PLN, and 0.1% of them is equal to 32 054 000 PLN.

Loan amount: 32 054 000

Interest: 10.85%

Commission: 2.00%

Number of payments: 120

Payment frequency: monthly

Bank: Bank Spółdzielczy w Iławie

a) Equal principal paid

Month	Principal [PLN]	Interest [PLN]	Payment [PLN]	Principal remaining [PLN]
0	0	0	641080	32054000
1	267116,67	289821,58	556938,25	31786883,33
2	267116,67	287406,4	554523,07	31519766,67
3	267116,67	284991,22	552107,89	31252650
4	267116,67	282576,04	549692,71	30985533,33
5	267116,67	280160,86	547277,53	30718416,67
6	267116,67	277745,68	544862,35	30451300
7	267116,67	275330,5	542447,17	30184183,33
8	267116,67	272915,32	540031,99	29917066,67
9	267116,67	270500,14	537616,81	29649950
10	267116,67	268084,96	535201,63	29382833,33
11	267116,67	265669,78	532786,45	29115716,67
12	267116,67	263254,6	530371,27	28848600
13	267116,67	260839,42	527956,09	28581483,33
14	267116,67	258424,25	525540,91	28314366,67
15	267116,67	256009,07	523125,73	28047250
16	267116,67	253593,89	520710,55	27780133,33
17	267116,67	251178,71	518295,37	27513016,67
18	267116,67	248763,53	515880,19	27245900
19	267116,67	246348,35	513465,01	26978783,33
20	267116,67	243933,17	511049,83	26711666,67
21	267116,67	241517,99	508634,65	26444550
22	267116,67	239102,81	506219,47	26177433,33

23	267116,67	236687,63	503804,29	25910316,67
24	267116,67	234272,45	501389,11	25643200
25	267116,67	231857,27	498973,93	25376083,33
26	267116,67	229442,09	496558,75	25108966,67
27	267116,67	227026,91	494143,57	24841850
28	267116,67	224611,73	491728,39	24574733,33
29	267116,67	222196,55	489313,21	24307616,67
30	267116,67	219781,37	486898,03	24040500
31	267116,67	217366,19	484482,85	23773383,33
32	267116,67	214951,01	482067,67	23506266,67
33	267116,67	212535,83	479652,49	23239150
34	267116,67	210120,65	477237,31	22972033,33
35	267116,67	207705,47	474822,13	22704916,67
36	267116,67	205290,29	472406,95	22437800
37	267116,67	202875,11	469991,77	22170683,33
38	267116,67	200459,93	467576,6	21903566,67
39	267116,67	198044,75	465161,42	21636450
40	267116,67	195629,57	462746,24	21369333,33
41	267116,67	193214,39	460331,06	21102216,67
42	267116,67	190799,21	457915,88	20835100
43	267116,67	188384,03	455500,7	20567983,33
44	267116,67	185968,85	453085,52	20300866,67
45	267116,67	183553,67	450670,34	20033750
46	267116,67	181138,49	448255,16	19766633,33
47	267116,67	178723,31	445839,98	19499516,67
48	267116,67	176308,13	443424,8	19232400
49	267116,67	173892,95	441009,62	18965283,33
50	267116,67	171477,77	438594,44	18698166,67
51	267116,67	169062,59	436179,26	18431050
52	267116,67	166647,41	433764,08	18163933,33
53	267116,67	164232,23	431348,9	17896816,67
54	267116,67	161817,05	428933,72	17629700
55	267116,67	159401,87	426518,54	17362583,33
56	267116,67	156986,69	424103,36	17095466,67
57	267116,67	154571,51	421688,18	16828350
58	267116,67	152156,33	419273	16561233,33
59	267116,67	149741,15	416857,82	16294116,67
60	267116,67	147325,97	414442,64	16027000
61	267116,67	144910,79	412027,46	15759883,33

62	267116,67	142495,61	409612,28	15492766,67
63	267116,67	140080,43	407197,1	15225650
64	267116,67	137665,25	404781,92	14958533,33
65	267116,67	135250,07	402366,74	14691416,67
66	267116,67	132834,89	399951,56	14424300
67	267116,67	130419,71	397536,38	14157183,33
68	267116,67	128004,53	395121,2	13890066,67
69	267116,67	125589,35	392706,02	13622950
70	267116,67	123174,17	390290,84	13355833,33
71	267116,67	120758,99	387875,66	13088716,67
72	267116,67	118343,81	385460,48	12821600
73	267116,67	115928,63	383045,3	12554483,33
74	267116,67	113513,45	380630,12	12287366,67
75	267116,67	111098,27	378214,94	12020250
76	267116,67	108683,09	375799,76	11753133,33
77	267116,67	106267,91	373384,58	11486016,67
78	267116,67	103852,73	370969,4	11218900
79	267116,67	101437,55	368554,22	10951783,33
80	267116,67	99022,37	366139,04	10684666,67
81	267116,67	96607,19	363723,86	10417550
82	267116,67	94192,01	361308,68	10150433,33
83	267116,67	91776,83	358893,5	9883316,67
84	267116,67	89361,65	356478,32	9616200
85	267116,67	86946,47	354063,14	9349083,33
86	267116,67	84531,3	351647,96	9081966,67
87	267116,67	82116,12	349232,78	8814850
88	267116,67	79700,94	346817,6	8547733,33
89	267116,67	77285,76	344402,42	8280616,67
90	267116,67	74870,58	341987,24	8013500
91	267116,67	72455,4	339572,06	7746383,33
92	267116,67	70040,22	337156,88	7479266,67
93	267116,67	67625,04	334741,7	7212150
94	267116,67	65209,86	332326,52	6945033,33
95	267116,67	62794,68	329911,34	6677916,67
96	267116,67	60379,5	327496,16	6410800
97	267116,67	57964,32	325080,98	6143683,33
98	267116,67	55549,14	322665,8	5876566,67
99	267116,67	53133,96	320250,62	5609450
100	267116,67	50718,78	317835,44	5342333,33

101	267116,67	48303,6	315420,26	5075216,67
102	267116,67	45888,42	313005,08	4808100
103	267116,67	43473,24	310589,9	4540983,33
104	267116,67	41058,06	308174,72	4273866,67
105	267116,67	38642,88	305759,54	4006750
106	267116,67	36227,7	303344,36	3739633,33
107	267116,67	33812,52	300929,18	3472516,67
108	267116,67	31397,34	298514	3205400
109	267116,67	28982,16	296098,82	2938283,33
110	267116,67	26566,98	293683,65	2671166,67
111	267116,67	24151,8	291268,47	2404050
112	267116,67	21736,62	288853,29	2136933,33
113	267116,67	19321,44	286438,11	1869816,67
114	267116,67	16906,26	284022,93	1602700
115	267116,67	14491,08	281607,75	1335583,33
116	267116,67	12075,9	279192,57	1068466,67
117	267116,67	9660,72	276777,39	801350
118	267116,67	7245,54	274362,21	534233,33
119	267116,67	4830,36	271947,03	267116,67
120	267116,67	2415,18	269531,85	0
Total	32054000	17534205,82	50229285,74	

b) Equal monthly payments

Month	Principal [PLN]	Interest [PLN]	Payment [PLN]	Principal remaining [PLN]
0	0	0	641080	32054000
1	149005,04	289821,58	438826,62	31904994,96
2	150352,3	288474,33	438826,62	31754642,66
3	151711,73	287114,89	438826,62	31602930,93
4	153083,46	285743,17	438826,62	31449847,48
5	154467,59	284359,04	438826,62	31295379,89
6	155864,23	282962,39	438826,62	31139515,66
7	157273,5	281553,12	438826,62	30982242,15
8	158695,52	280131,11	438826,62	30823546,64
9	160130,39	278696,23	438826,62	30663416,25
10	161578,24	277248,39	438826,62	30501838,01
11	163039,17	275787,45	438826,62	30338798,84
12	164513,32	274313,31	438826,62	30174285,52

13	166000,79	272825,83	438826,62	30008284,73
14	167501,72	271324,91	438826,62	29840783,01
15	169016,21	269810,41	438826,62	29671766,8
16	170544,4	268282,22	438826,62	29501222,4
17	172086,41	266740,22	438826,62	29329135,99
18	173642,35	265184,27	438826,62	29155493,64
19	175212,37	263614,25	438826,62	28980281,27
20	176796,58	262030,04	438826,62	28803484,69
21	178395,12	260431,51	438826,62	28625089,57
22	180008,11	258818,52	438826,62	28445081,47
23	181635,68	257190,94	438826,62	28263445,79
24	183277,97	255548,66	438826,62	28080167,82
25	184935,11	253891,52	438826,62	27895232,71
26	186607,23	252219,4	438826,62	27708625,48
27	188294,47	250532,16	438826,62	27520331,01
28	189996,96	248829,66	438826,62	27330334,05
29	191714,85	247111,77	438826,62	27138619,19
30	193448,28	245378,35	438826,62	26945170,92
31	195197,37	243629,25	438826,62	26749973,55
32	196962,28	241864,34	438826,62	26553011,27
33	198743,15	240083,48	438826,62	26354268,12
34	200540,12	238286,51	438826,62	26153728
35	202353,33	236473,29	438826,62	25951374,67
36	204182,95	234643,68	438826,62	25747191,72
37	206029,1	232797,53	438826,62	25541162,62
38	207891,95	230934,68	438826,62	25333270,68
39	209771,64	229054,99	438826,62	25123499,04
40	211668,32	227158,3	438826,62	24911830,72
41	213582,16	225244,47	438826,62	24698248,57
42	215513,29	223313,33	438826,62	24482735,27
43	217461,89	221364,73	438826,62	24265273,38
44	219428,11	219398,51	438826,62	24045845,27
45	221412,11	217414,52	438826,62	23824433,16
46	223414,04	215412,58	438826,62	23601019,12
47	225434,08	213392,55	438826,62	23375585,04
48	227472,38	211354,25	438826,62	23148112,67
49	229529,11	209297,52	438826,62	22918583,56
50	231604,43	207222,19	438826,62	22686979,13
51	233698,52	205128,1	438826,62	22453280,61

52	235811,55	203015,08	438826,62	22217469,06
53	237943,68	200882,95	438826,62	21979525,39
54	240095,08	198731,54	438826,62	21739430,31
55	242265,94	196560,68	438826,62	21497164,36
56	244456,43	194370,19	438826,62	21252707,93
57	246666,72	192159,9	438826,62	21006041,21
58	248897	189929,62	438826,62	20757144,21
59	251147,45	187679,18	438826,62	20505996,76
60	253418,24	185408,39	438826,62	20252578,53
61	255709,56	183117,06	438826,62	19996868,96
62	258021,6	180805,02	438826,62	19738847,36
63	260354,55	178472,08	438826,62	19478492,82
64	262708,59	176118,04	438826,62	19215784,23
65	265083,91	173742,72	438826,62	18950700,32
66	267480,71	171345,92	438826,62	18683219,61
67	269899,18	168927,44	438826,62	18413320,43
68	272339,52	166487,11	438826,62	18140980,92
69	274801,92	164024,7	438826,62	17866178,99
70	277286,59	161540,04	438826,62	17588892,4
71	279793,72	159032,9	438826,62	17309098,68
72	282323,52	156503,1	438826,62	17026775,16
73	284876,2	153950,43	438826,62	16741898,96
74	287451,95	151374,67	438826,62	16454447
75	290051	148775,62	438826,62	16164396
76	292673,54	146153,08	438826,62	15871722,46
77	295319,8	143506,82	438826,62	15576402,66
78	297989,98	140836,64	438826,62	15278412,68
79	300684,31	138142,31	438826,62	14977728,37
80	303403	135423,63	438826,62	14674325,37
81	306146,27	132680,36	438826,62	14368179,1
82	308914,34	129912,29	438826,62	14059264,76
83	311707,44	127119,19	438826,62	13747557,33
84	314525,79	124300,83	438826,62	13433031,53
85	317369,63	121456,99	438826,62	13115661,9
86	320239,18	118587,44	438826,62	12795422,72
87	323134,68	115691,95	438826,62	12472288,04
88	326056,35	112770,27	438826,62	12146231,69
89	329004,45	109822,18	438826,62	11817227,24
90	331979,19	106847,43	438826,62	11485248,05

91	334980,84	103845,78	438826,62	11150267,21
92	338009,63	100817	438826,62	10812257,58
93	341065,8	97760,83	438826,62	10471191,79
94	344149,6	94677,03	438826,62	10127042,19
95	347261,28	91565,34	438826,62	9779780,9
96	350401,11	88425,52	438826,62	9429379,8
97	353569,32	85257,31	438826,62	9075810,48
98	356766,17	82060,45	438826,62	8719044,31
99	359991,93	78834,69	438826,62	8359052,38
100	363246,86	75579,77	438826,62	7995805,52
101	366531,22	72295,41	438826,62	7629274,3
102	369845,27	68981,36	438826,62	7259429,03
103	373189,29	65637,34	438826,62	6886239,75
104	376563,54	62263,08	438826,62	6509676,21
105	379968,3	58858,32	438826,62	6129707,9
106	383403,85	55422,78	438826,62	5746304,06
107	386870,46	51956,17	438826,62	5359433,6
108	390368,41	48458,21	438826,62	4969065,19
109	393897,99	44928,63	438826,62	4575167,19
110	397459,49	41367,14	438826,62	4177707,7
111	401053,18	37773,44	438826,62	3776654,52
112	404679,37	34147,25	438826,62	3371975,15
113	408338,35	30488,28	438826,62	2963636,8
114	412030,41	26796,22	438826,62	2551606,39
115	415755,85	23070,77	438826,62	2135850,54
116	419514,98	19311,65	438826,62	1716335,56
117	423308,09	15518,53	438826,62	1293027,47
118	427135,5	11691,12	438826,62	865891,97
119	430997,52	7829,11	438826,62	434894,45
120	434894,45	3932,17	438826,62	0
Total	32054000	20605194,94	53300274,4	

7. WARD calculations

Description	EBIT	WARD
EBIT from income statement - 2023	230 000 000,00 PLN	8,79%
EBIT from income statement - 2022	200 000 000,00 PLN	8,79%
Higher EBIT	300 000 000,00 PLN	8,79%
Lower EBIT	100 000 000,00 PLN	8,79%
Lower EBIT	1 000 000,00 PLN	10,26%
Lower EBIT	500 000,00 PLN	10,55%
Lower EBIT	250 000,00 PLN	10,70%
Lower EBIT	100 000,00 PLN	10,79%
Lower EBIT	1 000,00 PLN	10,79%

For higher values of EBIT, the WARD remains on the same level of 8.79%. When EBIT is lower than 100 million PLN, WARD becomes higher and stops at 10.79% when EBIT is equal to lower than 100 000 PLN.

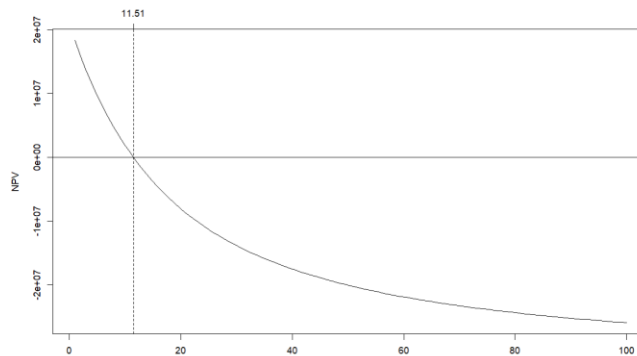
8. Capital Budgeting Process

Assumptions:

- Discount rate is equal to 10%
- Reinvestment rate is equal to 10%

Generated cash flows			
Year	Value [PLN]		
0	-33000000	NPV [PLN]:	1 896 859,45 PLN
1	7500000	NFV [PLN]:	4 919 965,00 PLN
2	7500000	NUS [PLN]:	308 705,10 PLN
3	7200000	IRR:	11,51%
4	7200000	Payback Period:	5,836 years
5	-1000000	Profitability Index:	1,16
6	5500000	MIRR:	11,78%
7	5900000	Discounted Payback Period:	8,833 years
8	5100000	ROI:	63,33%
9	5000000	Average Annual Cash Flow (excluding initial investment):	5 390 000,00 PLN
10	4000000	Infinite NPV:	3 087 051,40 PLN
		Equivalent Annuity:	308 705,14 PLN

As project has non-normal cashflows – we have checked the possibility of other IRRs existence. However, there are no more positive IRRs.



The project appears to be profitable. It has a positive return that exceeds the discount rate. After comparatively large initial cost, the project recovers it within a reasonable time and continues to generate profit. Overall financial metrics show that the project's benefits outweigh its costs, making it a worthwhile investment.