



2023 ANNUAL REPORT

OF THE **SUPERVISORY BOARD**

OF GLOBE TRADE CENTRE S.A.

April 2024

1. Legal basis for the Annual Report of the supervisory board

This Annual Report of the supervisory board (the “**Report**”) has been prepared and adopted by the supervisory board of Globe Trade Centre S.A., with its registered seat in Warsaw, Poland (the “**Company**” or “**GTC**”), (the “**supervisory board**”), according to Article 382 § 3 of the Polish Commercial Companies Code and is addressed to the general meeting of the Company (the “**General Meeting**”).

The Report is prepared in a way to ensure compliance with Rules 2.11 of the 2021 Code of Best Practices of WSE Listed Companies.

2. The composition of the supervisory board

As of 31 December 2023, the supervisory board comprised ten (10) members, 100% men. The following table presents the names, surnames, functions, dates of appointment, and dates of expiry of the current term of the members of the supervisory board as of 31 December 2023:

Name and surname	Function	Year of the first appointment	Year of appointment for the current term	Year of expiry of term	Year of next appointment
János Péter Bartha ¹	Chairman of the supervisory board	2020	2020	2023	2024
Lóránt Dudás	Member of the supervisory board	2020	2020	2023	2024
Balázs Figura	Member of the supervisory board	2020	2020	2023	2024
Mariusz Grendowicz	Member of the supervisory board	2000	2022	2025	2026
László Gut	Member of the supervisory board	2023	2023	2026	2027
Marcin Murawski ¹	Independent member of the supervisory board	2013	2022	2025	2026
Artur Kozieja ^{1 2}	Independent member of the supervisory board	2022	2022	2025	2026
Bálint Szécsényi	Member of the supervisory board	2020	2020	2023	2024
Sławomir Niemierka ¹	Independent member of the supervisory board	2023	2023	2025	2026
Dominik Januszewski ¹	Independent member of the supervisory board	2023	2023	2026	2027

¹ conforms with the independence criteria listed in the Best Practices of WSE Listed Companies.

² conforms with the independence criteria listed in the articles of association of the Company

CHANGES IN THE COMPOSITION OF THE SUPERVISORY BOARD:

- on 2 January 2023, Otwarty Fundusz Emerytalny PZU “Złota Jesień” appointed Sławomir Niemierka as member of the supervisory board of the Company;
- on 16 May 2023, Powszechne Towarzystwo Emerytalne Allianz Polska S.A. appointed Dominik Januszewski as member of the supervisory board of the Company;
- on 24 August 2023, Gyula Nagy resigned from his seat on the supervisory board of the Company;
- on 24 August 2023, GTC Dutch Holdings B.V. appointed László Gut as a member of the supervisory board of the Company.
- on 15 December 2023, the mandate of Bruno Vanini expired, as a result of the transfer of the legal title to the shares from Icona Securitization Opportunities Group S.à r.l. to GTC Dutch Holdings B.V.

CHANGES THAT TOOK PLACE AFTER 31 DECEMBER 2023 IN THE COMPOSITION OF THE SUPERVISORY BOARD:

- on 13 March 2024, Aletheia Investment AG appointed Dr. Leonz Meyer, as a member of the supervisory board of the Company;
- on 15 March 2024, GTC Dutch Holdings B.V. revokes Mr. Balázs Figura and Mr. Mariusz Grendowicz from the positions of members of the Supervisory Board of the Company,
- on 15 March 2024, GTC Dutch Holdings B.V. appointed Dr. Tamás Sándor and Mr. Csaba Cservenák as members of the Supervisory Board of the Company.

As of 15 March 2024, the supervisory board comprised eleven (11) members, 100% men

Name and surname	Function	Year of the first appointment	Year of appointment for the current term	Year of expiry of term	Year of next appointment
János Péter Bartha ¹	Chairman of the supervisory board	2020	2020	2023	2024
Csaba Cservenák	Member of the supervisory board	2024	2024	2027	2028
Lóránt Dudás	Member of the supervisory board	2020	2020	2023	2024
László Gut	Member of the supervisory board	2023	2023	2026	2027
Dominik Januszewski ¹	Independent member of the supervisory board	2023	2023	2026	2027
Artur Kozieja ^{1 2}	Independent member of the supervisory board	2022	2022	2025	2026
Dr. Leonz Meyer ¹	Independent member of the supervisory board	2024	2024	2027	2028
Marcin Murawski ¹	Independent member of the supervisory board	2013	2022	2025	2026
Sławomir Niemierka ¹	Independent member of the supervisory board	2023	2023	2025	2026
Dr. Tamás Sándor ¹	Independent member of the supervisory board	2024	2024	2027	2028
Bálint Szécsényi	Member of the supervisory board	2020	2020	2023	2024

¹ conforms with the independence criteria listed in the Best Practices of WSE Listed Companies.

² conforms with the independence criteria listed in the articles of association of the Company

The following table presents the periods in 2023 during which given members served on the supervisory board:

Name	Periods in 2023 during which the given member served on the supervisory board
János Péter Bartha	1 January - 31 December 2023
Lóránt Dudás	1 January - 31 December 2023
Balázs Figura	1 January - 31 December 2023
Mariusz Grendowicz	1 January - 31 December 2023
László Gut	24 August - 31 December 2023
Artur Kozieja	1 January - 31 December 2023
Marcin Murawski	1 January - 31 December 2023
Gyula Nagy	1 January - 24 August 2023
Bálint Szécsényi	1 January - 31 December 2023
Bruno Vannini	1 January - 15 December 2023
Sławomir Niemierka	2 January - 31 December 2023
Dominik Januszewski	16 May - 31 December 2023

3. Activities of the supervisory board

The supervisory board operates in compliance with the Polish Commercial Companies Code as well as based on the Company's statute and the by-laws of the supervisory board dated 14 April 2005 with the changes introduced by the General Meeting on 16 May 2017. The supervisory board also reviews the financial position of the Group and evaluates its debt situation and sources of financing, including a review of the Polish bonds market as one of the sources for finance.

The supervisory board of GTC exercised supervision over and evaluated the operations of the Company and its financial statements. The supervisory board reviewed issues related to the Company's current operations and adopted resolutions regarding matters related to the Company's activities and those required under the regulations of the Polish Commercial Companies Code, the Company's statute, and the by-laws of the supervisory board.

The Supervisory Board positively evaluates the method of preparation and submission by the Management Board of information, documents, reports or explanations requested by the Supervisory Board, needed to exercise supervision over the Company's operations.

In 2023, the supervisory board held 5 (five) meetings. The supervisory board adopted numerous resolutions related to the current operations of GTC. The meetings of the supervisory board were attended by members of the Company's management board, invited guests (including, specifically, representatives of PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp.k., who were mandated to review and audit the financial statements of the Company and its capital group and Polska Grupa Audytorska sp. z o.o. (Internal Auditor)). The supervisory board was also constantly updated by the management board in respect of the most important events affecting the Company.

In 2023, the most important resolutions adopted by the supervisory board related to, among others:

- the approval of the extension of the Company's strategy;
- the issuance of a positive opinion in respect of GTC's financial statements and the consolidated financial statements of GTC's capital group for the 2022 financial year;
- the approval of the management board's proposal related the dividend payment from profit for the financial year 2022;
- the approval of the Internal Audit plan for 2023;
- the approval of the resolutions presented to the Annual Shareholders Meeting;
- the approval of EUR 36 million financing granted by UniCredit Bulbank EAD to Advance Business Center EAD - a wholly-owned subsidiary of the Company.

The supervisory board also dealt with the following issues:

- the evaluation of the financial position and the financial results of the Company and the Capital Group after each quarter of 2023;
- the evaluation of risk and its mitigants;
- the operating results of the Company and the Capital Group;
- the assessment of the progress of developed projects and new investments.

The supervisory board also monitored selected business risks of the Capital Group and evaluated the methods that the Company uses to control and protect itself from risk.

In the opinion of the supervisory board, the Company conducts a transparent and effective information policy, providing access to the information needed by the Supervisory Board and its committees to exercise supervision over the Company's operations. The Supervisory Board positively assesses the management board's fulfillment of its information obligations towards the supervisory board.

4. Evaluation of the work of the supervisory board in 2023

The supervisory board has a positive opinion of its work in 2023. While performing its duties, the supervisory board acted in compliance with the law and, specifically, within the scope of the competencies defined by the Polish Commercial Companies Code, the Statute of the Company, and the by-laws of the supervisory board.

The supervisory board consists of individuals with extensive experience, which allows them to make a thorough and accurate analysis of the Company's plans and the implementation thereof. The supervisory board supports the management board in the making of all the strategic decisions related to the business of GTC.

Total fees for all consulting services ordered by the supervisory board during the financial year amounted to 0 PLN.

5. Evaluation of the work of the committees of the supervisory board in 2023

AUDIT COMMITTEE

The objective of the audit committee of the supervisory board (the “**audit committee**”) is to evaluate the administrative financial control, financial reporting, and the external and internal auditing of the Company and the companies within the Capital Group, as well as to provide the supervisory board with opinions in that respect.

In 2023, the audit committee consisted of the following members of the supervisory board: Marcin Murawski, Chairman of the Audit Committee, János Péter Bartha and Artur Koziejka.

The members of the audit committee actively participated in meetings of the audit committee. All of the members of the audit committee are qualified in accounting and auditing. According to their statements presented to the management board, all members fulfilled the independence criteria.

The most important duties of the audit committee include, among other things: the evaluation of the current financial results of the Company, its liquidity, the level of its debts and receivables, the financing of projects, and the monitoring of the accuracy of financial statements. The audit committee also evaluates the internal control and risk management systems material to the Company.

In 2023, 4 (four) audit committee meetings were held. The representatives of the entity mandated to review the financial statements of the Company and the Capital Group participated in the relevant meetings of the audit committee.

The audit committee reviewed all of the financial statements of the Company and the Capital Group prior to their publication and recommended the approval thereof by the supervisory board.

The audit committee and the supervisory board discussed internal control matters, risk management issues, hedging policy, cybersecurity and key compliance issues during its meetings in 2023.

The audit committee continuously monitored the financial reporting process and the statutory auditing process in the Company and regularly reported to the supervisory board the results of these monitoring activities.

REMUNERATION COMMITTEE

On 12 May 2014, the supervisory board established the remuneration committee of the supervisory board, which has no decision-making authority and which is responsible for making

recommendations to the supervisory board with respect to the remuneration of the members of the management board and the policies for determining such remuneration.

In 2023, the remuneration committee consisted of the following members of the supervisory board: János Péter Bartha, the Chairman of the Remuneration Committee, Marcin Murawski and Artur Koziejka.

In 2023, 4 (four) remuneration committee meetings were held during which the remuneration committee recommended to the supervisory board to approve the salary and the annual bonuses for the management board members. The remuneration committee during the year discussed the composition and compensation of the management board which resulted inter alia in recommending to the supervisory board to approve the mutual termination of contracts with Ariel Ferstman, Zoltán Fekete and János Gárdai and the appointment of Barbara Sikora.

6. The assessment of the manner in which the Company fulfills the disclosure obligations concerning the application of the corporate governance rules specified in the WSE Rules and the provisions governing current and interim information disclosed by issuers of securities

In the opinion of the supervisory board, in 2023, the Company fulfilled all the disclosure obligations concerning the application of the corporate governance rules specified in the WSE Rules and the provisions governing current and interim information disclosed by issuers of securities.

The Company reported that with the introduction of the Best Practice of GPW Listed Companies 2021 as of 1 July 2021, the Company does not apply with three principles as informed in its statement of compliance with the Best Practice of GPW Listed Companies 2021.

The Company has in place procedures ensuring its compliance with section 29.3 of the WSE Rules, pursuant to which if the Company permanently does not comply with or has incidentally violated a principle set forth in the Code of Best Practice, it discloses such non-compliance or violation in a current report issued through the EBI reporting system.

Acting in accordance with par. 70.6.5) of the Regulation of the Minister of Finance on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated 29 March 2018 (Dz.U. of 2018, item 757), GTC releases a statement of compliance with corporate governance principles in its consolidated and separate annual reports.

In the opinion of the supervisory board, the Company conducts a transparent and effective information policy, providing access to disclosed information. The “Investors” section of the corporate website (www.gtcgroup.com) contains a corporate governance page which is where the Company’s annual reports on compliance with WSE best practices, a statement of best practices applied by the Company, and all other information required by the Best Practice of GPW Listed Companies 2021 are published.

The supervisory board also monitored WSE rules and the corporate governance rules and believes that the Company fulfilled all obligations of listed companies.

7. Diversity policy in terms of the management, supervisory, or administrative bodies of the Company.

The Company does not apply with the principles regarding to gender diversity of corporate bodies, as informed in its statement of compliance with the Best Practice of GPW Listed Companies 2021. However, in the period from May to December 2023, women constituted 33% of the GTC Group's management board.

The Company does not plan to formally adopt a diversity policy (with the participation of the minority group in each body at the level at least 30%) towards the management board and the supervisory board as the main criteria in selecting its members are knowledge, experience, personality traits and education, and not, for example, age or gender.

The strategic objective of the Group diversity policy is to recruit and retain such workforce as to ensure delivery of the GTC Group's business objectives. The priority of diversity policy is to build a sense of trust between the management and other employees, and to treat everyone fairly regardless of their position.

The Company's diversity policy is centered on respecting the employees as an element of diversity-oriented culture regardless of gender, age, professional experience, education and cultural heritage. It includes integrating employees in their workplace and ensuring that all employees are treated equally at work. The Company supports various social initiatives, which promote equal opportunities. Additionally, the Company joins charitable activities initiated by the employees. The principles of equal treatment at the workplace have been reflected in the Company's bylaws, which are available to all employees. The Company values its enriched diversity policy in pursuing its goals.

The supervisory board positively assesses the rationale behind and the implementation of the above-described policy of the Company and the Group.

8. Information on the rationale behind the Company's policy on sponsorship, charity, and other similar activities

As a Group, we set ourselves ambitious business goals that we want to implement in a sustainable manner. It is a responsible task for our entire team, which is why creating a stable and motivating work environment is so important to us. All our corporate social responsibility activities are run in a coordinated manner to support local communities in which the Group operates. Such support involves:

- **Enhancement of local infrastructure**, including road and traffic infrastructure. Throughout the Group, we share the principle of taking responsibility for the space we create. The infrastructure created in connection with or for the purposes of the developments constructed is handed over to the local self-government free of charge to be used by all residents. Moreover, prior to the development of the Group's projects, public green areas (such as squares and parks) are placed on undeveloped plots or plots which will surround future developments following their completion by the Group.

- **Local initiatives.** The Group takes an active part in a great number of non-profit activities as a partner, organizer, or sponsor. We often present our projects to local communities. We actively participate in public meetings dedicated to spatial planning. The Group's regional offices know the needs of the local community and the market in which they operate best, so they decide which social topics form a priority for them. The Group participates in and supports local initiatives such as:

- Charity donations for orphaned children and children with disabilities during holidays seasons
- support of Charity donation Croatian Red Cross;
- support of Red Cross with providing a place for blood donations;
- finance the largest campaign in Częstochowa promoting blood donation "MOTOSERCE 2024",
- support of charity organizations with providing a place in our shopping malls and office buildings for promotional activities in attracting sponsors and making people aware of their initiatives as well as humanitarian associations and charities;
- promotion of local businesses by continuously providing organic and home-made products for all visitors,
- organization of artwork competition for local elementary schools;
- free medical examination for women and men;
- organization of family picnics;
- organization of monthly garage sales;
- organization of Christmas gift collection;
- opening free parking at night due to bad weather conditions;
- tree planting campaigns;
- bridge rebuilding in a higher point in the mountain of Vitosha.

We also support a foundation in Hungary, which is helping kids with disability -Első Lépések – Mozgássérült Gyermekeket Segítő Alapítvány.

Additionally, Group conducted several local initiatives with support sports activities or participated in sponsorship :

- yoga training - promotion of active leisure time activities;
- exercise games for children during holiday;
- city games for families - promotion of outdoor activities;
- volleyball festival - promotion of a healthy lifestyle;
- Beach Volleyball tournament - Cup of Silesia;
- Open 40+ Championship in beach volleyball in Galeria Jurajska;
- the North Bridge Run ("Bieg przez Most") in Warsaw;
- Charity volleyball – JLL volleyball tournament;

- Independence Run (“Bieg Niepodległości”) in Warsaw and
 - Love Run race in Zagreb.
- **Embracing environmental certification.** The investments of the Company and the Group are fully compliant with LEED or BREEAM guidelines. As of 31 December 2023, approximately 92% of our properties hold a green certificate, which proves the sustainability of the properties that GTC develops and manages.

In 2023, the Group total expenses to support charities amounted to €201 thousand, including: €97 thousand for social organizations, €27 thousand for general donations, €30 thousand for sport related actions and €47 thousand for sponsorship of culture and related actions.

The supervisory board believes that all the activities of the Company, including the expenses, are reasonable and adjusted to the size of the activity in the region in which Company operates.

The supervisory board positively assesses the rationale behind and the implementation of the above-described policies of the Company and the Group and the related expenses.

9. Overview of the operations of the Company

TRANSACTIONS

As of 30 January 2023, the transaction of sale of the Forrest Offices Debrecen building for ca. EUR 49.2 million owned by GTC FOD Property Kft., a wholly-owned subsidiary of the Company, was completed.

On 12 June 2023, GTC Origine Investments Pltd, a wholly-owned subsidiary of the Company, acquired 100% holding of G-Gamma LCHD Kft. (“GTC LCHD Projekt Kft”) from an investment fund related to the majority shareholder of the Company, which owns a hotel under refurbishment for a consideration of EUR 9.6 million. The transaction was accounted for as an asset deal and presented as landbank within investment properties.

On 12 June 2023, GTC Origine Investments Pltd, a wholly-owned subsidiary of the Company, acquired 100% holding of G-Alpha VRSMRT Kft. (“GTC VRSMRT Projekt Kft”) from an investment fund related to the majority shareholder of the Company for a consideration of EUR 3.5 million. The SPV owns a part of a condominium with a total area of 1,300 sqm and is designated to office project after refurbishment and fit-out works. The transaction was accounted for as an asset deal and presented as landbank within investment properties.

On 6 December 2023, GTC Origine Investments Pltd, a wholly-owned subsidiary of the Company, signed a sale and purchase agreement concerning the sale of GTC LCHD Projekt Kft, the owner of a real property located in Budapest. The sale price under the Agreement is EUR 13.2 million. If the conditions to close the transaction are not met until 28 June 2024 the transaction may be cancelled.

DEVELOPMENTS

In third quarter of 2023, GTC Group completed Matrix C building, in Zagreb, offering 10,500 sq m of A-class office space. As of 31 December 2023 building has 95% occupancy.

In third quarter of 2023, GTC Group completed redevelopment of 2 office buildings in Ross Hill Campus (Budapest). As of 31 December 2023 buildings have 100% occupancy.

FINANCING ACTIVITIES

In April 2023, Seven Gardens d.o.o., a wholly-owned subsidiary of the Company, has signed €14 loan agreement with Erste&Steiermarkische Bank d.d. with a maturity of five years following the end of construction period (latest repayment date is June 2029). As of 31 December 2023, EUR 13.1 million out of this amount was drawn down.

On 4 May 2023 and 6 November 2023, on the maturity dates, GTC S.A. repaid the last tranches of bonds issued under ISIN code PLGTC0000318 (two-third of total issue) in the amount of EUR 34.2 million (PLN 146.6 millions) – including the hedge component. As of the publication date the bonds issued under ISIN code PLGTC0000318 are fully repaid.

In May 2023, Glamp d.o.o. Beograd, a subsidiary of the Company, has signed EUR 25 million loan agreement with Erste Group Bank AG and Erste Bank AD Novi Sad with a maturity of five years from the signing date. As of 31 December 2023, the full amount was drawn down.

In December 2023, Advance Business Center EAD, a wholly-owned subsidiary of the Company, has signed EUR 36 million loan agreement with UniCredit Bulbank EAD with a maturity of five years from the signing date. As of 31 December 2023, the full amount was drawn down.

OTHERS

On 21 June 2023, the Company's shareholders adopted a resolution regarding distribution of dividend in the amount of PLN 132.1 million (EUR 29.7 million). The dividend was paid in September 2023.

CHANGES IN THE COMPOSITION OF THE MANAGEMENT BOARD:

- on 25 April 2023:
 - Ariel Ferstman resigned from his seat on the management board of the Company;
 - Barbara Sikora was appointed to the post of Chief Financial Officer of GTC Group and a member of the management board of GTC S.A. effective from 1 May 2023;
- on 29 August 2023:
 - Zoltán Fekete and János Gárdai resigned from their seats on the management board of the Company, effective from 31 August 2023;
 - Gyula Nagy was appointed to the post of Chief Executive Officer of GTC Group and a member of the management board of GTC S.A. effective from 31 August 2023;

- Zsolt Farkas was appointed to the post of Chief Operating Officer of GTC Group and a member of the management board of GTC S.A. effective from 31 August 2023.

CHANGES THAT TOOK PLACE AFTER 31 DECEMBER 2023 IN THE COMPOSITION OF THE MANAGEMENT BOARD:

- on 18 March 2024 Barbara Sikora resigned from her seat on the management board of GTC S.A.

SELECTED FINANCIAL DATA

Below is the most important data concerning the consolidated results achieved by the Capital Group in 2023.

- The rental and service revenues of the Capital Group amounted to EUR 183.4 million, compared to EUR 166.6 million in 2022.
- The gross margin (profit) from operations of the Capital Group amounted to EUR 128.2 million, compared to EUR 119.2 million in 2022
- The net profit for the year of the Capital Group amounted to EUR 12.4 million, compared to a net profit of EUR 24.8 million in 2022.
- The investment property of the Capital Group amounted to EUR 2,273.4 million, compared to EUR 2,243.7 million as of 31 December 2022.
- The total equity of the Capital Group amounted to EUR 1.126.2 million, compared to EUR 1,135.6 million as of 31 December 2022.
- The cash and cash equivalents a of the Capital Group amounted to EUR 60.4 million compared to EUR 115.1 million as of 31 December 2022.

The Group's net loan-to-value ratio amounted to 49.3% as of 31 December 2023 as compared to 45.6% as of 31 December 2022 due to decrease in value of properties following increase in yields and maintenance capex expenditures which are not translated in to increase in value combined with slightly increase in net debt. The Group's long-term strategy is to keep its loan-to-value ratio at a level of ca. 40%; however, in the case of acquisitions, the Company may deviate temporarily.

10. Evaluation of the internal control, internal audit, compliance, and risk management systems

In 2023, the audit committee participated in the development and implementation of an internal control system, risk management, and internal audits as outlined below.

INTERNAL CONTROL SYSTEM

The management board is responsible for the Company's internal control system and for ensuring its effectiveness. The management board regularly reports on the internal control system to the audit

committee and the supervisory board. During the reference period, the following items were covered during audit committee and/or supervisory board meetings:

- a) the Internal Control universe presented by an external Internal Auditor for the purpose of audit planning during the audit committee meetings;
- b) the presentation of the Internal Audit work performed during 2023;
- c) financial reports (at each of the audit committee and supervisory board meetings); and
- d) the review and approval of the audited financial statements (in respect of the audited financial statements for the financial year ended 31 December 2023).

RISK MANAGEMENT

The function of Risk Management is not established in the Company as a separate function, but it is performed by the management board with the substantial involvement of the management board member responsible for financial matters (the Chief Financial Officer). On a quarterly basis, in its periodic quarterly reports to the supervisory board, the management board reports to the audit committee and the supervisory board on risk-related issues, including:

- liquidity risk;
- portfolio concentration risk;
- property overview;
- occupancy ratios;
- yield developments;
- the progress of and issues concerning individual projects (including project delays, if any);
- taxation issues;
- debt ratios;
- bank loans and bonds covenants;
- financing structure risks; and
- budget execution.

The above-referenced reports were provided for each quarter of the reference period and are included in the minutes of the respective audit committee and supervisory board meetings.

INTERNAL AUDIT

The audit committee, the management board of the Company, and the independent Internal Audit firm all have distinct roles with respect to the Internal Audit function of the Company.

The Company engages the Internal Audit firm based on the recommendations of the audit committee and following a thorough selection process.

The Internal Audit firm reports directly to the audit committee. The Internal Audit firm presents its audit plan and audit recommendations to the audit committee on a regular basis. All internal audit-related matters are regularly discussed at the audit committee meetings.

Based on information received and reviewed by the audit committee and supervisory board members, in the opinion of the supervisory board, the internal control and risk management systems material to the Company are maintained at appropriate levels.

11. Review of the report of the management board on the activities of the Company in the 2023 financial year, the financial statements of the Company for the 2023 financial year, and the proposal of the management board concerning the division of profit generated by the Company in the 2023 financial year

The Company's supervisory board reviewed the stand-alone and consolidated financial statements of the Company and its capital group, which included:

- the statement of financial position as of 31 December 2023;
- the income statement for the year ended 31 December 2023;
- the statement of comprehensive income for the year ended 31 December 2023;
- the statement of changes in equity for the year ended 31 December 2023;
- the statement of cash flows for the year ended 31 December 2023; and
- the accounting policy and the explanatory notes to the stand-alone financial statements for the year ended 31 December 2023, as well as the consolidated financial statements of the Capital Group for the year ended 31 December 2023, which included:
 - the consolidated statement of financial position as of 31 December 2023;
 - the consolidated income statement for the year ended 31 December 2023;
 - the consolidated statement of comprehensive income for the year ended 31 December 2023;
 - the consolidated statement of changes in equity for the year ended 31 December 2023;
 - the consolidated statement of cash flows for the year ended 31 December 2023; and
 - the notes to the consolidated financial statements for the year ended 31 December 2023, and
- reviewed the opinion and the report on the audit of such statements conducted by independent statutory auditor PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp.k. with its registered seat in Warsaw.

The supervisory board also reviewed the management board report on the activities of the Company for 2023 and the Capital Group for 2023.

As a result of its evaluation, the supervisory board found that the above-mentioned statements and reports were prepared:

- in such a way that they truly and fairly reflect the results of the respective economic activities of the Capital Group and the Company in 2023 as well as their respective financial positions as of 31 December 2023; and
- in accordance with the legal regulations governing the preparation of financial statements in respect of form and content, as well as under the International Financial Reporting Standards as adopted by the European Union.

Based on the results of this review and the positive opinion issued by PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp.k. on 23 April 2024 on the financial statements for 2023 and the consolidated financial statements for 2023, the supervisory board recommends that the General Meeting approves:

- the stand-alone financial statements of the Company for 2023;
- the consolidated financial statements of the Capital Group for 2023;
- the report of the management board on the Company's operations in 2023; and
- the report of the management board on the operations of the Capital Group in 2023.

In submitting this Report, the supervisory board requests that all of its current and former members be acknowledged as having properly performed their duties in the 2023 financial year.