



**REPORT OF THE SUPERVISORY BOARD  
OF PCF GROUP S.A. OF WARSAW  
FOR THE FINANCIAL YEAR 2023**

Warsaw, April 29<sup>th</sup>, 2024

## 1. INTRODUCTION

This report of the Supervisory Board of PCF Group S.A. of Warsaw for the financial year 2023 has been prepared pursuant to Art. 382.3.3 in conjunction with Art. 382.3<sup>1</sup> of the Commercial Companies Code.

In the performance of its obligations arising under Art. 382.3.1–3 in conjunction with Art. 395.2.1 of the Commercial Companies Code, the Supervisory Board of PCF Group S.A. has assessed the documents and circumstances specified below. The conclusions of the assessment are set out below.

## 2. ASSESSMENT OF THE FINANCIAL STATEMENTS OF PCF GROUP S.A. FOR 2023

Pursuant to Art. 382.3.1–2 of the Commercial Companies Code and Art. 15.2.1 of the Company's Articles of Association, the Supervisory Board of PCF Group S.A. has assessed the full-year separate financial statements of PCF Group S.A. for the financial year ended December 31st 2023, the Directors' Report on the operations of PCF Group S.A. and its Group in 2023, and the Management Board's proposal to cover the net loss for the financial year 2023.

The assessment was based on:

- 1) the full-year separate financial statements of PCF Group S.A. for the financial year ended December 31st 2023, comprising:
  - a) the separate statement of financial position as at December 31st 2023, showing total assets and total equity and liabilities of PLN 502 508 thousand;
  - b) the separate statement of profit or loss for the period January 1st–December 31st 2023, showing a net loss of PLN 64 652 thousand;
  - c) the separate statement of profit or loss and other comprehensive income for the period January 1st–December 31st 2023, showing comprehensive income totalling negative PLN 64 652 thousand;
  - d) the separate statement of changes in equity for the period January 1st–December 31st 2023, showing an increase in equity of PLN 171 253 thousand;
  - e) the separate statement of cash flows for the period January 1st–December 31st 2023, showing a PLN 48 397 thousand change in net cash;and notes to the financial statements,
- 2) the Directors' Report on the operations of PCF Group S.A. and its Group in 2023,
- 3) the Management Board's proposal to cover the net loss for the financial year ended December 31st 2023,
- 4) the auditor's report on the full-year financial statements of PCF Group S.A. for the financial year ended December 31st 2023.

The Supervisory Board has concluded as follows:

Following an assessment of the separate financial statements of PCF Group S.A. for the financial year ended December 31st 2023, the Supervisory Board has found that the financial statements in all material respects:

- a) have been prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed by the European Union,
- b) are complete, accurate and consistent with the underlying accounting records and supporting documents,
- c) have been prepared in accordance with the laws and regulations applicable to the preparation of financial statements,
- d) have been prepared within the statutory time limit,

give a true and fair view of all information relevant to the assessment of PCF Group S.A.'s financial performance in the period January 1st–December 31st 2023 and of its assets and financial position as at December 31st 2023.

#### ***Assessment by the Supervisory Board***

Having read the full-year separate financial statements of PCF Group S.A. for the financial year ended December 31st 2023 as prepared by the Management Board and the auditor's report on the full-year separate financial statements of PCF Group S.A. for the financial year ended December 31st 2023, the Supervisory Board has decided to give a positive assessment of the full-year separate financial statements of PCF Group S.A. for the financial year ended December 31st 2023 and recommend that they be received by the Annual General Meeting.

### **3. ASSESSMENT OF THE MANAGEMENT BOARD'S PROPOSAL ON ALLOCATION OF NET PROFIT FOR 2023**

The Supervisory Board gives a positive assessment of the Management Board's proposal that the Company's net loss for the accounting year 2023 in the amount of PLN 64,651,944.69 (sixty-four million six hundred fifty-one thousand nine hundred forty-four zloty, sixty-nine groszy), shown in the annual non-consolidated financial statements of PCF Group S.A. for the accounting year ended 31 December 2023, be covered in full from the Company's reserve capital.

The Supervisory Board has decided to recommend that the General Meeting resolve to cover PCF Group S.A.'s net loss for 2023, of PLN 64,651,944.69 (sixty-four million six hundred fifty-one thousand nine hundred forty-four zloty, sixty-nine groszy), in accordance with the Management Board's proposal.

### **4. ASSESSMENT OF THE CONSOLIDATED FINANCIAL STATEMENTS OF THE PCF GROUP S.A. GROUP FOR 2023**

Pursuant to Art. 382.3.1 in conjunction with Art. 395.2.1 and Art. 395.5 of the Commercial Companies Code and Art. 15.2.1 of the Company's Articles of Association, the Supervisory Board of PCF Group S.A. has assessed the full-year consolidated financial statements of the PCF Group S.A. Group for the financial year ended December 31st 2023 and the Directors' Report on the operations of PCF Group S.A. and its Group in 2023.

The assessment was based on:

- 1) the full-year consolidated financial statements of the PCF Group S.A. Group for the financial year ended December 31st 2023, comprising:
  - a) the consolidated statement of financial position as at December 31st 2023, showing total assets and total equity and liabilities of PLN 513 461 thousand;
  - b) the consolidated statement of profit or loss for the period January 1st–December 31st 2023, showing a net loss of PLN 75 575 thousand;
  - c) the consolidated statement of profit or loss and other comprehensive income for the period January 1st–December 31st 2023, showing comprehensive income totalling negative PLN 80 889 thousand;
  - d) the consolidated statement of changes in equity for the period January 1st–December 31st 2023, showing an increase in equity of PLN 150 251 thousand;
  - e) the consolidated statement of cash flows for the period January 1st–December 31st 2023, showing a PLN 56 033 thousand change in net cash;and notes to the financial statements,
- 2) the Directors' Report on the operations of PCF Group S.A. and its Group in 2023,
- 3) the auditor's report on the full-year consolidated financial statements of the PCF Group S.A. Group for the financial year ended December 31st 2023.

The Supervisory Board has concluded as follows:

Following an assessment of the full-year consolidated financial statements of the PCF Group S.A. Group for the financial year ended December 31st 2023, the Supervisory Board has found that the financial statements in all material respects:

- a) have been prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed by the European Union,
- b) are complete, accurate and consistent with the underlying accounting records and supporting documents,
- c) have been prepared in accordance with the laws and regulations applicable to the preparation of financial statements,
- d) have been prepared within the statutory time limit,

give a true and fair view of all information relevant to the assessment of the PCF Group S.A. Group's financial performance in the period January 1st–December 31st 2023 and of its assets and financial position as at December 31st 2023.

#### ***Assessment by the Supervisory Board***

Having read the full-year consolidated financial statements of the PCF Group S.A. Group for the financial year ended December 31st 2023 as prepared by the Management Board and the auditor's report on the full-year consolidated financial statements of the PCF Group S.A. Group for the financial year ended December 31st 2023, the Supervisory Board has decided to give a positive assessment of the full-year consolidated financial statements of the PCF Group S.A. Group for the financial year ended December 31st 2023 and recommend that they be received by the Annual General Meeting.

## **5. ASSESSMENT OF THE DIRECTORS' REPORT ON THE OPERATIONS OF PCF GROUP S.A. AND ITS GROUP IN 2023**

The Supervisory Board of PCF Group S.A., acting pursuant to Art. 382.3.1 of the Commercial Companies Code and in fulfilment of its duties under the Company's Articles of Association, and having read the Directors' Report on the operations of the PCF Group S.A. and its Group in 2023, concludes that the Report is complete, accurate and consistent with the underlying accounting records and supporting documents, including the information disclosed in the full-year separate financial statements of PCF Group S.A. and the full-year consolidated financial statements of the PCF Group S.A. Group for the financial year ended December 31st 2023.

In the Supervisory Board's opinion, the Directors' Report contains material information on the Company's and the Group's assets and financial position and gives a correct view of their development and achievements, including an assessment of their performance and risks and threats thereto.

The Supervisory Board confirms that the Directors' Report complies in all material respects with the requirements set out in Art. 49 and Art. 55.2a of the Accounting Act of September 29th 1994 and the Regulation of the Minister of Finance on current and periodic reports 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 March 29th 2018.

The Supervisory Board recommends that the Annual General Meeting of PCF Group S.A. receive the Directors' Report on the operations of PCF Group S.A. and its Group in 2023.

## **6. ASSESSMENT OF THE PERFORMANCE BY THE MANAGEMENT BOARD OF ITS OBLIGATIONS UNDER ART. 380<sup>1</sup> OF THE COMMERCIAL COMPANIES CODE**

In 2023 the Management Board, without any further request, provided the Supervisory Board with information on:

- 1) resolutions passed by the Management Board and the matters decided in the resolutions;
- 2) situation of PCF Group S.A., including its assets, and all circumstances relevant to the management of PCF Group S.A.'s affairs, including in the area of its operations, investments, and human resources;
- 3) progress towards growth directions set for PCF Group S.A.'s operations and any deviations from the stated directions, with reasons,

also referring to relevant information held by the Management Board in respect of PCF Group S.A.'s subsidiaries and affiliates.

Such information was provided in accordance with Art. 380<sup>1</sup>.3.1 and Art. 380<sup>1</sup>.4 of the Commercial Companies Code.

In addition, on January 26, 2023 the Management Board provided the Supervisory Board with the information referred to in Art. 380<sup>1</sup>.1.4–5 of the Commercial Companies Code, in accordance with the procedure set forth in Art. 380<sup>1</sup>.3.2 of the Commercial Companies Code. The information presented the Management Board's intentions regarding: (i) updating the PCF Group S.A.'s and its group's strategy, (ii) obtaining financing for the implementation of the goals set forth in the strategy through the PCF Group S.A.'s issuance of new issue shares within the increased share capital, and (iii)

convening an Extraordinary General Meeting of PCF Group S.A. to vote on, among other things, a resolution to increase the PCF Group S.A.'s share capital through the issuance of new issue shares and to deprive existing shareholders in full of their pre-emptive rights to all new issue shares.

The Supervisory Board gives a positive opinion on the performance by the Management Board of its obligations referred to in Art. 380<sup>1</sup> of the Commercial Companies Code.

**7. ASSESSMENT OF THE MANNER IN WHICH THE MANAGEMENT BOARD PREPARES OR SUBMITS TO THE SUPERVISORY BOARD INFORMATION, DOCUMENTS, REPORTS OR CLARIFICATIONS REQUESTED PURSUANT TO ART. 382.4 OF THE COMMERCIAL COMPANIES CODE**

The Supervisory Board did not request the Management Board to prepare or submit any information, documents, reports or clarifications under Art. 382.4 of the Commercial Companies Code in 2023.

**8. INFORMATION ON TOTAL REMUNERATION PAYABLE BY THE COMPANY FOR ALL AUDITS REQUESTED BY THE SUPERVISORY BOARD UNDER ART. 382<sup>1</sup> OF THE COMMERCIAL COMPANIES CODE DURING THE FINANCIAL YEAR**

The Supervisory Board did not request any audits referred to in Art. 382<sup>1</sup> of the Commercial Companies Code in 2023.

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