

Report
of the Supervisory Board from the results of the assessment of the financial
statements of the Company for 2023
and Report of the Management Board of the Company's activity in 2023

The Supervisory Board of Prochem S.A. accepts the report on the results of the assessment of the Company's financial statements for 2023 and the report of the Management Board on the activities of the Company in 2023, in the following wording:

According to the provision of art. 382 §3 of the Commercial Companies Code, the Supervisory Board examined the Company's financial statements for 2023, and Report of the Management Board on the Company's activities in 2023. The Supervisory Board has also got acquainted with the content of the statutory auditor's opinion and the report supplementing the opinion.

Pursuant to Resolution No.51/XI of 24 May, 2023 of the Supervisory Board, the audit of financial statements and the Management Board report on the Company's activities for 2023 and of the consolidated financial statements and of report on the activities of the Capital Group for 2023 was entrusted to *Misters Audytor Adviser sp. z o. o.* a company entered on the list of entities authorized to audit financial statements kept by the National Council of Statutory Auditors under number 3704.

The object of the audit was the financial statements for the period from January 1, 2023 to December 31, 2023 covering:

- Statement of financial position (balance sheet) as at December 31, 2023, which on the side of assets and equity and liabilities closes with the sum of PLN 114,654 thousand,
- Statement of profit and loss for the financial year from January 1, 2023 to December 31, 2023 showing a net loss in the amount of PLN 19 591 thousand,
- Statement of comprehensive income for the financial year from January 1, 2023 to December 31, 2023 showing a balance sheet loss in the amount of PLN 19,548 thousand,
- Statement of changes in equity for the financial year from January 1, 2023 to December 31, 2023 showing a decrease in equity by the amount of PLN 19,548 thousand,
- Statement of cash flows for the financial year from January 1, 2023 to December 31, 2023 showing a decrease in cash by PLN 3,804 thousand,
- Explanatory notes.

On April 26, 2024, the Statutory Auditor issued an unqualified opinion of the above financial statements, which means that considered the audited financial statements, in all material respects, as:

- presenting reliably and clearly all information relevant to the assessment of the property and financial situation of the audited Company as at December 31, 2023, as well as its financial result for the financial year from January 1, 2023 to December 31, 2023,

- prepared, in all material respects, in accordance with the accounting principles (policy) resulting from International Accounting Standards, International Financial Reporting Standards and related interpretations announced in the form of European Commission regulations, and in matters not regulated in these standards – in accordance with the requirements of the Accounting Act and executive regulations issued on its basis, and on the basis of correctly kept accounting books,
- consistent with the provisions of law and the provisions of the company's statute affecting the content of the financial statements.

In the case of the assessment of the Report of the Management Board of the Company on the activities of the Company for the period from January 1, 2023 to December 31, 2023 the Supervisory Board assesses that this report meets the requirements of art. 49 of the Accounting Act. The statutory auditor confirmed that the report on activities was prepared in accordance with the applicable law and is consistent with the information contained in the annual financial statements.

While performing the audit service, the Supervisory Board cooperated with the key statutory auditor both in the matters covered by the separate financial statements and consolidated financial statements as well as in relation to control systems operating in the Company and in subsidiaries.

In the light of the above, the Supervisory Board shares the assessment of the Statutory Auditor expressed in the opinion and in the report supplementing the opinion on the audit of the financial statement and the report on activities in 2023, and states that these statements are consistent in the scope of the form and content with applicable law and with Company's Statutes, accounting books and documents as well as with facts.

In connection with the above, the Supervisory Board of Prochem S.A. requests that the General Meeting of Shareholders approve the financial statements of the Company for 2023 and Report of the Management Board on the activities of the Company in 2023.

Signatures of the Members of the Supervisory Board:

1. Marek Garliński _____
2. Karol Żbikowski _____
3. Paweł Bielski _____
4. Wiesław Kiepiel _____
5. Jarosław Stępniewski _____