

Capital Group, in which Prochem S.A. is the parent company. Report of the independent auditor on
the audit of

Report on the audit of the annual consolidated financial statements for the financial year ended 31st December 2024

**Capital Group, in which the parent company is the

Prochem S.A.,
headquartered in Warsaw, Poland**

**Misters Audytor Adviser Spółka z o. o.
Warsaw, April 25, 2025**

Capital Group, in which Prochem S.A. is the parent company. Report of the independent auditor on
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Report of the independent statutory auditor on the audit For Shareholders' Meeting of Prochem S.A.

Report on the audit of the annual consolidated financial statement

Opinion

We have audited the annual consolidated financial statements of the Group, of which Prochem S.A. is the parent company. (the "Parent Company") (the "Group"), including the consolidated statement of financial position as of December 31, 2024, and the income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the fiscal year from January 1 to December 31, 2024, and notes to the consolidated financial statements containing information on significant accounting policies and other explanatory information "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements:

- give a true and fair view of the Group's consolidated financial position as of December 31, 2024, and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with the applicable International Financial Reporting Standards as approved by the European Union and the accounting principles (policies) adopted;
- comply in form and content with the applicable laws and regulations of the Group and the Articles of Association of the Parent Company.

This opinion is consistent with the supplementary report to the Audit Committee that we issued on April 25, 2025.

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Basis for the Opinion

We conducted our audit in accordance with the National Auditing Standards in the wording of the International Auditing Standards adopted by Resolution of the National Board of Statutory Auditors No. 3430/52a/2019 dated March 21, 2019 on national auditing standards and other documents, as amended. and Resolution of the Board of the Polish Audit Supervision Agency No. 38/I/2022 dated November 15, 2022 on National Quality Control Standards and National Audit Standard 220 (Amended) ("NSB"), and in accordance with the Act of May 11, 2017 on Certified Public Accountants, Audit Firms and Public Supervision ("Act on Certified Public Accountants" - i.e. Dz. U. of 2024, item 1035, as amended) and EU Regulation No. 537/2014 of April 16, 2014 on detailed requirements for statutory audits of public-interest entities, repealing Commission Decision 2005/909/EC ("EU Regulation" - Official Journal of the EU L 158 of May 27, 2014, p. 77, as amended). Our responsibility under these standards is further described in the section of our report Auditor's responsibility for the audit of the consolidated financial statements.

We are independent of the Group Companies in accordance with the ethical principles set forth in the "Handbook of the International Code of Ethics for Professional Accountants (including International Standards of Independence)" adopted by Resolution No. 207/7a/2023 of the National Council of Certified Public Accountants dated December 17, 2023 on the Establishment of Principles of Professional Ethics for Certified Public Accountants, as amended, (the "Code of Ethics"), and other ethical requirements that apply to the audit of consolidated financial statements in Poland. We have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. During the course of the audit, the key auditor and the audit firm remained independent of the Group Companies in accordance with the independence requirements set forth in the Act on Statutory Auditors and the EU Regulation.

We believe that the survey evidence we have obtained is sufficient and appropriate to form the basis for our opinion.

Explanation - material uncertainty regarding going concern

We draw your attention to Note 44 of the Notes to the Consolidated Financial Statements, in which the Parent Company's Management Board presented significant uncertainties about the Parent Company's ability to continue as a going concern. The uncertainties are related to a significant net loss and a decrease in Prochem S.A.'s equity. Management indicates that the loss is related to two contracts. In addition, in 2024, there were unfavorable trends in the macroeconomic environment affecting investors' withholding of orders. The Management Board assesses that the events were one-time in nature, the losses incurred were covered by the Company's own funds and current liabilities are paid on time. Taking into account the Company's order backlog, submitted bids and changes in the economic environment, the Management Board believes the Company should regain profitability in 2025.

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Our opinion does not contain an objection to this case.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were most significant during our audit of the consolidated financial statements for the current reporting period. They include the most significant assessed risks of material misstatement, including assessed risks of material misstatement due to fraud. We have addressed these matters in the context of our audit of the consolidated financial statements as a whole and in forming our opinion, and we have summarized our response to these risks and, where we considered it appropriate, provided key observations related to these risks. We do not express a separate opinion on these matters.

Key audit matters

How our audit addressed the issue

Settlement of long-term contracts

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As a result of the valuation of uncompleted construction contracts, the Group recognized an asset for the excess of revenue due over invoiced in the amount of PLN 23,536 thousand in the financial statements as of December 31, 2024. In accordance with International Financial Reporting Standard No. 15 "Revenue from Contracts with Customers" ("IFRS 15"), the Group determines revenue from construction, design and engineering services contracts in proportion to the stage of completion of the service, which is measured by the proportion of costs incurred to budgeted costs. The method of revenue recognition for the above-described contracts requires a significant element of judgment on the part of the Parent Company's management with respect to the identification of performance obligations and the management's significant estimates of the stage of completion. Since making an inappropriate judgment or estimate by the Management in these areas may result in an erroneous determination of revenue from contracts with customers, we consider this issue to be a key audit matter.

In particular, our audit procedures included:

- an understanding and evaluation of the Group's process for determining the degree of progress; for selected controls, we conducted compliance testing,
- assessing the compliance of the accounting policy adopted for revenue recognition with the relevant financial reporting standards,
- historical analysis of the performance of contract budgets for significant contracts completed in the fiscal year to compare forecasts and budgets for contracts not completed and to assess the accuracy of management's estimates,
- discussions with the Parent Company's management to discuss assumptions regarding budgets and risks and the degree of progress of work on ongoing contracts, the likelihood of changes in contract performance,
- evaluation of the adequacy of the presentation and disclosures made in the financial statements regarding revenue from contracts with customers.

As a result of our procedures, we did not identify any material issues resulting in adjustments to the financial statements.

Responsibility of the Management Board and Supervisory Board of the Parent Company for the consolidated financial statements

Management of the Parent Company is responsible for the preparation of consolidated financial statements that give a true and fair view of the Group's financial position and results of operations in accordance with International Financial Reporting Standards as adopted by the European Union, the accounting principles (policies) adopted and the laws and regulations applicable to the Group, and for such internal control as management of the Parent Company determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the consolidated financial statements, the Parent Company's Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, if applicable, matters related to going concern, and adopting the going concern basis of accounting, except when the Board of Directors either intends to liquidate the Group or discontinue its operations or has no viable alternative to liquidation or discontinuance.

The Parent Company's Management Board and members of the Parent Company's Supervisory Board are responsible for ensuring that the consolidated financial statements meet the requirements provided for in the Accounting Act of September 29, 1994 (the "Accounting Act" - Journal of Laws 2023, item 120, as amended). Members of the Parent Company's Supervisory Board are responsible for overseeing the financial reporting process.

Auditor's responsibility for audit of consolidated financial statements

Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance but does not guarantee that an audit performed in accordance with the NSB will always detect an existing material misstatement. Distortions may arise from fraud or error and are considered material if they could reasonably be expected to individually or in the aggregate affect the economic decisions of users made on the basis of those consolidated financial statements. The concept of materiality is applied by the auditor both in planning and performing the audit and in assessing the impact of distortions identified during the audit and uncorrected distortions, if any, on the financial statements, as well as in formulating the auditor's opinion. Accordingly, all opinions and statements contained in the audit report are expressed taking into account the qualitative and value level of materiality determined in accordance with auditing standards and the auditor's professional judgment.

The scope of the audit does not include assurance as to the Group's future profitability or the efficiency or effectiveness of the Parent's management of its affairs now or in the future.

During a KSB-compliant examination, we use professional judgment and maintain professional skepticism, as well:

- we identify and assess the risks of material misstatement of the consolidated financial statements due to fraud or error, design and perform audit procedures appropriate to those risks, and obtain audit evidence that is sufficient and appropriate to form the basis of our opinion. The risk of undetected material misstatement resulting from fraud is greater than that resulting from error because fraud may involve collusion, forgery, intentional omissions, misrepresentation or circumvention of internal controls;
- we obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

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- We assess the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by the Parent Company's management;

- we reach a conclusion on the appropriateness of the Parent Company's management's application of the going concern basis of accounting and, based on the audit evidence obtained, whether there is a material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, we modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our auditor's report; however, future events or conditions may cause the Group to cease operations as a going concern;

- We evaluate the overall presentation, structure and content of the consolidated financial statements, including disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that ensures a fair presentation;

- we obtain sufficient appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for directing, supervising and conducting the Group's audit and remain solely responsible for our audit opinion.

We provide the Parent Company's Supervisory Board with information about, among other things, the planned scope and timing of the audit and the significant findings of the audit, including any significant internal control weaknesses that we identify during the audit.

We make a statement to the Parent Company's Board of Directors that we have complied with the applicable ethical requirements for independence and that we will inform them of all relationships and other matters that could reasonably be considered to pose a threat to our independence and, where applicable, inform them of the safeguards in place.

Of the matters reported to the Parent Company's Board of Directors, we have determined those matters that were most significant during our audit of the consolidated financial statements for the current reporting period and therefore considered them to be key audit matters. We describe these matters in our auditor's report unless laws or regulations prohibit their public disclosure or when, in exceptional circumstances, we determine that the matter should not be presented in our report because the negative consequences could reasonably be expected to outweigh the benefits of such information to the public interest.

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Other Information, Including the Report on the Activities

Other information consists of the Group's Management Report for the fiscal year ended December 31, 2024 (the "Management Report"), together with the Corporate Governance Statement, which is a separate part of this report, and the Annual Report for the fiscal year ended December 31, 2024 (the "Annual Report") (together "Other Information").

Responsibility of the Management Board and Supervisory Board of the Parent Company

The Parent Company's Board of Directors is responsible for preparing Other Information in accordance with the law.

The Board of Directors of the Parent Company and the members of the Supervisory Board of the Parent Company are responsible for ensuring that the Group Management Report with the separated part meets the requirements provided for in the Accounting Act.

Responsibility of the statutory auditor

Our audit opinion on the consolidated financial statements does not include Other Information. In connection with our audit of the consolidated financial statements, it is our responsibility to review the Other Information and, in doing so, to consider whether the Other Information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit, or otherwise appears materially misstated. If, based on the work performed, we find material misstatements in the Other Information, we are required to disclose this in our audit report. Our responsibility under the requirements of the Auditors Act is also to issue an opinion as to whether the Group's management report has been prepared in accordance with the regulations and whether it is consistent with the information contained in the consolidated financial statements. In addition, we are required to issue an opinion on whether the Group has included the required information in its corporate governance statement.

We obtained the Group Management Report before the date of this audit report, and the Annual Report will be available after that date. In the event that we identify a material misstatement in the Annual Report, we are required to inform the Parent Company's Supervisory Board.

Opinion on the Report on the Activities

Based on the work done in the course of the study, in our opinion, the Group Activity Report:

- has been prepared in accordance with Article 49 of the Accounting Act and paragraph 71 of the Regulation of the Minister of Finance dated March 29, 2018 on current and periodic information provided by issuers of securities and conditions for recognizing as equivalent information required by the laws of a non-member state ("Regulation on Current Information" - Journal of Laws of 2018, item 757, as amended);

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- is consistent with the information contained in the consolidated financial statements. Furthermore, in light of the knowledge of the Group and its environment obtained during our audit, we certify that we have not identified any material misstatements in the Group's MD&A.

Opinion on the corporate governance statement

In our opinion, the Group's corporate governance statement includes the information indicated in Paragraph 70.6.5 of the Regulation on Current Information. In addition, in our opinion, the information indicated in Paragraph 70.6.5(c-f), (h) and (i) of this Ordinance contained in the corporate governance statement is consistent with the applicable regulations and the information contained in the consolidated financial statements.

Report on other legal and regulatory requirements

Opinion on the compliance of the labeling of the consolidated financial statements, prepared in the uniform electronic reporting format, with the requirements of the Regulation on technical standards for the specification of the uniform electronic reporting format.

In connection with the audit of the consolidated financial statements, we were engaged to perform an attestation service providing reasonable assurance to express an opinion on whether the consolidated financial statements of the Group as of and for the year ended December 31, 2023, prepared in a uniform electronic reporting format, contained in a file named "259400Y049RUPUFT3G15-2024-12-31-0-pl", ("consolidated financial statements in ESEF format"), have been marked in accordance with the requirements set forth in Commission Delegated Regulation (EU) No. 2019/815 of December 17, 2018, supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards for the specification of a uniform electronic reporting format (Official Journal of the EU L 143, 29.05.2019, p. 1, as amended) (the "ESEF Regulation").

Identification of criteria and description of the object of the service

The consolidated financial statements in ESEF format have been prepared by the Parent Company's Board of Directors in order to meet the labeling and technical requirements for the specifications of the uniform electronic reporting format, which are set forth in the ESEF Regulation.

The subject of our attestation service is the compliance of the labeling of the consolidated financial statements in ESEF format with the requirements of the ESEF Regulations, and the requirements set forth in these regulations are, in our opinion, appropriate criteria for our opinion.

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Responsibility of the Management Board and Supervisory Board of the Parent Company

The Parent Company's management is responsible for preparing the consolidated financial statements in ESEF format in accordance with the labeling requirements and technical requirements for the specification of the uniform electronic reporting format, which are set forth in the ESEF Regulations. This responsibility includes the selection and application of appropriate XBRL tags, using the taxonomy specified in these regulations.

The Parent Company's management's responsibility also includes the design, implementation and maintenance of an internal control system that ensures the preparation of consolidated financial statements in ESEF format, free from material non-compliance with the requirements of the ESEF Regulation.

Members of the Parent Company's Supervisory Board are responsible for overseeing the financial reporting process, which includes the preparation of financial statements in accordance with the format prescribed by applicable law.

Responsibility of the auditor

Our objective was to express an opinion, based on an attestation service that provides reasonable assurance, as to whether the consolidated financial statements in ESEF format have been labeled in accordance with the requirements of the ESEF Regulation.

We performed the service in accordance with the National Standard for Assurance Services Other than Audit and Review 3001PL - "Audit of Financial Statements Prepared in Uniform Electronic Reporting Format" adopted by Resolution of the National Council of Certified Public Accountants No. 1975/32a/2021 dated December 17, 2021. (hereinafter: "KSUA 3001PL") and, where applicable, in accordance with the National Standard on Assurance Services Other than Audit and Review 3000 (Z) as amended by International Standard on Assurance Services 3000 (Amended) - "Assurance Services Other than Audits or Reviews of Historical Financial Information" adopted by Resolution of the National Council of Certified Public Accountants No. 3436/52e/2019 dated April 8, 2019, as amended. (hereinafter: "KSUA 3000 (Z)").

The standard requires the auditor to plan and execute procedures so as to obtain reasonable assurance that the consolidated financial statements in ESEF format have been prepared in accordance with specified criteria.

Reasonable assurance is a high level of assurance, but does not guarantee that an engagement conducted in accordance with KSUA 3001PL and, where applicable, in accordance with KSUA 3000 (Z), will always detect a material misstatement when it exists.

The procedures selected depend on the auditor's judgment, including the auditor's assessment of the risks of material misstatement due to fraud or error. In making this assessment, the auditor considers internal control related to the preparation of consolidated financial statements in ESEF format in order

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Summary of work performed

The procedures planned and performed by us included, among others:

- obtaining an understanding of the process of preparing the consolidated financial statements in the ESEF format, including the process of selecting and applying XBRL tags by the Company and ensuring compliance with the ESEF Regulation, including an understanding of the internal control system mechanisms related to this process;
- reconciling the tagged information included in the consolidated financial statements in the ESEF format with the audited consolidated financial statements;
- assessing, using a specialist IT tool and with the support of an IT expert, compliance with the technical standards regarding the specifications of the uniform electronic reporting format, the completeness of tagging of information in the consolidated financial statements in the ESEF format with XBRL tags;
- assessing whether the applied XBRL tags from the taxonomy specified in the ESEF Regulation have been appropriately applied and whether taxonomy extensions have been used in situations where the relevant elements have not been identified in the basic taxonomy specified in the ESEF Regulation;
- assessment of the correctness of anchoring the extension taxonomies used in the core taxonomy specified in the ESEF Regulation.

We believe that the evidence we have obtained provides a sufficient and appropriate basis for our opinion on the conformity of the labelling with the requirements of the ESEF Regulation.

Ethical requirements, including independence

In performing the service, the auditor and the audit firm complied with the independence and other ethical requirements set out in the IESBA Code. The IESBA Code is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct. We also complied with other independence and ethical requirements that apply to this assurance service in Poland.

Quality control requirements

The audit firm applies national quality control standards introduced by the resolution of the Council of the Polish Audit Oversight Agency No. 38/I/2022 of November 15, 2022. The National Quality Control Standard 1 in the wording of the International Quality Management Standard (PL) 1 requires the audit firm to design, implement and apply a quality management system, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Opinion on compliance with the requirements of the ESEF Regulation

The basis for formulating the auditor's opinion are the matters described above, therefore the opinion should be read with these matters taken into account.

In our opinion, the consolidated financial statements in the ESEF format have been marked, in all material respects, in accordance with the requirements of the ESEF Regulation.

Statement on non-audit services provided

To the best of our knowledge and belief, we declare that the non-audit services we have provided to the Group are in compliance with the laws and regulations in force in Poland and that we have not provided non-audit services that are prohibited under Article 5 Section 1 of the EU Regulation and Article 136 of the Act on Statutory Auditors.

The non-audit services we provided to the Group in the period under review were listed in 34 reports on the Group's activities.

Selecting an audit firm

We were selected to audit the Group's consolidated financial statements by the resolution of the Supervisory Board of the Parent Entity of 9 June 2020 and again by the resolution of 24 May 2023. We have been auditing the Group's consolidated financial statements continuously since the financial year ended 31 December 2018, i.e. for 7 consecutive years.

The key auditor responsible for the audit resulting in this independent auditor's report is Bożena Grzegorczyk.

Acting on behalf of Misters Audytor Adviser sp. z o. o. with its registered office in Warsaw, entered on the list of auditing firms under number 3704, on whose behalf the key auditor audited the financial statements

Bożena Grzegorczyk, No. 12119

Warsaw, April 25, 2025.