

REPORT ON THE ACTIVITIES OF THE SUPERVISORY BOARD OF FEERUM S.A. IN 2023

The Supervisory Board presents a report on its activities in the 2023 financial year, including in particular an assessment of the Management Board's report on the activities of FEERUM S.A. and the FEERUM Group in the 2023 financial year, the Company's financial statements for the 2023 financial year and the Management Board's proposal for the appropriation of the Company's net profit for the 2023 financial year, as well as an assessment of the internal control system and the significant risk management system.

1. Composition of the Supervisory Board

During the period from 1 January 2023 to 31 December 2023, the Supervisory Board consisted of:

- Magdalena Łabudzka-Janusz - Chairman of the Supervisory Board,
- Henryk Chojnacki - Deputy Chairman of the Supervisory Board,
- Jakub Rzucidło - Secretary of the Supervisory Board
- Maciej Janusz - Member of the Supervisory Board,
- Jakub Marcinowski - Member of the Supervisory Board,

2. Scope of the Supervisory Board's activities

The Supervisory Board operates on the basis of the provisions of the Commercial Companies Code, as well as on the basis of the Company's Articles of Association and the Regulations of the Supervisory Board of the Company dated 7 November 2013.

In 2023, the Supervisory Board exercised continuous supervision over the Company's activities in all areas of operation.

During the period under review, the Supervisory Board did not conduct any inspections or investigations, nor did it suspend any members of the Company's Management Board.

3. Evaluation of the Company's material internal control and risk management system.

The Company has an internal control system, the effectiveness of which is the responsibility of the Board of Directors. The internal control system covers the Company's main business processes where there is a need to establish control mechanisms to monitor and mitigate risks that are material to the Company. The primary task of this system is to ensure that the Company's business objectives are met. The Company has and continuously updates an organisational structure with clearly defined reporting paths, responsibilities and levels of authority, which further mitigates the material risks inherent in the business. In the opinion of the Supervisory Board, the Company's system of internal control and management of material risks is at a satisfactory level.

4. Evaluation of the report of the Management Board on the activities of FEERUM S.A. and the FEERUM Capital Group in the financial year 2023, the financial statements of the Company for the financial year 2023 and the proposal of the Management Board concerning the appropriation of profit for the financial year 2023

The Supervisory Board of FEERUM S.A., Chojnów, presents a report on the results of the evaluation of the following reports of the Company for the financial year 2023:

1. Company and Group financial statements
2. Management reports on the Company's and Group's activities
3. Evaluate the Management Board's proposal for the appropriation of the Company's profit.

Re. 1

Having read the auditor's opinion and report on the course and results of the audit of the Company's and the Group's financial statements for 2023, and having assessed those statements, the Supervisory Board concludes that the Company's and the Group's financial statements for the financial year 2023 have been prepared on the basis of properly maintained accounting books and comply in form and content with the applicable laws. They have been prepared in a reliable and comprehensive manner and contain all information relevant to the assessment of profitability and the financial result in the audited period, as well as the Company's and the Group's assets and financial position as at 31 December 2023. Furthermore, the Supervisory Board concludes that the financial statements of the Company and the Group for the financial year 2023 are consistent with the books and documents of the Group companies and with the facts. Accordingly, the Supervisory Board requests the General Meeting to approve the financial statements of the Company and the Group for the financial year 2023.

Re. 2

The Supervisory Board, having analysed and evaluated the Management Board's report on the Company's and the Group's activities in the financial year 2023, concludes that the Management Board's report on the Company's and the Group's activities in the financial year 2023 is consistent with the books and documents of the Group companies and with the facts. Accordingly, the Supervisory Board accepts the report presented and requests the General Meeting to approve it. In addition, the Supervisory Board requests the General Meeting to grant the President of the Management Board the following.

- Mr Daniel Janusz and Management Board Member Mr Piotr Wieleśik an acknowledgement of the fulfilment of their duties in the financial year 2023.

Re. 3

Having familiarised itself with the Management Board's proposal concerning the appropriation of the Company's net profit for the financial year 2023 in the amount of PLN 2,808 thousand (in words: two million eight hundred and eight thousand zloty), the Supervisory Board gives its positive opinion and requests the General Meeting to adopt a resolution on the appropriation of profit in the manner proposed by the Management Board.