



<i>Feerum S.A. Management Board Report on Operations</i>
<i>Feerum S.A.</i>
<i>and</i>
<i>the Feerum Capital Group</i>
<i>for the period from 1 January 2025 to 31 December 2025</i>

<i>Town</i>	<i>CHOJNÓW</i>
<i>Date</i>	<i>30 April 2026</i>

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CHAPTER I: PRINCIPLES FOR THE PREPARATION OF ANNUAL FINANCIAL STATEMENTS

The annual separate financial statements and the consolidated financial statements for the period from 1 January 2025 to 31 December 2025 have been prepared in accordance with International Financial Reporting Standards, International Financial Reporting Standards and related interpretations, as published in the form of European Commission regulations, and, in matters not covered by those standards, in accordance with the requirements of the Accounting Act and the implementing regulations issued pursuant thereto.

The financial statements – both separate and consolidated – have been prepared in accordance with IFRS as adopted by the European Union (EU IFRS). The detailed principles for the preparation of both sets of financial statements are set out in the relevant financial statements for the year 2025.

The consolidated financial statements cover the parent company together with its branch in Tanzania, the subsidiary Feerum Yellow Energy Sp. z o.o. and the jointly controlled entity Feerum Egypt Company for Silos and Storage (S.A.E.), accounted for using the equity method.

1. Average exchange rates of the Polish zloty

Revenue, profits and cash flows have been translated using the average exchange rates of the Polish zloty against the euro for 2025 and 2024, amounting to **4.2372** and **4.3042** respectively. Balance sheet values have been converted at the exchange rates prevailing on 31 December 2025 and 31 December 2024, which were **4.2267** and **4.2730** respectively.

2. Key financial items of Feerum S.A. converted to EUR.

The following table sets out the key financial items of Feerum S.A. from the separate statement of financial position, the separate income statement and the separate cash flow statement contained in the separate annual financial statements, together with comparative figures converted into EUR.

SELECTED SEPARATE FINANCIAL DATA	31 December 2025 (PLN thousand)	31 December 2024 (PLN thousand)	31 December 2025 (thousands of EUR)	31 December 2024 (thousands of EUR)
I. Net sales revenue	123,398	70,644	29,122	16,413
II. Gross profit (loss) from operating activities	13,744	(1,152)	3,244	(268)
III. Gross profit (loss) before tax	15,214	(2,695)	3,591	(626)
IV. Net profit (loss)	12,612	(2,206)	2,977	(512)
V. Net cash flow from operating activities	27,826	14,546	6,567	3,380
VI. Net cash flows from investing activities	(1,651)	(875)	(390)	(203)
VII. Net cash flows from financing activities	(7,227)	(12,459)	(1,706)	(2,895)
VIII. Total net cash flows	18,949	1,212	4,472	282
IX. Total assets	176,987	141,031	41,873	33,005
X. Liabilities and provisions for liabilities	53,924	30,581	12,758	7,157
XI. Long-term liabilities	4,697	5,314	1,111	1,244
XII. Current liabilities	49,227	25,267	11,647	5,913
XIII. Equity	123,063	110,451	29,116	25,849
XIV. Share capital	33,383	33,383	7,898	7,812
XV. Weighted average number of shares	9,537,916	9,537,916	9,537,916	9,537,916
XVI. Earnings (loss) per share (in PLN/EUR)	1.32	(0.23)	0.31	(0.05)
XVII. Diluted earnings (loss) per share (in PLN/EUR)	1.32	(0.23)	0.31	(0.05)
XVIII. Number of shares as at the balance sheet date	9,537,916	9,537,916	9,537,916	9,537,916
XIX. Book value per share (in PLN/EUR)	12.90	11.58	3.05	2.71
XX. Diluted book value per share (in PLN/EUR)	12.90	11.58	3.05	2.71
XXI. Declared or paid dividend per share (in PLN/EUR)	-	-	-	-

3. Key financial items of the Feerum Capital Group converted into EUR.

The table below presents the key financial items of the Feerum Capital Group from the consolidated statement of financial position, the consolidated income statement and the consolidated cash flow statement from the consolidated annual financial statements, as well as comparative data converted into EUR.

SELECTED CONSOLIDATED FINANCIAL DATA	31 December 2025 (PLN thousand)	31 December 2024 (PLN thousand)	31 December 2025 (thousands of EUR)	31 December 2024 (thousands of EUR)
I. Net sales revenue	125,400	75,525	29,595	17,547
II. Gross profit (loss) from operating activities	15,702	(1,408)	3,706	(327)
III. Gross profit (loss) before tax	15,054	(2,603)	3,553	(605)
IV. Net profit (loss)	12,243	(2,121)	2,889	(493)
V. Net cash flow from operating activities	28,943	15,348	6,831	3,566
VI. Net cash flows from investing activities	(4,151)	(534)	(980)	(124)
VII. Net cash flows from financing activities	(6,927)	(12,889)	(1,635)	(2,994)
VIII. Total net cash flows	17,865	1,925	4,216	447
IX. Total assets	178,461	142,714	42,222	33,399
X. Liabilities and provisions for liabilities	52,733	29,229	12,476	6,840
XI. Long-term liabilities	4,698	5,314	1,111	1,244
XII. Current liabilities	48,035	23,915	11,365	5,597
XIII. Equity	125,728	113,485	29,746	26,559
XIV. Share capital	33,383	33,383	7,898	7,812
XV. Weighted average number of shares	9,537,916	9,537,916	9,537,916	9,537,916
XVI. Earnings (loss) per share (in PLN/EUR)	1.28	(0.22)	0.30	(0.05)
XVII. Diluted earnings (loss) per share (in PLN/EUR)	1.28	(0.22)	0.30	(0.05)
XVIII. Number of shares as at the balance sheet date	9,537,916	9,537,916	9,537,916	9,537,916
XIX. Book value per share (in PLN/EUR)	13.18	11.90	3.12	2.78
XX. Diluted book value per share (in PLN/EUR)	13.18	11.90	3.12	2.78
XXI. Declared or paid dividend per share (in PLN/EUR)	-	-	-	-

CHAPTER II: BASIC INFORMATION ABOUT THE FEERUM CAPITAL GROUP**1. Composition of the Feerum Capital Group**

The parent company of the Feerum Capital Group is **Feerum S.A.** The parent company was incorporated on 15 January 2007 pursuant to a notarial deed drawn up by Mariusz Kędzierski, a notary public operating a notary's office in Legnica at ul. Wojska Polskiego 2 (Register A 383/07) and entered on 9 May 2007 in the Register of Entrepreneurs of the National Court Register, maintained by the District Court for Wrocław-Fabryczna in Wrocław, 9th Commercial Division of the National Court Register, under KRS number 0000280189

On 21 July 2015, the subsidiary "Feerum Agro" Sp. z o.o. [hereinafter referred to as the "Subsidiary"], of which Feerum S.A. is the sole shareholder. The Subsidiary was entered in the National Court Register on 5 October 2015 under KRS number 0000578319. The Company's registered office is located at ul. Okrzei 6, Chojnów 59-225. Its principal business activity consists of post-harvest services. The Subsidiary's share capital amounts to PLN 5,000. On 17 May 2016, the Extraordinary General Meeting of Shareholders of the Company adopted a resolution to change the name of the Company from "Feerum Agro" Sp. z o.o. to "**Feerum Yellow Energy**" Sp. z o.o. In accordance with Article 255(1) of the Commercial Companies Code, the resolution came into force on the date the change was registered by the registry court, i.e. on 10 November 2016.

In November 2017, a self-financing branch of Feerum was established in Tanzania, with its registered office in Dar es Salaam. The branch is registered and operated in accordance with Tanzanian law and has obtained all the licences and permits required by law to carry out the silo construction project. Currently, Feerum Tanzania Branch is not engaged in any commercial, organisational or investment activities relating to the project for which it was originally established. The branch remains ready to commence operations.

In connection with the business activities planned for international markets in 2024, the Company paid up the share capital of a company established and operating in Egypt – Feerum Egypt Company for Silos and Storage (S.A.E) – in the amount of EGP 12,500,000. As a result of the above transactions, the Company owns 50% of the shares in a joint-stock company established and operating under Egyptian law.

The ownership structure of the Feerum Group as at 31 December 2025 is as follows.



During the reporting period, there were no changes to the structure and organisation of the Group.

The annual consolidated financial statements cover the parent company Feerum S.A., together with its Tanzanian branch and the subsidiary Feerum Yellow Energy Sp. z o.o., as well as the jointly controlled entity Feerum Egypt Company for Silos and Storage (S.A.E.), accounted for using the equity method.

2. Basic information about the parent company Feerum S.A.

2.1. Legal (statutory) and trading name of the parent company

Name (business name): **Feerum Spółka Akcyjna.**

Abbreviated name: Feerum S.A.

2.2. Place of registration of the parent company and its registration number

The parent company is entered in the Register of Entrepreneurs of the National Court Register, maintained by the District Court for Wrocław-Fabryczna in Wrocław, 9th Commercial Division of the National Court Register, under KRS number 0000280189.

2.3. Date of incorporation of the parent company and the period for which it was established

The parent company was incorporated on 15 January 2007 pursuant to a notarial deed drawn up by Mariusz Kędzierski, a notary public operating a notary's office in Legnica at ul. Wojska Polskiego 2 (Repertory A 383/07) and entered on 9 May 2007 in the Register of Entrepreneurs of the National Court Register, maintained by the District Court for Wrocław-Fabryczna in Wrocław, 9th Commercial Division of the National Court Register, under KRS number 0000280189.

The parent company is established for an indefinite period.

2.4. Registered office and legal form of the parent company, country of incorporation, and the address and telephone number of its registered office

Registered office:	Chojnów
Legal form:	Public Limited Company
Country of incorporation:	Poland
Address:	59-225 Chojnów; 6 Okrzei Street
Telephone/Fax:	+48 76 81 96 738
Email:	biuro@feerum.pl
Website:	www.feerum.pl

2.5. Legal provisions governing the parent company

Insofar as it operates as a public limited company, the Parent Company operates in accordance with the provisions of the Commercial Companies Code and other legislation relating to commercial companies, as well as the provisions of the Articles of Association.

2.6. Administrative, management and supervisory bodies, senior management.

The governing bodies of the Parent Company are:

- the General Meeting,
- the Supervisory Board,
- the Management Board.

The Supervisory Board exercises ongoing supervision over the Parent Company's activities. As at the date of approval of the report, **the Parent Company's Supervisory Board** comprised:

- Magdalena Łabudzka-Janusz – Chair 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,

During the reporting period, the composition of the Company's Supervisory Board remained unchanged.

On 25 June 2025, the Issuer's Ordinary General Meeting of Shareholders appointed the existing members of the Issuer's Supervisory Board for a new, joint, five-year term of office. On 26 June 2025, the first meeting of the Issuer's Supervisory Board for the new term was held, at which resolutions were passed regarding the appointment of an Audit Committee operating within the Issuer's Supervisory Board. Pursuant to the provisions of Articles 128 and 129 of the Act of 11 May 2017 on statutory auditors, audit firms and public oversight (Journal of Laws of 2019, item 1421), **an Audit Committee** operates within the Issuer's Supervisory Board with the following composition:

- Mr Henryk Chojnacki – Chairman of the Audit Committee,
- Mr Jakub Rzucidło – Deputy Chairman of the Audit Committee,
- Mr Jakub Marcinowski – Secretary of the Audit Committee.

The Audit Committee, in the composition indicated above, meets the independence criteria and other requirements set out in the Act of 11 May 2017 on statutory auditors, audit firms and public oversight (RB No. 32/2017). Mr Henryk Chojnacki is a certified public accountant with extensive experience in the field of accounting. He possesses knowledge and experience in the areas of corporate financial management, project valuation, investments, corporate strategy and corporate governance. Mr Jakub Rzucidło is a graduate of the University of Wrocław's Faculty of Law, Administration and Economics, holds a PhD in Law, and is a lecturer at Collegium Witelona State University in Legnica. Mr Jakub Marcinowski is a graduate of Wrocław University of Technology, holds a PhD in technical sciences in the field of civil engineering, is a professor at the University of Zielona Góra, a researcher, engineer, structural designer and specialist in steel building structures. The professional careers of the members of the Audit Committee were published in current report No. RB 17/2025. The following meet the independence criteria: Mr Henryk Chojnacki and Mr Jakub Rzucidło.

As at the date of approval of the report, **the Management Board of the parent company** comprised Mr Daniel Janusz – President of the Management Board. During the period covered by the report, the composition of the Company's Management Board changed.

On 17 January 2025, the Issuer's Supervisory Board, pursuant to Resolutions No. 2/19/III/25 and No. 3/19/III/25, removed Mr Daniel Janusz from his position as Chairman of the Company's Management Board and Mr Piotr Wiewiesik from his position as a Member of the Company's Management Board. The above resolutions came into force on the date of their adoption. On 17 January 2025, the Supervisory Board, pursuant to Resolution No. 4/19/III/25, appointed Mr Daniel Janusz to the Management Board of the Company for a five-year term, entrusting him with the role of Chairman of the Management Board; the aforementioned resolution comes into force with effect from 18 January 2025.

In accordance with the statement made by the Chairman of the Management Board, he does not conduct any business activities competitive to the Company, nor is he a partner in a competitive civil law partnership or partnership, nor is he a member of the governing body of a competitive capital company or any other competitive legal entity. The Chairman of the Management Board has not been entered in the Register of Insolvent Debtors, maintained pursuant to the Act of 20 August 1997 on the National Court Register (Journal of Laws of 2019, item 1500). (RB 2/2025)

2.7. Significant events in the development of the parent company's business

The parent company FEERUM S.A. was founded by the current Chairman of the Management Board, Daniel Janusz. The company's origins date back to 2002, when it was engaged in the design of grain dryers. In the following years, the Company expanded its manufacturing operations and its range of comprehensive storage and drying solutions for the agri-food sector.

In 2007, FEERUM S.A. was established, taking over the business previously operated as a civil law partnership. In 2008, construction began on a modern production plant within the Legnica Special Economic Zone, which, once operational, significantly increased the Company's production capacity and enabled further expansion of its product range.

In the following years, the Company carried out investment projects co-financed by the European Union, focusing in particular on the development of production facilities, the implementation of innovative technologies and the building of research and development capabilities, including the establishment of a Research and Development Centre.

In 2013, the Company made its debut on the Warsaw Stock Exchange, which enabled further business development and expansion into foreign markets.

In the following years, the Company consistently expanded its export operations, fulfilling contracts in, among others, Central and Eastern Europe, Africa and Asia. Contracts carried out in the Ukrainian market were of particular significance.

Following the outbreak of armed conflict in Ukraine in 2022, the Company's operations in that market were curtailed and the geographical structure of its sales changed. In subsequent periods, the Company focused on developing its operations in the domestic market and diversifying its sales channels.

In 2024, the parent company paid up the share capital of Feerum Egypt Company for Silos and Storage (S.A.E.) in the amount of EGP 12,500,000, acquiring a 50% stake in the entity. This company forms part of the long-term strategy for business development in the Egyptian market, particularly with regard to the establishment of local operational and production facilities. In 2025, work continued on analysing the possibilities for further operational and investment involvement in this project. The Management Board has not identified any grounds indicating a need to revalue this investment.

Notwithstanding the above, in 2025 the parent company undertook activities related to direct expansion into the Egyptian market by participating in international tenders. As a result, a contract was signed for the Toshka project, involving the construction of storage and drying facilities with a total capacity of 300,000 tonnes. In December 2025, the Company received an advance payment towards the contract, which enabled work to commence. The geopolitical situation, including ongoing armed conflicts and political and economic tensions in the Middle East, may indirectly affect the Group's operations, particularly in relation to the execution of foreign contracts, supply chains and raw material prices. As at the date of approval of the financial statements, no events arising from the above circumstances had been identified that would require the recognition or adjustment of financial data.

With regard to receivables from the Ukrainian counterparty Epicentr K LLC, arising in connection with the performance of export contracts financed under a supplier credit arrangement in 2019–2021, the Company notes that the process of their repayment is continuing. Delays in settling the receivables were a consequence of the geopolitical situation following the outbreak of armed conflict in Ukraine in 2022. Current information obtained from KUKE S.A. and Bank Gospodarstwa Krajowego confirms that the counterparty is gradually making partial repayments of the arrears. The Company's Management Board, taking into account the course of repayments to date, does not identify any grounds for creating provisions for expected credit losses in this regard.

In 2025, the Company continued its operations in the sports product range under the Madani brand. This segment is of a supplementary nature and does not have a material impact on the Company's financial results.

During the reporting period, the Company did not identify any events or transactions that could be classified as failures. The Feerum Group is consistently strengthening its leading position as an innovative, dynamic and modern company.

3. Employment within the Feerum Group.

3.1. Employment by type of employment in the parent company

The structure of employment in the parent company by form of employment is presented in the table below:

Type of employment	31 December 2025		31 December 2024	
	number	structure	number	structure
Employment contract, including:	173	100.00%	152	100.00%
- fixed-term	42	24.28%	22	14.47%
- permanent	131	75.72%	130	85.53%
Total	173	100.00%	152	100.00%

Source: Parent company

3.2. Employment by department of the Parent Company

The following table shows the employment structure at the Parent Company by department:

Business categories	31 December 2025		31 December 2024	
	number	structure	number	structure
Management and administration	38	21.97%	38	25.00%
Production	135	78.03%	114	75.00%
Total	173	100.00%	152	100.00%

Source: Parent company

3.3. Educational background of the Parent Company's employees

The table below shows the educational background of the Parent Company's employees:

Type of employment	31 December 2025		31 December 2024	
	number	structure	number	structure
Higher	45	26.01%	43	28.29%
Secondary	48	27.75%	48	31.58%
Vocational	34	19.65%	30	19.74%
Primary and other	46	26.59%	31	20.39%
Total	173	100.00%	152	100.00%

Source: Parent company

3.4. Employment at the subsidiary Feerum Yellow Energy Sp. z o.o.

As at 31 December 2025, the subsidiary Feerum Yellow Energy Sp. z o.o. had no employees, and its operational activities were based on outsourcing.

3.5. Changes in the composition of the management and supervisory bodies.

During the reporting period, the composition of the Parent Company's Supervisory Board remained unchanged, whereas changes to the composition of the Management Board took place on 17 January 2025. Pursuant to Resolutions No. 2/19/III/25 and No. 3/19/III/25, the Issuer's Supervisory Board dismissed Mr Daniel Janusz from the position of Chairman of the Management Board and Mr Piotr Wiewiesik from the position of Member of the Management Board. The above resolutions came into force on the date of their adoption.

On 17 January 2025, the Supervisory Board, pursuant to Resolution No. 4/19/III/25, appointed the following members to the Company's Management Board for a term of 5-year term, appointing Mr Daniel Janusz as Chairman of the Management Board; the aforementioned resolution came into force with effect from 18 January 2025.

On 25 June 2025, the Issuer's Annual General Meeting of Shareholders appointed the existing members of the Issuer's Supervisory Board to a new, joint, five-year term of office. On 26 June 2025, the first meeting of the Issuer's Supervisory Board for the new term was held, at which resolutions were passed regarding the appointment of an Audit Committee operating within the Issuer's Supervisory Board. Pursuant to the provisions of Articles 128 and 129 of the Act of 11 May 2017 on statutory auditors, audit firms and public oversight (Journal of Laws of 2019, item 1421), an Audit Committee operates within the Issuer's Supervisory Board with the following composition:

- Mr Henryk Chojnacki – Chairman of the Audit Committee,
- Mr Jakub Rzucidło – Deputy Chairman of the Audit Committee,
- Mr Jakub Marcinowski – Secretary of the Audit Committee.

The Audit Committee, in the composition indicated above, meets the independence criteria and other requirements set out in the Act of 11 May 2017 on statutory auditors, audit firms and public oversight (RB No. 19/2025).

3.6. *Changes to the basic principles of management.*

In 2025, there were no significant changes to the basic principles of management of the Feerum Capital Group and the parent company Feerum S.A.

4. **Description of the structure of the main capital investments made within the Capital Group**

The composition of the FEERUM Capital Group and capital links within the Group are presented in section 1. No significant capital investments were made within the Capital Group.

5. **Overview of the Capital Group's development strategy**

The Capital Group's development directions, together with a description of the external and internal factors relevant to its development and the significant risks and threats, are set out in Chapter VI, "Assessment and Development Prospects."

6. **Organisational links within the Feerum Capital Group**

The entities directly controlling the Parent Company are Daniel Janusz and Magdalena Łabudzka-Janusz, who are married and who together hold (directly and indirectly through their subsidiaries) 68.22% of the share capital and 68.22% of the total number of votes at the Company's General Meeting.

It should be noted that the following relationships exist between certain members of the Management Board and the Supervisory Board of the parent company:

Daniel Janusz – Chairman of the Management Board is the husband of Magdalena Łabudzka-Janusz – Chairwoman of the Company's Supervisory Board and the brother of Maciej Janusz – Member of the Company's Supervisory Board;

Magdalena Łabudzka-Janusz – Chairwoman of the Company's Supervisory Board is the spouse of Daniel Janusz – President of the Company's Management Board and the sister-in-law of Maciej Janusz – Member of the Company's Supervisory Board;

The following is a list of related parties within the Group during the reporting period:

Related party	Nature of the relationship
Danmag Sp. z o.o.	The entity holds 52.87% of the shares in the parent company's share capital and of the votes at the General Meeting of Shareholders. The direct and indirect shareholders of Danmag Sp. z o.o. are Daniel Janusz – Chairman of the Management Board (50.88% in total) and Magdalena Łabudzka-Janusz – Chairwoman of the Supervisory Board (49.12% in total).
Daniel Janusz	A member of the parent company's key management personnel – Chairman of the Management Board; he also holds, directly, 8.42% of the shares in the parent company's share capital and of the votes at the AGM, and indirectly (through DANMAG Sp. z o.o., of which he is a partner) 26.90% of the shares in the parent company's share capital and of the votes at the AGM
Magdalena Łabudzka-Janusz	Chairwoman of the Supervisory Board; furthermore, she holds directly 6.93% of the shares in the parent company's share capital and votes at the AGM, and indirectly (through DANMAG Sp. z o.o., of which she is a partner) 25.97% of the shares in the parent company's share capital and votes at the AGM

Piotr Wielesik	A member of the Company's key management personnel – a member of the Management Board – who has also held, directly, 2.2% of the Company's share capital and voting rights at the General Meeting of Shareholders since 13 December 2013. On 17 January 2025, the Issuer's Supervisory Board, pursuant to Resolution No. 3/19/III/25, dismissed Mr Piotr Wielesik from his position as a Member of the Company's Management Board.
Feerum Yellow Energy Sp. z o.o.	A subsidiary of the parent company; the parent company holds 100% of the shares
Feerum Egypt Company for Silos and Storage (S.A.E)	A jointly controlled entity of the parent company; the parent company holds 50% of the shares
Henryk Chojnacki	Vice-Chairman of the Supervisory Board
Maciej Janusz	Member of the Supervisory Board
Jakub Marcinowski	Member of the Supervisory Board
Jakub Rzucidło	Secretary to the Supervisory Board

Information on transactions with related parties is presented in note 23 to the annual consolidated financial statements.

7. Transactions with related parties

The Group has entered into transactions with related parties within the meaning of IAS 24 in the past and intends to do so in the future 'Related Party Disclosures' (Annex to Commission Regulation (EC) No 1126/2008 of 3 November 2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council, as amended by Commission Regulation (EC) No 1274/2008 of 17 December 2008 amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council with regard to IAS 1).

The Group enters into the following transactions with related parties:

- transactions between Group companies and shareholders of the parent company,
- transactions between Group companies and members of the Management Board and Supervisory Board,

Apart from the transactions presented in this section, no other transactions with related parties within the meaning of IAS 24 were carried out within the Group. The balance of outstanding receivables from related parties as at 31 December 2025, due to the Group, is presented in the annual consolidated financial statements – Note 23.

Transactions with related parties arise mainly from the Group's operating activities.

7.1. Significant transactions entered into by Group companies or their subsidiaries with related parties on terms other than arm's length.

None occurred.

7.2. Loans granted within the Group in force during the reporting period.

Loans granted within the Group

On 18 December 2023, the subsidiary Feerum Yellow Energy Sp. z o.o. (as the lender) entered into a loan agreement with the parent company (as the borrower) for PLN 2,830,000, bearing interest at a variable rate of WIBOR 3M plus a margin of 2%. On 29 October 2025, the parent company repaid the loan in full, together with the interest due.

At the same time, on 31 December 2025, the parent company entered into a new loan agreement with its subsidiary Feerum Yellow Energy Sp. z o.o. for PLN 1,480,000, with a repayment date of 31 December 2026. The loan bears interest at a variable rate of WIBOR 3M plus a margin of 1.5%.

Loans within other related parties

On 27 January 2022, the parent company (as the borrower) entered into a loan agreement with a shareholder – Danmag Sp. z o.o. (as the lender) for PLN 2,200,000, bearing interest at a variable rate of WIBOR 3M plus a margin of 2%. On 31 December 2025, the Parent Company repaid the loan in full

loan together with the interest due.

8. Information on remuneration, including profit-related remuneration, paid or due to members of the Parent Company's management and supervisory bodies

Information on the remuneration of members of the Parent Company's management bodies is presented in the table below:

MANAGEMENT BOARD	in the Capital Group:		Total
	Remuneration	Other benefits	
<i>in the period from 1 January to 31 December 2025</i>			
Daniel Janusz	657	-	657
Piotr Wielesik	129	-	129
Total	787	-	787
<i>in the period from 1 January to 31 December 2024</i>			
Daniel Janusz	641	-	641
Piotr Wielesik	473	-	473
Total	1,114	-	1,114

On 17 January 2025, the Company's Supervisory Board dismissed Mr Piotr Wielesik from his position as a Member of the Management Board. Subsequently, on 21 January 2025, the Company terminated the consultancy services agreement concluded with Mr Piotr Wielesik, giving three months' notice until 30 April 2025, whilst simultaneously releasing him from the obligation to provide services throughout the notice period.

Information on the remuneration of members of the supervisory bodies of the parent company is presented in the table below:

SUPERVISORY BOARD	in the Capital Group:		Total
	Remuneration	Other benefits	
<i>for the period from 1 January to 31 December 2025</i>			
Magdalena Łabudzka-Janusz	166	2	168
Henryk Chojnacki	18	-	18
Maciej Janusz	18	0	18
Jakub Marcinowski	18	-	18
Jakub Rzucidło	18	-	18
Total	238	2	240
<i>in the period from 1 January to 31 December 2024</i>			
Magdalena Łabudzka-Janusz	150	2	152
Henryk Chojnacki	16	-	16
Maciej Janusz	16	-	16
Jakub Marcinowski	16	-	16
Jakub Rzucidło	16	-	16
Total	214	2	216

Members of the parent company's management and supervisory bodies do not receive remuneration or other benefits for performing functions within the governing bodies of subsidiaries.

9. Agreements concluded with management personnel providing for compensation in the event of their resignation or dismissal from their position without valid cause.

None.

10. The value of remuneration, awards or benefits, including those arising from incentive or bonus schemes based on the issuer's equity, in particular those based on senior bonds, convertible bonds, subscription warrants, in cash, in kind or in any other form, paid, due or potentially due, separately for each of the issuer's management, supervisory or administrative body members within the issuer's undertaking, regardless of whether they were recognised as expenses or resulted from profit distribution, and where the issuer is a parent entity, a significant investor, a partner in a jointly controlled entity or, as the case may be, an entity that is a party to a joint contractual arrangement within the meaning of the accounting regulations applicable to the issuer – separately, information on the value of remuneration and awards received for performing functions on the governing bodies of subordinate entities.

Information on the remuneration of members of the parent company's management and supervisory bodies is presented in section 8 of this chapter. The Group does not have any incentive schemes.

11. Information on any liabilities arising from pensions and similar benefits for former management and supervisory personnel or former members of administrative bodies, and on liabilities incurred in connection with such pensions.

None.

12. Information on the auditor

On 22 May 2024, the Supervisory Board of the parent company adopted a resolution appointing ECDP Audyt Sp. z o.o. as the entity authorised to review the half-yearly and audit the annual financial statements of the Company for the years 2024 and 2025. (RB 5/2024)

On 10 June 2024, the parent company entered into an agreement with ECDP Audyt Sp. z o.o. to carry out an audit in the above scope. ECDP Audyt Sp. z o.o., with its registered office in Katowice at Plac Wolności 4, is entered on the list of entities authorised to audit financial statements under No. 3769.

The parent company has previously used the services of the aforementioned entity. The period of uninterrupted cooperation with the entity has been ongoing since 2017. The auditors' remuneration by specific items in the periods presented was as follows:

	from 01.01 to 31 December 2025	from 01.01 to 31 December 2024
Audit of financial statements	95	95
Review of financial statements	40	40
Tax advisory	-	-
Review of the Supervisory Board's Remuneration Report	5	5
Other services	-	-
Total	140	140

The audit firm and the members of the audit team meet the requirements regarding independence and impartiality set out in applicable regulations, professional standards and rules of professional ethics.

The parent company complies with the regulations concerning the rotation of the audit firm and the key auditor, including mandatory cooling-off periods.

The parent company has a policy on the selection of the audit firm and a policy regarding the provision by the audit firm, its affiliates or members of its network of services other than the audit, including permitted services.

CHAPTER III: OTHER INFORMATION ABOUT THE FEERUM GROUP

1. The most significant factors affecting the results of the Capital Group and the Parent Company in 2025. An assessment of factors and unusual events affecting the operating result, specifying the extent of the impact of these factors or events on the result achieved.

The Group's financial position in 2025 was primarily influenced by macroeconomic factors, including the level of investment activity in the agri-food sector, the availability of EU funding (in particular from the National Recovery Plan), as well as raw material prices, including steel.

The year 2025 was characterised by an improvement in the market environment and a marked revival of investment in the domestic market. As a result, the Group achieved a significant increase in the scale of its operations and an improvement in its financial results. Revenue amounted to PLN 125.4 million (2024: PLN 75.5 million), gross profit on sales to PLN 26.0 million (2024: PLN 6.8 million), and operating profit to PLN 15.7 million (2024: operating loss of PLN 1.4 million). EBITDA amounted to PLN 20.7 million (2024: PLN 4.8 million). Net profit reached PLN 12.2 million (2024: net loss of PLN 2.1 million).

The results achieved were due to an increase in the scale of operations and the execution of a greater number of contracts, whilst maintaining cost control and improving profitability. The timing of the execution of long-term contracts, under which revenue is recognised based on the stage of completion, had a significant impact on the results.

Activity on the Ukrainian market remains limited, which is a consequence of the ongoing armed conflict. With regard to receivables from the counterparty Epicentr K LLC, arising in previous years, current information obtained from KUKE S.A. and Bank Gospodarstwa Krajowego confirm that arrears are being settled gradually, which reduces credit risk in this area.

In 2025, the Group's operations were also significantly influenced by the activities of Feerum Yellow Energy Sp. z o.o., which was engaged in the drying and storage of maize grain. During the period under review, the maize market was characterised by high supply coupled with price pressure and the increased significance of drying costs resulting from higher grain moisture content.

The Egyptian market remains a key area of business development. In 2025, work commenced on a contract in Toshka, and in December 2025 the parent company received an advance payment for its execution.

In parallel, the Group is pursuing activities related to its presence in the Egyptian market through its equity investment in Feerum Egypt Company for Silos and Storage (S.A.E), in which the parent company holds a 50% stake. In 2025, activities continued regarding the analysis of opportunities for project implementation in the Egyptian market and the conduct of discussions with local partners. The implementation of projects in this area is contingent upon the fulfilment of a number of conditions, including, in particular, the agreement of a target cooperation model, the provision of appropriate contractual safeguards and the availability of financing. As at the date of this report, various options for further operational and investment involvement in this project are being analysed.

In 2025, the Group continued its activities in the sports product range under the Madani brand. This segment is of a complementary nature and remains at a level similar to the previous year.

As at the date of approval of the report, contracted orders for the Group's products in the agri-food machinery and equipment sector for the period 2026–2027 amount to approximately PLN 71.2 million and comprise 28 contracts. The potential customer portfolio amounts to approximately PLN 116.9 million, of which approximately PLN 41.5 million relates to projects at an advanced stage of investment preparation, including those undergoing administrative procedures and financing acquisition processes.

Given the availability of investment support under EU programmes, as well as the observed upturn in investment in the agri-food sector, some projects from the potential portfolio may move into the finalisation and implementation phase in the short term.

The above figures do not include the projected turnover arising from the performance of the contract concluded on the Egyptian market with The Egyptian Holding Company for Silos and Storage, under which the parent company's share of the remuneration amounts to approximately USD 24.7 million, nor the potential project portfolio resulting from the Group's participation in further

tender procedures in that market.

The structure of the order book and the stage of development of potential projects indicate the Group's continued ability to further expand the scale of its operations in subsequent reporting periods.

The Issuer's Group is well-prepared to execute its order portfolios – it possesses the necessary human and machinery resources as well as financial capacity, which makes the Group a leading contractor and supplier in the market. The Group's resources enable the proper execution of its order portfolios, as well as continued efforts to acquire both foreign and domestic clients.

Currently, the Group companies' efforts are focused primarily on maintaining satisfactory profitability of contracted projects and ensuring adequate financial resources to meet the requirements arising from their execution. The Group's financial position remains stable in terms of both production capacity and financial commitment, which is reflected in the level of revenue and net profit reported for the reporting period.

During the period covered by the financial statements, there were no items in the Group's operations that were unusual in terms of their nature, value or frequency and that affected assets, liabilities, equity, net profit or cash flows.

2. Other information relevant to the assessment of the Group's financial position and financial performance

In 2025, there were no other events that would have a material impact on the Group's financial position, financial performance or financial results.

The Group's financial position is influenced by the method of contract execution, under which revenue and costs are recognised over time, in line with the progress of work. Consequently, the level of results and working capital may vary between reporting periods.

A significant factor affecting profitability remains the scale of production, resulting from the level of the order book, which translates into the efficiency of capacity utilisation and the level of unit costs.

An important factor supporting the Group's financial liquidity remains the level of advance payments received for contract execution, which reduces the need for external financing.

With regard to receivables from Epicentr K LLC arising from export contracts from previous years, a process of their gradual repayment is being observed. The Management Board of the parent company does not identify any grounds for creating impairment losses in this regard.

The Group maintains a stable liquidity position, supported by the availability of cash and unused credit facilities.

3. Information on loans – granted and outstanding during the reporting period.

As at the date of preparation of the report, there were no balance sheet items relating to loans granted.

4. Information on contracts entered into that are significant to the operations of the Group and the Parent Company

4.1. Loan agreements – current and entered into during the reporting period

Open-ended overdraft facility agreement No. WK19-000016 dated 30 April 2019 concluded with Bank Gospodarstwa Krajowego S.A. ("Bank BGK") with its registered office in Warsaw, at Al. Jerozolimskie 7, as subsequently amended.

The agreement covers a revolving overdraft facility in an amount not exceeding PLN 4.0 million, intended to finance the parent company's day-to-day operations. Pursuant to annexes concluded in 2025, the period of availability of the credit limit was extended until 30 June 2027.

In 2025, the parties also concluded annexes to the Loan Agreement, pursuant to which, in particular, the scope of security for the Bank's claims was amended, including an increase in the total amount of the mortgage and the standardisation of joint security for the financing granted by the Bank.

The loan is secured by:

1. a joint contractual mortgage up to PLN 40,400,000 established on the Parent Company's properties located in Chojnów,
2. an assignment of claims arising from insurance contracts for the mortgaged properties,
3. a blank promissory note of the parent company together with a promissory note declaration.

These securities are joint in nature and also secure the Company's other liabilities towards the Bank arising from the financing agreements entered into.

The other material provisions of the Loan Agreement have not changed and do not differ from the provisions commonly used in such agreements. The Bank charges interest on the drawn-down loan, payable monthly, calculated at an interest rate defined as the sum of the 1M WIBOR rate and the Bank's margin.

Overdraft Facility Agreement No. K01043/24 dated 26 July 2024, entered into with Santander Bank Polska S.A., with its registered office in Warsaw, as subsequently amended.

Under the Revolving Credit Facility Agreement, the Bank granted the Issuer a revolving credit facility of PLN 10,000,000.00 to finance the Issuer's day-to-day business operations. The credit facility is available until the date of its repayment, i.e. 7 July 2026. The interest rate on the loan is variable and consists of the WIBOR 1M rate plus the Bank's margin of 1.35 percentage points.

The Issuer has undertaken to maintain certain financial ratios, including in particular the net debt to EBITDA ratio and the capital ratio (equity to total assets), calculated on the basis of the Issuer's annual audited and consolidated financial statements.

In connection with the annexes to the Agreement, including those concluded in 2025, the scope of security for the Bank's claims has changed in particular. As at the date of conclusion of the last of the annexes presented, the security for the Bank's claims arising from the Agreement consists of:

1. a contractual mortgage up to PLN 19,950,000.00 established on the property covered by land and mortgage register No. LE1Z/00029320/5,
2. the assignment of receivables to the Bank in the amount of PLN 16,900,000.00 under the insurance policy covering the buildings and structures on the aforementioned property,
3. a registered charge on the machinery and equipment specified in detail in the agreement,
4. assignment of receivables under the insurance contract for movable property referred to in point 3),
5. a registered charge on production materials, i.e. steel, located at the Issuer's registered office,
6. assignment of claims under the insurance contract for movable property referred to in point 5).

Furthermore, the Bank's claim is secured by a declaration from the Issuer consenting to enforcement proceedings.

The remaining provisions of the Revolving Credit Agreement do not differ from those commonly used in agreements of this type.

Overdraft Facility Agreement No. K01042/24 dated 26 July 2024 entered into with Santander Bank Polska S.A., with its registered office in Warsaw, as amended.

Pursuant to the Overdraft Facility Agreement, the Bank granted the Issuer an overdraft facility in the amount of PLN 10,000,000.00 for the purpose of financing the Issuer's current business operations. Disbursement or disbursements of the Overdraft Facility at the Issuer's request will be possible throughout the entire financing period, i.e. from the date the Overdraft Facility is drawn down until the repayment date falling on 3 July 2026.

Interest on the utilised amount of the Overdraft Facility will be calculated at the WIBOR rate for one-month interbank deposits plus the Bank's margin. Interest payments will be made on a monthly basis.

The Issuer has further undertaken to ensure, during the term of the Overdraft Facility Agreement, that the debt ratio, being the quotient of net debt and EBITDA, and the

equity ratio, being the quotient of equity and the balance sheet total, calculated on the basis of the Issuer's annual audited and consolidated financial data.

The Bank's claims arising from the Overdraft Facility Agreement are secured by a guarantee amounting to 50.00% of the Overdraft Facility amount, i.e. PLN 5,000,000.00, granted for a term ending on 3 October 2026. ("FG FENG – Biznesmax Plus Guarantee"). The FG FENG - Biznesmax Plus Guarantee is a guarantee referred to in the Regulation of the Minister of Finance on the granting by Bank Gospodarstwa Krajowego of *de minimis* aid in the form of loan repayment guarantees, granted under the European Funds for a Modern Economy 2021-2027 programme, forming part of the Guarantee Fund's portfolio guarantee line for the European Funds for a Modern Economy programme, approved by the European Commission's decision of 27 September 2022, under which the guarantee covers investment loans granted under the relevant assessment pathway and working capital loans granted to finance current business operations under the relevant assessment pathway, granted by BGK on the basis of an application for the FG FENG – Biznesmax Plus Guarantee in accordance with the terms and conditions of the FG FENG Guarantee.

The FG FENG – Biznesmax Plus guarantee is a form of free repayment protection for an Overdraft Facility, offered by the Bank under an agreement signed with BGK. An additional benefit for the Issuer is the possibility of obtaining a refund from BGK for interest paid on the Overdraft Facility (the so-called interest subsidy). The interest subsidy will be paid on the basis of an application by the Issuer. The amount of the interest subsidy may not exceed the maximum amounts determined in accordance with the terms and conditions applicable to beneficiaries of the FG FENG Guarantee; in particular, it may not exceed the *de minimis* aid available to the Issuer at the time of applying for the interest subsidy.

In addition, the Issuer has undertaken to submit a declaration of submission to enforcement pursuant to Article 777(1)(5) of the Code of Civil Procedure in respect of the payment of all liabilities arising from the Overdraft Facility Agreement. The Issuer has also drawn up and handed over to the Bank a blank promissory note together with a promissory note declaration to secure the obligations arising from the Overdraft Facility Agreement.

The remaining provisions of the Overdraft Facility Agreement do not differ from the provisions commonly used in such agreements. (RB 11/2024)

4.2. Loans received – in force and entered into during the reporting period

Loan agreements concluded between the parent company Feerum S.A. and the subsidiary Feerum Yellow Energy Sp. z o.o., as subsequently amended.

On 18 December 2023, the subsidiary Feerum Yellow Energy Sp. z o.o. (as the lender) entered into a loan agreement with the parent company (as the borrower) for the sum of PLN 2,830,000, bearing interest at a variable rate of WIBOR 3M plus a margin of 2%. On 29 October 2025, the parent company repaid the loan in full, together with the interest due.

At the same time, on 31 December 2025, the parent company entered into a new loan agreement with its subsidiary Feerum Yellow Energy Sp. z o.o. for PLN 1,480,000, with a repayment date of 31 December 2026. The loan bears interest at a variable rate of WIBOR 3M plus a margin of 1.5%.

Loan agreement concluded on 27 January 2022 between the parent company Feerum S.A. and the shareholder DANMAG Sp. z o.o.

On 27 January 2022, the parent company (as the borrower) entered into a loan agreement with the shareholder, Danmag Sp. z o.o. (as the lender) a loan agreement in the amount of PLN 2,200,000, bearing interest at a variable rate of WIBOR 3M plus a margin of 2%. On 31 December 2025, the parent company repaid the loan in full, together with the interest due

4.3. Other significant agreements – in force and concluded during the reporting period

Contracts with Epicentr K LLC – status of settlements, financing (BGK) and receivables insurance (KUKE S.A.)

The parent company entered into significant contracts with Epicentr K LLC, based in Kyiv, in 2018–2019 (as subsequently amended), concerning the supply of grain silo complexes, for which, in each case, financing agreements were concluded with Bank Gospodarstwa Krajowego and receivables insurance agreements with Korporacja Ubezpieczeń Kredytów Eksportowych S.A.

The contracts covered project design, manufacturing, transport to sites within Ukraine, provision of warranty service and staff training. The parent company was not responsible for the assembly and commissioning of the delivered facilities. The contracts were performed in accordance with their terms.

The contracts were financed through a supplier credit arrangement, under which the parent company sold the receivables to Bank Gospodarstwa Krajowego, whilst the receivables were covered by insurance from KUKE S.A., covering in particular political risk.

Following the Russian Federation's invasion of Ukraine in February 2022 and the introduction by the National Bank of Ukraine of restrictions on cross-border foreign currency payments, there were delays in the settlement of liabilities by Epicentr K LLC. This event was classified as the materialisation of political risk within the meaning of KUKE S.A.'s insurance contracts. With regard to part of the receivables, Bank Gospodarstwa Krajowego exercised its right of recourse against the Parent Company, as a result of which the relevant receivables were re-recognised in the Company's accounts.

In 2024, changes were introduced to currency regulations in Ukraine, allowing for the partial liberalisation of payments under financing supported by international institutions, which resulted in the counterparty gradually settling its liabilities. Epicentr K LLC is currently making payments in accordance with the agreed schedule, and the proceeds are allocated proportionally against individual receivables.

As at 31 December 2025, the value of receivables arising from the contracts in question amounted to approximately EUR 1.72 million, whilst the total amount recovered by the parent company through recourse settlements amounted to approximately EUR 1.20 million. As at the date of approval of the financial statements, the value of receivables amounted to approximately EUR 1.54 million, whilst the total amount recovered through recourse increased to approximately EUR 1.34 million.

As at 31 December 2025, receivables from Epicentr K LLC are presented in full as current receivables, whereas as at 31 December 2024, part of these receivables was classified as non-current.

Following the completion of the recourse proceedings, Bank Gospodarstwa Krajowego released the security interests established in respect of the contracts in question.

The Management Board of the Parent Company, taking into account the current repayment schedule, applicable regulatory conditions and cooperation with KUKE S.A. and Bank Gospodarstwa Krajowego, did not identify, as at the balance sheet date or as at the date of approval of the financial statements, any grounds for recognising provisions for expected credit losses in respect of receivables from Epicentr K LLC.

Agreement of 27 May 2024 concluded between the Issuer and WAVE Adam Dąbek i Wspólnicy sp.k. with its registered office in Trzciany (RB 7/2024)

The subject of the Agreement was the production, delivery, assembly and commissioning by the Issuer of a storage and drying facility in Borowe-Gryki.

The Issuer undertook to fulfil the subject matter of the agreement by 28 February 2025.

The Client shall pay the Issuer remuneration under the contract, the total value of which amounts to PLN 11,808,000.00 gross (PLN 9,600,000.00 net), as follows: (i) the sum of PLN 2,394,719.46 gross (PLN 1,946,926.39 net) is payable in connection with the production of a specified batch of goods following the conclusion of the contract, (ii) up to 90% of the Remuneration (including the amount specified in point (i) above) is payable in instalments in line with the progress of the work, on the basis of monthly progress reports; (iii) the remaining 10% of the Remuneration shall be paid upon final acceptance.

Until the Customer has paid the full amount of the portion of the Remuneration referred to in point (i) above, the consignment of goods to which

is subject to a security pledge securing this payment.

The Issuer has granted the Customer a 24-month warranty on the delivered equipment, commencing upon final acceptance, provided that a delay in payment of the full amount of the Remuneration exceeding 60 days shall result in the loss of the warranty. The parties have also agreed on the terms and conditions, including those relating to additional payments, for the Issuer's performance of periodic warranty and post-warranty inspections.

The Agreement provides for the right of either party to terminate the Agreement in the cases specified therein where the other party fails to fulfil its provisions, but no later than 30 September 2024.

The Issuer's liability for damages, whether contractual or in tort, in respect of losses actually incurred by the Customer has been limited to an amount equivalent to 5% of the net value of the contract. The parties have excluded the Issuer's liability for loss of profits.

The remaining terms of the contract do not differ from those commonly used in contracts of this type.

The contract was performed in accordance with the schedule updated by the parties during the course of the work.

Agreement dated 17 October 2024 concluded between the Issuer and TOMY M&M Sp. z o.o. with its registered office in Lutomierz (RB 15/2024) (RB 3/2025)

The subject matter of the Agreement is the manufacture, delivery, installation and commissioning by the Issuer of a storage and drying facility. The storage and drying facility will be located in Stoszowice, in the Lower Silesian Voivodeship, by 31 October 2025.

The Client shall pay the Issuer remuneration under the Agreement in the total amount of PLN 26,000,000.00 net (i.e. PLN 31,980,000.00 gross) as follows: (i) the amount of PLN 9,235,000.00 net (i.e. PLN 11,359,050.00 gross) shall be paid in the form of advance payments, (ii) a portion of the Remuneration totalling PLN 14,765,000.00 net (i.e. PLN 18,160,950.00 gross) shall be paid in accordance with the progress of the work, on the basis of work acceptance reports drawn up at the end of each calendar month; (iii) the remaining part of the Remuneration in the amount of PLN 2,000,000.00 net (i.e. PLN 2,460,000.00 gross) shall be paid upon final acceptance.

The Issuer has provided the Client with a quality guarantee for the assembly work carried out, the equipment supplied and installed, and the earthworks and foundation works carried out, for a period of 36 months from the date of final acceptance. Furthermore, the Issuer has provided the Client with a warranty for the earthworks and foundation works for a period of 60 months from the date of final acceptance.

The Issuer's liability for damages, whether contractual or in tort, has been limited to the losses actually incurred by the Client, excluding lost profits, subject to the proviso that the total compensation paid by the Issuer may not exceed an amount equivalent to 20% of the total net Remuneration.

The remaining terms of the Agreement do not differ from those commonly used in agreements of this type.

Under the National Recovery Plan, the Agency for Restructuring and Modernisation of Agriculture has awarded the Contracting Authority a grant to refinance the costs incurred in connection with the planned construction of the storage and drying facility in question. The grant may amount to a maximum of 50% of the eligible costs incurred by the Ordering Party, subject to a maximum of PLN 15 million.

Agreement of 16 December 2024 concluded between the Issuer and the company "Agra" – Stanisław Pietruszyński – General Partnership with its registered office in Zambrów (RB 22/2024)

The subject matter of the first agreement is the construction by the Issuer for the Investor of a grain storage, warehousing and distribution centre, comprising the construction of foundations, silo facilities and other infrastructure ("Agreement No. 1").

The subject matter of the second agreement is the sale, delivery, installation and commissioning by the Issuer of brand-new grain silo storage technology, together with a transport system, a drying plant and a cleaning plant ("Agreement No. 2").

The subject matter of the third agreement is the sale by the Issuer to the Buyer of a non-exclusive licence for grain elevator management software, and the delivery, installation and commissioning by the Issuer of the software at a location specified by the Buyer ("Agreement No. 3", and together with Agreement No. 1 and Agreement No. 2, the "Agreements").

The investment covered by the Agreements will be carried out on the property located in the municipality of Pisz, Pisz County, Warmian-Masurian Voivodeship, owned by the Investor, by 31 December 2025.

The Issuer and the Investor have agreed that the total remuneration under the Agreements shall amount to PLN 29,699,000.00 net (i.e. PLN 36,529,770.00 gross, including VAT). Part of the remuneration in question, totalling PLN 27,641,145.00 net, will be payable in instalments by the Investor during the period of the Investment's implementation, in line with the progress of the works carried out under the Agreements. The remaining portion of the remuneration, totalling PLN 2,057,855.00, will be paid upon completion of the Investment, as documented by a final acceptance certificate. The Issuer is also entitled to receive an advance payment towards the remuneration described above in the total amount of PLN 6,684,230.00, plus the applicable VAT.

In accordance with the terms of Agreement No. 3, the Buyer shall acquire a software licence, to be used for the management of the grain elevator in connection with the concluded Agreements, upon signing the final acceptance report. The licence shall be granted for an indefinite period. Within five years of the date of conclusion of Agreement No. 3, neither party shall have the right to terminate or withdraw from it. Agreement No. 1 and Agreement No. 2 provide for the right of either party to withdraw from the agreement in the cases of breach of its provisions by the other party, as specified in the agreements.

The Issuer shall grant the Investor, pursuant to Agreement No. 1 and Agreement No. 2, a 24-month quality guarantee covering the work carried out and the equipment supplied and installed, commencing from the date of final acceptance.

The Issuer's liability for damages (whether contractual or in tort) is limited to losses actually incurred by the Buyer, which are economically justified and documented, and may not exceed an amount corresponding to 5% of the net value of the Agreements. The Issuer shall not be liable for loss of profits.

The remaining terms of the Agreements do not differ from those commonly used in agreements of this type.

Agreement dated 5 May 2025 concluded between the Issuer and Gospodarstwo Rolne Jegliński sp. z o.o. with its registered office in Głinojeck (RB 10/2025)

The subject of the agreement is the construction by the Issuer of a storage and distribution centre together with technical infrastructure. The Issuer has undertaken to complete the facility by 9 March 2026. The facility will be located in Rościszewo Nowe.

The Client shall pay the Issuer remuneration under the Agreement in the total net amount of PLN 21,708,885.41 (twenty-one million seven hundred and eight thousand eight hundred and eighty-five zlotys and forty-one groszy), i.e. gross, including VAT, PLN 26,701,929.05 (twenty-six million seven hundred and one thousand nine hundred and twenty-nine zlotys and five groszy) ("Remuneration"), as follows: (i) within 14 days of the conclusion of the Agreement, the Client shall pay the Issuer an advance payment amounting to 20% of the Remuneration, (ii) the Client shall pay 60% of the Remuneration to the Issuer in accordance with monthly progress reports on the construction of the Facility, on the basis of partial invoices (iii) the Ordering Party shall pay 10% of the Remuneration to the Issuer upon the Issuer's submission of the documents necessary for acceptance of the Facility, i.e. technical and operational documentation together with CE certificates of conformity and electrical documentation, (iv) the Ordering Party shall pay 10% of the Remuneration to the Issuer following final acceptance of the Facility.

The Issuer has granted the Ordering Party a 24-month warranty for the work carried out and the equipment supplied and installed, commencing on the date of final acceptance.

The Agreement provides for the right of either party to withdraw from the Agreement in cases specified therein where the other party fails to comply with the provisions of the Agreement.

The Issuer's liability for damages, whether contractual or in tort, in respect of losses actually incurred by the Client, has been limited to an amount equivalent to 5% of the net value of the Agreement. The parties have excluded the Issuer's liability for loss of profits.

The remaining terms of the Agreement do not differ from those commonly used in agreements of this type.

Agreement dated 26 May 2025 concluded between a Consortium comprising the Egyptian company Samcrete Egypt – Engineers & Contractors – S.A.E. and the Issuer, and the Egyptian state-owned company "The Egyptian Holding Company for Silos and Storage" (RB 18/2025)

The subject of the Contract is the design, construction, manufacture, installation and commissioning of grain storage and drying facilities with a total capacity of 300,000 tonnes in the town of Toshka, in the Aswan Governorate in Egypt, as well as the provision of training and the supply of spare parts.

The Contract was concluded following the Consortium's successful bid, as announced by the Issuer in Current Reports No. 4/2025 of 30 January 2025 and No. 9/2025 of 29 April 2025.

The total value of the Contract amounts to 982,782,022.00 Egyptian pounds (EGP) and 24,735,211.00 US dollars (USD), with the portion denominated in USD constituting the Issuer's remuneration and the portion in EGP constituting the remuneration of the consortium partner, Samcrete.

The Issuer is responsible for the design, manufacture, delivery and supervision of the installation of the grain silos, their commissioning, the provision of training and the supply of spare parts for a period of three years from the date of acceptance of the facility.

The contractor is entitled to receive an advance payment of 20% of the Contract value, subject to the provision of the required security. In this regard, in 2025, a performance bond for the Contract and a corresponding counter-guarantee from Bank Gospodarstwa Krajowego were provided, followed by security related to the advance payment refund guarantee. Once the above conditions were met, in the fourth quarter of 2025 the Company provided a full set of the required contract guarantees, which enabled the release of funding in the form of an advance payment, which was received on 23 December 2025.

The performance of the Contract is co-financed from funds derived from a loan granted by the World Bank.

The Contract is being carried out on a turnkey basis in accordance with FIDIC conditions (Silver Book), and its completion is scheduled within 24 months of the commencement of works.

Payments to the Contractor will be made on a monthly basis, based on the progress of works confirmed by acceptance certificates.

The total amount of contractual penalties for delays has been capped at 10% of the Contract value.

The remaining provisions of the Contract do not deviate from the terms and conditions commonly applied to this type of agreement.

Agreement dated 1 October 2025 concluded between the Issuer and Trans Plon sp. z o.o. with its registered office in Brzezie (RB 21/2025)

The subject of the agreement is the production, delivery, assembly and commissioning by the Issuer of a storage and drying facility together with the necessary technical infrastructure.

The Issuer has undertaken to complete the investment by 15 June 2026. The facility will be located in Brzezie, in the municipality of Środa Wielkopolska, in Środa County, in the Greater Poland Province.

The Client shall pay the Issuer remuneration under the Agreement in the total gross amount of PLN 25,153,500.00 (twenty-five million one hundred and fifty-three thousand five hundred zlotys), i.e. a net amount of PLN 20,450,000.00 (twenty million four hundred and fifty thousand zlotys), as follows: (i) an advance payment of 10% of the gross Remuneration payable within 7 days of the conclusion of the Agreement, (ii) an advance payment of 10% of the gross Remuneration payable by 31 December 2025, (iii) 70% of the gross Remuneration payable as the works progress, on the basis of partial invoices, (iv) 10% of the gross Remuneration payable upon completion of the project on the basis of a final invoice.

The Issuer has granted the Client a 24-month warranty for the works carried out and the equipment supplied and installed, commencing on the date of final acceptance.

The Issuer's liability for damages, whether contractual or in tort, is limited to the amount of the Ordering Party's actual, economically justified and documented losses, provided that it does not exceed 10% of the net value of the Agreement. The Issuer shall not be liable for lost profits.

The remaining terms of the Contract do not differ from those commonly used in contracts of this type.

4.4. Loan agreements – terminated/cancelled during the reporting period

None.

5. Significant off-balance sheet items, including information on sureties and guarantees granted and received during the financial year

Agreement for the provision of guarantees under a credit facility dated 2 August 2024 concluded with Bank Gospodarstwa Krajowego S.A. with its registered office in Warsaw, at Al. Jerozolimskie 7, as amended (RB 13/2025).

Under the Agreement, the Bank undertook to grant, at the Issuer's request, bank guarantees and counter-guarantees under a revolving facility with a limit of up to USD 1,250,000.00. Under the Guarantee Facility, the Issuer is entitled to request the issuance of tender guarantees and counter-guarantees used in foreign trade, the term of which may not exceed 12 months.

The Guarantee Facility has been granted for a period of 24 months, i.e. until 2 August 2026.

The Bank charged the Issuer a one-off commission for granting the Guarantee Facility, calculated as a percentage of the maximum limit of the Facility, as specified in the Agreement. In addition, the Bank charges a commission for granting each guarantee, calculated as a percentage of the guarantee amount, as specified in the Agreement, payable for each three-month period of its validity, or part thereof.

The Issuer has undertaken to maintain, during the term of the Agreement, certain financial ratios, in particular the debt ratio, being the quotient of net debt and EBITDA, calculated on the basis of annual audited consolidated financial data.

As at the balance sheet date, the current security for liabilities under the Credit Facility Agreement comprises:

1. a joint contractual mortgage up to PLN 40,400,000.00 established on the Issuer's properties,
2. an assignment of rights under insurance policies relating to the Issuer's assets,
3. a blank promissory note together with a promissory note declaration.

The remaining provisions of the Credit Facility Agreement do not differ from those commonly used in agreements of this type.

Guarantee Agreement dated 6 June 2025 concluded with Bank Gospodarstwa Krajowego S.A., with its registered office in Warsaw at Al. Jerozolimskie 7, as subsequently amended (RB 13/2025).

Pursuant to the Agreement, the Bank granted, at the Issuer's request, a bank counter-guarantee up to the amount of USD 2,473,521.10 in favour of the National Bank of Egypt, with its registered office in Cairo. The purpose of the counter-guarantee is to secure a performance bond for the implementation of a project involving the design, construction and commissioning of storage and drying facilities in Egypt.

The counter-guarantee remains valid until the 15th day following the expiry of the performance guarantee, but no later than 15 January 2029.

As at the balance sheet date, the current security for liabilities under the Agreement comprises:

1. a joint contractual mortgage up to PLN 40,400,000.00,
2. an assignment of rights under insurance policies,
3. a blank promissory note together with a promissory note declaration.

The remaining provisions of the Agreement do not deviate from market standards.

Agreement for the provision of a counter-guarantee for the repayment of an advance dated 30 October 2025 concluded with Bank Gospodarstwa Krajowego S.A. (RB 23/2025).

Under the Agreement, the Bank undertook to issue, at the Issuer's request, a bank counter-guarantee up to the amount of USD 4,947,042.20 in favour of the National Bank of Egypt, based in Cairo. The purpose of the counter-guarantee is to secure the guarantee for the repayment of the advance payment made to the Issuer under an export contract for the implementation of a project in Egypt.

The amount of the counter-guarantee corresponds to the advance payment due to the Issuer under

the contract. The counter-guarantee remains valid until 15 January 2028.

As at the balance sheet date, the current security for liabilities under the Agreement comprises:

1. a joint contractual mortgage up to PLN 40,400,000.00,

2. an assignment of rights under insurance policies,
3. a blank promissory note together with a promissory note declaration,
4. a KUKE insurance guarantee covering 80% of the Bank's receivables.

On 13 November 2025, the Bank issued the above counter-guarantee, enabling the conditions for receiving an advance payment for the performance of the contract to be met.

The remaining provisions of the Agreement do not differ from those commonly used in agreements of this type.

The security established in favour of the Bank is of a general nature and covers all the Issuer's liabilities towards the Bank arising from the concluded agreements, including in particular the guarantee line agreement, counter-guarantee agreements and the overdraft facility agreement.

General Agreement for the Provision of Insurance Guarantees Guaranteed by the State Treasury dated 4 November 2025, concluded with Korporacja Ubezpieczeń Kredytów Eksportowych S.A. with its registered office in Warsaw (RB 24/2025).

Under the Agreement, KUKE undertook to provide, at the Issuer's request, insurance guarantees under a revolving line with a limit of up to USD 10,000,000.00. The guarantees may be used as security for the Issuer's export liabilities, including in particular as re-guarantees for financing banks.

Guarantees may be granted for a fixed term, provided that their maximum duration does not exceed 108 months and their value does not exceed 80% of the secured liability.

The facility has been granted for a fixed term until 26 July 2026.

In respect of granting the guarantee, KUKE charges a fee calculated as an annual percentage of the guarantee amount, as specified in the Agreement, payable in a single instalment for the entire duration of the guarantee.

As at the balance sheet date, the current collateral for the Issuer's liabilities to KUKE comprises:

- blank promissory notes together with promissory note declarations,
- a declaration of submission to enforcement.

On 7 November 2025, KUKE granted an insurance guarantee up to the amount of USD 3,957,633.76, representing 80% of the Bank's claim arising from the Advance Repayment Reguarantee Agreement. The guarantee is valid until 15 February 2028 and constitutes the security required by the Bank to issue the counter-guarantee.

The remaining provisions of the Agreement do not deviate from market standards.

The guarantees and counter-guarantees described above are off-balance-sheet items and relate both to the Issuer's day-to-day operations, including participation in tender procedures in foreign markets, and to the performance of an export contract for the construction of storage and drying facilities in Egypt.

Their purpose is, in particular, to secure the Issuer's contractual obligations, enable participation in tenders and meet the requirements of financing institutions and foreign counterparties, including obtaining financing in the form of advance payments.

Guarantee Limit Agreement No. K00848/25 dated 5 June 2025 concluded with Santander Bank Polska S.A. with its registered office in Warsaw, as subsequently amended.

Pursuant to the Agreement, the Bank granted the Issuer a guarantee facility under which the Issuer is entitled to request the issuance of bank guarantees, in particular performance bonds, warranty and quality bonds, payment bonds, advance repayment bonds and tender bonds.

Pursuant to Annex No. 1 of 30 October 2025, the limit was set at PLN 3,300,000.00, with guarantees being issued in PLN, EUR and USD, and a maximum term of up to 5 years.

The period of availability of the limit has been set until 9 October 2026.

The Bank charges a commission for issuing the guarantee in the amount specified in the Agreement, representing a fixed percentage of the guarantee amount, calculated for each full period of its validity.

As at the balance sheet date, the current security for liabilities under the Agreement comprises:

1. a contractual mortgage up to PLN 19,950,000.00 established on the Issuer's property,
2. an assignment of claims under a property insurance contract up to PLN 16,900,000.00,
3. a blank promissory note and a declaration of submission to enforcement.

The security established in favour of the Bank is of a general nature and covers all the Issuer's liabilities towards the Bank arising from the concluded agreements, including in particular the guarantee facility agreement and the revolving credit facility agreement.

The remaining provisions of the Agreement do not deviate from those commonly found in agreements of this type.

6. Information on significant proceedings pending before a court, an arbitration body or a public administration body

According to the information available to the Group as at the date of approval of the report, there were no significant administrative proceedings or proceedings before administrative courts, criminal or arbitration proceedings against or involving Group companies which have had, could have, or have recently had a material impact on the financial position or results of the Group and the parent company.

At the same time, the Parent Company is a party to legal proceedings brought by EKO Rola Sp. z o.o., which concluded with a non-final judgment of the Regional Court in Legnica dated 22 May 2025. In view of the above – guided by the principle of prudence – the Company has recognised a provision for a potential liability of PLN 0.9 million, included in other operating expenses. The Company has lodged an appeal against the judgment. As at the date of approval of the financial statements, these proceedings do not have a material impact on the financial position or results of the Group.

Under normal market conditions, we are subject to various legal proceedings and claims. We are confident that the ultimate outcome of such proceedings, individually or collectively, will not have a material impact on our operations or financial position.

There are currently no court, arbitration or administrative proceedings pending concerning liabilities or receivables of the Group Companies, the value of which would exceed, individually or in aggregate, 10% of the Group Companies' equity.

To the best of the Issuer's knowledge, as at the date of this report, there is no material risk of other potential proceedings arising in the future that could have a negative impact on the Issuer's Group's position.

7. Significant events occurring after the reporting date

No events occurred after 31 December 2025 that required recognition or adjustment in the financial statements for the financial year ended on that date.

The Group operates both on the domestic market and in international markets, and is exploring opportunities for further expansion, particularly in Eastern Europe and North Africa. The geopolitical situation, including the ongoing armed conflict in Ukraine and political and economic tensions in the Middle East, may indirectly affect the Group's operations, particularly in relation to the execution of foreign contracts, supply chains and raw material prices.

With regard to receivables from the Ukrainian counterparty Epicentr K LLC, covered by an export financing programme involving Bank Gospodarstwa Krajowego and insurance from KUKE S.A., current information obtained from the financing institutions confirms that the counterparty is making partial repayments of the debt on a regular basis.

The Management Board of the parent company, having regard to the repayment history to date and the information available, has not identified any grounds for creating provisions for expected credit losses in respect of these receivables.

As at the date of this report, the Management Board has not identified any events arising from the above circumstances

which would require the recognition or adjustment of financial data. At the same time, the Management Board is monitoring the development of the geopolitical situation on an ongoing basis and its potential impact on the Group's operations and financial results in subsequent reporting periods.

Information on significant events relating to the Group's operations is published in current reports available on the Parent Company's website under the Investor Relations – Reports – Current Reports tab.

CHAPTER IV: SALES AND MARKETING

1. Products.

The Feerum Group's activities focus on providing comprehensive solutions for the storage and drying of plant products (cereals, pulses and oilseeds), including in particular grain elevators, grain silos, dryers, vertical and horizontal transport systems, cleaning plants and feed mixers.

The Group specialises in the implementation of comprehensive turnkey projects, covering the design, manufacture and installation of storage and drying facilities with a capacity ranging from a few to several tens of thousands of tonnes. A standard grain elevator comprises a dryer, silos, transport systems and auxiliary equipment, such as dust extraction, cleaning and control systems.

To the best of the Parent Company's Management Board's knowledge, the Group is one of the largest manufacturers of corrugated sheet metal structures in Poland. These solutions enable the construction of high-capacity facilities whilst reducing the weight of the structure and simplifying the assembly process.

The Group's activities are complemented by the sale of goods, including a range of sports products under the Madani brand, comprising bicycles, clothing and accessories. This segment is of a supplementary nature and does not constitute a significant part of the Group's operating activities.

Sales revenue broken down by the parent company **Feerum S.A.'s** main product groups is presented in the table below.

	from 01.01 to 31 December 2025	from 01.01 to 31 December 2024
Grain silos	116,397	63,286
Services	1,896	2,674
Scrap	788	694
Goods and materials	4,317	3,989
Total	123,398	70,644

Sales revenue broken down by the **Feerum Capital Group's** main product groups is shown in the table below.

	from 01.01 to 31 December 2025	from 01.01 to 31 December 2024
Grain silos	116,397	63,286
Services	5,681	2,244
Scrap	788	694
Goods and materials	2,533	9,300
Total	125,400	75,525

Grain elevators remain the Group's key product group, accounting for approximately 92.8% of sales revenue in 2025. Services accounted for 4.5%, goods and materials for 2.0%, whilst scrap sales accounted for 0.6% of the Group's revenue.

The sales structure depends on the nature of the contracts executed and customer demand; consequently, the proportion of sales of complete facilities and individual units (silos and dryers) may vary between reporting periods.

Other revenue includes, in particular, maintenance and design services, the sale of spare parts, and the sale of materials and post-production waste, the combined share of which in the Group's revenue remains immaterial.

The Group's operations also include a subsidiary engaged in the drying and storage of maize, the results of which are recognised under revenue from the sale of services.

The Group conducts research and development activities aimed at developing and improving the technological solutions it offers, in particular in the field of energy-efficient dryers and silo construction, which enables it to maintain the competitiveness of its product range.

2. Target markets.

Monitoring trends and adapting to changing market conditions is essential for maintaining competitiveness and achieving long-term goals. Domestic and international markets differ in many respects, and understanding these differences is key to effective management and expansion into new markets.

In 2025, the Group focused its sales primarily on the domestic market, which accounted for the vast majority of revenue. The share of exports remained at a lower level, which was due in particular to limited activity in the Ukrainian market. At Group level, revenue from sales on the domestic market amounted to PLN 117.6 million, accounting for approximately 93.8% of total revenue, whilst export sales stood at PLN 7.8 million (6.2%).

The increased importance of the domestic market was linked to a revival in investment in the agri-food sector. The long-term suspension of funds from the National Recovery and Resilience Plan (KPO) in previous years exacerbated the crisis in this sector, whilst their release in 2025 translated into significant support for investment in storage infrastructure, constituting a key driver of demand for the Group's products.

In the export structure, Lithuania and Ukraine remained the main sales destinations. Sales on the Ukrainian market were limited in scope, based mainly on smaller contracts and prepayments, due to the ongoing geopolitical situation in the region.

At the same time, the Group continues its activities related to the development of operations in foreign markets, including in particular the Egyptian market, where the Toshka project (described in more detail in section 2.7) is being implemented and further activities related to potential investment involvement are being carried out. According to current plans, sales in this market are scheduled to commence in the first quarter of 2026.

Entering new markets is a process that requires meticulous planning and flexibility. Success in a new market can bring significant benefits, including increased revenue, a stronger competitive position and risk diversification.

The table below shows the parent company **Feerum S.A.**'s sales revenue broken down by market.

	from 01.01 to 31 December 2025	from 01.01 to 31 December 2024
Domestic	115,568	59,942
Exports	7,829	10,702
Country Tanzania	-	-
Country Lithuania	6,508	4,610
Country Romania	-	2,368
Country Hungary	-	2,169
Country Ukraine	1,269	1,342
Other countries	52	213
Total	123,398	70,644

The table below shows the **Feerum Capital Group's** sales revenue broken down by market.

	from 01.01 to 31 December 2025	from 1 January to 31 December 2024
Domestic	117,570	64,823
Exports	7,829	10,702
Country: Ukraine	1,269	1,342
Country Tanzania	0	0
Country Lithuania	6,508	4,610
Country Romania	0	2,368
Country Hungary	0	2,169
Other countries	52	213
Total	125,400	75,525

Customers whose share of the Group's sales revenue exceeds 10% are TOMY M&M Sp. z o.o. (Poland) and Agra Sp.j. S.

Pietruszyński (Poland). The combined share of these counterparties in the Group's sales in 2025 amounted to **38.5%**. The Management Board does not identify any formal links between these entities and the Group companies.

3. Procurement.

The primary material used in the Group's manufacturing operations is steel sheet (in particular: galvanised, structural, stamping, wear-resistant, heat-resistant and coated steel), as well as other steel products, including sections, profiles and tubes. In 2025, this category accounted for over 51% of material and energy consumption costs. The Group uses steel sourced from reputable manufacturers such as ArcelorMittal, SSAB, Thyssen, TS Tesko Steel and Stalprofil. Purchases are made on the basis of regular orders.

Components for the manufacture of conveying equipment (including motors, gearboxes, conveyor belts, bearings, couplings and plastics), automation components and electrical cabinets, cables and wires, as well as equipment that complements the technology of the main products, play a significant role in the supply chain. This group is supplemented by fasteners and sealing elements used in the manufactured sub-assemblies. In 2025, this category accounted for approximately 32% of material and energy consumption costs. Purchases in this area are made on the basis of repeat orders, utilising long-standing relationships with domestic and foreign suppliers. Key suppliers include, amongst others: Eaton Electric Sp. z o.o., TIM S.A., Onninen Sp. z o.o., Fabryka Śrub Bispol S.A., ELGO Sp. z o.o. Sp. k., Planetfan Sp. z o.o. Sp. k., Celma Indukta S.A., Svend Hoyer A/S, AC-Motoren GmbH, Wingfan Poland Sp. J. and Hartmann Sp. z o.o.

The Group utilises the services of subcontractors, including specialist assembly teams with whom it has long-standing partnerships, as well as transport services provided by external entities. As part of its cooperation, the Group works with entities providing services in the field of hot-dip and electro-galvanising, paint coating, machining, heat treatment and welding. The Group also utilises outsourcing for support services, particularly in the areas of IT, cleaning, fire safety and the maintenance of internal transport equipment.

The Group's operations are predominantly based on manufacturing to individual customer orders. The Group undertakes specialist projects and enters into comprehensive contracts. Consequently, materials and raw materials are procured well in advance, based on long-term relationships with suppliers. In the opinion of the Parent Company's Management Board, the Group is not dependent on any single supplier.

The procurement policy implemented by the procurement department is proactive. It includes, in particular, purchasing directly from manufacturers, developing and diversifying the supplier base, and ongoing analysis of domestic and foreign markets. The procurement department coordinates cooperation in the area of production collaboration and is responsible for material planning and inventory management. Another key element is participation in the optimisation of operational and investment processes, including ensuring the continuity of electricity and gas supplies. The policy also covers support for product development processes and activities in the areas of budgeting, expenditure planning and cash flow analysis.

CHAPTER V: FINANCIAL POSITION

1. Analysis of revenue and costs

The year 2025 was characterised by a significant expansion of the Group's operations, primarily linked to the investment boom in the agri-food sector and the release of funds from the National Recovery Plan (KPO).

The Feerum Capital Group generated sales revenue of **PLN 125.4 million** (2024: PLN 75.5 million), representing a significant year-on-year increase. Gross profit on sales amounted to **PLN 26.0 million** (2024: PLN 6.8 million), whilst operating profit (EBIT) reached **PLN 15.7 million** (2024: a loss of PLN 1.4 million). EBITDA amounted to **PLN 20.7 million** (2024: PLN 4.8 million), whilst net profit stood at **PLN 12.2 million** (2024: a loss of PLN 2.1 million).

The improvement in results was driven by an increase in the scale of contracts executed, improved capacity utilisation and the optimisation of operating costs. The schedule for the execution of long-term contracts also had a significant impact on revenue levels.

Global agriculture remains a sector with significant growth potential, in which public support mechanisms, including EU funding, play a key role. These support the modernisation of agricultural production and the development of storage and processing infrastructure, helping to improve supply chain efficiency and enhance food security.

In 2025, there was a noticeable upturn in investment on the domestic market, resulting from the release of funds from the National Reconstruction Plan (KPO). The long-term suspension of these funds in previous years had limited investment activity in the agri-food sector, whereas their release led to an increase in demand for the Group's products.

The Group's results also reflect the stabilisation of raw material prices and the Management Board's efforts to improve contract profitability, including the ongoing review of commercial terms and cost control.

The goods sales segment, which includes, among others, the Madani brand, remained at a level similar to the previous year and did not constitute a significant area of the Group's operating activities.

The statement of income and expenses of the parent company, **Feerum S.A.**, is presented in the table below.

	from 01.01 to 31 December 2025	from 01.01 to 31 December 2024
Net sales revenue, including:	123,398	70,644
Revenue from the sale of products and services	118,293	65,960
Revenue from the sale of goods and materials	5,105	4,684
Cost of products, goods and materials sold, including:	99,363	63,626
Cost of goods and services sold	94,760	59,987
Cost of goods and materials sold	4,603	3,639
General and administrative and selling expenses	9,658	8,694
Profit (loss) on sales	14,376	-1,675
Other operating income	578	900
Other operating expenses	1,210	377
Operating profit (EBIT)	13,744	-1,152
EBITDA	18,719	5,075
Financial income	2,543	3
Financial expenses	1,073	1,546
Profit from business activities	15,214	-2,695
Net result from extraordinary items	0	0
Gross profit	15,214	-2,695
Income tax	2,602	-489
Net profit	12,612	-2,206

The statement of income and expenses of the **Feerum Capital Group** is presented in the table below.

	from 01.01 to 31 December 2025	from 01.01 to 31 December 2024
Net sales revenue, including:	125,400	75,525
Revenue from the sale of products and services	122,078	65,530
Revenue from the sale of goods and materials	3,322	9,995
Cost of products, goods and materials sold, including:	99,396	68,740
Cost of manufacturing products and services sold	96,586	59,987
Cost of goods and materials sold	2,810	8,754
General and administrative and selling expenses	9,665	8,715
Profit (loss) on sales	16,339	-1,931
Other operating income	572	900
Other operating expenses	1,209	377
Operating profit (EBIT)	15,702	-1,408
EBITDA	20,678	4,821
Financial income	43	3
Financial expenses	722	1,199
Share in the profit (loss) of entities accounted for using the equity method (+/-)	31	1
Profit from business activities	15,054	-2,602
Net result from extraordinary items	0	0
Gross profit	15,054	-2,602
Income tax	2,811	-482
Net profit	12,243	-2,121

During the reporting period, the Group recognised in other operating expenses a provision for the potential consequences of legal proceedings amounting to PLN 0.92 million, costs of inventory write-offs amounting to PLN 0.04 million, and other operating expenses amounting to PLN 0.24 million. The total value of other operating expenses amounted to PLN 1.21 million and reduced the Group's operating profit.

2. Financial and capital position.

2.1. Assets of the parent company Feerum S.A. and the Feerum Group.

The structure of the assets of the parent company **Feerum S.A.** is presented in the table below.

	31 December 2025	31 December 2024
Non-current assets	58,168	60,441
Intangible assets	21,353	22,386
Property, plant and equipment	34,839	34,516
Investments in subsidiaries	1,026	1,026
Trade receivables and other long-term receivables	0	619
Other long-term financial assets	9	5
Deferred tax assets	941	1,890
Current assets	118,819	80,590
Inventories	66,020	55,501
Assets arising from contracts with customers	8,754	3,666
Trade receivables and other current receivables	22,281	17,288
Current income tax receivables	0	1,320
Other current financial assets	0	0
Cash and cash equivalents	21,765	2,816
Non-current assets classified as held for sale	0	0
Total assets	176,987	141,031

The structure of the **Feerum Capital Group's** assets is presented in the table below.

	31 December 2025	31 December 2024
Fixed assets	58,242	60,529
Intangible assets	21,353	22,386
Property, plant and equipment	34,841	34,519
Investments in subsidiaries	1,053	1,022
Trade receivables and other long-term receivables	0	618
Other long-term financial assets	9	5
Deferred tax assets	986	1,979
Current assets	120,219	82,185
Inventories	66,264	55,503
Assets arising from contracts with customers	8,754	3,666
Trade receivables and other current receivables	23,396	17,756
Current income tax receivables	0	1,320
Other current financial assets	0	0
Cash and cash equivalents	21,805	3,940
Non-current assets classified as held for sale	0	0
Total assets	178,461	142,714

As at 31 December 2025, the Group's total assets amounted to PLN 178.5 million, compared with PLN 142.7 million at the end of the previous year, representing an increase of PLN 35.7 million (i.e. approx. 25% y/y). The increase in assets was primarily due to the expansion of the Group's operating activities.

The Group's non-current assets remained stable at PLN 58.2 million (2024: PLN 60.5 million). They consist mainly of property, plant and equipment and intangible assets.

A significant item within intangible assets is the FEERUM trademark, valued at PLN 20.8 million, which is one of the Group's key intangible assets and reflects its market recognition and established competitive position.

The trademark is protected by exclusive rights (No. 216459 – protection period until 2 October 2026 and No. 221288 – protection period until 10 September 2027), with the possibility of renewal for further periods in accordance with applicable regulations. The trademark also has international registration (No. 1 185 877, WIPO), covering, among others, European Union countries and Ukraine, which supports the Group's export activities and the building of its position in foreign markets. The value of the trademark is periodically reviewed for impairment in accordance with applicable accounting regulations. As at the date of this report, the Management Board has not identified any indications of the need to recognise an impairment loss.

Current assets rose to PLN 120.2 million (2024: PLN 82.2 million), which was the main driver of the increase in the balance sheet total. The structure of current assets is dominated by inventories (PLN 66.3 million), trade receivables (PLN 23.4 million) and cash (PLN 21.8 million). The significant increase in cash (from PLN 3.9 million to PLN 21.8 million) and assets arising from contracts with customers reflects the increased scale of contracts being executed and the impact of advance payments received from customers, which had a positive effect on the Group's liquidity position.

The structure of assets indicates a dominant share of current assets, which is characteristic of the Group's operations based on the execution of long-term contracts.

2.2. Liabilities of the parent company Feerum S.A. and the Feerum Group.

The structure of the liabilities of the parent company **Feerum S.A.** is presented in the table below.

	31 December 2025	31 December 2024
Equity	123,063	110,451
Liabilities	53,924	30,581
Long-term liabilities, including:	4,697	5,314
Financial liabilities	99	170
Current liabilities, including:	49,227	25,267
Financial liabilities	1,506	7,703
Trade payables	41,159	13,465
Total liabilities	176,987	141,031

The structure of the **Feerum Capital Group's** liabilities is presented in the table below.

	31 December 2025	31 December 2024
Equity	125,728	113,485
Liabilities	52,733	29,229
Long-term liabilities, including:	4,698	5,314
Financial liabilities	99	170
Current liabilities, including:	48,035	23,915
Financial liabilities	25	6,273
Trade payables	41,285	13,543
Total liabilities	178,461	142,714

As at 31 December 2025, the Group's equity amounted to PLN 125.7 million, compared with PLN 113.5 million a year earlier, representing an increase of PLN 12.2 million, primarily attributable to the net profit generated.

The Group's liabilities rose to PLN 52.7 million (2024: PLN 29.2 million), with current liabilities (PLN 48.0 million) accounting for the majority, which is characteristic of contract-based operations.

The significant increase in current liabilities was primarily due to the expanded scale of operating activities, including a rise in trade payables (PLN 41.3 million compared with PLN 13.5 million a year earlier), as well as the impact of advance payments received in respect of contracts in progress. At the same time, the financing structure shows a significant decrease in short-term financial liabilities (PLN 0.03 million compared to PLN 6.3 million in 2024), which, combined with an increase in cash, indicates an improvement in the Group's liquidity position.

Long-term liabilities remain stable (PLN 4.7 million) and arise mainly from grants related to the financing of fixed assets, which are recognised over time, as well as from provisions created, in particular for warranty repairs, deferred income tax and employee benefits.

The structure of liabilities indicates a dominant role of equity in financing operations, whilst short-term liabilities are used as a natural source of funding for current operating activities.

The Group's equity as at 31 December 2025 comprised, in particular, share capital of PLN 33.4 million, share premium of PLN 9.4 million, other reserve capital of PLN 2.1 million and retained earnings of PLN 80.9 million. The structure of equity indicates a dominant share of retained earnings, which reflects the Group's ability to generate positive financial results and accumulate them in equity.

3. Assessment of financial resource management.

Economic ratios are helpful in analysing the Group's financial position. The definitions of alternative performance measures and the methodologies for their calculation are presented below and are consistent with the selected alternative performance measures presented historically. Information on the ratios presented in the following sections is monitored on a regular basis and presented in subsequent interim reports.

3.1. Debt analysis.

The debt analysis was carried out based on the following indicators:

- total debt ratio: total liabilities and provisions for liabilities / total assets,
- Equity-to-fixed-assets ratio: equity / fixed assets,
- equity debt ratio: liabilities and provisions for liabilities / equity,
- interest-bearing debt to equity ratio: financial liabilities / equity,
- Net debt/EBITDA ratio: financial liabilities minus cash / (operating profit + depreciation) The debt ratios of the parent

company Feerum S.A. are presented in the table below.

	2025	2024
Total debt ratio	0.30	0.22
Equity-to-fixed-assets ratio	2.12	1.83
Equity debt ratio	0.44	0.28
Equity-to-interest-bearing debt ratio	0.01	0.07
Net debt/EBITDA	-1.08	1.00

The debt ratios of the Feerum Capital Group are presented in the table below.

	2025	2024
Total debt ratio	0.30	0.20
Equity-to-fixed-assets ratio	2.16	1.87
Equity debt ratio	0.42	0.26
Equity-to-interest-bearing debt ratio	0.00	0.06
Net debt/EBITDA	-1.05	0.52

The net debt of the parent company, **Feerum S.A.**, stood at the following level:

	2025	2024
Loans, borrowings and other debt instruments	1,480	7,621
Finance leases	124	252
Debt	1,604	7,873
Cash	21,764	2,816
Net debt	-20,160	5,058

The **Feerum Capital Group's** net debt stood at the following level:

	2025	2024
Loans, borrowings, other debt instruments	0	6,191
Finance leases	124	252
Debt	124	6,443
Cash	21,805	3,940
Net debt	-21,681	2,503

In 2025, the Group maintained a sound financing structure, based predominantly on equity and short-term liabilities arising from current operating activities.

The Group's overall debt ratio stood at 0.30 (2024: 0.20), whilst the debt-to-equity ratio was 0.42 (2024: 0.26), reflecting an increase in liabilities associated with the expanded scale of operations, whilst maintaining a safe level of debt.

At the same time, the Group recorded a significant improvement in its liquidity position and a reduction in financial debt. The ratio of interest-bearing debt to equity fell to 0.00 (2024: 0.06), indicating a marginal level of interest-bearing debt financing.

The Group's net debt at the end of 2025 stood at PLN -21.7 million (2024: PLN 2.5 million), marking a shift from a net debt position to a significant cash surplus over financial liabilities. The improvement in the net debt level resulted primarily from an increase in cash, driven by the execution of contracts and advance payments received, alongside a reduction in financial debt.

The net debt/EBITDA ratio stood at -1.05 (2024: 0.52), confirming the Group's very high debt-servicing capacity and the absence of significant risk in this area. The Management Board of the parent company aims to maintain the net debt/EBITDA ratio at a level not exceeding 4.0. The figures achieved, which are significantly below the target level, confirm the Group's very secure financial position and its ability to meet its obligations.

During the period under review, the Group utilised short-term financing, including credit facilities and trade payables, which constitute a natural source of funding for operating activities.

3.2. Analysis of financial liquidity

The liquidity analysis was carried out based on the following ratios:

current ratio: current assets / current liabilities,

quick ratio: (current assets – inventories – short-term prepayments) / short-term liabilities,

The liquidity ratios of the parent company, **Feerum S.A.**, are shown in the table below.

	2025	2024
Current liquidity	2.4	3.2
Quick ratio	1.1	1.0

The liquidity ratios of the **Feerum Capital Group** are presented in the table below.

	2025	2024
Current ratio	2.5	3.4
Quick ratio	1.1	1.1

In 2025, the Group and the Parent Company maintained a safe level of financial liquidity. The current ratio for the Group was 2.5 (2024: 3.4), whilst the quick ratio was 1.1 (2024: 1.1).

The year-on-year decrease in the current ratio was primarily due to an increase in current liabilities, resulting from the expanded scale of operating activities, whilst current assets remained at a high level. A quick ratio above 1.0 confirms the Group's ability to settle short-term liabilities on time using its most liquid assets.

Advance payments received for contract execution and an increase in cash also had a significant impact on the liquidity position, which translated into an improvement in current payment capacity.

The structure of inventories, comprising largely standard components used in ongoing projects, allows for their relatively rapid utilisation in operating activities.

The liquidity ratios obtained indicate that the Group is in a stable and secure financial position.

3.3. Analysis of current asset management

The analysis of current asset management was carried out on the basis of the following ratios:

- *inventory turnover in days: (inventory at the end of the period / revenue from the sale of goods, materials and products during the period) multiplied by the number of days in the period,*
- *receivables turnover in days: (trade receivables at the end of the period / revenue from the sale of products, services, goods and materials during the period) multiplied by the number of days in the period,*
- *trade payables turnover in days: (trade payables at the end of the period / cost of products, services, goods and materials sold during the period) multiplied by the number of days in the period.*

The following table presents the operating asset management efficiency ratios of the parent company **Feerum S.A.**

	2025	2024
Inventory turnover	198	298
Receivables turnover	89	104
Trade payables turnover	151	77

The table below presents the **Feerum Capital Group's** operating asset management efficiency ratios.

	2025	2024
Inventory turnover	202	276
Receivables turnover	91	100
Trade payables turnover	152	72

In 2025, the Group recorded an improvement in the efficiency of current asset management. Inventory turnover decreased to 202 days (2024: 276 days), which resulted from an increase in the scale of contracts executed and better utilisation of accumulated stock.

Inventories consist predominantly of standard components used in project delivery, which allows for a flexible response to changes in demand and ensures production continuity during long contract cycles.

Receivables turnover stood at 91 days (2024: 100 days), indicating an improvement in receivables collection, despite the continued proportion of contracts executed under external financing (including the National Reconstruction Plan), which may extend the payment cycle.

Trade payables turnover increased to 151 days (2024: 72 days), which was related to the expansion of operations and the use of advance payments received against contracts in progress. The Group, whilst maintaining a sound liquidity position, takes advantage of competitive purchasing terms and settles its liabilities on time.

The ratios achieved indicate effective working capital management and the alignment of the current asset structure with the scale of operations.

3.4. Profitability analysis.

Selected financial data for the parent company, **Feerum S.A.**, is presented in the table below.

	from 01.01 to 31 December 2025	from 01.01 to 31 December 2024
Revenue	123,398	70,644
Gross profit (loss) on sales	24,035	7,018
Gross profit margin	19.5%	9.9%
EBITDA	18,719	5,075
EBITDA margin	15.2%	7.2%
Operating profit (loss) (EBIT)	13,744	-1,152
Operating margin	11.1%	-1.6%
Gross profit (loss)	15,214	-2,695
Gross profit margin	12.3%	-3.8
Net profit (loss)	12,612	-2,206
Net profit margin	10.2%	-3.1

Selected financial data for the **Feerum Capital Group** is presented in the table below.

	from 01.01 to 31 December 2025	from 1 January to 31 December 2024
Revenue	125,400	75,525
Gross profit (loss) on sales	26,004	6,785
Gross profit margin	20.7%	9.0%
EBITDA	20,678	4,821
EBITDA margin	16.5%	6.4%
Operating profit (loss) (EBIT)	15,702	-1,408
Operating margin	12.5%	-1.9
Gross profit (loss)	15,054	-2,602
Gross profit margin	12.0%	-3.4%
Net profit (loss)	12,243	-2,121
Net profit margin	9.8%	-2.8

In 2025, the Group recorded a significant improvement in profitability across all levels of the income statement, moving from a loss in the previous year to a profit.

Gross profit margin rose to 20.7% (2024: 9.0%), whilst the EBITDA margin reached 16.5% (2024: 6.4%). Operating margin (EBIT) stood at 12.5% (2024: -1.9%), whilst net margin was 9.8%

(2024: -2.8%).

The improvement in profitability was driven by an increase in the scale of operations, better utilisation of production capacity and the optimisation of operating costs. The structure of the contracts being executed and the ongoing review of their profitability also had a significant impact. The improvement in margins was also driven by an upturn in investment in the agri-food sector, linked to the release of funds from the National Recovery Plan (KPO), which translated into increased demand for the Group's products.

The stabilisation of raw material prices and the Management Board's measures aimed at cost control and improving production efficiency further supported the increase in profitability.

The profitability levels achieved confirm the improvement in operational efficiency and the Group's ability to generate positive financial results amid an expanding scale of operations.

4. Differences between the financial results achieved for 2025 and previously published forecasts.

The Management Board of the parent company did not publish a forecast of results for 2025.

5. Information regarding the implementation of the 2022–2026 investment programme (in PLN million).

As part of the investment programme for 2022–2026, the Group is carrying out activities aimed at developing its production facilities, automating processes and increasing operational efficiency.

In 2025, capital expenditure amounted to PLN 4.3 million, compared with PLN 0.45 million in 2024, PLN 1.18 million in 2023 and PLN 0.18 million in 2022. Total expenditure incurred in 2022–2025 amounted to approximately PLN 6.1 million. The investments were financed from the Group's own funds.

The significant increase in capital expenditure in 2025 was primarily due to investments in machinery and production infrastructure, including the purchase of modern technological equipment (e.g. an LVD laser, production lines), as well as the development of IT infrastructure, systems supporting operational activities, and investments in energy efficiency (photovoltaic installations).

In previous years, capital expenditure focused mainly on the development of technological facilities, IT systems and selected elements of production infrastructure.

The implementation of the investment programme is proceeding as planned, and its effects are reflected in the expansion of operations, improved operational efficiency and increased profitability of the Group.

6. Investment plans and their financing.

The Group does not plan any significant development or capital investments in the near future. The current investment policy focuses on maintaining the existing production assets at a level ensuring the proper execution of contracts.

The planned expenditure primarily comprises replacement investments, financed mainly from the Group's own funds, with external financing—in particular leasing and working capital loans—used to supplement this.

In recent years, the Group has significantly expanded its machinery fleet, which has led to increased operational efficiency and improved production quality. The technological solutions implemented and the automation of production processes help to reduce unit costs and strengthen the Group's competitive position.

The estimated value of replacement investments planned for 2022–2026 is approximately PLN 8.0 million and represents a continuation of the adopted development strategy.

The implementation of the planned investments is assessed as feasible to finance using generated cash flows and available sources of external financing.

CHAPTER VI: ASSESSMENT AND DEVELOPMENT PROSPECTS

1. Characteristics of external and internal factors significant for development.

1.1. Factors significant for the Group's development

The Group carries out comprehensive projects developed in response to individual customer needs, covering the design, manufacture and installation of storage and drying facilities for the agri-food sector. The business model, based on the delivery of turnkey projects, determines the method of revenue generation, the cost structure and the factors influencing the Group's development.

Many years of experience, technological development and consistent investment in production facilities have enabled the Group to achieve a significant position in the domestic grain elevator market and to remain competitive in a changing market environment.

Key internal factors influencing the Group's development include:

- Modern machinery and production capacity

The Group operates a modern production facility equipped with technologically advanced sheet metal processing machinery, including computer numerical control (CNC) machines. The equipment enables the production of components with high precision and repeatability, including structural elements for silos made of high-strength corrugated sheet metal.

The use of technologies enabling the processing of sheet metal with high strength parameters allows for the construction of facilities with large capacity and increased service life.

- Technological innovation and research and development

The Group conducts research and development activities focused on the development of technologies for drying and storing agricultural produce. The solutions implemented include, amongst others, structures made of high-strength sheet metal and technologies that reduce material consumption whilst maintaining the required strength parameters. The introduction of automation in production processes, including the production of coiled components in an automated cycle, has enabled a significant reduction in the labour intensity of processes (by as much as several dozen per cent), improved production repeatability and increased the efficiency of resource utilisation.

- Cost-effectiveness and production organisation

The repeatability of design solutions and the standardisation of components used in production allow for the optimisation of manufacturing processes and a reduction in unit costs. At the same time, the scale of operations and the level of production capacity utilisation directly influence the level of margins achieved. Experience in contract execution enables ongoing cost control and the optimisation of production and logistics processes.

- Flexibility in contract execution and a comprehensive range of services

The Group carries out investment projects covering the full scope of work – from the conceptual and design stages, through production and assembly, to the commissioning of the facility. Technological solutions are tailored to the specific needs of each client, and the ability to modify them during project implementation is a key element of our competitive advantage. The wide range of products and components on offer allows us to comprehensively meet our clients' needs and reduce the involvement of external parties in the implementation of the investment.

- Human resources and design expertise

The Group has a team of engineers and designers with experience in implementing complex technological projects. Expertise in the design and integration of multiple technological components enables the optimisation of solutions in terms of functionality, operational performance and cost, which is of significant importance for the effectiveness of the investments undertaken.

- Ability to support sales with financial instruments

In its export activities, the Group utilises available financial and insurance instruments, including solutions offered by KUKI, which enables it to offer customers extended payment terms and to execute larger-scale contracts. Access to financing is a key element of competitiveness in foreign markets.

The above factors, in conjunction with the ongoing investment programme and the growing scale of operations, directly influence the Group's ability to generate revenue, the level of margins achieved and the efficiency of operational resource utilisation, forming the basis for further development.

1.2. Prospects for the Group's business development

The Group focuses its activities on providing comprehensive solutions for the storage and drying of agricultural produce, including in particular grain silos, dryers, and grain transport and processing systems. The Group's products are primarily purchased by larger-scale farms, grain buyers and processors, and industrial plants in the agri-food sector.

The Group's growth prospects remain closely linked to the situation in the agri-food sector, in particular the level of investment in infrastructure for the storage and processing of agricultural produce. Experiences in recent years, including supply chain disruptions linked to the COVID-19 pandemic and the armed conflict in Ukraine, point to the growing importance of food security and the need to expand storage infrastructure.

On the domestic market, a key factor supporting investment demand remains the release of funds from the National Recovery Plan (KPO), which supports infrastructure development in the agri-food sector. The Management Board anticipates a continuation of the observed investment recovery, which is reflected in increased tender activity and the build-up of the order book.

In the short term, the Group's operations are focused on the domestic market, which partially offsets the constraints associated with the Ukrainian market. At the same time, the Group is expanding its operations in foreign markets, particularly in Egypt, where a contract was signed in 2025 for the construction of a storage and drying facility in Toshka, worth approximately USD 24.7 million. The execution of this contract is a key element in building the Group's presence in the North African and Middle Eastern markets and may serve as a basis for securing further projects in the region. The scale of export operations remains dependent on geopolitical conditions and the availability of project financing.

The Group's financial position and production capacity enable the fulfilment of the contracted order book and the continued acquisition of new contracts. The expansion of operations, combined with the optimisation of operating costs, forms the basis for improved financial results in future periods.

2. Significant risk factors and threats.

The Group's operations are exposed to a number of macroeconomic, market, operational and financial risks which may affect its financial results and growth prospects.

- Risks related to the macroeconomic situation

The Group's operations are dependent on macroeconomic factors in Poland and in the foreign markets where it sells its products, in particular the rate of economic growth, the level of inflation and interest rates, the level of investment, and fiscal and agricultural policy.

The situation in the agri-food sector and on the raw materials market, particularly for steel, is of significant importance to the Group, as these factors influence both the demand for the Group's products and the level of their production costs.

Additionally, the availability of financing for agricultural investments, including EU funds (e.g. the National Reconstruction Plan), is a significant factor. Any reduction in support programmes could lead to a decline in demand for the Group's products.

The Group's operations are also affected by the geopolitical situation, including the ongoing armed conflict in Ukraine, which is limiting the scale of operations in that market, whilst contract fulfilment is being partially maintained in regions with a lower level of risk. Ongoing armed conflicts and political and economic tensions in the Middle East may indirectly affect

the Group's operations, particularly in terms of the execution of foreign contracts, supply chains and raw material prices.

- Competition risk

The Group operates in a market characterised by significant competition, both from domestic and international entities. Increased competition or the emergence of new players may lead to price pressure and the need to increase expenditure on product development and sales activities. Consequently, this may affect the Group's revenue levels and profitability.

- Risks related to the situation in agriculture

Demand for the Group's products is directly dependent on the situation in the agricultural sector, particularly in the area of cereal production. The economic situation in this sector is influenced by, amongst other things, weather conditions, agricultural commodity prices and the availability of investment financing, including loans and EU funds. A reduction in customers' investment capacity, resulting, for example, from restrictive lending policies by banks or a decline in the profitability of agricultural production, may lead to a decrease in demand for the Group's products.

- Risk of changes in raw material prices, in particular steel

Steel sheet is a key component of the Group's production costs (approximately 51% of material and energy consumption costs). Fluctuations in the prices of steel and other raw materials may affect the cost of contracts being executed. The Group aims to pass on changes in raw material prices to sales prices, but this is not always possible, which may lead to a reduction in margins. Additionally, in the case of fixed-price contracts, there is a risk of cost increases during their execution. A factor mitigating this risk is the policy of securing material supplies by building up inventories for contracted projects.

- Foreign exchange risk

The Group is exposed to currency risk relating to both export revenues and the purchase of materials (in particular steel) in foreign currencies. In connection with the execution of a contract on the Egyptian market denominated in USD (Toshka), changes in exchange rates may affect profitability during the contract period. In particular, an appreciation of the PLN against the USD or EUR may have a negative impact on the Group's financial results.

- Interest rate risk

The Group utilises debt financing, including loans and leases with variable interest rates. An increase in interest rates may lead to higher financial costs and a reduction in net profit.

- Risk of changes in market trends

There is a risk of changes in technological preferences in the market, in particular an increase in the importance of alternative design solutions. The Group mitigates this risk through the development of its own technologies and research and development activities, which enable it to adapt its offering to changing market conditions.

- Regulatory and legislative risk

The Group operates in many markets, which entails the risk of regulatory changes, particularly in relation to legislation concerning agriculture, construction and environmental protection. Changes in legislation may affect operating costs, the investment implementation process and the conditions for conducting business, which may have a negative impact on the Group's financial results.

- Credit risk

The Group's credit risk is mainly related to trade receivables. In the domestic market, the Group primarily executes contracts with clients using public or EU funding, which mitigates the risk of insolvency.

With regard to foreign markets, particularly Ukraine, this risk is higher and stems, amongst other things, from geopolitical factors. In the case of the counterparty Epicentr K LLC, financing was provided in the form of a supplier credit involving BGK, alongside political risk insurance from KUKA S.A. Due to payment restrictions following the outbreak of war in

2022, there were delays in repayments; however, a gradual improvement has been observed since 2024.

As at 31 December 2025, the value of receivables stood at approximately EUR 1.72 million (EUR 1.48 million as at the date of approval of the report), with approximately EUR 1.20 million and EUR 1.41 million, respectively, recovered through recourse. The Management Board has not identified any grounds for creating provisions for these receivables.

- Liquidity risk and other financial risks

The Group is exposed to liquidity risk associated with the need to secure funds to finance its day-to-day operations and the performance of long-term contracts. Delays in payments from counterparties, particularly in foreign markets, may affect the level of available cash and increase the need for external financing.

As at the balance sheet date, the Group companies were not utilising working capital loans but had available credit facilities to safeguard liquidity.

In addition to the credit risk described above, significant financial risks also include foreign exchange risk and interest rate risk, which are presented in separate sections.

- Risk management

The Group monitors operational risks and takes measures to mitigate their impact, in particular by assessing the creditworthiness of counterparties and monitoring receivables on an ongoing basis. Where justified, particularly in relation to selected export contracts, the Group employs additional hedging mechanisms, such as receivables insurance or financing involving financial institutions.

With regard to financial risks, the Group seeks to limit the impact of changes in exchange rates and interest rates and secures the supply of materials by building up inventories for contracts in progress. In addition, it diversifies its markets and customer portfolio.

3. Outlook and development strategy.

The Group's long-term strategic objective is to further expand the scale of its operations and strengthen its position in the domestic and international markets, in particular through the development of sales of comprehensive storage and drying facilities and by increasing its share in the implementation of infrastructure projects in the agri-food sector.

The Group's strategy focuses on utilising its production capacity, design expertise and experience in delivering turnkey contracts, whilst expanding its operations in selected foreign markets, particularly the Egyptian market.

As part of its adopted strategy, the Group aims to:

- the development of sales on the domestic market, in particular based on investment demand supported by EU funds, including the National Reconstruction Plan (KPO), and the building of relationships with clients in the agri-food sector;
- the development of export activities, encompassing both the continuation of the Group's presence in European markets and further activities in the Egyptian market, where the ongoing Toshka contract constitutes a key element in building the Group's position in the region;
- strengthening sales channels, including developing cooperation with commercial partners and increasing our tendering activity;
- product and technology development, including further optimisation of design and the implementation of solutions to enhance the energy and operational efficiency of the facilities offered;
- maintaining operational efficiency through the optimal utilisation of existing production capacity and cost control on ongoing contracts.

The implementation of the above strategic objectives is aimed at further expanding the Group's operations, diversifying its revenue streams and strengthening its competitive position in both domestic and international markets.

The Management Board does not publish financial forecasts within the meaning of capital market regulations.

3.1. Sales growth in domestic and foreign markets

The Group's sales growth is based on its order book and tendering activity in the domestic and international markets. As at the date of approval of the report, contracted orders for the Group's products in the agri-food machinery and equipment sector for the period 2026–2027 amount to approximately PLN 71.2 million and comprise 28 contracts. The potential customer portfolio amounts to approximately PLN 116.9 million, of which approximately PLN 41.5 million relates to projects at an advanced stage of investment preparation, including those undergoing administrative procedures and financing acquisition processes.

Given the availability of investment support under EU programmes, as well as the observed investment revival in the agri-food sector, some projects from the potential portfolio may move into the finalisation and implementation phase in the short term.

The above figures do not include the planned turnover resulting from the performance of the contract concluded on the Egyptian market with The Egyptian Holding Company for Silos and Storage, under which the remuneration attributable to the Parent Company amounts to approximately USD 24.7 million, nor the potential project portfolio resulting from the Group's participation in further tender procedures on that market.

The Group has the necessary human, production and financial resources to carry out contracted projects and further develop its sales activities.

The Group's sales activities focus on:

- maintaining and developing its position in the domestic market,
- selective expansion into foreign markets,
- exploiting the potential arising from the implementation of the first projects in the Egyptian market,
- further geographical diversification of sales.

The sales activities undertaken and the existing order book provide a solid foundation for further growth in the Group's revenue in subsequent reporting periods.

3.2. Investments in modern technological solutions and expansion of the production base

The development of the Group's production facilities is evolutionary in nature and is a consequence of the long-term strategy to build technological capabilities and increase operational efficiency.

A key investment phase in the Group's history took place between 2008 and 2010, when a modern production plant was built in the Legnica Special Economic Zone and fully equipped with machinery. The following years saw intensive modernisation and automation of production processes, including the development of IT systems and research and development facilities.

In recent years, the Group has focused on selective investments aimed at optimising production processes and adapting resources to the growing scale of operations. In particular, the Group has expanded its warehouse space and significantly upgraded its machinery, enabling effective management of materials for contracted projects, increased production efficiency and reduced reliance on subcontractors.

The completed investments have enabled the achievement of a high level of technological sophistication and production flexibility, which constitutes a key element of the Group's competitive advantage. The current production facilities allow for the execution of a greater number of contracts whilst maintaining high product quality and the optimal use of resources.

In the coming periods, investments will mainly be of a replacement and optimisation nature, whilst utilising the previously built production capacity.

Investments made in previous years provide a stable foundation for the Group's further business development, enabling the effective fulfilment of a growing order book and an improvement in operating profitability.

CHAPTER VII: INFORMATION ON THE SHAREHOLDING STRUCTURE

1. List of shareholders holding, directly or indirectly, significant blocks of shares, together with an indication of the number of shares held by these entities, their percentage share in the share capital, the number of votes arising therefrom and their percentage share in the total number of votes at the general meeting.

As at the date of approval of the report, the share capital of the Parent Company was divided into 9,537,916 shares with a nominal value of PLN 3.50 each. The table below presents the shareholders of the parent company Feerum SA holding at least 5% of the votes at the Company's General Meeting of Shareholders as at the date of approval of this report and to the best of our knowledge. The information contained in the table is based on current reports submitted to the Warsaw Stock Exchange, which reflect information received from shareholders in accordance with Article 69(1)(2) of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies.

Shareholder	Number of shares	% share in the shareholding structure	Number of votes at the AGM	% of total votes
Daniel Janusz	3,368,377	35.32%	3,368,377	35.32%
<i>directly</i>	802,964	8.42%	802,964	8.42%
<i>indirectly (via DANMAG Sp. z o.o.)</i>	2,565,413	26.90%	2,565,413	26.90%
Magdalena Łabudzka-Janusz	3,137,615	32.90%	3,137,615	32.90%
<i>directly</i>	660,654	6.93%	660,654	6.93%
<i>indirectly (through DANMAG Sp. z o.o.)</i>	2,476,961	25.97%	2,476,961	25.97%
AgioFunds TFI S.A.	1,924,729	20.18%	1,924,729	20.18%
Other shareholders	1,107,195	11.60%	1,107,195	11.60%
Total	9,537,916	100.00%	9,537,916	100.00%

During the reporting period, the composition of shareholders holding at least 5% of the total number of votes at the General Meeting remained unchanged.

2. Statement of shareholdings in the issuer held by the issuer's management and supervisory personnel

The table below shows the number and percentage share in the share capital of all shares held by management and supervisory personnel as at the date of this report.

Shareholder	Number of shares	% share in the shareholding structure	Number of votes at the AGM	% of total votes
Daniel Janusz		35.32%		35.32%
<i>direct</i>	802,964	8.42%	802,964	8.42%
<i>indirectly (through DANMAG Sp. z o.o.)</i>	2,565,413	26.90%	2,565,413	26.90%
Magdalena Łabudzka-Janusz		32.90%		32.90%
<i>directly</i>	660,654	6.93%	660,654	6.93%
<i>indirectly (through DANMAG Sp. z o.o.)</i>	2,476,961	25.97%	2,476,961	25.97%
Maciej Janusz		0.05%		0.05%
<i>directly</i>	4,858	0.05%	4,858	0.05%
Total	6,510,850	68.26%	6,510,850	68.26%

During the reporting period, there were changes in the shareholdings of the Parent Company held by the Parent Company's management and supervisory personnel due to a change in the composition of the Management Board. On 17 January 2025, the Issuer's Supervisory Board, pursuant to Resolution No. 3/19/III/25, dismissed Mr Piotr Wieleśik from his position as a Member of the Company's Management Board. Consequently, the data presented has changed since 31 December 2024. The other members of the Supervisory Board do not hold any shares in the parent company.

3. Information on the control system for employee share schemes

None.

4. Information on agreements known to the Company (including those concluded after the balance sheet date) which may result in future changes to the proportions of shares held by existing shareholders.

As at the date of preparation of the report, the Management Board of the parent company was not aware of any agreements which may result in future changes in the proportions of significant shareholdings held by existing shareholders.

CHAPTER VIII: STATEMENT ON THE APPLICATION OF CORPORATE GOVERNANCE PRINCIPLES

In accordance with the Rules of the Warsaw Stock Exchange S.A. ("WSE"), Feerum S.A. ("the Company", "the Issuer"), as a company listed on the WSE, is obliged to apply the corporate governance principles set out in the Code of Best Practice for WSE-Listed Companies 2021. The Code of Best Practice for Companies Listed on the WSE 2021 is a set of recommendations and rules of conduct relating in particular to the governing bodies of listed companies and their shareholders. The text of the above set of rules is publicly available on the website of the Warsaw Stock Exchange S.A. at www.gpw.pl/dobre-praktyki2021.

The parent company applies the corporate governance principles set out in the 2021 Code of Best Practice for Companies Listed on the Warsaw Stock Exchange, with the exception of the principles listed below, which are not currently applied, together with an explanation of the reasons for these deviations.

1. INFORMATION POLICY AND COMMUNICATION WITH INVESTORS

1.2. The parent company makes its financial results, as set out in the interim report, available as soon as possible after the end of the reporting period; if, for valid reasons, this is not possible, it publishes at least preliminary estimated financial results as soon as possible.

Explanation of the reasons why the parent company does not comply with the principle:

Due to the Company's business profile and the nature of its investments, it is not possible to provide information in the manner specified in this principle. The Company therefore departs from the application of principle 1.2 regarding the publication of preliminary estimated financial results prior to the submission of the interim report. The investment processes undertaken by the Company are complex and multi-stage. They are often spread over a considerable period of time, spanning different reporting periods. External factors, most often beyond the Company's control, also play a significant role in these processes. They affect the costs of labour, materials or ready-made components used to carry out the investments. Furthermore, during the course of projects, changes to their scope often occur, most frequently through their extension. Interim results are therefore influenced by numerous variable factors, including changes in the scope of work, schedules, prices of materials and services, settlement of additional work, and other circumstances accompanying the execution of contracts. Under these conditions, the publication of preliminary estimates could lead to the presentation of information subject to a significant risk of adjustment. Reliable and accountable financial data regarding the profitability of individual contracts can therefore only be determined upon completion of a specific project carried out by the Company. However, the Company strives to communicate its financial results to investors as efficiently and reliably as possible.

1.3. The Company also incorporates ESG issues into its business strategy, in particular covering:

1.3.1. environmental issues, including metrics and risks related to climate change and sustainable development;

Explanation of the reasons why the Company does not comply with the principle:

The company operates state-of-the-art production lines and sources its raw materials from trusted suppliers – renowned global manufacturers committed to sustainable development. Thanks to the use of modern machinery, properly insulated within the working environment, not only are optimal levels of energy consumption (water, electricity, gas) achieved, but the most appropriate working conditions are also ensured. The company uses only raw materials, in particular steel, which hold the relevant certificates regarding both their origin and quality. However, the Company's operations are inextricably linked to the use of natural resources. It ensures coordinated waste collection in accordance with the relevant regulations. Recyclable production waste is collected by a specialist recycling contractor. Other waste is sorted and collected by a facility responsible for its disposal. At the same time, the Company's operations enable the efficient processing and storage of grain.

The Company takes action in this area as part of its day-to-day operations, but does not currently have a formalised strategy, metrics or policies as referred to in the principle.

1.3.2. Social and labour issues, including measures taken and planned to ensure gender equality, decent working conditions, respect for workers' rights, dialogue with local communities, and customer relations.

Explanation of the reasons why the Company does not comply with the principle:

The Company takes social and labour issues into account as part of its normal course of business and does not consider it necessary to include

matters set out in this principle of its strategy, as they stem from applicable legislation. This applies in particular to ensuring gender equality, providing decent working conditions and respecting employees' rights, which are governed by the provisions of the Labour Code. The Company considers these issues to be of significant importance. In its business activities, it complies with all legal requirements and regulations relating to the above areas, particularly regarding relations with employees and colleagues, cooperation and communication with customers, business ethics and respect for human rights, including, amongst other things, diversity. Consequently, the Company strives for the highest possible level of diversity among its workforce—determined by the nature of its business—in terms of gender, age, education, qualifications, professional experience, nationality, ethnic origin, health, family status, lifestyle and place of residence. It also seeks solutions regarding forms of employment, the scope of employment and the basis for employment. The Company has internal documents (e.g. the Work Regulations) governing issues such as the prevention of discrimination and workplace bullying, as well as others setting out standards for equal treatment, protection against violence, harassment or unfair dismissal. The Company also adheres to the universal values described above in its relations with customers. There is no unequal treatment or discrimination on any grounds in this area.

1.4. To ensure proper communication with stakeholders regarding its adopted business strategy, the company publishes information on its website about the strategy's objectives, measurable targets (including, in particular, long-term targets), planned actions and progress in its implementation, as measured by both financial and non-financial indicators. Information on the ESG strategy should, among other things:

An explanation of the reasons why the Company does not comply with the principle:

The company ensures proper communication with stakeholders. Therefore, it publishes on its website information presenting primarily financial metrics, as disclosed in current and periodic reports. These illustrate progress in the implementation of the adopted objectives and strategy, although they relate to the ESG area only to a limited extent. The Company also publishes selected information regarding the implementation of business objectives in current and periodic reports; however, the scope of these disclosures does not yet fully comply with the standard set out in Principle 1.4. The Company is taking steps to organise and expand disclosures in this area.

1.4.1. explain how climate change issues are taken into account in the decision-making processes of the company and its group entities, highlighting the resulting risks.

Explanation of the reasons why the Company does not comply with the principle:

The Company's operations are intrinsically linked to the use of natural resources – primarily steel. The Company has not identified any material risks to its operations related to climate change and the environment. However, it strives to reduce its impact on the environment and climate through feasible measures, such as prioritising electronic communication, promoting the digitisation of documents, and reducing energy consumption through the use of modern machinery and equipment. However, the Company does not have a formalised ESG strategy.

1.4.2. disclose the gender pay gap for its employees, calculated as the percentage difference between the average monthly remuneration (including bonuses, awards and other allowances) of women and men for the last year, and provide information on measures taken to address any inequalities in this regard, together with a presentation of the associated risks and the timeframe within which equality is planned to be achieved.

Explanation of the reasons why the Company does not comply with this principle:

The non-application of this principle is determined by the diversity of job roles within the Company and the uniqueness of some of them. This, in turn, means that the level of remuneration is not dictated by any biological characteristic, in particular gender. Consequently, presenting the pay equality ratio for employees in the manner specified in the principle would not reflect the specific nature of the required competencies, nor would it provide information enabling an objective assessment of equal treatment in the remuneration policy.

The company is considering the possibility of organising its remuneration data in the future in a way that would allow the ratio to be presented.

1.5. At least once a year, the Company discloses the expenditure incurred by it and its group in support of culture, sport, charitable institutions, the media, social organisations, trade unions, etc. If, during the reporting year, the Company or its group incurred expenditure for such purposes, the disclosure includes a breakdown of such expenditure.

Explanation of the reasons why the Company does not comply with the principle:

The Company's involvement in pro bono activities is, as a rule, incidental in nature and is carried out mainly

in forms that do not require separate cash outlays to be recognised and aggregated in a separate record for publication purposes. As at the date of this disclosure, the Company does not have a formalised process for the annual compilation and publication of expenditure on the purposes specified in Principle 1.5 in a format covering the Company and its group.

2. THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

2.1. The company should have a diversity policy for the management board and the supervisory board, adopted by the supervisory board or the general meeting, as appropriate. The diversity policy sets out diversity objectives and criteria in areas such as gender, field of study, specialist knowledge, age and professional experience, and specifies the timeframe and method for monitoring the achievement of these objectives. With regard to gender diversity, the condition for ensuring diversity within the company's governing bodies is that the proportion of women in a given body must be no less than 30%.

Explanation of the reasons why the Company does not comply with the principle:

The Company does not have a formal diversity policy regarding members of the Management Board and the Supervisory Board.

Participation in management and supervisory functions within the Company depends solely on competence, qualifications, professional experience and the ability to perform assigned duties effectively. Criteria such as gender or age do not constitute a separate factor determining personnel decisions.

In the current composition of the Company's governing bodies, the 30% gender diversity threshold referred to in Principle 2.11.6 of the WSE Code of Best Practice has not been achieved.

The Company will consider adopting a diversity policy in the future, particularly in the context of any changes to the composition of the Management Board or the Supervisory Board, whilst respecting the overriding principle of selecting candidates on the basis of their competence and the Company's needs.

2.2. Those responsible for selecting members of the company's Management Board or Supervisory Board should ensure the diversity of these bodies by selecting individuals who promote diversity, thereby enabling, amongst other things, the achievement of the target minimum minority representation set at no less than 30%, in accordance with the objectives set out in the adopted diversity policy referred to in Principle 2.1.

Explanation of the reasons why the Company does not comply with the principle:

In the absence of a diversity policy as referred to in Principle 2.1, the Company does not prepare information regarding the extent to which it has been implemented

2.11. Apart from the activities required by law, the Supervisory Board prepares and submits an annual report to the Annual General Meeting for approval once a year. The report referred to above shall include at least:

2.11.5. an assessment of the appropriateness of the expenditure referred to in Principle 1.5;

An explanation of the reasons why the Company does not comply with the principle:

Expenditure incurred by the Company and its group in support of culture, sport, charitable institutions, the media, social organisations, trade unions, etc., is reported to and known by the Company's Supervisory Board. Information on such expenditure is therefore subject to ongoing supervision by the Supervisory Board; however, it has not yet been covered by a separate annual assessment and reporting procedure within the framework of the Supervisory Board's annual report. The Company will consider implementing appropriate organisational measures to ensure compliance with this principle in the future.

2.11.6. information on the extent to which the diversity policy has been implemented in relation to the Management Board and the Supervisory Board, including the achievement of the objectives referred to in Principle 2.1.

Explanation of the reasons why the Company does not comply with the principle:

The Company ensures, and has historically ensured, the participation of both women and men in the performance of management and supervisory functions within its structures. The participation of individual persons in the performance of specific duties depends on their competence, skills and effectiveness, rather than on their gender. Given the industry in which the Company operates and the specific nature of its activities, the application of this principle could make it difficult to ensure a competent composition of the management board and supervisory board.

3. INTERNAL SYSTEMS AND FUNCTIONS

3.3. A company listed on the WIG20, mWIG40 or sWIG80 indices shall appoint an internal auditor to head the internal audit function, who shall operate in accordance with generally accepted international standards of professional practice for internal auditing. In other companies where no internal auditor meeting the above requirements has been appointed, the audit committee (or the supervisory board, if it performs the functions of the audit committee) shall assess annually whether there is a need to appoint such a person.

Explanation of the reasons why the Company does not comply with the principle:

The Company is not included in the WIG20, mWIG40 or sWIG80 indices. Given its size, organisation and shareholder structure, an audit committee responsible for the internal control system has been appointed. The members of the Audit Committee are selected members of the Company's Supervisory Board. The Audit Committee's rules of procedure do not explicitly provide for an assessment of the need to appoint an internal auditor. Notwithstanding the above, in the Company's view, taking into account the aforementioned circumstances, the internal audit system is currently effective and there is no need to carry out the aforementioned assessment.

Despite ongoing supervision, a formal annual assessment procedure has not yet been implemented.

3.4. The remuneration of persons responsible for risk management and compliance, as well as the head of internal audit, should be linked to the fulfilment of designated tasks, rather than to the Company's short-term results.

Explanation of the reasons why the Company does not comply with the principle:

Given the size, organisation and shareholder structure of the Company, an audit committee responsible for the internal control system has been appointed from among the members of the supervisory board. No separate units have been established within the Company for risk management and compliance. These matters are distributed and fall within the remit of the Company's Management Board, Supervisory Board, audit committee and employees in managerial positions. This ensures mutual interaction and balance between the various areas of the Company's operations. These individuals form a highly qualified team of employees. The scope of their powers and responsibilities in this area is also determined through the IT system implemented within the Company. The remuneration of those responsible for risk management and compliance is governed by the Remuneration Policy for the Management Board and Supervisory Board of Feerum S.A. and is not dependent on the Company's short-term results. Similarly, the remuneration of other employees responsible for the aforementioned areas is not dependent on short-term results.

3.6. The head of internal audit reports organisationally to the CEO and functionally to the chair of the audit committee or the chair of the supervisory board, if the supervisory board acts as the audit committee.

Explanation of the reasons why the Company does not comply with the principle:

Given the size, organisation and shareholder structure of the Company, an audit committee responsible for the internal control system has been appointed. The members of the aforementioned committee are members of the Company's supervisory board. No separate position of head of internal audit has been created.

3.8. At least once a year, the person responsible for internal audit, or, where such a function has not been established within the company, the company's management board, shall present to the supervisory board an assessment of the effectiveness of the systems and functions referred to in Principle 3.1, together with a relevant report.

Explanation of the reasons why the Company does not comply with the principle:

The Company's Management Board keeps the Supervisory Board informed on an ongoing basis regarding the effectiveness of internal control, risk management and compliance. The same applies to the internal audit function.

3.9. The Supervisory Board monitors the effectiveness of the systems and functions referred to in Principle 3.1, based, inter alia, on reports periodically provided to it directly by the persons responsible for these functions and the Company's Management Board, and also conducts an annual assessment of the effectiveness of these systems and functions, in accordance with Principle 2.11.3. Where the company has an audit committee, it shall monitor the effectiveness of the systems and functions referred to in Principle 3.1; however, this does not relieve the supervisory board of the obligation to carry out an annual assessment of the effectiveness of these systems and functions.

Explanation of the reasons why the Company does not comply with the principle:

In accordance with the Audit Committee's rules of procedure, the Committee monitors, in particular, the effectiveness of internal control systems, risk management systems and internal audit, including in relation to financial reporting, and submits an annual report on its activities. Furthermore, given the Company's organisational structure and shareholder base, the Supervisory Board is kept informed of operations on an ongoing basis and is able to continuously monitor compliance systems. Consequently, in the Company's view, there is no need for periodic reporting in this regard.

4. GENERAL MEETING AND RELATIONS WITH SHAREHOLDERS

4.1. The Company should enable shareholders to participate in the general meeting using electronic means of communication (e-general meeting) if this is justified by the expectations of shareholders communicated to the Company, provided that it is able to provide the technical infrastructure necessary to conduct such a general meeting.

Explanation of the reasons why the Company does not comply with the principle:

The Company does not currently have the technical infrastructure necessary to conduct a general meeting efficiently using electronic means of communication. At the same time, in the Company's view, the current rules governing participation in general meetings enable the proper and effective exercise of rights attached to shares and sufficiently safeguard the interests of all shareholders. To date, the Company has not received any requests from shareholders regarding the holding of a general meeting using electronic means of communication.

The Company ensures that shareholders, including minority shareholders, have equal access to information and the opportunity to exercise their corporate rights. Communication with shareholders takes place in particular through:

- the publication of current and periodic reports in accordance with applicable law,
- maintaining the Company's website, on which material information concerning the Company's operations and materials relating to general meetings are posted,
- enabling participation in general meetings and the opportunity to put questions to the Management Board and the Supervisory Board,
- responding to enquiries from shareholders addressed to the Company in compliance with regulations regarding confidential information.

The Company exercises due diligence to ensure that relations with shareholders, including minority shareholders, are conducted in a transparent and fair manner, in accordance with the principles of corporate governance, and that the actions taken foster trust in the capital market.

4.3. The Company ensures that the proceedings of the general meeting are broadcast in real time and are publicly accessible.

Explanation of the reasons why the Company does not comply with the principle:

The Company currently does not have the technical infrastructure – including that guaranteeing a high level of data transmission security – necessary for the uninterrupted broadcasting of the general meeting using electronic means of communication. However, the Company is seeking such technology and does not rule out its implementation in the coming years.

Information regarding the application of the corporate governance principles to which the Company is subject can be found on the Feerum S.A. website www.feerum.pl, under the Investor Relations – Company Information – Corporate Governance – Corporate Documents section.

1. A description of the main features of the internal control and risk management systems applied by the parent company in relation to the process of preparing financial statements and consolidated financial statements.

The Company's Management Board is responsible for the internal control system within the Company and for its effectiveness in the process of preparing financial statements and interim reports, which are prepared and published in accordance with applicable laws.

The key features of the internal control and risk management systems applied by the Company to ensure the effectiveness of the financial reporting process include:

- a defined structure and division of responsibilities during the preparation of financial information,
- defined responsibilities and scope of financial reporting,
- verification of the Company's financial statements by an independent auditor,
- regular assessment of the Company's operations based on financial reports,
- strategic analysis and risk management processes.

The persons responsible for preparing the Company's financial statements, interim financial reports and ongoing management reporting form part of a highly qualified team within the Finance Division, reporting to the Chairman of the Management Board. The parent company keeps a close eye on changes required by external laws and regulations relating to stock exchange reporting requirements and prepares for their implementation well in advance. The final analysis and approval of the prepared reports is carried out by the Company's Management Board.

The annual and half-yearly financial statements are subject to an independent audit and review by the Company's auditor, respectively. The results of the audit and review are presented by the auditor to the Company's senior management and published in the auditor's report.

The Company's financial and accounting system serves as the source of data for the financial statements, interim reports and the monthly management reporting used by the Company. The parent company applies consistent accounting policies when presenting financial data in the financial statements, interim financial reports and management reporting. After the books are closed at the end of each month, detailed financial and operational management reports are prepared. These reports are analysed in detail by senior management and the Company's Management Board.

Under the leadership of the Management Board, the Company undertakes an annual process of preparing the budget for the following year. Middle and senior management of the Company are also involved in this process. The budget prepared for the coming year is adopted by the Company's Management Board and approved by the Supervisory Board.

The Company's risk management is carried out by identifying and assessing risks across all areas of the Company's operations, together with the identification of tasks and projects to be undertaken to mitigate or eliminate such risks. This is facilitated by appropriate decision-making procedures developed within the Company.

2. List of shareholders holding, directly or indirectly, significant blocks of shares, together with an indication of the number of shares held by these entities, their percentage share in the share capital, the number of votes arising therefrom and their percentage share in the total number of votes at the general meeting.

Shareholders holding at least 5% of the total number of votes at the General Meeting as at the date of this report.

Shareholder	Number of shares	% share in the shareholding structure	Number of votes at the AGM	% of total votes
Daniel Janusz	3,368,377	35.32%	3,368,377	35.32%
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AgioFunds TFI S.A.	1,924,729	20.18%	1,924,729	20.18%
Other shareholders	1,107,195	11.60%	1,107,195	11.60%
Total	9,537,916	100.00%	9,537,916	100.00%

3. Description of the rules governing the appointment and dismissal of management personnel and their powers, in particular the right to decide on the issue or redemption of shares.

The Management Board of the parent company operates in accordance with the provisions of the Commercial Companies Code, the Company's Articles of Association, the Organisational Regulations and the Management Board Regulations, taking into account the Code of Best Practice for Companies Listed on the Warsaw Stock Exchange.

The Management Board of the parent company consists of one to three members, including the Chairman of the Management Board. The joint term of office of the members of the Management Board is five years. Members of the Management Board are dismissed by the Supervisory Board.

The Management Board of the parent company, chaired by the President, manages the affairs of the parent company and represents it externally. All matters relating to the management of the parent company which are not reserved by the Commercial Companies Code or the Articles of Association for the competence of the General Meeting or the Supervisory Board fall within the remit of the Management Board.

The following persons are authorised to make declarations of intent regarding the parent company's property rights and obligations and to sign contracts and commitments on behalf of the company: the President of the Management Board acting alone, two members of the Management Board acting jointly, or one member of the Management Board acting jointly with a proxy.

The Management Board of the parent company does not have the power to decide on the issue or redemption of shares; in accordance with the Company's Articles of Association, such decisions fall within the competence of the General Meeting of Shareholders.

4. Description of the rules governing amendments to the parent company's Articles of Association

Amendments to the Articles of Association of the parent company, in accordance with § 11(1)(e) of the Articles of Association of Feerum S.A., fall within the competence of the General Meeting of Shareholders. In the event of an intended amendment to the Articles of Association, the notice convening the General Meeting of Shareholders shall refer to the provisions currently in force and the scope of the proposed amendments. If justified by the significant scope of the amendments, the notice shall include a draft of the new consolidated text of the Articles of Association, together with a list of the new or amended provisions of the Articles of Association.

The Company's Management Board shall submit the consolidated text of the Articles of Association to the registry court. The notification of an amendment to the Articles of Association must be made within three months of the date on which the resolution was adopted by the General Meeting of Shareholders. Where the amendment to the Articles of Association concerns an increase in the share capital, it may be submitted within six months of the adoption of the resolution, and if consent has been granted for the admission of the new issue shares to public trading – from the date of granting such consent, provided that the application for such consent or

the notice of issue is submitted within four months of the date on which the resolution to increase the share capital was adopted.

5. The manner of operation of the General Meeting of Shareholders and its principal powers, as well as a description of shareholders' rights and the manner of exercising them, in particular the rules arising from the Rules of Procedure of the General Meeting, if such Rules have been adopted, provided that information in this regard does not follow directly from statutory provisions

The General Meeting of Feerum S.A. operates on the basis of: the Commercial Companies Code, the Company's Articles of Association and the Rules of Procedure of the General Meeting of Feerum S.A.

The General Meeting may be convened as an ordinary or extraordinary meeting.

An Ordinary General Meeting shall be held within 6 (six) months of the end of each financial year.

The General Meeting is convened by the Company's Management Board on its own initiative, as well as upon a written request from the Supervisory Board or upon a request from shareholders representing at least 1/20 (one twentieth) of the share capital.

An Extraordinary General Meeting shall be convened within two weeks of the date of submission of the request.

The Supervisory Board has the right to convene an Ordinary General Meeting if the Management Board fails to convene it within the time limit specified in these Articles of Association, and an Extraordinary General Meeting if it deems it advisable to do so.

Shareholders representing at least half of the share capital or at least half of the total votes in the Company are also entitled to convene an Extraordinary General Meeting. The shareholders shall appoint the chairman of that meeting.

General Meetings are held at the Company's registered office. The parent company publishes notices convening a General Meeting in the form of a current report and posts them on its website.

Only persons who are shareholders of the Company sixteen days prior to the date of the General Meeting (the record date for participation in the General Meeting) are entitled to participate in the General Meeting.

Shareholders may attend the General Meeting and exercise their voting rights in person, by post or through proxies acting on the basis of a written power of attorney. Representatives of legal entities should present current extracts from the relevant registers listing the persons authorised to represent those entities. It is presumed that a written document confirming the right to represent a shareholder at the General Meeting is lawful and requires no further confirmation, unless its authenticity or validity raises doubts at first glance on the part of the Company's Management Board (when entering the name on the attendance list) or the Chairman of the General Meeting.

A power of attorney to attend the general meeting and exercise voting rights must be granted in writing or in electronic form. A power of attorney in electronic form should be sent tobiuro@feerum.pl, together with a scanned copy of the identity document of the shareholder granting the power of attorney and that of the proxy.

In order to enable shareholders to exercise their rights to request the inclusion of specific items on the agenda, to submit draft resolutions for inclusion on the agenda, and to exercise their voting rights through proxies or by post, the Company publishes the relevant forms on its website www.feerum.pl in the Investor Relations section, in the AGM (Annual General Meeting) section. Electronic documents may be sent to the Company's email address: biuro@feerum.pl.

The list of shareholders entitled to attend the General Meeting is made available for inspection for three working days prior to the date of the General Meeting at the Company's registered office. Materials relating to the items on the agenda are also made available to shareholders there within the timeframe and in accordance with the rules set out in the Commercial Companies Code.

A shareholder of Feerum S.A. may request that the list of shareholders entitled to attend the General Meeting of Shareholders be sent to them free of charge by email, providing their own email address to which the list should be sent. The request must be made in writing or by email to the following address: biuro@feerum.pl

Upon arrival at the Meeting, shareholders shall confirm their attendance by signing the attendance register in person and collect their voting cards. Proxies shall also submit the original power of attorney granted by the shareholder. Once the attendance register has been signed by the Chairman of the Meeting, it shall be available for inspection throughout the duration of the Meeting.

Persons invited by the organiser who are not shareholders are also entitled to attend the meeting (without the right to vote). Members of the Supervisory Board and the Management Board should be present at the General Meeting. The auditor should be present at the Ordinary General Meeting and at the Extraordinary General Meeting if the agenda includes matters relating to the Company's finances. The absence of a member of the Management Board or a member of the Supervisory Board from the General Meeting requires an explanation, which should be provided at the General Meeting.

Members of the Supervisory Board and the Management Board, as well as the Company's auditor, should, within the limits of their powers and to the extent necessary to resolve the matters discussed at the Meeting, provide participants at the Meeting with explanations and information concerning the Company. When providing explanations and answers, the requirements and restrictions arising from the regulations on securities trading must be taken into account.

The General Meeting shall be opened by the Chairman of the Supervisory Board, or, in his absence, by the Deputy Chairman of the Supervisory Board, or – in the absence of both the Chairman and the Deputy Chairman of the Supervisory Board – by the President of the Management Board or a person appointed by the Management Board.

Immediately after the opening of the General Meeting, the person opening the Meeting shall order the election of the Chairman of the General Meeting from among those entitled to vote, i.e. shareholders or proxies of shareholders. The General Meeting may adopt resolutions only on matters included in the agenda. The agenda is set by the Company's Management Board.

Individual items placed on the agenda of the General Meeting at the request of a shareholder or shareholders may be removed from the agenda or their consideration may be waived, provided that the prior consent of all shareholders who submitted such a request is obtained, supported by a resolution of the General Meeting adopted by a majority of three-quarters (three-quarters) of the votes cast.

The General Meeting may adopt resolutions regardless of the number of shareholders present and the shares represented, unless the provisions of the Commercial Companies Code or the Company's Articles of Association provide otherwise.

Resolutions of the General Meeting are adopted by an absolute majority of votes, unless the provisions of the Commercial Companies Code or the Articles of Association provide otherwise. Voting at General Meetings is open. A secret ballot shall be held in elections and on motions to dismiss members of the Company's governing bodies or liquidators, or to hold them liable, as well as in personnel matters and at the request of even one of the shareholders present or represented at the General Meeting.

A person voting against a resolution is entitled to request that their objection be recorded in the minutes.

A person raising an objection to a resolution of the General Meeting shall be given the opportunity to briefly state the grounds for their objection. At the request of a participant in the General Meeting, their written statement shall be recorded in the minutes.

The minutes of the General Meeting shall be drawn up by a notary. The minutes shall be signed by the notary and the Chairman of the Meeting. The powers of the General Meeting shall include, in addition to other matters reserved by mandatory provisions of law and other provisions of the Articles of Association:

- a) considering and approving the Management Board's report on the Company's activities and the financial statements for the previous financial year,
- b) the distribution of profits or coverage of losses and the allocation of funds created by the Company,
- c) appointing and dismissing members of the Supervisory Board, and determining the rules for the remuneration of members of the Supervisory Board,
- d) granting discharge to members of the Supervisory Board and members of the Management Board in respect of the performance of their duties,
- e) amending the Company's Articles of Association,
- f) increasing or reducing the Company's share capital,
- g) the merger and reorganisation of the Company,
- h) dissolution and liquidation of the Company,
- i) the issue of convertible bonds or bonds with priority rights,
- j) granting consent to the sale and lease of the undertaking or an organised part thereof, and the creation of a limited real right thereon,
- k) making all decisions concerning claims for compensation for damage caused during the formation of the Company or the exercise of management or supervision,
- l) approval of the rules of procedure for the General Meeting.

On 25 June 2025, an Ordinary General Meeting of Shareholders was held at the registered office of the parent company. The General Meeting was convened at the request of the Management Board of the parent company pursuant to Article 399 § 1 in conjunction with Articles 395 and 402

of the Commercial Companies Code. The meeting was neither cancelled nor adjourned. Members of the Management Board of the parent company were present at the meeting. The resolutions adopted by the General Meeting of Shareholders are available on the parent company's website.

The shareholders of the parent company Feerum S.A. did not submit a request to convene a General Meeting, nor did the Supervisory Board submit such a request.

6. Composition and changes therein during the last financial year, and a description of the activities of the Issuer's management and supervisory bodies

6.1. The Issuer's Management Board

As at 31 December 2025, the Issuer's Management Board comprised the following individuals:

- Daniel Janusz – Chairman of the Management Board

During the reporting period, the composition of the Parent Company's Management Board changed. On 17 January 2025, the Issuer's Supervisory Board, pursuant to Resolutions No. 2/19/III/25 and No. 3/19/III/25, dismissed Mr Daniel Janusz from the position of Chairman of the Management Board and Mr Piotr Wielesik from the position of Member of the Management Board. The above resolutions came into force on the date of their adoption.

Furthermore, on 17 January 2025, the Supervisory Board, pursuant to Resolution No. 4/19/III/25, appointed the following members to the Company's Management Board for a five-year term, appointing Mr Daniel Janusz as Chairman of the Management Board; the aforementioned resolution takes effect from 18 January 2025.

In accordance with the statement made by the Chairman of the Management Board, he does not conduct any business competitive to the Company, nor is he a partner in a competitive civil law partnership or partnership, nor is he a member of the governing body of a competitive capital company or any other competitive legal entity. The Chairman of the Management Board has not been entered in the Register of Insolvent Debtors, maintained pursuant to the Act of 20 August 1997 on the National Court Register (Journal of Laws of 2019, item 1500). (RB 2/2025)

Matters relating to the parent company's operations are considered by the Management Board at its meetings. Detailed rules governing the Management Board's operations are set out in the "Rules of Procedure of the Management Board of FEERUM S.A.", available on the website www.feerum.pl in the Investor Relations section, under Corporate Governance.

In 2025, when making decisions on Company matters, the Management Board of the parent company acted within the limits of reasonable business risk, i.e. after considering all analyses and opinions which, in the reasonable opinion of the Management Board, should be taken into account in the interests of the Company. In determining the Company's interests, the Management Board took into account the long-term interests of shareholders, creditors, the Company's employees and other entities and individuals cooperating with the Company in the course of its business activities, as well as the interests of local communities.

The Management Board exercised particular care to ensure that transactions with shareholders and other persons whose interests affected the Company's interests were conducted on market terms.

The remuneration of the members of the parent company's Management Board was determined on the basis of transparent procedures and principles, taking into account its incentive nature and the need to ensure the effective and smooth management of the company. The remuneration corresponded to the scope of responsibility arising from the role held, while remaining in reasonable proportion to the remuneration levels of management board members in similar companies in a comparable market. The total remuneration of all members of the Management Board, as well as the individual remuneration of each member, was disclosed in the Issuer's annual report.

6.2. Supervisory Board

The Supervisory Board of the parent company operates in accordance with the provisions of the Commercial Companies Code, the Company's Articles of Association and its Rules of Procedure.

The Board consists of five members appointed and dismissed by the General Meeting. The Board elects a Chairman, Vice-Chairman and Secretary from among its members. This election takes place at the first meeting of each new term of the Supervisory Board. The Chairman, Vice-Chairman and Secretary may be dismissed from these positions at any time by the Supervisory Board.

The Supervisory Board exercises ongoing supervision over the parent company's activities in all areas of its operations.

Meetings of the Supervisory Board are convened by the Chairman of the Supervisory Board as and when necessary, but at least once every calendar quarter.

Resolutions of the Supervisory Board are adopted by an absolute majority of votes cast in the presence of at least half of the Board's members, unless the provisions of the Commercial Companies Code or these Articles of Association provide otherwise. In the event of a tie, the Chairman has the casting vote.

Detailed rules governing the operation of the Supervisory Board are set out in the "Rules of Procedure of the Supervisory Board of FEERUM S.A.", available on the website www.feerum.pl in the Investor Relations section, under Corporate Governance.

An Audit Committee operates within the Company's Supervisory Board, appointed in accordance with the provisions of the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight.

Pursuant to Article 86(7) of the Act on Statutory Auditors, the tasks of the audit committee, which shall be performed by the Supervisory Board, include in particular: (i) monitoring the financial reporting process, (ii) monitoring the effectiveness of internal control, internal audit and risk management systems, (iii) monitoring the performance of financial audit activities, and (iv) monitoring the independence of the statutory auditor and the entity authorised to audit financial statements.

The persons meeting the independence criteria set out in the Code of Best Practice for Companies Listed on the Warsaw Stock Exchange and the Articles of Association are Henryk Chojnacki and Jakub Rzucidło

There is no remuneration committee within the Issuer's Supervisory Board. The Supervisory Board exercises ongoing supervision over the activities of the parent company.

During the period from 1 January 2025 to 31 December 2025, the Supervisory Board consisted of:

Magdalena Łabudzka-Janusz – Chair of the Supervisory Board, Henryk Chojnacki – Deputy Chair 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,

During the reporting period, the composition of the parent company's Supervisory Board remained unchanged.

Ms Magdalena Łabudzka-Janusz is a graduate of the University of Wrocław and Vice-President of the Management Board of Danmag Spółka z ograniczoną odpowiedzialnością.

Mr Henryk Chojnacki is a chartered accountant with extensive experience in the field of accounting. Currently, in addition to his activities at the parent company, he serves as Chairman of the Supervisory Board of Tartak Sp. z o.o. and is a partner in the accounting firms Aktywa s.c. and Ekspert – Księgowy s.c. He possesses knowledge and experience in the field of corporate financial management, value analysis and investment projects, corporate strategy and corporate governance.

Mr Jakub Rzucidło is a graduate of the University of Wrocław, Faculty of Law, Administration and Economics, holds a PhD in Law, and is a lecturer at Collegium Witelona State University in Legnica.

Mr Maciej Janusz is a graduate of the AGH University of Science and Technology in Kraków, holding a Master's degree in Mechanical Engineering specialising in mining and metallurgical machinery.

Mr Jakub Marcinowski is a graduate of the Wrocław University of Technology, holds a PhD in technical sciences in the field of civil engineering, is a professor at the University of Zielona Góra, a researcher, engineer, designer and specialist in steel building structures. Mr Jakub Marcinowski possesses knowledge and skills in the sector in which the Company operates.

The professional careers of the members of the Supervisory Board were published in current report No. RB 17/2025.

Supervision of the parent company in 2025 was carried out in accordance with the Commercial Companies Code, the Company's Articles of Association and the Rules of Procedure of the Supervisory Board.

In 2025, the Supervisory Board held four meetings, during which it focused on matters of significant importance to the Group. The remuneration of the members of the Supervisory Board did not constitute a significant item of the Issuer's operating costs and did not have a material impact on its financial results. The total remuneration of all members of the Supervisory Board, as well as the individual remuneration of each member, was disclosed in the parent company's annual report.

Furthermore, pursuant to the provisions of Articles 128 and 129 of the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight (Journal of Laws of 2019, item 1421), on 29 June 2020, the Issuer's Supervisory Board adopted resolutions on the appointment of **an Audit Committee** operating within the Issuer's Supervisory Board, with the following composition:

Mr Henryk Chojnacki – Chairman of the Audit Committee,
Mr Jakub Rzucidło – Deputy Chair of the Audit Committee, Mr Jakub
Marcinowski – Secretary of the Audit Committee.

During the reporting period, the composition of the Parent Company's Audit Committee changed.

The Audit Committee, in the composition indicated above, meets the independence criteria and other requirements set out in the Act of 11 May 2017 on statutory auditors, audit firms and public oversight (Current Report No. 19/2025). The professional careers of the members of the Audit Committee were published in current report No. RB 17/2025. The following meet the independence criteria: Mr Henryk Chojnacki and Mr Jakub Rzucidło.

In 2025, the Audit Committee held one meeting.

The Audit Committee of the Company's Supervisory Board, when making recommendations, and the Company's Supervisory Board, when selecting an audit firm, are guided by the following main principles:

- the principle of impartiality and independence of the audit firm, particularly in the context of any non-audit services provided to entities within the Group,
- the level of the audit firm's remuneration,
- the audit firm's experience, including in particular in the audit of public-interest entities.

The first contract with the audit firm for the performance of audits and reviews may be concluded for a period of 2 or 3 years, with the option to extend for further periods. The Audit Committee's recommendation regarding the selection of the audit firm to conduct the audit met the applicable conditions and was drawn up following a structured selection procedure that met the applicable criteria.

Other permitted non-audit services were provided to the Issuer by the audit firm auditing its financial statements, including assurance services aimed at assessing the report on the remuneration of the supervisory board and management board for 2025 with regard to the inclusion of information required by law.

The audit firm and the members of the audit team met the requirements for preparing an impartial and independent audit report on the annual financial statements in accordance with applicable regulations, professional standards and rules of professional ethics. The applicable regulations regarding the rotation of the audit firm and the key auditor, as well as mandatory cooling-off periods, are observed. The parent company has a policy regarding the selection of the audit firm and a policy regarding the provision to the parent company by the audit firm, an entity related to the audit firm or a member of its network of additional non-audit services, including services conditionally exempt from the prohibition on provision by the audit firm. The period of uninterrupted cooperation with the entity has been in place since 2017.

7. Identification of holders of any securities conferring special control rights, together with a description of those rights.

None

8. Indication of any restrictions on the exercise of voting rights, such as restrictions on the exercise of voting rights by holders of a specific proportion or number of votes, time limits on the exercise of voting rights, or provisions whereby, with the company's cooperation, the capital rights attached to securities are separated from the holding of the securities

None.

9. Indication of any restrictions on the transfer of ownership of the issuer's securities.

None.

Chojnów, 30 April 2026

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Daniel Janusz

Chairman of the Management Board

STATEMENTS BY THE MANAGEMENT BOARD OF THE PARENT COMPANY

STATEMENT BY THE MANAGEMENT BOARD

To the best of our knowledge, the annual separate and consolidated financial statements, together with comparative figures, have been prepared in accordance with applicable accounting standards. The financial statements give a true, fair and clear view of the financial position of the parent company, Feerum S.A., and the Feerum Group, as well as their financial performance, and the management's report on operations provides a true picture of the Group's development, achievements and financial position, including a description of the principal risks and threats.

Chojnów, 30 April 2026

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Daniel Janusz
Chairman of the Management Board

STATEMENT BY THE MANAGEMENT BOARD

The entity authorised to audit financial statements, which carried out the audit of the annual separate and consolidated financial statements, was appointed in accordance with the law. That entity and the auditors conducting the audit met the conditions for issuing an impartial and independent audit report, in accordance with applicable regulations, professional standards and rules of professional ethics.

The applicable regulations regarding the rotation of the audit firm and the key auditor, as well as mandatory cooling-off periods, are observed. The Issuer has a policy regarding the selection of the audit firm and a policy regarding the provision to the Issuer by the audit firm, an entity affiliated with the audit firm or a member of its network of additional non-audit services, including services conditionally exempt from the prohibition on provision by the audit firm.

Chojnów, 30 April 2026

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Daniel Janusz
Chairman of the Management Board