

MANAGEMENT REPORT ON THE OPERATIONS OF THE COMPANY AND CAPITAL GROUP



FOR THE PERIOD FROM 1 JANUARY 2023 TO 31 DECEMBER 2023

POZNAŃ, ON 27 MARCH 2024

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1. General information.

The annual financial statements of Caspar Asset Management S.A. have been prepared for the period from 1 January 2023 to 31 December 2023, together with comparative figures for the period from 1 January 2022 to 31 December 2022, in accordance with International Accounting Standards (“**IAS**”) and International Financial Reporting Standards (“**IFRS**”) as endorsed by the European Commission. IAS and IFRS comprise standards and interpretations accepted by the International Accounting Standards Board and the Financial Reporting Interpretations Committee.

The consolidated financial statements of the Caspar Asset Management S.A. Group (“**Capital Group**” or “**Group**”) have been prepared in accordance with IFRS as endorsed by the European Union. IFRS comprise standards and interpretations accepted by the International Accounting Standards Board and the Financial Reporting Interpretations Committee. The consolidated financial statements present data with comparative figures for the period from 1 January 2023 to 31 December 2023 and from 1 January 2022 to 31 December 2022.

2. Parent Company.

CASPAR ASSET MANAGEMENT SPÓŁKA AKCYJNA with its registered office in Poznań, ul. Półwiejska 32, 61-888 Poznań (hereinafter: “**Company**”, “**Caspar AM**” or “**Issuer**”), is entered in the Register of Entrepreneurs of the National Court Register kept by the District Court Poznań - Nowe Miasto and Wilda in Poznań, 8th Commercial Division of the National Court Register under KRS number 0000335440, REGON 301186397, NIP 7792362543, with share capital in the amount of PLN 1,972,373, fully paid-up.

Core business: 66.12.Z: Securities and commodities brokerage activities.

Composition of the Management Board as at the date of signing the financial statements:

Hanna Kijanowska – President of the Management Board,
Błażej Bogdziewicz – Vice President of the Management Board,
Krzysztof Jeske – Vice President of the Management Board.

Composition of the Supervisory Board as at the date of signing the financial statements:

Rafał Litwic – Chairman of the Supervisory Board,
Maciej Czapiewski – Vice Chairman of the Supervisory Board
Katarzyna Fabiś – Member of the Supervisory Board,
Leszek Kasperski - Member of the Supervisory Board,
Piotr Kaźmierczak – Member of the Supervisory Board,
Rafał Płókarz – Member of the Supervisory Board,
Andrzej Tabor – Member of the Supervisory Board.

On 24 April 2023, Mr Leszek Kasperski tendered his resignation as President of the Management Board and member of the Management Board of Caspar Asset Management S.A. with effect from the date of the next Annual General Meeting of Shareholders (hereinafter “**AGM**”). The AGM held on 15 June 2023 appointed the following persons to the Management Board as of 16 June 2023: Ms. Hanna Kijanowska as President of the Management Board, subject to the

approval of the Polish Financial Supervision Authority (hereinafter: “**PFSA**”) referred to in Article 102a of the Trading Act in Financial Instruments of 29 July 2005 (i.e. Journal of Laws of 2023, item 646 as amended) (hereinafter: the “**Trading Act**”) at the same time entrusting her with the function of acting President of the Management Board from 16 June 2023 until the date of issuance of the aforementioned approval; Mr Błażej Bogdziewicz as Vice President of the Management Board; Mr Krzysztof Jeske as Vice President of the Management Board and member of the Management Board responsible for supervising the risk management system at the brokerage house, subject to the approval of the Financial Supervision Authority referred to in Article 102a of the Trading Act.

By a decision dated 29 December 2023 and delivered on 5 January 2024, the PFSA approved the appointment of Ms Hanna Kijanowska as President of the Management Board, and by a decision dated 8 March 2024 and delivered on 21 March 2024, it approved the appointment of Mr Krzysztof Jeske as a member of the Management Board responsible for supervising the risk management system of the brokerage house.

Composition of the Audit Committee as at the date of signing the financial statements:

Katarzyna Fabiś - Chairwoman of the Audit Committee,
Maciej Czapiewski – Vice-Chairman of the Audit Committee,
Andrzej Tabor – Member of the Audit Committee.

Shareholding structure as at 31.12.2023 and as at the date of signing the financial statements:

	Number of shares	Number of votes	Quantity in %
Bearer shares (introduced to trading on the WSE)	9 861 865	9 861 865	100%

Shareholders	Number of shares	Share in capital structure in %	Number of votes at the General Meeting of Shareholders	% of the Shareholder's votes in the total number of votes at the Annual General Meeting
Piotr Przedwojski	2 818 389	28.58%	2 818 389	28.58%
Leszek Kasperski	2 799 571	28.39%	2 799 571	28.39%
Błażej Bogdziewicz	2 710 633	27.49%	2 710 633	27.49%
Other	1 533 272	15.54%	1 533 272	15.54%

All shares of the Company, i.e. 9,861,865 shares, have been traded on the Main Market of the WSE since 13 September 2022.

3. Description of the organisation of the Group, indicating the entities subject to consolidation, and a description of changes in the organisation of the Group and the underlying reasons.

Caspar Asset Management S.A. is the dominant shareholder and founder of Caspar Towarzystwo Funduszy Inwestycyjnych S.A. as well as the sole shareholder and founder of F-Trust S.A..

The table below shows the total number and nominal value of all the Company's shares in subsidiaries as at 31.12.2023 and 31.12.2022.

Caspar Towarzystwo Funduszy Inwestycyjnych S.A.

Shareholders	Number of shares and nominal value shares as at 31 December 2022	Number of shares and nominal value shares as at 31 December 2023	Share in the share capital structure in % as at 31 December 2022	Share in the share capital structure in % as at 31 December 2023	Number of votes at the General Meeting Shareholders as at 31 December 2022	Number of votes at the General Meeting Shareholders as at 31 December 2023	% of the Shareholder's votes in the total number of votes at the General Meeting of Shareholders as at 31 December 2022	% of the Shareholder's votes in the total number of votes at the General Meeting of Shareholders as at 31 December 2023
Caspar Asset Management S.A.	1 975 000 with a nominal value of PLN 1 each	1 975 000 with a nominal value of PLN 1 each	98.75%	98.75%	1 975 000	1 975 000	98.75%	98.75%

F-Trust S.A.

Shareholders	Number of shares and nominal value shares as at 31 December 2022	Number of shares and nominal value shares as at 31 December 2023	Share in the share capital structure in % as at 31 December 2022	Share in the share capital structure in % as at 31 December 2023	Number of votes at the General Meeting of Shareholders As at 31 December 2022	Number of votes at the General Meeting of Shareholders as at 31 December 2023	% of the Shareholder's votes in the total number of votes at the General Meeting of Shareholders as at 31 December 2022	% of the Shareholder's votes in the total number of votes at the General Meeting of Shareholders as at 31 December 2023
Caspar Asset Management S.A.	216 582 with a nominal value of PLN 1 each	2 216 582 with a nominal value of PLN 1 each	100%	100%	216 582	2 216 582	100%	100%

Caspar Towarzystwo Funduszy Inwestycyjnych S.A. (hereinafter: "Company", "Caspar TFI")

Registered office:	Poznań
Address:	ul. Półwiejska 32, 61-888 Poznań
REGON Statistical number:	142949487
Tax Identification number (NIP):	108-00-11-057
National Court Register Number (KRS):	0000387202
Court designation:	District Court Poznań - Nowe Miasto and Wilda, 8th Commercial Division of the National Court Register
Share capital as at 31.12.2023	PLN 2.000.000 fully paid-up

Core business: Establishment and management of investment funds, including intermediation in the sale and purchase of participation units (PKD 64.30.Z).

On 17 July 2012, Caspar Towarzystwo Funduszy Inwestycyjnych S.A. received authorisation from the Polish Financial Supervision Authority to carry out the activities of setting up and managing investment funds, including acting as intermediary in the sale and purchase of participation units, representing them towards third parties and managing collective securities portfolios, as well as to establish Caspar Parasolowy Funduszu Inwestycyjnego Otwartego.

On 2 November 2012, Caspar Towarzystwo Funduszy Inwestycyjnych S.A. was notified of the decision to enter Caspar Parasolowy FIO in the register of funds, which allowed it to start selling units of the aforementioned fund.

Composition of the Management Board as at the date of signing the financial statements:

Tomasz Salus President of the Management Board
Agata Babecka Vice President of the Management Board
Kamil Herudziński Vice President of the Management Board
Andrzej Miszczuk Vice President of the Management Board

Mr Tomasz Michalak resigned as a member of the Management Board of Caspar Towarzystwo Funduszy Inwestycyjnych S.A. on 27 March 2023 with effect from 31 March 2023.

The Extraordinary General Meeting of Shareholders of Caspar Towarzystwo Funduszy Inwestycyjnych S.A. on 7 June 2023 adopted resolutions on the dismissal of Mr Krzysztof Jeske from the position of Vice-President of the Management Board and the appointment of Mr Kamil Herudziński as Vice-President of the Management Board, together with his conditional appointment as a member of the Management Board overseeing the risk management system at Caspar Towarzystwo Funduszy Inwestycyjnych S.A. after obtaining the consent of the Polish Financial Supervision Authority for this appointment.

Composition of the Supervisory Board as at the date of signing the financial statements:

Witold Pochmara	Chairman of the Supervisory Board
Maciej Czapiewski	Member of the Supervisory Board
Rafał Litwic	Member of the Supervisory Board
Rafał Płókarz	Member of the Supervisory Board

F- Trust S.A.

Registered office:	Poznań
Address:	ul. Półwiejska 32, 61-888 Poznań
REGON Statistical number:	145817467
Tax Identification number (NIP):	108-00-11-502
National Court Register Number (KRS):	0000397407
Court designation:	District Court Poznań - Nowe Miasto and Wilda, 8th Commercial Division of the National Court Register

Share capital as at 31.12.2023	PLN 2 216 582 fully paid-up
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Core business: Other financial service business, not classified elsewhere, except insurance and pension funds (PKD 64,99.Z).

F-Trust Spółka Akcyjna is authorised by the Polish Financial Supervision Authority to distribute units in mutual investment institutions and has been entered in the register of investment company agents.

On 14 June 2023, the Annual General Meeting of Shareholders of F-Trust S.A. adopted resolutions amending the composition of the Management Board and the Supervisory Board of F-Trust S.A.. The composition of these bodies as at the date of signing the financial statements was as follows:

Composition of the Management Board:

Jakub Strysik President of the Management Board
Anna Švarcová Vice President of the Management Board

Composition of the Supervisory Board:

Krzysztof Jeske	Chairman of the Supervisory Board
Piotr Przedwojski	Member of the Supervisory Board
Błażej Bogdziewicz	Member of the Supervisory Board
Rafał Płókarz	Member of the Supervisory Board

4. Other information about the Company and the Group

Acquisition of own shares

During the period covered by the report, the Company and the other Group companies did not acquire own shares.

Financial support received from public funds

Neither the Company nor the Group entities benefited in 2023 from any financial support from public funds, in particular under the Act of 12 February 2009 on the granting of support to financial institutions by the State Treasury (Polish Journal of Laws 2023, item 776).

Branches (plants) owned

Neither the Company nor any Group entity has any branches.

Information on financial instruments

The Company and the Group invest funds exclusively in shares in subsidiaries, shares in commercial companies, deposits, bank deposits and debt financial instruments issued, guaranteed or underwritten by the State Treasury and units in investment funds that meet certain criteria. The debt securities held by the Capital Group as at 31 December 2023 are WZ0126 and DS 0725 - medium-maturity government debt securities. WZ bonds are instruments with a variable interest coupon (based on semi-annual WIBOR) payable twice a year. In case of debt securities with medium maturities and interest based on a variable and short interest rate (such as those mentioned above), the interest rate risk may be considered as low, as the rate of such bonds depends on changes in interest rates only to a little extent. In the case of the latter DS 0725 bond, interest payments are based on a fixed interest rate of 3.25% per annum, so the instrument indicated is exposed to a significant extent to rate risk in the event of interest rate fluctuations in the market. The Group also holds units in the Caspar Parasolowy Funduszu Inwestycyjny Otwartego. The cash was placed in the Caspar Obligacjami and Caspar Stabilny. The former is a sub-fund investing in debt instruments, mainly government debt without currency risk. The latter is a sub-fund with an investment policy of equity instruments of up to 35% of the assets. Caspar Stabilny sub-fund is exposed to currency risk. The Group does not hedge its investment portfolio with the use of derivative financial instruments.

5. Activities of the Company and the Group during the period covered by the annual report on operations.

Caspar Asset Management S.A.

Caspar Asset Management S.A. was established as a result of the concept of offering investors a unique asset management service provided by a highly qualified in-house management team. The company started operations in 2009 and is now a brokerage specialising in high-net-worth individuals (HNWI) and ultra-high-net-worth individuals (UHNWI). It provides its clients primarily with an asset management service under a wide range of investment strategies, and Caspar Asset Management S.A.'s main investment activities are shares of global companies and ETFs, including those allowing exposure to the US debt market and Polish government bonds.

In addition to managing portfolios for individual clients, Caspar Asset Management S.A. also provides an asset management service for institutional clients, including the management of investment funds on behalf of Caspar Towarzystwo Funduszy Inwestycyjnych S.A.

The Company does not maintain securities accounts or accounts to record other financial instruments.

Caspar Towarzystwo Funduszy Inwestycyjnych S.A.

A step towards the development of the Group's asset management activities was the establishment of Caspar Towarzystwo Funduszy Inwestycyjnych S.A.. This has made it possible to include dedicated closed-end investment funds in the instruments offered by Caspar AM and to target a scalable range of investment funds to a wide range of clients.

Caspar TFI began operations in 2011 focusing on the markets of Central and Eastern Europe, expanding in subsequent years the area of its investment interests to include other European countries, Turkey and the United States. The core business of Caspar TFI is the creation and management of investment funds, including intermediation in the sale and purchase of participation units, representing the funds towards third parties.

F-Trust S.A.

In order to further diversify its activities and supplement the offer of Caspar AM and Caspar TFI, in 2011 F-Trust S.A. was established - a company engaged in independent distribution of participation units of open-ended investment funds managed by Polish investment fund companies (including Caspar TFI) and participation titles of foreign funds managed by leading global asset management companies. Its offering is focused on meeting the needs of a wide range of investors saving and investing in global capital markets, and its main scope is to offer savings and investment products and to educate clients, including by running an investment school, providing commentary and publishing mutual fund ratings. F-Trust S.A. is also an agent of the investment company Caspar Asset Management S.A. F-Trust S.A. works with clients through dedicated advisers and a Platform operating under the domain www.platformafunduszy.pl, which is one of the largest platforms in Poland in terms of the number of investment funds offered.

Information on the main services with their definition in value and quantity and the share of individual services - if significant - or groups of them in the total sales of the Company and the Group, as well as changes in this respect during the financial year.

Caspar Asset Management Spółka Akcyjna carries out brokerage activities in the following areas: receiving and transmitting orders to buy or sell financial instruments; managing portfolios (asset management) comprising one or more financial instruments; providing investment advice; offering financial instruments.

Caspar AM provides the aforementioned services in the manner specified in the regulations for the provision of the respective services and in each case in the manner agreed by the parties in the agreement for the provision of investment services.

As at 31 December 2023, assets of individual clients of the asset management service amounted to more than PLN 512 million (-17.61% y/y).

Assets of the entities managed by Caspar Asset Management S.A.:

- investment fund Caspar Parasolowy Funduszu Inwestycyjnego Otwartego, as at 31 December 2023 amounted to over PLN 204 million (+0.67 y/y),
- closed-end investment funds, amounted to more than PLN 1.185 billion as at 31 December 2023 (+1.59% y/y).

Table of assets under management of Caspar AM in PLN:

	as at 31.12.2023	as at 31.12.2022	change % y/y
Assets of individual asset management clients	512 279 070.97	621 756 078.77	-17.61%
Assets of investment funds managed by Caspar AM, including:	1 390 368 827.87	1 370 428 054.95	+1.46%

Caspar Parasolowy Fundusz Inwestycyjny Otwarty (Caspar Umbrella Open Investment Fund)	204 583 726.59	203 215 511.87	+0.67%
Closed-end investment funds	1 185 785 101.28	1 167 212 543.08	+1.59%
Total value of assets under management	1 902 647 898.84	1 992 184 133.72	-4.49 %

At the end of December 2023, the Company had total assets under management of over PLN 1.902 billion (-4.49% y/y).

At the end of December 2023, the Company served a total of 173 clients (-8.47% y/y) in its portfolio management brokerage business, which includes one or more financial instruments. Revenue from Caspar AM's core business as at 31 December 2023 amounted to PLN 19843 thousand and as at 31 December 2022 amounted to PLN 22682 thousand, of which asset management as at 31 December 2023 amounted to PLN 18205 thousand against PLN 21008 thousand as at 31 December 2022.

As part of its brokerage activities in the area of order acceptance and transmission, the Company offers the service of accepting and transmitting orders to buy or sell participation titles, i.e. units of open-ended investment funds and specialised open-ended investment funds, investment certificates issued by closed-ended investment funds and participation titles issued by foreign funds, to another entity, including the issuer of the participation titles, for execution.

At the end of December 2023, as part of its brokerage business of accepting and transmitting orders to buy or sell financial instruments, the Company served a total of 60 clients (-17.81% y/y). The Company provides the service of receiving and transmitting orders to buy or sell financial instruments to clients free of charge.

The Company operates a brokerage service for the offering of financial instruments as referred to in Art. 72 of the Trading Act. Caspar AM currently only provides the service of offering financial instruments to professional clients within the meaning of the Trading Act. In 2023, the Company provided an offering service to a total of 21 closed-end investment funds, represented by seven investment fund companies. In 2023, Caspar AM participated in 38 issues of closed-end investment fund certificates and in 2022 in total of 39 issues.

Brokerage revenue from offering financial instruments as at 31 December 2023 amounted to PLN 1614 thousand and as at 31 December 2022 PLN 1650 thousand.

As part of the brokerage business of providing investment consultancy services, the Company provides investment consultancy services on a dependent basis. The company serves one client for the provision of investment advisory services, a number that is unchanged from the previous financial year.

Brokerage revenue from investment consultancy activities as at 31 December 2023 was PLN 24 thousand, the same as at 31 December 2023.

Caspar Towarzystwo Funduszy Inwestycyjnych S.A.

As at 31 December 2023, Caspar Towarzystwo Funduszy Inwestycyjnych S.A. has one open-ended investment fund in its portfolio - Caspar Parasolowy Fundusz Inwestycyjny Otwarty (hereinafter: "**CP FIO**"). CP FIO includes the following subfunds: Caspar Akcji Europejskich, Caspar Stabilny, Caspar Obligacji, Caspar Globalny.

Caspar TFI is taking steps to establish closed-end investment funds, particularly for dedicated investors. In 2023, the Company established one new closed-end investment fund. The Company currently manages eight closed-end investment funds.

In addition, TFI is taking measures to expand its distribution network. The open-ended investment fund managed by the Company (CP FIO) distributes units through the distributors to which they are attached (as at 31 December 2023):

- Apollin Sp. z o.o.,
- Dom Maklerski Banku Ochrony Środowiska S.A.,
- F-Trust S.A.,
- iMercado Sp. z o.o.,
- Ipopema Securities S.A.,
- iWealth Management Sp. z o. o.,
- Kancelaria Finansowa Matczuk i Wojciechowski Sp. z o. o.,
- KupFundusz S.A.,
- Michael / Ström Dom Maklerski S.A.,
- Phinance S.A.,
- Profitum Wealth Management Sp. z o. o.,
- Q Value S.A.,

as well as natural persons in a contractual relationship with the Company and through an online platform.

As at 31 December 2023, Caspar TFI served 555 clients (excluding clients assigned to F-Trust and CAM) (+11% y/y).

F-Trust S.A.

F-Trust S.A. operates as an intermediary in the sale and repurchase of participation units in open-ended and specialised open-ended investment funds and foreign fund units. F-Trust S.A. is a company specialising in serving individual clients who invest their savings in investment funds in particular.

F-Trust S.A. works with clients through dedicated advisers and one of the largest online fund platform in Poland in terms of number of funds: www.platformafunduszy.pl.

F-Trust S.A. acts as an agent of the investment company Caspar Asset Management S.A.

F - Trust S.A. offers products from such entities as (as at 31 December 2023):

- Allianz TFI S.A.,
- BlackRock Global Fund,
- Caspar Asset Management S.A.,
- Caspar TFI S.A.,
- Conseq Investment Management a.s.,
- Esaliens TFI S.A.,
- Fidelity Worldwide Investment,

- Franklin Templeton International Services S.A.,
- Generali Investments TFI S. A.,
- Ipopema TFI S.A.,
- Investors TFI S.A.,
- Goldman Sach TFI S.A. (former: NN Investment Partners TFI S.A.),
- PZU TFI S.A.,
- Quercus TFI S.A.,
- Schroder Investment Management (Luxembourg) S.A.,
- Skarbiec TFI S.A.,
- Superfund TFI S.A.,
- Uniqa TFI S.A.,
- Vig/C-Quadrat TFI S.A.

As at 31 December 2023, clients had accumulated assets of over PLN 1.203 million (+4.06%) in the products distributed by F-Trust S.A.

Information on sales markets, including a division into domestic and foreign markets, and information on sources of supply of production materials, goods and services, specifying dependence on one or more customers and suppliers, and where the share of one customer or supplier reaches at least 10% of total sales revenue, the name (business name) of the supplier or customer, its share in sales or supply, and its formal relationship with the Company and the Group:

The Parent Company (Caspar AM) and Group companies provide their services to clients on the Polish market.

The Company's main area of investment activity is the global equity and government bond markets, particularly in Poland and the USA, including the ETF markets investing in equities and bonds.

Caspar Towarzystwo Funduszy Inwestycyjnych S.A. has been contracted to manage the portfolios of all Caspar AM investment funds. In addition, in total revenue for 2023, the Group identifies a concentration of revenue from one external entity - a dedicated closed-end investment fund created and managed by Caspar Towarzystwo Funduszy Inwestycyjnych S.A., the management of which is further outsourced to the Company at 21.6%. This revenue accounts for 41.2% of Caspar Towarzystwo Funduszy Inwestycyjnych S.A.'s revenue.

Information on agreements significant for the Company's and the Group's operations, including agreements between shareholders (partners), insurance, cooperation or collaboration agreements known to the issuer:

The Company and Caspar Towarzystwo Funduszy Inwestycyjnych S.A. did not enter into any material agreements outside the normal course of business. On 25 October 2023, F-Trust S.A. signed a letter of intent with iWealth Management Sp. z o.o. regarding the merger of the aforementioned companies.

The Group is not dependent on any industrial, commercial or financial agreement. The Group's business of asset management (including investment fund management), investment

consultancy, offering financial instruments, setting up investment funds and distributing units requires cooperation with a depository, custodian bank, transfer agent, investment fund companies, agents of the investment company (the Company).

The Issuer is not aware of any agreements between shareholders (partners), insurance, cooperation or collaboration agreements.

Information on the Company's and the Group's organisational or capital links with other entities and identification of the main domestic and foreign investments, in particular securities, financial instruments, intangible assets and real estate, including capital investments made outside its group of related entities, and a description of the methods used to finance them:

Background information on entities in which the Company's shareholding may affect the assessment of its own assets and liabilities, financial position and profit and loss is presented below.

Name and legal form:**ECOMMERCE TEAM SPÓŁKA Z OGRANICZONĄ
ODPOWIEDZIALNOŚCIĄ**

Registered office and address:	ul. Moliera 15/2, 60-461 Poznań, Poland
Core business:	Activities of advertising agencies
Share capital:	PLN 10,000.00
Members of the Management Board:	Piotr Tomasz Jeske (President of the Management Board), Tomasz Kaczmarek (Member of the Management Board)
Number of votes at the Shareholders' Meeting and their value:	60 shares with a total value of PLN 3,000.00
The Issuer's share in the share capital and the total number of votes:	30%

Name and legal form:**BABECKA KIJANOWSKA KANCELARIA RADCÓW PRAWNYCH
SPÓŁKA KOMANDYTOWA**

Registered office and address:	ul. Półwiejska 32, 61-888 Poznań, Poland
Core business:	Legal activities
Partners representing:	Agata Babecka (general partner), Hanna Kijanowska (general partner)
Issuer's share of profits and losses:	26% 33.3%, however, amendment to the partnership agreement requires the consent of all partners
Issuer's share of votes	
Issuer status:	Limited partner
Limited partnership sum	PLN 50,000

Information on transactions concluded by the issuer or its subsidiary with related parties on conditions other than arm's length terms, together with their amounts and information specifying the nature of the transactions.

The Parent Company and its subsidiaries did not enter into any transactions with related parties other than on an arm's length basis in 2023.

Information on agreements entered into and terminated during the financial year relating to loans and advances, stating at least their amount, type and interest rate, currency and maturity:

In 2023, Caspar AM and Caspar TFI did not take out any loans or borrowings and no agreements relating to loans or borrowings were terminated.

F-Trust S.A., as borrower, entered into a loan agreement with Caspar Asset Management S.A. on 21 April 2023 for the amount of PLN 500,000 (in words: five hundred thousand zloty 00/100) with a repayment date of 31 October 2024. The loan bore a fixed interest rate of 8.7% per annum. On 31 October 2023, F-Trust S.A. repaid the aforementioned loan ahead of schedule.

Information on loans granted during the financial year, including those granted to related parties of the issuer, stating at least their amount, type and interest rate, currency and maturity.

In 2023, Caspar Towarzystwo Funduszy Inwestycyjnych S.A. and F-Trust S.A. did not grant loans, including loans to related parties.

Parent Company Caspar Asset Management S.A. granted a loan of PLN 500,000 to subsidiary F-Trust S.A. under a loan agreement dated 21 April 2023. F-Trust S.A. undertook to repay the aforementioned loan by 31 October 2024 in eighteen monthly instalments. The loan bore a fixed interest rate of 8.7% per annum. On 31 October 2023, F-Trust S.A. repaid the aforementioned loan ahead of schedule.

Information on sureties and guarantees given and received during the financial year, including those given to related parties of the issuer.

No sureties or guarantees were granted or received by the Company or the Group in 2023.

In the case of an issue of securities during the period covered by the report, a description of how the issuer has used the proceeds up to the date of the management report.

There were no issues of securities issued by the Company during the period covered by the report.

Explanation of the differences between the financial results reported in the annual report and the previously published profit forecasts for the year.

Neither the Company nor the other Group companies have provided financial forecasts for 2023.

Assessment, together with its rationale, of the management of financial resources, including the ability to meet its obligations, and an identification of any risks and the steps the issuer has taken or intends to take to counter those risks.

In 2023, the Company and Group companies managed financial resources appropriately with the highest possible efficiency in the use of these resources.

The Caspar Asset Management S.A. Group has so far spent money on the acquisition of fixed assets, mainly intangible assets comprising expenditure on the development of the Platform and software for managing the Group, and tangible assets, mainly means of transport and those related to the operation of offices.

Sources of funding for the Group's operations were in particular own funds, trade receivables and leasing agreements.

Due to the difficult market situation, which caused a drop in the market valuation of the assets under administration, as well as did not allow the implementation of the assumed sales plans with the high fixed costs of the business in 2023, the Parent Company Caspar Asset Management S.A. granted a loan of PLN 500,000 to the subsidiary F-Trust S.A. on the basis of an agreement dated 21 April 2023 with a repayment deadline of 31 October 2024. The loan bore a fixed interest rate of 8.7% per annum. On 31 October 2023, F-Trust S.A. repaid the aforementioned loan ahead of schedule. On 11 March 2024, F-Trust S.A. signed an agreement with Caspar Asset Management SA, under which it received a PLN 500 000 loan granted for a period of 12 months at a fixed interest rate of 8.7%. The loan was granted to cover costs associated with the potential merger of F-Trust S.A. with iWealth Management Sp. z o.o.

The Company assesses that it and its Group companies are not at risk of defaulting on their obligations.

Assessment of the feasibility of investment objectives, including capital investments, compared to the amount of funds held, taking into account possible changes in the financing structure of these activities.

The Group has planned investments in IT infrastructure and other development work, which it plans to finance from its own resources. The company assesses that it has the resources to implement its investment plans.

Property leases.

The most significant lease agreements under development in the periods presented include the lease of office space in two locations with a carrying value of the right to use of PLN 3,738 thousand in Poznań and PLN 1,610 thousand in Warsaw as at 31.12.2023.

The agreement for the office space lease in Poznań was concluded in September 2017 for a period of seven years, initially with an option to extend for a further three years. On 19 December 2023, the Company concluded an addendum to the agreement, which extended the lease term by six years, until 25 September 2030. Part of the leased space is further subleased to subsidiaries. The lease instalments are secured by a guarantee deposit paid to the Lessor. The Group is obliged to insure the underlying assets and maintain them in the condition specified in the agreement. The Group is not obliged to meet any additional covenants during the term of the agreement.

The agreement to lease office space in Warsaw was concluded in November 2021 for a period of six years from the date of handover of the premises, which took place in April 2022. Office space is further subleased to subsidiaries. The lease instalments are secured by a guarantee deposit paid to the Lessor. The Group is obliged to insure the underlying assets and maintain them in the condition specified in the agreement. The Group is not obliged to meet any additional covenants during the term of the agreement.

The lease instalments of both agreements are revalued on an annual basis and, as a result of these changes and the extension of one of the agreements until 2030, the value of lease liabilities and right-of-use assets increased by PLN 1 504 thousand at the end of 2023 (2022: PLN 296 thousand).

Lease of computer sets.

In 2022 the Group entered into 1 lease agreement for a disk array. The carrying amount of this asset is PLN 51,000 as at 31.12.2023. The agreement was concluded for a period of 2.5 years.

Car leases.

In addition, the Group uses passenger cars under 14 lease agreements with a total carrying amount of leased assets as at 31.12.2023 of PLN 1,295 thousand. The cars are leased for a period of 2 to 4 years with the option to buy them back at the end of the agreement. Lease instalments bear a variable interest rate calculated on the basis of WIBOR. Some lease agreements include additional variable lease payments due when the agreed annual mileage limit is exceeded. To date, the Group has not incurred fees on this account. Lease instalments of some agreements are secured by blank promissory notes.

Assessment of factors and unusual events affecting the result of operations for the financial year, with an indication of the extent to which these factors or unusual events have affected the result achieved.

On 24 February 2022, the Russian Federation launched an invasion of Ukraine and in 2023, conflicts in the Middle East escalated. At present, the ongoing armed conflicts do not pose a threat to the Group companies' operational activities. Nevertheless, they continue to affect investor sentiment and the financial and capital market situation, which may consequently result in investors withdrawing some of their funds as well as lowering the valuations of the assets managed and administered by the Group. At the same time, the environment of persistently high inflation and high interest rates has a potential impact on the attractiveness of the products offered by the Group.

Characteristics of external and internal factors relevant to the growth of the issuer's business.

An increase in the wealth of society translates into the society's ability to generate financial surpluses (savings) that can be invested in the financial markets through, among other things, investment funds.

In 2023, persistently high levels of inflation and interest rates affected demand for the Group's products and services. The Company invested a significant proportion of its assets under management in life sciences companies, including biotechnology companies. The economic climate in this sector can significantly affect the investment results achieved and the interest of clients in the services offered by the company. The geopolitical situation, including a possible escalation of the conflict in the Middle East and the ongoing war between Russia and Ukraine, the duration and ultimate economic impact of which on Europe as a whole is difficult to estimate, will also continue to have a very significant impact on markets and investor sentiment.

F-Trust S.A. and Caspar Towarzystwo Funduszy Inwestycyjnych S.A. are particularly affected by the highly competitive environment in which the companies operate.

Clients and potential clients of F-Trust S.A. can use the offer of practically all entities distributing units of open-ended investment funds and specialised open-ended investment funds, as well as foreign fund units, operating under the law of the European Union. Caspar TFI's funds, in turn, compete not only with funds offered in Poland and managed by Polish investment fund companies, but also with global foreign funds, available to investors through independent distributors in the case of units in Polish funds and titles in foreign funds and entities attached to local and global financial groups offering units or titles in funds managed by investment fund companies belonging to that financial group. Due to the specific nature of the activities of asset management entities, manifested, among other things, in the assignment of dedicated advisers

to individual clients and the accumulation of funds in individual dedicated accounts, Caspar AM's activities should be seen as less exposed to direct competition with other entities in the short to medium term.

Another important external factor with a significant impact on Group companies is the regulatory environment. Group companies operate in a highly regulated environment, imposing obligations on them in terms of a number of regulations and laws. Group companies are subject to regulations concerning, inter alia: sales practices, including client acquisition and marketing activities; maintenance of capital at a certain level; practices for the prevention of money laundering and terrorist financing and client identification procedures; reporting obligations to regulatory authorities; obligations regarding the protection of personal data and the observance of professional secrecy; obligations to protect investors and provide them with adequate information on the risks associated with the brokerage services provided; oversight of the Group's activities; inside information and insider trading, prevention of unlawful disclosure of inside information, prevention of market manipulation; public disclosure as an issuer of securities listed on the WSE. Nevertheless, the planned reform of the capital gains tax (the Belka tax), may help to make long-term saving and investing more attractive.

An important internal factor affecting Group companies is the Company's investment performance. Nominal performance, compared to benchmarks and competing products, influences investors' choice of products and the size of assets under management and administration.

In addition, the potential merger of the subsidiary F-Trust S.A. with iWealth Management Sp. z o.o., which brings potential cost and revenue synergies and may contribute to the dynamic growth of the entire Group in the years to come, may be important for the Issuer's development.

Changes in the fundamental management principles of the issuer and its group.

Neither Caspar AM nor the other Group companies made any changes to their basic management principles in 2023.

Any agreements between the issuer and its managers providing for compensation in the event of their resignation or dismissal from their position without good reason or if their removal or dismissal is due to a merger of the issuer by acquisition.

Caspar AM and the Group companies have not entered into agreements with the managers referred to in the above section.

The value of remuneration, rewards or benefits, including those resulting from incentive or bonus schemes based on the issuer's capital, in particular those based on convertible bonds with pre-emptive right, convertible bonds, subscription warrants, in cash, in kind or in any other form, paid, due or potentially due, separately for each member of the issuer's management, supervisory or administrative bodies in the issuer's undertaking, whether or not they were charged to expenses or resulted from the distribution of profit as appropriate, and if the issuer is a parent undertaking, significant investor, venturer in a jointly controlled entity, or an entity which is a party to a joint arrangement within the meaning of the accounting regulations applicable to the issuer - separately the amount of remuneration and bonuses received for exercising functions in the bodies of subsidiaries.

Remuneration of members of the Management Board of Caspar Asset Management S.A.

The total value of remuneration and other benefits for members of the Company's Management Board amounted to (figures in PLN '000):

	In the Parent Company:		In subsidiaries and associated companies:		Total
	Remuneration	Other benefits	Remuneration	Other benefits	
Period from 01.01 to 31.12.2023					
Hanna Kijanowska	460	8	7	-	475
Błażej Bogdziewicz	462	9	11	-	482
Krzysztof Jeske**	267	3	117	3	390
Leszek Kasperski*	212	4	1	-	217
Total	1 401	24	136	3	1 564
Period from 01.01 to 31.12.2022					
Leszek Kasperski	462	8	18	-	488
Błażej Bogdziewicz	462	8	18	-	488
Hanna Kijanowska	462	8	7	-	477
Total	1 386	24	43	-	1 453

* data cover the period from 1 January 2023 to 15 June 2023

** data cover the period from 16 June 2023 to 31 December 2023

Remuneration of the members of the Supervisory Board of the Company.

The total value of remuneration and other benefits for members of the Supervisory Board of the Company amounted to (figures in PLN '000):

	In the Parent Company:		In subsidiaries and associated companies:		Total
	Remuneration	Other benefits	Remuneration	Other benefits	
Period from 01.01 to 31.12.2023					
Rafał Litwic	24	-	15	-	39
Maciej Czapiewski	36	1	15	-	52
Piotr Kaźmierczak	24	-	-	-	24
Rafał Płókarz	24	-	33	-	57
Katarzyna Fabiś	36	-	-	-	36
Andrzej Tabor	36	1	-	-	37
Leszek Kasperski*	13	-	1	-	14
Total	193	2	64	-	259
Period from 01.01 to 31.12.2022					
Rafał Litwic	24	-	14	-	38
Maciej Czapiewski	34	-	14	-	48
Piotr Kaźmierczak	24	-	-	-	24
Maciej Mizuro	24	-	12	-	36
Rafał Płókarz	24	-	32	-	56
Katarzyna Fabiś	29	-	-	-	29
Andrzej Tabor	29	-	-	-	29
Total	187	-	73	-	261

* data cover the period from 16 June 2023 to 31 December 2023

During the period covered by the report, the Company and the Group had an Incentive Scheme in place for the financial years 2022 - 2024, involving the participation of key individuals

in the Group in the share capital of Caspar Asset Management S.A. The incentive scheme was established by Resolution No. 5 of the Company's Extraordinary General Meeting of 10 March 2022 ("**Incentive Scheme**").

Participants in the Incentive Scheme may be members of the Management Board of the Company and the management boards of other companies of Caspar Asset Management S.A. Group, persons performing managerial functions in the Group, of critical importance for the achievement of the Group's strategic objectives, as well as persons who are key employees and co-workers of the Company or Group entities, perform functions, perform work, perform orders, provide services or perform specific work in the Company or Group entities - on the basis of legal relations defined in Art. 12 or 13 of the Personal Income Tax Act of 26 July 1991 (consolidated text Polish Journal of Laws of 2024 item 226 as amended), or, as part of their non-agricultural business activities, cooperating with the Group.

Pursuant to Resolution No. 13 of the Supervisory Board dated 15 March 2022, Ms Hanna Kijanowska - the current President of the Management Board of the Company - was included in the Incentive Scheme and the other eligible persons were included in the Incentive Scheme pursuant to the relevant resolution of the Management Board of the Company. During the 2023 financial year, the Company entered into agreements with Scheme Participants to participate in the Incentive Scheme.

The total number of Incentive Scheme Participants was set at no more than 149. The Incentive Scheme is implemented through the issue of dematerialised registered series A subscription warrants entitling to subscribe for new issue series I shares to the exclusion of the subscription rights of the Company's other shareholders ("**Warrants**"), issued pursuant to Resolution No. 6 of the Extraordinary General Meeting of the Company of 10 March 2022.

Under the Incentive Scheme, the Company offers participants to take up no more than 147,927 (one hundred and forty-seven thousand nine hundred and twenty-seven) Warrants free of charge, with the Warrants to be offered in three equal tranches and the number of Warrants that may be offered for a given financial year shall not exceed 49,309 (forty-nine thousand three hundred and nine) Warrants. Each Warrant will entitle the holder to acquire one dematerialized series I bearer share of the Company with a nominal value of PLN 0.20 (twenty groszy), which will be issued under the Company's conditional share capital increase, at an issue price of PLN 7 (seven zloty) per share ("**Series I Shares**"). The Series I Shares will participate in dividends from the financial year beginning on 1 January 2023, provided that they are credited to the securities account no later than the dividend date for the relevant financial year. The subscription of Series I Shares in exercise of rights under the Warrants may take place within 1 year from the date the Warrants are recorded in the Participants' securities accounts, but no later than 31 December 2025.

The condition for Participants to become entitled to take up the Warrants is the fulfilment of:

a) the Company's financial performance target set by the Supervisory Board, which will be set annually in relation to each financial year ("**Financial Target**") or b) the non-financial target set by the Supervisory Board for the financial year ("**Non-Financial Target**")

and the fulfilment of the loyalty criterion, understood as holding a position or remaining with the Company or a Group company in the above-mentioned legal relationships governing the employment or cooperation of the Participants with the Group during the period from the date of conclusion of the participation agreement, at least until the date of the Supervisory Board's

resolution declaring the achievement or non-achievement of the Financial Target or Non-Financial Target set.

The resolution of the Supervisory Board setting Financial Targets and Non-Financial Targets for the financial year covered by this report (2023) was adopted by the Supervisory Board of the Company on 27 February 2023.

The Financial Target set by the Supervisory Board for fiscal year 2023 for all Participants was to achieve PLN 4 million in gross profit as reported in the Company's consolidated financial statements for financial year 2023. In addition, the Supervisory Board also set individual Financial Targets and Non-Financial Targets for each Participant.

Eligible Persons to participate in the Incentive Scheme implemented in the Financial Year 2023:

No.	Full name	Number of Warrants offered
1.	Hanna Kijanowska	8 964 Warrants
2.	Piotr Rojda	8 964 Warrants
3.	Anna Svarcova	4 482 Warrants
4.	Krzysztof Jeske	4 482 Warrants
5.	Jakub Stryzik	4 482 Warrants
6.	Tomasz Michalak	2 241 Warrants
7.	Tomasz Salus	4 482 Warrants
8.	Agata Babecka	2 241 Warrants
9.	Wojciech Kseń	4 482 Warrants
10.	Krzysztof Kaźmierczak	2 241 Warrants
11.	Kamil Herudziński	2 241 Warrants

For the financial year 2023, the Financial Target set by the Supervisory Board jointly for all Incentive Scheme Participants was not met.

Information on any liabilities arising from pensions and benefits of a similar nature for former directors, supervisors or former members of administrative bodies, and on the liabilities incurred in connection with those pensions, with an indication of the total amount for each category of body.

Caspar AM and the Group companies have no liabilities arising from pensions or benefits of a similar nature for former managers, supervisors or former members of administrative bodies and no liabilities incurred in connection with these pensions.

Determination of the total number and nominal value of all shares in the issuer and shares in related parties of the issuer held by the issuer's management and supervisory persons, respectively, separately for each person.

Caspar Asset Management S.A.

Management Board:

Shareholders	Number of shares and nominal value shares as at 31 December 2022	Number of shares and nominal value shares as at 31 December 2023	Share in the share capital structure in % as at 31 December 2022	Share in the share capital structure in % as at 31 December 2023	Number of votes at the General Meeting Shareholders as at 31 December 2022	Number of votes at the General Meeting Shareholders as at 31 December 2023	% of the Shareholder's votes in the total number of votes at the General Meeting of Shareholders as at 31 December 2022	% of the Shareholder's votes in the total number of votes at the General Meeting of Shareholders as at 31 December 2023
Hanna Kijanowska*	14 260 shares with nominal value of PLN 0.20 each	14 260 shares with nominal value of PLN 0.20 each	0.14%	0.14%	14 260	14 260	0.14%	0.14%
Błażej Bogdziewicz	2 710 633 shares with nominal value of PLN 0.20 each	2 710 633 shares with nominal value of PLN 0.20 each	27.49%	27.49%	2 710 633	2 710 633	27.49%	27.49%
Krzysztof Jeske**	20 475 shares with nominal value of PLN 0.20 each	20 475 shares with nominal value of PLN 0.20 each	0.21%	0.21%	20 475	20 475	0.21%	0.21%

*Until 15 June 2023 Vice President of the Management Board, from 16 June 2023 Member of the Management Board acting President of Caspar Asset Management S.A.

**Vice President of the Management Board of Caspar Asset Management S.A. since 16 June 2023.

Supervisory Board:

Shareholders	Number of shares and nominal value as at 31 December 2022	Number of shares and nominal value as at 31.12.2023	Share in the share capital structure in % as at 31 December 2022	Share in the share capital structure in % as at 31 December 2023	Number of votes at the General Meeting of Shareholders as at 31 December 2022	Number of votes at the General Meeting Shareholders as at 31 December 2023	% of the Shareholder's votes in the total number of votes at the General Meeting of Shareholders as at 31 December 2022	% of the Shareholder's votes in the total number of votes at the General Meeting of Shareholders as at 31 December 2023
Rafał Litwic	1 685 shares with nominal value of PLN 0.20 each	1 685 shares with nominal value of PLN 0.20 each	0,02 %	0,02 %	1 685	1 685	0,02 %	0,02 %
Maciej Czapiewski	2 836 shares with nominal value of PLN 0.20 each	2 836 shares with nominal value of PLN 0.20 each	0.03%	0.03%	2 836	2 836	0.03%	0.03%
Katarzyna Fabiś	0	0	0.00%	0.00%	0	0	0	0.00%
Leszek Kasperski*	2 801 328 shares with nominal value of	2 799 571 shares with nominal value of	28.41%	28.39%	2 801 328	2 799 571	28.41%	28.39%

	PLN 0.20 each	PLN 0.20 each						
Piotr Kaźmierczak	20 250 shares with nominal value of PLN 0.20 each	20 250 shares with nominal value of PLN 0.20 each	0.21%	0.21%	20 250	20 250	0.21%	0.21%
Rafał Płókarz	4 000 shares with nominal value of PLN 0.20 each	4 000 shares with nominal value of PLN 0.20 each	0.04%	0.04%	4 000	4 000	0.04%	0.04%
Andrzej Tabor	1000 shares with nominal value of PLN 0.20 each	1000 shares with nominal value of PLN 0.20 each	0.01%	0.01%	1000	1000	0.01%	0.01%

*Until 15 June 2023 President of the Management Board and from 16 June 2023 Member of the Supervisory Board of Caspar Asset Management S.A.

Information on agreements known to the issuer, including those entered into after the balance sheet date, which may result in future changes in the proportions of shares held by existing shareholders and bondholders.

In order to implement the Incentive Scheme established in the Company for the financial years 2022-2024 for key persons of the Group, the Extraordinary General Meeting of the Company adopted Resolution No. 6 of 10 March 2022 on the issue of registered subscription warrants of series A excluding in full the pre-emptive rights of existing shareholders, a conditional increase in the Company's share capital, the issue of series I ordinary bearer shares to the exclusion in full of the pre-emptive rights of existing shareholders, amendments to the Company's Articles of Association and on applying for the admission of series I shares to trading on the regulated market operated by Giełda Papierów Wartościowych w Warszawie S.A. (Warsaw Stock Exchange). Beneficiaries of the Incentive Scheme will be granted the right to subscribe for Series A registered subscription warrants ("**Warrants**") entitling them to subscribe for Series I bearer shares of the Company with a nominal value of PLN 0.20. The total share of the Company's conditionally issued shares in the share capital is 1.5 %. In both 2022 and 2023, the entitlement conditions for the warrants were not met. For the purpose of the ongoing Incentive Scheme in the financial year 2024, the Supervisory Board has set the Total Annual Pool for 2024 at 49,309 warrants (0.5% of the share capital).

Information on the control system for employee share schemes.

The Group has an Incentive Scheme in place for the financial years 2022 to 2024, involving the participation of key individuals from the Group. Eligible persons from among the members of the Management Board of the Company were included in the Incentive Scheme based on a resolution of the Supervisory Board and other eligible persons were included in the Incentive Scheme based on a resolution of the Management Board of the Company. The participants' entitlement to take up the Warrants is conditional on meeting the Financial Target and the Non-Financial Target set by the Supervisory Board for the financial year in question and meeting the loyalty criterion at the same time. Resolutions of the Supervisory Board setting the aforementioned objectives for the financial year are adopted by the end of February of the relevant financial year. Verification of the Participants' achievement of the targets of the loyalty criterion is carried out by the Supervisory Board in the form of a resolution, within 15 working days after the date of the Annual General Meeting of the Company approving the consolidated financial statements of the Company for the relevant financial year of the Incentive Scheme.

The Incentive Scheme is approved by the Annual General Meeting and its implementation is supervised by the Supervisory Board of Caspar Asset Management S.A.

Agreements with an audit company

On 4 July 2023, Caspar AM concluded an agreement with 4AUDYT sp. z o.o. for:

- an audit of the Company's separate financial statements prepared for the period from 1 January 2023 to 31 December 2023 and the Group's consolidated financial statements prepared for the period from 1 January 2023 to 31 December 2023,

- a review of the separate financial statements prepared for the period from 1 January 2023 to 30 June 2023 and the consolidated financial statements prepared for the period from 1 January 2023 to 30 June 2023,
- an audit of the Company's separate financial statements prepared for the period from 1 January 2024 to 31 December 2024 and the capital group's consolidated financial statements prepared for the period from 1 January 2024 to 31 December 2024,
- a review of the separate financial statements prepared for the period from 1 January 2024 to 30 June 2024 and the consolidated financial statements prepared for the period from 1 January 2024 to 30 June 2024,

The selection of the audit firm to carry out the aforementioned audits and reviews of the financial statements was made by the Supervisory Board, following the recommendation of the Company's Audit Committee.

The remuneration for the aforementioned services provided during the reporting period is included in the consolidated financial statements in note 26.5. of the annual consolidated financial statements for the period from 1 January 2023 to 31 December 2023.

6. Events materially affecting the Company's and the Group's operations and financial performance during and after the financial year, which are likely to have an impact in future years.

Inflation and monetary policy

Continued high inflation and interest rates in the world's key economies are affecting interest rates on government bonds, corporate bonds and bank deposits may result in further diversion of investment funds from equities and equity and mixed fund shares to debt instruments directly and fund shares with a significant proportion of debt instruments. Given that most of the assets managed by the Group were invested in equity and mixed funds, this translated and may continue to translate into lower interest in the Caspar AM, Caspar TFI and F-Trust S.A. offerings and lower margins, and thus had and may continue to have a negative impact on the scale of the Group's revenues, financial position and results. Monetary policy, including in particular that of the US Federal Reserve System, can significantly affect the conjuncture in both equity and bond markets.

War in Ukraine

Due to the ongoing war between Russia and Ukraine, phenomena previously unforeseen by Group companies occurred, the effects of which adversely affected the Group's operations and results in 2023 and may continue to adversely affect the companies, including:

- they may negatively affect the financial performance of companies whose financial instruments are invested in by the Group's clients and the investment funds distributed by the Group, and thus negatively affect market valuations and the value of dividends paid by these companies;
- they may negatively influence the behaviour of investors in Poland, who, fearful of the future economic and political situation in Poland and Europe, may postpone investment decisions, preferring to keep cash at their disposal as a more liquid asset or to invest spare funds outside the capital market;
- they may influence the decision of selected clients, particularly the most affluent, to start using financial services offered by entities based outside Poland.

Economic situation around the world

The Group's revenue and financial performance are dependent on, among other things, the global economic climate. An economic downturn or the entry of the global economy into a phase of recession, reflected in the situation on capital markets, in particular through a downturn on global stock exchanges or their entry into a phase of a prolonged slump causing large capital outflows from the capital market, may affect (i) a decline in the value of assets (reduction in valuations or redemptions of units) managed and administered by the Group or (ii) a decline in the value of assets newly invested in funds managed by Caspar TFI or entrusted to Caspar AM or (iii) a decline in the value of assets newly invested through F-Trust S. A.

7. Development of the Company and the Group, including significant achievements of the Company and the Group, together with information on the Company's and the Group's development strategy adopted and the characteristics of the Group's development direction policy.

In 2023, Group companies focused mainly on maintaining relationships with existing clients, as it was very difficult to acquire new clients in the existing economic environment and with investment performance in that year below benchmarks on most of the products managed by the Company. Despite that, Caspar TFI set up another new closed-end investment fund for dedicated clients in 2023.

In 2023, the Company also worked hard to diversify its product offering, including, among other things, the introduction of new investment strategies, which should have a positive impact on greater revenue stability in the long term. At the same time, the range of debt products is being developed - the Caspar Obligacji sub-fund, created in mid-2022 and whose operating costs were covered in significant part by the Group (until November 2023), reached over PLN 90 million in assets at the end of December 2023 and continues to increase in asset value. The development of the offer, including the expansion of the range of debt and mixed products, is also aimed at meeting the specific needs of a new group of clients on the Polish market - family foundations, whose number is growing dynamically.

In the current competitive environment with increasing fixed costs of the business, M&A transactions can complement organic growth. Hence, on 25 October 2023, F-Trust S.A. signed a letter of intent with iWealth Management Sp. z o.o. regarding the merger of the aforementioned companies. In the Group's opinion, the merger may significantly strengthen the competitive position of the companies due to possible synergy effects resulting, among others, from leveraging and complementing the potential of the merging companies, optimising and increasing the scale of operations and reducing costs. Following the potential merger, the Group will have the second largest independent distributor of investment funds in Poland.

Description of major achievements in research and development:

Neither the Company nor the other Group entities carried out research and development work.

Information on the development strategy adopted by the Company and its Capital Group and the activities undertaken as part of its implementation during the period covered by the report,

together with a description of the prospects for the development of the Company's activities at least in the next financial year.

The Group is characterised by a complementary offering, above-average asset management performance over the long term, a focus on client needs, its own network of salespeople and investor advisers, and the ongoing development of a technical infrastructure to serve clients. The Caspar Asset Management S.A. Group has significant potential for increasing its share in the growing asset management market in Poland.

All of the Group's activities are oriented towards the individual needs of the client. With the ability to offer units in more than a thousand investment funds and its own network of salespeople and investor advisers, the Group has the ability to actually identify and meet the individual needs of its clients, including with regard to the object and duration horizon of the investment and the investor's attitude to risk. The offerings of Caspar AM, Caspar TFI and F-Trust S.A. are fully complementary. With three independent entities in the Group (Caspar AM, Caspar TFI and F-Trust S.A.), each oriented towards a different group of investors, the Group has the ability to reach all potential client groups and offer products that meet their needs. This translates into the possibility of generating revenue from client groups with varying degrees of wealth and expectations regarding the investment strategies pursued.

A professional, experienced and stable team of key managers across all Group entities ensures the high reputation of the Caspar brand and managers. The high qualifications of the managers at all Group entities and their reputation in the community translates into trust from existing clients. In addition, an extensive team of experienced asset managers, consultants and investor advisers continually work on the high reputation of the Caspar brand, allowing clients to attach themselves more to the Group than to a chosen individual.

The Group has its own independent network of salespeople and investor advisors - established over many years and systematically developed and improved - which ensures a higher quality of service and contributes to building better long-term relationships with clients, based on knowledge of their needs and providing a sense of security.

The Group has a proprietary Platform for the distribution of a wide range of investment fund units.

The Group's current strategy is to focus on investing the funds entrusted to it on the global capital markets, with an emphasis on the European and US markets, although it also seeks investment opportunities outside the US and Europe. This differentiates the Group from many of its competitors operating in Poland and focusing their activities on the Polish or Central European equity market.

The Group's strategic objective is to systematically increase the value of the assets managed and administered by the Group, which, combined with competitive levels of fees for the services provided, should translate into an increase in the Group's revenue, financial performance and cash flow in the years to come. The Group's strategy is based on the simultaneous implementation of activities in three areas: (i) product, (ii) investment and (iii) distribution.

Characteristics of the policy on the development directions of the issuer's Group:

The Company and the other Group companies continue to look for solutions to expand their offerings in such a way as to be able to increase the value of the assets under management and administration while ensuring a high level of professionalism and quality in the services provided. The Group is pursuing the stated economic objective of increasing its market share. The achievement of the aforementioned objective is to be realised, among other things, through:

- increase in the value of the assets of closed-end investment funds managed by the Group;
- an increase in the value of assets under the Group's administration as a result of F-Trust S.A.'s distribution activities;
- gradual expansion of Caspar TFI's distribution network, translating into increased asset values;
- creation of further funds and sub-funds of the Caspar Parasolowy Fundusz Inwestycyjny Otwarty;
- expanding the range of products and services, including the development of debt and mixed product offerings;
- maintaining positive stable management performance over the long term.

In order to increase the Group's product attractiveness, it is planned to increase the number of investment funds whose units will be available through F-Trust S.A., as well as the closed-end fund certificates offered through Caspar AM. To ensure the transparency of the Group's financial position and to build its credibility with clients and investors, the Company's shares are to remain listed on the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) market over the long term.

8. Current and projected financial position of the Company and Group.

a. Overview of the key economic and financial figures disclosed in the annual financial statements, in particular a description of factors and events, including those of an unusual nature, which have a significant impact on the Company's and the Group's operations and on the annual financial statements, including profits made or losses incurred by the entities during the financial year.

Selected financial data and ratios (separate) (figures in PLN '000)

ITEM	31.12.2023	31.12.2022
Equity capital	17 826	18 810
Receivables	5 808	6 007
Cash and cash equivalents	2 016	2 854
Long-term liabilities	4 611	3 957
Short-term liabilities	3 774	3 034
Amortisation and depreciation	926	866
Revenue from core operations	19 843	22 682
Profit/Loss from core operations	5 009	6 518
Profit/Loss from operating activities	5 032	6 556
Gross profit/loss	5 226	6 928
Income tax	1 023	1 354
Net profit/loss	4 203	5 574
Total assets	26 211	25 801
Return on assets (ROA)%	16.0%	21.6%
Return on equity (ROE)%*	22.2%	27.1%
Gross profitability	26.3%	30.5%
Net profitability	21.2%	24.6%
Total debt ratio	32.0%	27.1%
Immediate liquidity ratio	0.53	0.94

*net financial result/equity at the beginning of the period

Selected financial data and ratios (consolidated) (figures in PLN '000)

ITEM	31.12.2023	31.12.2022
Equity capital	19 419	22 097
Receivables	3 989	4 062
Cash and cash equivalents	6 957	8 159
Long-term liabilities	5 117	4 513
Short-term liabilities	5 457	5 213
Amortisation and depreciation	2 661	2 642
Revenue from core operations	31 532	34 518
Profit/Loss from core operations	3 400	5 386
Profit/Loss from operating activities	3 555	5 422
Gross profit/loss	3 604	5 717
Income tax	1 116	1 478
Net profit/loss	2 488	4 239
Total assets	29 993	31 823
Return on assets (ROA)%*	8.3%	13.3%
Return on equity (ROE)%**	11.3%	16.8%
Gross profitability	11.4%	16.6%
Net profitability	7.9%	12.3%
Total debt ratio	35.3%	30.6%
Immediate liquidity ratio	1.27	1.57

* net financial result of the parent company/total assets at the end of the period

** financial result of the parent company/equity at the beginning of the period (balance sheet item "Equity")

Selected non-financial data and ratios: separate

ITEM	31.12.2023	31.12.2022
Average employment	22.56	22.40
Number of asset management clients (excluding professional clients)	163	181
Total number of clients of all brokerage services offered by the Company	241	270
Number of complaints/claims	2	0
Number of standard asset management products	7	7

Selected non-financial data and ratios: consolidated

ITEM	31.12.2023	31.12.2022
Average employment	68.48	72.13
Number of clients	3527	3459
Number of complaints/claims	10	37

Caspar Asset Management S.A.'s net profit as at 31 December 2023 amounted to PLN 4203 thousand.

Revenue from the core business of Caspar Asset Management S.A. as at 31 December 2023 amounted to PLN 19843 thousand.

The consolidated net profit of the Group at the end of 2023 amounted to PLN 2488 thousand.

Consolidated revenue from core operations as at 31 December 2023 amounted to PLN 31532 thousand.

Information on external factors affecting the Company and Group companies in the financial year 2023 is detailed in section 6 of this report.

During the reporting period, there were no factors or events, including those of an unusual nature, other than those indicated above, which had a significant impact on the Company's and the Group's operations and earnings in the financial year 2023.

b. Characteristics of the structure of assets and liabilities of the consolidated balance sheet, including from the point of view of the Company's and the Group's liquidity.

Information on net financial debt (PLN '000)	As at 31.12.2023
A. Cash	6 957
B. Cash equivalents	-
C. Other financial current assets*	8 869
D. Liquidity (A+B+C)	15 826
E. Short-term financial debt** (excluding the current portion of long-term financial liabilities)	-
F. Current portion of long-term financial debt**	1 175
G. Other short-term financial debt	-
H. Short-term financial debt (E+F+G)	1 175
I. Net short-term financial debt (E+F+G)	-14 651
J. Long-term financial debt** (excluding current part)	5 408
K. Debt instruments, including bonds	-
L. Long-term trade debt and other liabilities	-
M. Long-term financial debt (J+K+L)	5 408
N. Total financial debt (net) (I+M)	-9 243

* bonds and units held

** lease

c. Description of the structure of the issuer's main capital investments or main capital investments made within the issuer's Group during the financial year.

The Company and the Group invest funds exclusively in shares in subsidiaries, shares in commercial companies, deposits, bank deposits and debt financial instruments issued, guaranteed or underwritten by the State Treasury and units in investment funds that meet certain criteria. The debt securities held by the Company are WZ0126 and DS0725 - medium-maturity government debt securities.

d. Description of significant off-balance sheet items by subject, object and value.

At the balance sheet date, the Group had no contingent debt.

The Group issued one blank promissory note as security for the leasing agreement. The promissory note is therefore not a contingent liability in its own right, but merely a security for the liabilities disclosed in the statement of financial position.

The Group did not grant any sureties or guarantees as security for third-party agreements.

9. Description of significant risks and threats, specifying the extent to which the Company and the Group are exposed to them.**Risks related to a weaker global economy**

The Group's revenue and financial performance are dependent on, among other things, the global economic climate. An economic downturn or the entry of the global economy into a phase of recession, reflected in the situation on capital markets, in particular through a downturn on global stock exchanges or their entry into a phase of a prolonged slump causing large capital outflows from the capital market, may affect (i) a decline in the value of assets (reduction in valuations or redemptions of units) managed and administered by the Group or (ii) a decline in the value of assets newly invested in funds managed by Caspar TFI or entrusted to Caspar AM or (iii) a decline in the value of assets newly invested through F-Trust S. A.

Competition risks in the markets where the Group operates

F-Trust S.A. operates in a highly competitive market where revenues and financial performance are largely determined by the levels of commissions charged for the distribution of investment fund units. The emergence on the market of entities employing business strategies similar to F-Trust S.A. with a low level of commissions may significantly affect the level of margins achievable from servicing key clients.

Caspar TFI operates in a highly competitive investment fund market where revenues and financial results are determined by (i) the performance of investments made by individual investment funds, (ii) the levels of commissions charged for the purchase of investment fund units and (iii) the levels of commissions charged for the management of investment funds and the results of this management.

The emergence on the market of new investment fund companies or investment funds employing similar investment strategies while offering low levels of the aforementioned commissions could significantly affect the scale of the Group's revenues, financial position or results.

Risks related to errors, mistakes or unlawful acts by Group employees and violations of the law.

The Group operates in a field that is strictly regulated by sectoral regulations concerning the activities of brokerage houses, investment fund companies, investment company agents and distributors of investment fund units. Regulatory obligations addressed to the Group prescribe the conduct of business in a manner that is designed to ensure the protection of the Group's clients. However, it cannot be ruled out that an individual employee or a group of Group employees will engage in unlawful behaviour to the detriment of clients. Such actions may be intentional and driven by a desire to gain financial benefits at the expense of the Group's clients, or they may be unintentional.

Group entities are liable for the acts or omissions of their employees, which means that in the cases described, the Group will be liable to compensate its clients. Given the significant volume of assets that may be transferred by some clients, the potential liability for compensation may relate to amounts that are material. The unlawful behaviour of employees described may give rise to administrative liability for the Group, which may consequently translate into the Group having to pay fines.

Settlement of the described client claims or payment of fines could adversely affect the Group's financial position and its reputation and image. It should be borne in mind that the Group's business, like that of other companies in the financial industry, is based on the trust of its clients. Any breaches made by Group employees, as to which information would be made public, would therefore entail a risk of loss of trust on the part of clients. Potential reputational problems for the Group could have a significant lasting impact on operations as a result of the loss of clients and reduced revenues.

Risks associated with the Group companies' regulated activities, based on approvals and permits

The activities of individual Group entities require certain authorisations, the possible loss of which, for any reason, would involve a risk of failure or limitation of the ability to continue operations. Given the increasing number of regulations and regulatory requirements relating to the Group's business, as well as the risk of material errors being made by key decision-makers, the risk of the Group breaching the law in a way that will result in the withdrawal of its authorisation to conduct certain activities cannot be ruled out. The risk that Caspar AM or Caspar TFI or F-Trust S.A. will at some point cease to meet the conditions that formed the basis for granting the operating permit cannot also be ruled out, which would also involve the PFSA revoking the authorisation to conduct the activity in question. In the event that the authorisation is withdrawn, the Group entity concerned would be forced to cease all or a certain extent of its activities. In addition, due to the close cooperation within the Group, i.e. the fact that Caspar AM provides fund portfolio management services to Caspar TFI and F-Trust S.A. acts as Caspar AM's agent, as well as acting as an intermediary in the sale and repurchase of Caspar TFI units, the possible withdrawal of the authorisation for any of the Group entities would also significantly restrict (at least for a certain period of time) the activities of the entire Group.

Inflation risk

In 2023, high levels of inflation and interest rates persisted. The high level of market interest rates will continue for at least the next few months. Attractive interest rates on government bonds, corporate bonds and bank deposits may divert investors' funds earmarked for investment from equities and units in equity and mixed funds to debt instruments directly and units in funds with a

significant proportion of debt instruments. Given that most of the assets managed by the Group were invested in equity and mixed funds and the lower margin nature of debt products, the implementation of the scenario described above would most likely translate into a lower interest in the offerings of Caspar AM, Caspar TFI and F-Trust S.A., and thus have a negative impact on the scale of the Group's revenues, financial position or results.

Risk related to the war in Ukraine

Due to the ongoing war between Russia and Ukraine, phenomena previously unanticipated by the Group occurred, the effects of which may adversely affect the Group's operations and results in 2024, including:

- they may negatively affect the financial performance of companies whose financial instruments are invested in by the Group's clients and the investment funds distributed by the Group, and thus negatively affect market valuations and the value of dividends paid by these companies;
- they may negatively influence the behaviour of investors in Poland, who, fearful of the future economic and political situation in Poland and Europe, may postpone investment decisions, preferring to keep cash at their disposal as a more liquid asset or to invest spare funds outside the capital market;
- they may influence the decision of selected clients, particularly the most affluent, to start using financial services offered by entities based outside Poland.

Risk related to the regulatory environment

The Group operates in a highly regulated environment that imposes a high degree of operational responsibilities on the Group. The Polish legal system is characterised by relatively low stability and significant variability of regulations. This applies in particular to the regulation of tax law, as well as to the regulation of financial market operators. The high volatility of regulations governing this area and the observable trend towards increasing burdens imposed on financial market players may adversely affect the amount of the Group's costs. In particular, this relates to the potential need for additional procedures, the provision of new infrastructure or the hiring of specialised staff in the areas of legal, control, supervision or compliance, among others. The realisation of the risk could have a negative impact on the Group's growth prospects, operating costs and profitability.

Risk related to technological progress

Technological advances in recent years have increased the availability of investments in global financial instruments hitherto unavailable or difficult for investors in Poland, in particular equities and ETPs (Exchange Traded Products) offered on markets outside Poland. In addition, due to technological advancements, the barriers to entry and the unit cost of acquiring and disposing of these instruments are rapidly decreasing, which may account for the future exodus of F-Trust S.A. clients towards other investment vehicles. At the same time, ETFs (Exchange Traded Funds), which are gaining in popularity, have low administration and management costs and the fees charged by ETF managers are significantly lower compared to those charged for managing traditional mutual funds.

Risk related to asset management performance

Clients investing by entrusting funds to asset management (Caspar AM) or purchasing investment fund units (Caspar TFI) expect long-term investment results that are no worse than benchmarks for individual funds or investment strategies. Medium- to long-term persistence of

management performance below benchmarks raises, firstly, the risk of reduced revenues due to the lack of the Group's right to the remuneration component related to management success (Caspar AM, Caspar TFI) and, secondly, the risk of an outflow of assets to competitors.

Risk related to revenue concentration

A significant part of Caspar AM's revenue comes from the remuneration received for managing the assets of several funds. Despite the relatively long periods over which the Group manages assets (between three and seven years, with an average duration of management agreements of four and a half years), the positive evaluations of management performance by investors and the good relationship between the Group and investors, it cannot be ruled out that, due to, for example, a change in decisions on how to invest funds, random situations or a deterioration in investment performance, investors will decide to partially or fully withdraw assets from the funds.

Risks associated with the use of advanced IT systems

As the Group, and F-Trust S.A. in particular, bases its operations on highly advanced IT systems that require constant modification and improvement, a significant component of operating costs and capital expenditure is made up of the labour costs of highly-qualified IT specialists, in particular programming and management of IT systems, who are sought after by almost all industries and services. The cost of their employment, either directly or through service providers, is steadily increasing, which is further influenced by the rising inflation rate, which in the short to medium term will translate into a high risk of increased operating costs (period costs or depreciation costs). In addition, Caspar TFI and F-Trust S.A. rely heavily on IT systems that are accessed by clients to contact their clients. Through the aforementioned systems, it is possible, among other things, to carry out transactions for the purchase, sale and redemption of units, which involves the issuing of instructions by clients for the management of their wealth. All types of criminal activity, such as phishing, cybersquatting, sending fake calls to action, installing and activating malicious software or cracking passwords, can lead to an adverse disposition or loss of assets of significant value for the Group's clients. In certain cases, the Group's clients who have suffered property losses may claim significant damages from the Group, as well as negatively affect the Group's image and brand.

Risk of dependence on key members of the management and analytical and investment team

The Group's market position is determined, among other things, by its performance in managing the assets entrusted to it, including the analytical and decision-making skills in making investments of individual team members. Some of the people employed have been working for the Group since the beginning or almost since the beginning of its operations, which accounts for a kind of identifying them with the Group and the Group with them, particularly on the part of its largest clients. The inability to provide competitive levels of remuneration or work environment raises the risk of losing key team members who, in addition, may start providing work or services to competitors and attempt to acquire selected existing Group clients by those competitors. The risk of losing key team members is also generated by possible random events.

Risk related to the current shareholding structure

The significant shareholders, i.e. Leszek Kasperski, Piotr Przedwojski and Błażej Bogdziewicz, currently hold a total of 8328 593 shares and votes, representing, in round figures, 84.45% of the Company's share capital and share in the total number of votes at the Annual General Meeting. By virtue of their shareholding, they can exercise significant influence on matters that require shareholder action. In particular, they can exert a significant influence on the decisions of the

Annual General Meeting concerning the payment of dividends and the amount of dividends, and even decide to withhold dividends in certain financial years. As a consequence, significant shareholders are able to exert influence on important matters of the Company, including the Company's strategy and the direction of its business. The risk cannot be excluded that the interests and actions of major shareholders will not be fully aligned with the interests of the remaining minority shareholders.

10. Specification of significant proceedings pending before a court, an authority competent to conduct arbitration proceedings or a public administration authority, concerning liabilities and receivables of the Company and Capital Group, indicating the subject matter of the proceedings, the value of the subject matter of the dispute, the date the proceedings were initiated, the parties to the initiated proceedings and the Group's position.

The subsidiary F-Trust S.A. initiated a dispute before the Regional Court in Poznań, filing an appeal against the decision of the Social Insurance Institution of 6 February 2020 regarding the determination of the contribution assessment basis. The value of the object in dispute was PLN 170,000. On 15 March 2021, the Regional Court in Poznań, the 8th Labour and Social Insurance Division, issued a judgement (ref. no.: VIII U 666/20), against which F-Trust S.A. filed an appeal. In a judgment of 24 March 2023, the Court of Appeal in Poznań (ref. no.: III AUa 632/21) dismissed the above appeal. A provision was established in connection with these proceedings in the amount of the contributions due. On 20 July 2023, the Social Insurance Company (Zakład Ubezpieczeń Społecznych) agreed to the instalment of dues of PLN 183282.07, including dues of PLN 118,676.07 and interest for late payment of PLN 64,606.00, and on 10 August 2023, an agreement for the instalment of dues was concluded between the parties, thereby utilising the previously created reserve. As at the date of publication hereof, the subsidiary has been making ongoing repayments under the above-mentioned agreement, with the last instalment under this obligation due by 22 July 2024.

Specification of the set of corporate governance rules that the Company is subject to and where the text of the set of rules is publicly available.

The principles of corporate governance relate to the broadly defined governance of the company. As at the date of publication hereof, Caspar AM is subject to a set of corporate governance principles entitled "Good Practices for Companies Listed on the WSE 2021" (hereinafter "**Good Practices**" or "**DPSN2021**"), which came into force on 1 July 2021.

In addition, the guidelines set out in the document "Corporate Governance Principles for Supervised Institutions" issued by the PFSA on 22 July 2014 also apply to the Company as a brokerage house subject to regulatory supervision by the Polish Financial Supervision Authority.

The full content of the Report on Caspar Asset Management S.A.'s application of corporate governance principles is available at:

<https://www.caspar.com.pl/relacje-inwestorskie>

The extent to which the Company has deviated from the provisions of the corporate governance set of principles.**1. Information policy and communication with investors**

According to the current state of application of the Good Practices, Caspar AM applied most of the principles of corporate governance in full, with the exception of the principles described below, which were not applied or were applied to a limited extent.

Below, the Company provides an explanation of the non-application or incomplete application of each of the following Good Practice principles:

1.3. The company integrates ESG factors in its business strategy, including in particular

1.3.1. environmental factors, including measures and risks relating to climate change and sustainable development;

Explanation: In its operations, the company takes into account the principles of sustainable development. In particular, the Company has adopted a Strategy for introducing sustainability risks into the Group's investment decision-making process and the provision of investment advisory services set for the period 2021-2030. Nevertheless, the Company does not have a formalised business strategy (relating strictly to the Company) in the ESG area due to the nature of its business and the Company's organisational structure. The business activities of the Issuer do not have a significant impact on climate change or the environment. In its operations, including in areas related to the employment and development of employees, the Company respects the principle of equality between women and men and provides equal, non-discriminatory promotion, training and development for its employees. The Issuer does not rule out that, when adopting a formalised business strategy in the future, it will also include references to ESG areas in its scope.

1.3.2. social and employee factors, including among others actions taken and planned to ensure equal treatment of women and men, decent working conditions, respect for employees' rights, dialogue with local communities, client relations.

Explanation: In its operations, the company takes into account the principles of sustainable development. In particular, the Company has adopted a Strategy for introducing sustainability risks into the Group's investment decision-making process and the provision of investment advisory services set for the period 2021-2030. Nevertheless, the Company does not have a

formalised business strategy (relating strictly to the Company) in the ESG area due to the nature of its business and the Company's organisational structure. The business activities of the Issuer do not have a significant impact on climate change or the environment. In its operations, including in areas related to the employment and development of employees, the Company respects the principle of equality between women and men and provides equal, non-discriminatory promotion, training and development for its employees. The Issuer does not rule out that, when adopting a formalised business strategy in the future, it will also include references to ESG areas in its scope.

1.4. To ensure quality communications with stakeholders, as a part of the business strategy, the company publishes on its website information concerning the framework of the strategy, measurable goals, including in particular long-term goals, planned activities and their status, defined by measures, both financial and non-financial. ESG information concerning the strategy should among others:

Explanation: Given the absence of a formalised business strategy covering ESG topics, as mentioned above, the Company does not include information relating to ESG strategy on its website.

1.4.1. explain how the decision-making processes of the company and its group members integrate climate change, including the resulting risks;

Explanation: The business activities of the Issuer and Group companies do not have a significant impact on climate change or the environment.

1.4.2. present the equal pay index for employees, defined as the percentage difference between the average monthly pay (including bonuses, awards and other benefits) of women and men in the last year, and present information about actions taken to eliminate any pay gaps, including a presentation of related risks and the time horizon of the equality target.

Explanation: With reference to the comments made above, the Company does not keep a compilation of ratio values according to the rules indicated in this section. In the areas related to the employment and development of employees, the Company respects the principle of equality between women and men and provides equal, non-discriminatory promotion, training and development for its employees.

1.5. The company discloses at least on an annual basis the amounts expensed by the company and its group in support of culture, sports, charities, the media, social organisations, trade unions, etc. If the company or its group pay such expenses in the reporting year, the disclosure presents a list of such expenses.

Explanation: The Company's activities in this area are occasional and individual. The Company has not adopted any strategy or policy in the above area that relates to permanent and organised operations. Thus, the Company does not have a policy to disclose at least on an annual basis the expenses incurred for the above activities.

2. Management Board and Supervisory Board

2.1. The company should have in place a diversity policy applicable to the management board and the supervisory board, approved by the supervisory board and the general meeting, respectively. The Diversity Policy defines diversity goals and criteria, among others including

gender, education, expertise, age, professional experience, and specifies the target dates and the monitoring systems for such goals. With regard to gender diversity of corporate bodies, the participation of the minority group in each body should be at least 30%.

Explanation: The Company has a Diversity Policy for the composition of the Management Board of Caspar Asset Management S.A., which is periodically reviewed by the Supervisory Board. In terms of the Management Board of the Company and the Audit Committee, the minority shareholding is higher than the threshold set out in section 5 above. Currently, the Company fails to meet the gender diversity requirements of at least 30% on the Supervisory Board. The members of all bodies have the expertise, training and professional experience necessary for their functions. The Company does not exclude the possibility that the 30% gender diversity indicator will be achieved in the Issuer's Supervisory Board's subsequent terms of office, nevertheless, due to the numerous requirements regarding the competence, education and professional experience of the members of the brokerage house's governing bodies, the Company cannot guarantee the implementation of this principle.

2.2. Decisions to elect members of the management board or the supervisory board of the company should ensure that the composition of those bodies is diverse by appointing persons ensuring diversity, among others in order to achieve the target minimum participation of the minority group of at least 30% according to the goals of the established diversity policy referred to in principle 2.1.

Explanation: The versatility of the Management Board and Supervisory Board, including the Audit Committee, is ensured by members of the bodies having the expertise, education and professional experience necessary for their functions. The Company currently meets the gender diversity requirement for the Management Board and the Audit Committee, but does not meet the requirement for the composition of the Supervisory Board. The Company does not exclude the possibility that the 30% gender diversity indicator will be achieved in the Supervisory Board's subsequent terms of office, nevertheless, due to the numerous requirements regarding the competence, education and professional experience of the members of the brokerage house's governing bodies, the Company cannot guarantee the implementation of this principle.

2.11.6. information regarding the degree of implementation of the diversity policy applicable to the management board and the supervisory board, including the achievement of goals referred to in principle 2.1.

Explanation: The principle is not applied due to the fact that the Company does not implement a diversity policy with regard to the Management Board and the Supervisory Board.

3. Internal systems and functions

3.6. The head of internal audit reports organisationally to the president of the management board and functionally to the chair of the audit committee or the chair of the supervisory board if the supervisory board performs the functions of the audit committee.

Explanation: The principle is not applied due to the fact that the organisational structure adopted by the Company provides for the internal audit department to report collectively to the entire Management Board of the Company.

3.7. The following principles:

- the remuneration of persons responsible for risk and compliance management and of the head of internal audit should depend on the performance of delegated tasks rather than short-term results of the company;
- persons responsible for risk and compliance management report directly to the president or other member of the management board;
- the head of internal audit reports organisationally to the president of the management board and functionally to the chair of the audit committee or the chair of the supervisory board if the supervisory board performs the functions of the audit committee;

apply also to members of the company's group which are material to its activity if they appoint persons to perform such tasks.

Explanation: This principle is not applied due to the fact that the organisational structure adopted by the Company provides for the internal audit department to be subordinate collectively to the entire Management Board of the Company.

3.10. The company participating in the WIG20, mWIG40 or sWIG80 index has the internal audit function reviewed at least once every five years by an independent auditor appointed with the participation of the audit committee.

Explanation: The company does not participate in the listed indices.

4. Annual General Meeting and shareholder relations

4.4. Presence of representatives of the media is allowed at general meetings.

Explanation: In the Company's opinion, the proper performance of disclosure obligations related to General Meetings, i.e. in particular the publication of current reports and the publication of other relevant information on the Company's website, ensures that shareholders as well as other stakeholders have full access to information regarding General Meetings.

4.6. To help shareholders participating in a general meeting to vote on resolutions with adequate understanding, draft resolutions of the general meeting concerning matters and decisions other than points of order should contain a justification, unless it follows from documentation tabled to the general meeting. If a matter is put on the agenda of the general meeting at the request of a shareholder or shareholders, the management board requests presentation of the justification of the proposed resolution, unless previously presented by such shareholder or shareholders.

Explanation: The principle is not fully applied by the Company. In the Company's view, it is not in a position to ensure that all draft resolutions of the general meeting contain justification, including those submitted by the Company's shareholders. Pursuant to Art. 401 § 1 of the Code of Commercial Companies, a request for the inclusion of an item on the agenda of a general meeting should include a justification or the draft resolution itself concerning the proposed item on the agenda - as there is no requirement under the Code of Commercial Companies for shareholders to present justifications for draft resolutions of the general meeting, the aforementioned principle cannot be fully implemented, as the Company has no instruments to enforce compliance with the principle by shareholders. The principle is applied in part when the Management Board perceives the need to justify a draft resolution or when required by law. The above principle is also implemented during the general meeting, since, in accordance with the Company's Articles of Association, participants in the general meeting have the right to propose amendments and additions to draft resolutions until the discussion on the agenda item covering the draft resolution to which such proposal relates is closed, as such proposals should contain a brief justification.

4.7. The supervisory board issues opinions on draft resolutions put by the management board on the agenda of the general meeting.

Explanation: The Company implements the aforementioned principle in part. Pursuant to the Company's Articles of Association, the Supervisory Board may express an opinion on all Company matters. The Supervisory Board's decision to give an opinion on draft resolutions submitted by the Management Board depends on the decision of the members of the Supervisory Board.

4.8. Draft resolutions of the general meeting on matters put on the agenda of the general meeting should be tabled by shareholders no later than three days before the general meeting.

Explanation: The Company is not in a position to ensure that the Company's shareholders will always comply with the indicated principle and submit draft resolutions within the time limit stipulated therein. In particular, the Company is not in a position to ensure that its shareholders do not exercise their right under Art. 401 § 5 of the Code of Commercial Companies to propose draft resolutions on matters already placed on the agenda during the Company's General Meeting.

4.9. If the general meeting is to appoint members of the supervisory board or members of the supervisory board for a new term of office:

4.9.1. candidates for members of the supervisory board should be nominated with a notice necessary for shareholders present at the general meeting to make an informed decision and in any case no later than three days before the general meeting; the names of candidates and all related documents should be immediately published on the company's website.

Explanation: The Company is not in a position to ensure that the Company's shareholders will always comply with the indicated principle and nominate candidates for members of the Supervisory Board within the time limit stipulated therein. In particular, the Company is not in a position to ensure that its shareholders do not nominate candidates for members of the Supervisory Board already in the course of the Company's General Meeting.

4.13. Resolutions concerning a new issue of shares with the exclusion of subscription rights which grant pre-emptive rights for new issue shares to selected shareholders or other entities may pass subject at least to the following three criteria:

a) the company has a rational, economically justified need to urgently raise capital or the share issue is related to rational, economically justified transactions, among others such as a merger with or the take-over of another company, or the shares are to be taken up under an incentive scheme established by the company;

b) the persons granted the pre-emptive right are to be selected according to objective general criteria;

c) the purchase price of the shares is in a rational relation with the current share price of the company or is to be determined in book-building on the market.

Explanation: The Company is not in a position to guarantee that each time a resolution on a new share issue excluding pre-emptive rights is adopted, the share subscription price will be in a reasonable relation to the current price of the Company's shares, however, the Management Board of the Company will be obliged in each such case to present to the General Meeting a written opinion justifying the reasons for the exclusion of pre-emptive rights and the proposed

share issue price or the manner of its determination. With regard to the implemented Incentive Scheme, the issue price of the shares does not bear a reasonable relation to the current share quotations, in view of the basic functions and objectives of the Incentive Scheme, i.e. to permanently bind the participants of the Incentive Scheme to the Group and to provide an opportunity to acquire shares on preferential terms in relation to the terms resulting from the current quotations.

5. Conflict of interest and related party transactions.

5.5. If a transaction concluded by a company with its related party requires the consent of the supervisory board, before giving its consent the supervisory board assesses whether to ask a prior opinion of a third party which can provide valuation of the transaction and review its economic impact.

Explanation: In the Company's opinion, the provisions on related party transactions contained in Art. 90h et seq. of the Act on Public Offering, which apply to the Company, sufficiently delineate the duties of the Supervisory Board, ensuring transparent procedures for identifying and managing conflicts of interest in the situation of transactions with related parties. Therefore, the aforementioned principle is not applied in its entirety. Pursuant to Art. 90i of the Act on Public Offering, the Company publishes information on material transactions on its website at the latest at the time of their conclusion; such information should include, inter alia: a description of the nature of the relationship between the Company and the related party with which the material transaction is concluded, the date and value of the material transaction, information necessary to assess whether the material transaction was concluded on market terms and whether it is justified by the interests of the Company and non-related shareholders, including minority shareholders. The Supervisory Board itself, when deciding whether to approve a material transaction, takes into account the prevention of the related party from taking advantage of its position and ensuring that the interests of the company and non-related shareholders, including minority shareholders, are adequately protected. In order to avoid the occurrence of conflicts of interest, when a material transaction concerns the interests of a member of the Supervisory Board, he or she does not participate in the decision to approve the transaction. At the same time, the Supervisory Board has the right to use external experts before agreeing to enter into a transaction with a related party.

6. Remuneration.

6.2. Incentive schemes should be constructed in a way necessary among others to tie the level of remuneration of members of the company's management board and key managers to the actual long-term standing of the company measured by its financial and non-financial results as well as long-term shareholder value creation, sustainable development and the company's stability.

Explanation: The Company does not apply the indicated principle in its entirety. The implemented Incentive Scheme in its terms, in principle, attempts, however, to take into account the conditions indicated in the aforementioned principle. However, not all members of the Management Board of the Company participate in the Incentive Scheme, as one of the three members of the Management Board is a significant shareholder of the Company and thus has chosen not to participate in the Incentive Scheme, which would lead to an increase in his participation in the Company. The assumptions of the Incentive Scheme also include authorisation for the Supervisory Board of the Company to set financial and non-financial targets, the fulfilment of which allows for the granting of rights to participants participating in the

Incentive Scheme, for the individual years of the Incentive Scheme's operation. Due to the specific nature of the industry in which the Company participates and its dependence on the economic situation that exists in the financial market, the Company wishes to ensure that it is able to respond flexibly to the changing market environment, and therefore no rigid financial framework has been set for all years of the Company's Incentive Scheme. The Incentive Scheme has been established for 3 financial years. Consequently, the Supervisory Board, when setting the financial criteria for individual years, will, as a rule, bear in mind the long-term situation of the Company in terms of financial results, which will lead to a long-term increase in shareholder value, nevertheless, due to the specific nature of the industry and the economic fluctuations and changes in the financial markets, a procedure has been introduced for setting annual targets (as part of a three-year programme), which will make it possible to adequately adapt the targets set for Incentive Scheme participants to the current market situation, which, in turn, is difficult to reconcile with the postulate that the remuneration of members of the Management Board should depend on the Company's long-term situation. Furthermore, in the Company's view, given the nature of the industry in which the Company operates, it is not crucial to include ESG principles in the design of the Incentive Scheme rules.

6.3. If company's incentive schemes include a stock option programme for managers, the implementation of the stock option programme should depend on the beneficiaries' achievement, over a period of at least three years, of pre-defined, realistic financial and non-financial targets and sustainable development goals adequate to the company, and the share price or option exercise price for the beneficiaries cannot differ from the value of the shares at the time when such programme was approved.

Explanation: The Company does not apply the indicated principle to the extent that it requires the purchase price of shares under the incentive scheme to be set at the price at the time the scheme was enacted. The Company identifies that the Company's Incentive Scheme provides for a purchase price different from the Company's current share price at the time of the resolution, which is, however, justified, among other things, by the terms and conditions of the Incentive Scheme as well as its adoption prior to admission. In the Company's opinion, taking into account the objective of the Incentive Scheme, which is, in particular, to bind persons of significant importance to the Company's capital group and to motivate management, it is reasonable to establish the issue price at a preferential level in relation to the market price of the Company's shares at the time of enacting this scheme.

Description of the main features of the Company's and Group's internal control and risk management systems in relation to the financial reporting process.

The Company's control and risk management system in the process of preparing financial statements (both separate and consolidated) is designed to ensure that the financial reports prepared meet the characteristics of reliability, completeness and compliance with applicable regulations - both in terms of their content and timeliness. A system that meets the above criteria operates on the basis of the following elements:

- the rules in place for the circulation and acceptance of documents, enabling all accounting data to be recorded in a timely and complete manner;
- ensuring that there is an adequate flow of information recorded in the accounts between designated persons from the relevant organisational units and those involved in the preparation of the financial statements;

- use of appropriate software and IT systems to streamline internal reporting and financial data processing;
- adoption of appropriate criteria for the selection and evaluation of staff involved in the reporting process, with the right competence, knowledge and experience appropriate to their functions and tasks;
- ensuring cooperation between the Company's auditor and its Supervisory Board and Audit Committee to ensure an exchange of information on the reports produced (in particular at the stage of preparing the audit plan, as well as at the final stage of the audit plan, but before the audit process is completed);
- division of tasks and responsibilities for the preparation of the financial statements between the various internal units, enabling independent assessment and mutual verification of the documentation prepared, while maintaining the cooperation required for this process (e.g. separation of the tasks of accounting and financial controlling, involvement of the Management Board at an early stage in the preparation of the reports, ongoing cooperation with the Company's auditor);
- ensuring proper communication and information flow - both in terms of timing and form - between Group companies.

The Company has a system of internal control in relation to the process of preparing the financial statements based on the regulations contained in the internal procedures and accounting policy. The Management Board is responsible for the operation and effectiveness of the control processes in the preparation of the financial statements.

The internal control system ensures, among other things:

- the completeness of the inclusion of costs and revenues in the financial statements,
- expenditure control and periodic cost optimisation,
- control of the preparation of the Company's and Group's financial statements,
- protection of confidential information,
- swift and rapid correction of any irregularities that occur.

The company uses a number of elements to eliminate the risk of error and maintain the quality of the management of the financial statements process. Such elements are:

- the division of responsibilities between the various departments and persons responsible in the Company, also enabling two-person classification and acceptance of cost and revenue invoices,
- a system of electronic banking access rights to prevent unauthorised access to the Company's financial resources,
- accounting policy, which sets out the principles for the preparation of the financial statements,
- a system for verifying current financial reports that reduces the risk of error, enabling efficient verification and adjustment of the Company's accounts,
- an advanced accounting system, Comarch Optima, which ensures the reliability and credibility of the information processed,
- commissioning a reputable firm to provide high quality audit and review services.

The Management Board of each Group company is responsible for the company's system of internal control and its effective functioning in the preparation of the financial statements.

The Management Board directly supervises the preparation of the Company's financial statements and interim reports. The Management Board is also directly responsible for organising the work involved in preparing the financial statements required by the regulations.

The Company and other Group companies contracted an external entity, i.e. MJ Biuro2 Sp. z o.o., to provide services consisting in providing permanent comprehensive accounting and bookkeeping services, including the preparation of financial statements.

The annual financial statements of the Group companies, as well as the semi-annual financial statements of Caspar AM, are audited/reviewed each time by an authorised auditing company.

Caspar AM and Caspar TFI have an Audit Committee, which is established to enhance the Supervisory Board's effectiveness in carrying out its supervisory activities in the area of financial reporting and auditing of companies, as well as in the areas of internal control systems, internal audit and risk management. The Audit Committee monitors, controls and evaluates the entire financial reporting process of the companies and makes recommendations to the Supervisory Board on the selection of the audit firm to carry out the audits. In addition, the Audit Committee takes steps to minimise the risk of circumstances preventing or likely to prevent the selected audit firm from performing or completing the audit engagements commissioned by the companies in a timely manner.

The Supervisory Board of the Company evaluates the Management Board's reports on the Company's activities, the individual or consolidated financial statements for the past financial year with regard to their conformity with the books, documents and facts, and submits a written report on the aforementioned evaluation to the General Meeting of Shareholders. It is then the General Meeting of Shareholders of the Group companies that approves the company's financial statements.

In view of the above, in the Management Board's opinion, the Company's system of control and risk management in the process of preparing financial statements meets the objectives mentioned above and is adequate to the structure of the Company and its Group.

List of shareholders who directly or indirectly hold significant stakes 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.

The Company's shareholders holding more than 5% of Caspar AM's shares are presented in section 2 hereof.

Specification of the holders of any securities conferring special control powers, together with a description of those powers.

There are no securities of Caspar AM or Group companies giving special control rights.

Specification of any restrictions on the exercise of voting rights.

There are no restrictions on the exercise of voting rights.

Specification of any restrictions on the transfer of ownership of securities of the Company and Group companies.

Under the Incentive Scheme running from 2022 to 2024, the Company enters into participation agreements with eligible individuals. These agreements provide for an obligation on the Participant not to dispose of the Company's Series I Shares granted in connection with the Incentive Scheme for a period of 12 months from the date on which they are credited to the Participant's securities account (lock-up agreement).

Description of the rules concerning the appointment and dismissal of the management and their powers, in particular the right to decide to issue or buy back shares.

The members of the Management Board of the Company and the Group companies are appointed and dismissed in accordance with the provisions of the Code of Commercial Companies ("**CCC**") and the **Articles of Association of the Company and the Group companies**. The Annual General Meeting of the company concerned is the appointing and dismissing authority for both the Management Board and the Supervisory Board.

Caspar AM is governed by the regulations of the Annual General Meeting of Caspar Asset Management S.A., which contain provisions detailing the procedure for the election of the Management Board and Supervisory Board by the General Meeting. Its current content is available at:

<https://www.caspar.com.pl/relacje-inwestorskie>

The election is performed as follows. Any shareholder may propose candidates for members of the Management Board and members of the Supervisory Board in writing to the Management Board no later than 3 (three) days before the date of the General Meeting whose proposed agenda includes the appointment of members of the Management Board and Supervisory Board. The proposal shall include the candidate's personal data and a justification of the candidacy, together with a description of the candidate's qualifications, professional experience and information on meeting the relevant requirements for members of the supervisory boards of brokerage houses referred to in the Trading Act. The proposal shall be accompanied by a declaration of the proposed candidate on his/her consent to appointment to the Management Board or Supervisory Board and other statements and information on the candidate required by generally applicable laws. Participants of the General Meeting may propose candidates for a Management Board or Supervisory Board member after the opening of the General Meeting, but before the Chairperson of the General Meeting orders the election of Management Board members. When proposing a candidate for a Management Board or Supervisory Board member during the General Meeting, the General Meeting participant shall be obliged to provide the Chairperson of the General Meeting with the statements of the candidate proposed by him or her, and information concerning fulfilment of the requirements for members of management boards and supervisory boards of brokerage houses referred to in the Trading Act and other statements and information about the candidate required by generally applicable laws. Proposals of candidates for the President of the Management Board, as well as for the member of the Management Board responsible for overseeing the risk management system, should clearly identify that they concern the appointment of individual candidates to these specific positions. The Chairperson of the General Meeting shall announce the list of candidates for Management Board and Supervisory Board members drawn up on the basis of the proposals referred to hereinabove before the election of Management Board or Supervisory Board members is ordered.

The Management Board elections shall be held by voting for each of the candidates separately in alphabetical order, with the election of the President of the Management Board taking place first, followed by the election of the member of the Management Board responsible for overseeing the risk management system, and then the election of any other members of the Management Board. The election of the President of the Management Board and the member of the Management Board responsible for overseeing the risk management system shall be subject to the approval of the Financial Supervisory Authority for their appointment. In the event of a vote to elect the President of the Management Board, the candidate with the highest number of votes shall be deemed elected. If at least two candidates obtain the same highest number of votes, the Chairperson shall order a supplementary vote in which only those candidates who obtained the same highest number of votes in the previous vote shall take part. The above shall apply to the vote on the election of the member of the Management Board responsible for overseeing the risk management system. The candidates with the highest number of votes in favour shall be deemed elected as the remaining members of the Management Board. If at least two candidates for the last vacant Management Board seat obtain the same highest number of votes, the Chairperson shall order a supplementary vote in which only those candidates who obtained the same highest number of votes in the previous vote shall take part. The above shall be without prejudice to §27 sec. 2 of the Articles of Association, which requires an absolute majority of votes for the General Meeting to adopt a resolution.

The election of the Supervisory Board shall be held by voting for each candidate separately in alphabetical order. The candidates with the highest number of votes in favour shall be deemed elected as members of the Supervisory Board. If at least two candidates for the last vacant Supervisory Board seat obtain the same highest number of votes, the Chairperson shall order a supplementary vote in which only those candidates who obtained the same highest number of votes in the previous vote shall take part. The sentences above shall be without prejudice to §27 sec. 2 of the Company's Articles of Association, which requires an absolute majority of votes for the General Meeting to adopt a resolution.

The Management Board of Caspar Asset Management S.A. currently has no authority to make an independent decision on the issue of shares. Pursuant to the applicable regulations and the Company's Articles of Association, the Company's issue of shares and increase of share capital requires an appropriate resolution of the General Meeting, as does the redemption of shares and reduction of share capital. Company's shares may be redeemed, following their acquisition by the Company with the consent of the shareholder (voluntary redemption). Voluntary redemption shall be performed according to the following procedure:

- the General Meeting shall adopt a resolution authorising the Management Board to acquire the Company's own shares for redemption, specifying, inter alia, the type of shares, the number of shares or the method of determining the number of shares (including authorisation for the Management Board to determine the number of shares) to be acquired by the Company for redemption, the amount (including the minimum or maximum amount) of remuneration to be paid to the shareholder of the redeemed shares (including authorisation for the Management Board to determine the price of the shares) or the justification for the redemption of the shares without remuneration, and the other terms and conditions and time limits for the acquisition of the shares by the Company (or authorisation for the Management Board to determine the terms and time limits), as well as an indication of the capital used to finance the acquisition and redemption of the shares,
- the Company shall acquire the shares to be voluntarily redeemed from the shareholder;

- the General Meeting shall adopt a resolution on the redemption on shares, which shall specify in particular the legal basis for redemption, the amount of remuneration due to the shareholder of the redeemed shares, or a justification for the redemption of shares without remuneration, and the method of reduction of the share capital.
- a reduction in the Company's share capital is carried out in accordance with the provisions of the Code of Commercial Companies,
- upon registration of the reduction of the Company's share capital in the Register of Entrepreneurs of the National Court Register, the shares are redeemed.

The Company's share capital may not be reduced by redemption of part of the shares if the amount of the share capital after the reduction would be less than the amount set by law.

According to the Articles of Association of F-Trust S.A., the Management Board consists of between 1 (one) and 5 (five) members. The President, Vice President and other members of the Board shall be appointed and dismissed by the General Meeting, which establishes the number of Board members in the above limits, with the exception of the first Management Board appointed by the founder (Board Members appointed by the Founder shall be dismissed by the General Meeting). The term of office of the Management Board shall be 5 years. Each member of the Management Board is authorised to make declarations of intent on behalf of F-Trust S.A. independently, acting alone. The Management Board is responsible for all matters relating to the running of the company which are not reserved by the provisions of the Companies Act and the Articles of Association of F-Trust S.A. to the competence of other bodies.

The share capital of F-Trust S.A. may be increased under a resolution of the General Meeting through the issue of new shares or by increasing the nominal value of the shares issued to date.

In accordance with Caspar TFI's Articles of Association, the Management Board consists of between 2 (two) and 5 (five) members. The President, Vice President and other members of the Board shall be appointed and dismissed by the General Meeting, which establishes the number of Board members in the above limits, with the exception of the first Management Board appointed by the founder (Board Members appointed by the founder shall be dismissed by the General Meeting).

The share capital of Caspar TFI may be increased under a resolution of the General Meeting through the issue of new shares or by increasing the nominal value of the shares issued to date. Shares may be redeemed, upon their prior acquisition by the Company with the consent of the shareholder (voluntary redemption) or without the consent of the shareholder (compulsory redemption), as specified in the Code of Commercial Companies. The General Meeting, at the request of the Management Board, shall adopt resolutions on the redemption of shares, decrease in the share capital. Voluntary redemption of the Company's shares may be made with or without remuneration. Compulsory redemption may occur in relation to the shareholder who has taken actions contrary to the interests of the company, as confirmed by a valid court judgement or administrative decision. The General Meeting shall adopt a resolution on redemption defining the rules of acquisition of shares by the company, in particular the amounts allocated to the acquisition of shares for redemption purposes and sources of funding. Following the acquisition, the General Meeting shall adopt resolutions on the redemption of shares and decrease in the share capital in accordance with the provisions of the CCC. The company's share capital may not be reduced by the redemption of part of its shares if the amount of the share capital after its reduction would be lower than the amount defined by law as the lowest amount of share capital required for the establishment of a company in the territory of the Republic of Poland.

Description of the rules for amending the statute.

In accordance with the relevant provisions of the CCC, an amendment to the Articles of Association of the Company and Group companies requires a resolution of the General Meeting and an entry in the register. Pursuant to Article 402 § 2 of the CCC, the notice convening the General Meeting, the agenda of which includes the intended amendment to the Articles of Association, shall refer to the provisions previously in force as well as the content of the proposed amendments. If justified by the substantial scope of the intended amendments, the notice may contain a draft of the new consolidated text of the Articles of Association with an enumeration of the new or amended provisions of the Articles of Association. Pursuant to the provisions of the CCC, a resolution to amend the Articles of Association shall be adopted by a three-quarters majority. In the event of an amendment to the articles of association increasing the benefits of the shareholders or depleting the rights granted personally to individual shareholders, the consent of all the shareholders affected is required. The articles of association of F-Trust S.A. and Caspar TFI do not stipulate stricter conditions for the adoption of resolutions regarding amendments to the articles of association of the companies.

According to Caspar AM's Articles of Association, a resolution of the General Meeting is required for any amendment to the Articles of Association. Resolutions of the General Meeting shall be adopted by an absolute majority, unless otherwise provided by law or the provisions hereof. In the event of amendments to the Company's Articles of Association, resolutions shall be adopted in accordance with the provisions of the CCC specified above. The Company's articles of association do not stipulate stricter conditions for the adoption of resolutions regarding amendments to the articles of association of the Company.

Description of the manner in which the general meeting operates and its principal powers, and of the rights of shareholders and how they are exercised, in particular the rules arising from the regulations of the general meeting.

The rights of shareholders as set out in the CCC and the Articles of Association of the companies are respected in each Group company. General Meetings may be held as ordinary or extraordinary meetings based on the provisions of the CCC and the provisions of the company's articles of association. General Meetings of Group companies can be held in either Poznań or Warsaw.

Pursuant to the Articles of Association of Caspar TFI and F-Trust S.A., the powers of the General Meeting include:

- establishing the rules of remunerating the members of the Management Board and Supervisory Board;
- establishing the right to dividend and the dividend payment date;
- acquiring or disposing of real property or interest in real property;
- appointing and dismissing the Members of the Supervisory Board and the Management Board;
- other matters reserved to the competence of the Supervisory Board herein or in the Code of Commercial Companies.

The General Meeting of Caspar AM shall adopt its Rules of Procedure detailing the functioning and organisation of the General Meeting. Adoption, amendment or repeal of the Rules of Procedure shall require a two-thirds (2/3) majority of the votes cast to be valid.

The most important provisions from the aforementioned Rules of Procedure are presented below, while the full and current content of the Rules of Procedure of the General Meeting of Caspar Asset Management S.A. is available on the website at:

<https://www.caspar.com.pl/relacje-inwestorskie>

The General Meeting shall be convened by the Management Board of the Company. The Ordinary General Meeting shall be held no later than six months after the end of each financial year. If the Management Board fails to convene the Ordinary General Meeting within the prescribed period, the Supervisory Board, as well as shareholders representing at least half of the share capital or at least half of the total votes in the Company, shall have the right to convene such a meeting. An Extraordinary General Meeting may be convened by the Supervisory Board or shareholder(s) representing at least half of the Company's share capital or at least half of the total votes in the Company in the cases and on the terms set out in the Code of Commercial Companies and the Articles of Association. In addition, a shareholder or shareholders representing at least one-twentieth of the share capital may request the convocation of an Extraordinary General Meeting and the inclusion of specific items on the agenda of that Meeting. The request shall be submitted to the Management Board in writing or electronically. If two Ordinary General Meetings are convened in the same financial year (one by the Management Board and the other by the Supervisory Board), only the General Meeting convened on the earlier date shall be held as the Ordinary General Meeting and only this General Meeting shall be entitled to adopt the resolutions reserved for the competence of the Ordinary General Meeting. The General Meeting that has been convened for a later date shall only be held if the agenda of that General Meeting as determined by the body that convened it includes items not on the agenda of the Ordinary General Meeting already held. The agenda shall be set by the entity convening the General Meeting, with the proviso that a shareholder or shareholders representing at least 1/20 (one twentieth) of the Company's share capital may request the inclusion of specific items on the agenda of the next General Meeting under the terms of the Code of Commercial Companies. A shareholder or shareholders of the Company representing at least one-twentieth of the share capital may, prior to the date of the General Meeting, submit to the Company, in writing or by means of electronic communication, draft resolutions concerning the matters placed on the agenda of the General Meeting or matters to be placed on the agenda. The Company shall immediately publish the draft resolutions on its website. The notice convening the General Meeting may contain information on the possibility for shareholders to participate in the General Meeting by means of electronic communication. A General Meeting may be cancelled, in particular if its holding encounters extraordinary obstacles (force majeure). It is also permissible to change the date of the General Meeting. The cancellation and rescheduling of the General Meeting shall be carried out by the entity that convened the General Meeting in the manner prescribed for its convocation. The cancellation of a General Meeting whose agenda includes certain matters at the request of entitled parties or which has been convened at such request shall only be possible with the consent of the requesting parties. Shareholders shall attend the General Meeting either in person or by their proxies. The power of attorney shall be granted in writing or electronically. Granting a power of attorney in electronic form shall not require a qualified electronic signature. A proxy may represent more than one shareholder. Participation in the General Meeting shall also be permissible by means of electronic communication if the notice convening the General Meeting contains information on the possibility to participate in the General Meeting in this manner. General Meetings shall be opened by the Chairperson of the Supervisory Board or, in his/her absence, by the Vice-Chairperson of the Supervisory Board or, in the absence of the Vice-Chairperson of the Supervisory Board, by the President of the Management Board or a person

designated by the Management Board. The person opening the General Meeting may take all formal decisions necessary to start the meeting. The person opening the General Meeting shall immediately order the election of the Chairperson of the General Meeting and shall preside over the General Meeting until the Chairperson is elected, refraining from making any other substantive or formal decisions. The Chairperson of the General Meeting shall be elected from among the Participants of the General Meeting. Each Participant of the General Meeting shall have the right to put forward one candidate for Chairperson of the General Meeting, with each candidate agreeing to be appointed as Chairperson of the General Meeting on pain of such candidate being disregarded. If more than one candidate has been put forward then these persons shall be included in the list of candidates. The person opening the meeting, having established that no further nominations have been received, shall declare the list of candidates closed. Once the list of candidates has been closed, the Chairperson of the General Meeting shall order a vote on the election of the Chairperson of the General Meeting. The Chairperson of the General Meeting shall be elected by secret ballot by voting for each candidate separately in alphabetical order. The election of the Chairperson of the General Meeting shall require an absolute majority of votes. The General Meeting may only adopt resolutions on items on the agenda unless the entire share capital of the Company is represented at the General Meeting and no one present has objected to the adoption of a resolution on an item not on the agenda. The General Meeting may adopt the proposed agenda unchanged, change the order of items on the agenda or remove certain items from the agenda, with the proviso that a resolution not to consider a given matter may be adopted only if there are good reasons for doing so and the authorised body or entity which placed or requested the item on the agenda agrees not to consider it. If the General Meeting resolves to remove an item from the agenda, the motions made in this regard shall not be considered. During the General Meeting, each shareholder may propose draft resolutions concerning the items on the agenda. Participants of the General Meeting have the right to propose amendments and additions to the draft resolutions on the agenda of the General Meeting until the discussion on the agenda item covering the draft resolution to which such proposal relates is closed. Such proposals, together with a brief justification, shall be submitted - separately for each draft resolution - stating the name of the person making the proposal, to the Chairperson of the General Meeting. Once a resolution has been adopted, a shareholder who objects to the resolution shall be entitled to a concise statement of reasons for the objection. At the conclusion of the discussion on each item on the agenda, prior to the voting on the resolutions, the Chairperson of the General Meeting shall state what motions have been received as regards the content of the resolutions and the order in which they are to be voted on. The Chairperson of the General Meeting shall order the vote on the resolution. Resolutions shall be voted on after their drafts have been read out by the Chairperson of the General Meeting or a person designated by him/her. Postal ballot is not allowed at the General Meeting. In particularly justified cases, the General Meeting may, by a two-thirds (2/3) majority, adopt a resolution to adjourn the meeting. In total, breaks cannot last more than thirty days. In order to ensure the proper handling of voting, the General Meeting shall appoint a Ballot Counting Committee. At the request of the Chairperson of the General Meeting, the General Meeting, by resolution, may waive the election of the Ballot Counting Committee.

The General Meeting shall be valid and capable of adopting resolutions irrespective of the number of shares represented at it, unless otherwise provided by law. Resolutions of the General Meeting shall be adopted by an absolute majority, unless otherwise provided by law or the provisions hereof. A resolution of the General Meeting, in addition to any other matters mentioned in the law or these Articles of Association, is required for:

- considering and approving the management report and financial statements or consolidated financial statements for the previous financial year;
- granting to the members of the Company's authorities a vote of approval concerning the performance of their duties;
- distributing the profit of the Company or determining how to cover its loss;
- determining the remuneration of members of the Supervisory Board and the Management Board;
- establishing the right to dividend and the dividend payment date;
- appointing and dismissing the members of the Supervisory Board and the Management Board;
- increasing or reducing the share capital;
- redeeming of shares;
- amending the Articles of Association;
- dissolving the Company;
- selling or leasing the enterprise of the Company or its organised part and establishing a limited property right thereon;
- giving consent to the acquisition and disposal of real estate, perpetual usufruct or an interest in real estate;
- entering into a loan, borrowing, surety, donation, debt release or other similar agreement with a member of the Management Board, Supervisory Board, proxy, liquidator or for the benefit of any of these persons;
- deciding on other matters reserved for the General Meeting by law and the provisions of the Articles of Association, as well as examining and deciding on matters and requests submitted by the Management Board, the Supervisory Board or the Shareholders.

Description of the operation of the management and supervisory bodies and their committees, including a specification of the composition of these bodies and changes that occurred during the last financial year.

Parent Company Caspar Asset Management S.A.

Management Board

Composition of the Company's Management Board from 1 January 2023 to 15 June 2023:

Leszek Kasperski – President of the Management Board,
Błażej Bogdziewicz - Vice President of the Management Board,
Hanna Kijanowska - Vice President of the Management Board.

Composition of the Company's Management Board from 16 June 2023 to 31 December 2023:

Hanna Kijanowska - Member of the Management Board, acting as President of the Management Board,
Błażej Bogdziewicz - Vice President of the Management Board,
Krzysztof Jeske – Vice President of the Management Board.

The Management Board operates on the basis of the Articles of Association, the Regulations of the Management Board and the applicable regulations, including the provisions of the CCC. The Management Board is composed of between 2 (two) and 5 (five) persons, including the President, appointed and dismissed by the General Meeting. The term of office of the Management Board shall be 5 years. The Management Board is responsible for all matters

relating to the running of the Company which are not reserved by the provisions of the CCC and the Company's Articles of Association to the competence of other bodies. Where the consent of (or the granting of consent is within the competence of) the General Meeting or the Supervisory Board, respectively, is required for the performance of a particular action, the Management Board shall obtain the prior consent of the General Meeting or the Supervisory Board, as applicable, for such action. Two members of the Management Board or one member of the Management Board acting jointly with a proxy are required to represent the Company and to make statements of intent on behalf of the Company. Members of the Management Board shall exercise their rights and duties in person. Members of the Management Board shall be entitled and obliged to attend meetings of the Management Board. The members of the Management Board shall attend the General Meeting sessions in such a composition as to be able to speak on the matters on the agenda and to provide substantive answers to the questions asked at the General Meeting. The Management Board shall act collectively and make decisions on the conduct of the Company's affairs in the form of resolutions. The Management Board of the Company shall proceed at its meetings. Resolutions of the Management Board may be adopted if all members have been properly notified about the meeting. Resolutions of the Management Board shall be passed by an absolute majority of votes. In the event of an equal number of votes, the President of the Management Board shall have the casting vote. Resolutions of the Management Board shall be adopted by open vote. Members of the Management Board may adopt resolutions by attending Management Board meetings in person (including by means of direct remote communication) or by casting their vote in writing through another member of the Management Board. Voting in writing shall not apply to matters introduced to the agenda during the meeting of the Management Board.

The detailed procedure for the Management Board is set out in the Regulations of the Management Board, the content of which is available on the website, under the tab relating to investor relations: <https://www.caspar.com.pl/relacje-inwestorskie>.

Supervisory Board

Composition of the Supervisory Board from 1 January 2023 to 15 June 2023:

Rafał Litwic – Chairman of the Supervisory Board,
Maciej Czapiewski – Vice Chairman of the Supervisory Board
Katarzyna Fabiś – Member of the Supervisory Board,
Piotr Kaźmierczak – Member of the Supervisory Board,
Rafał Płókarz – Member of the Supervisory Board,
Andrzej Tabor – Member of the Supervisory Board.

Composition of the Supervisory Board from 16 June 2023 to 31 December 2023:

Rafał Litwic – Chairman of the Supervisory Board,
Maciej Czapiewski – Vice Chairman of the Supervisory Board
Katarzyna Fabiś – Member of the Supervisory Board,
Leszek Kasperski - Member of the Supervisory Board,
Piotr Kaźmierczak – Member of the Supervisory Board,
Rafał Płókarz – Member of the Supervisory Board,
Andrzej Tabor – Member of the Supervisory Board.

The Supervisory Board shall exercise permanent supervision over Company's operations in all areas of its business. The Supervisory Board shall be composed of between 5 (five) and 7 (seven)

members appointed and dismissed by the General Meeting. The number of members of the Supervisory Board for a given term of office shall in each case be determined by the General Meeting. In the event that the General Meeting fails to determine by resolution the number of members of the Supervisory Board for a given term of office, the Supervisory Board shall have as many members as the Supervisory Board of the previous term of office had, but no fewer than five members. The Supervisory Board shall elect a Chairperson of the Supervisory Board and a Vice-Chairperson of the Supervisory Board from among its members. The term of office of the Supervisory Board shall be four years. Supervisory Board members shall be appointed for a joint term of office. The mandate of a Supervisory Board member appointed before the end of the term of office of the Supervisory Board shall expire simultaneously with the expiry of the mandates of other Supervisory Board members. The remuneration of the members of the Supervisory Board shall be determined by the General Meeting. The Supervisory Board shall perform its duties on a collegial basis, subject to the exceptions provided for by generally applicable laws and the provisions of the Articles of Association. The Supervisory Board may delegate its members to perform specific supervisory activities independently, each time specifying the date of such delegation and the scope of the subject matter. Meetings of the Supervisory Board shall be held at the registered office of the Company or at any other venue indicated in the notice convening the meeting. Meetings of the Supervisory Board shall be held as required, but not less frequently than quarterly. Members of the Supervisory Board may adopt resolutions by attending Board meetings in person (including by means of direct remote communication) or by casting their vote in writing through another Member of the Supervisory Board. The Supervisory Board operates in accordance with the regulations of the Supervisory Board of Caspar Asset Management S.A., the current content of which is available at:

<https://www.caspar.com.pl/relacje-inwestorskie>

Audit Committee

Composition of the Audit Committee from 1 January 2023 to 31 December 2023:

Katarzyna Fabiś – Chairwoman of the Audit Committee,

Maciej Czapiewski – Vice-Chairman of the Audit Committee,

Andrzej Tabor – Member of the Audit Committee.

The Committee performs control and advisory functions for the Supervisory Board of the Company. The Committee is established to enhance the Supervisory Board's effectiveness in carrying out its supervisory activities with regard to the Company's financial reporting and auditing, as well as its systems of internal control, internal audit and risk management. The Committee performs its tasks by submitting requests, recommendations, recommendations, opinions and reports to the Supervisory Board on the scope of its activities. The Committee is composed of at least three members, including the Chairperson of the Committee and the Vice-Chairperson of the Committee appointed by the Supervisory Board from among its members. The Audit Committee shall act and adopt resolutions collectively. The Committee shall adopt resolutions at a meeting if a majority of the Committee members are present at the meeting. The Audit Committee shall adopt resolutions by an absolute majority, in an open vote. Meetings of the Audit Committee shall be held as required, but not less frequently than quarterly, at dates determined by the Chairperson of the Committee. Meetings of the Committee shall be convened by the Chairperson of the Committee or, if the Chairperson of the Committee is reasonably unable to act, by the Vice-Chairperson of the Committee. In exceptional cases, a meeting of the Committee may be convened by the Chairperson of the Board or the Vice-

Chairperson of the Board. Meetings of the Audit Committee may also be convened by the Chairperson of the Committee on the initiative of another member of the Committee and at the request of the Company's Management Board. The agenda for the Committee meeting shall be proposed by the person convening the meeting, taking into account the content of the requests to convene the meeting. Such a person may ask a member of the Management Board to prepare relevant materials for the meeting. The Audit Committee operates in accordance with the regulations of the Audit Committee of Caspar Asset Management S.A., the current content of which is available at:

<https://www.caspar.com.pl/relacje-inwestorskie>

Audit Committee members meeting the statutory criteria for independence:

Ms Katarzyna Fabiś and Mr Andrzej Tabor meet the independence criteria set out in Art 129 (3) and (5) of the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Supervision (consolidated text Polish Journal of Laws 2023, item 1015, as amended) (hereinafter: "Act on Statutory Auditors").

Prior to their appointment to the Supervisory Board, Ms Katarzyna Fabiś and Mr Andrzej Tabor had not previously been associated with the Company. Ms Katarzyna Fabiś and Mr Andrzej Tabor made the relevant declarations regarding fulfilment of the independence criterion. At the same time, the Company would like to point out that it has not identified any circumstances that would cause the aforementioned persons to lack or lose the attribute of independence.

Hence, two of the three members of the Audit Committee (the majority of members) are independent, including the Chairperson of the Audit Committee.

Audit Committee members with knowledge and skills in accounting or auditing, with specification of how they were acquired.

Katarzyna Fabiś

Ms Katarzyna Fabiś holds a university degree. She graduated from the Poznań University of Economics in 2000. She has been qualified as a statutory auditor since 2012. She obtained her Association of Chartered Certified Accountants (ACCA) qualification in 2003.

Mr Maciej Czapiewski

Mr Maciej Czapiewski holds a university degree. In 2000, he graduated in management and marketing from the Poznań University of Economics with a Master's degree. In addition, in 2005, he obtained a Master's degree in law from the Adam Mickiewicz University in Poznań. Mr Maciej Czapiewski is qualified as a statutory auditor.

Audit Committee members with knowledge and skills in the industry in which the issuer operates, with specification of how they were acquired.

Katarzyna Fabiś

She gained professional experience: (i) from 1999 to 2005 as a portfolio controller and senior accountant at BZ WBK AIB Asset Management S.A., (ii) from 2005 to 2012 as a manager in the audit department of Grant Thornton Polska sp. z o.o. (now: Grant Thornton Polska Prosta spółka akcyjna), (iii) from 2012 to 2015 as Head of Audit, TGS Network Partner at 4 Audyt sp. z o.o., (iv) from 2015 to 2016 as Financial Controller and Proxy at Agrii Polska sp. z o.o., (v) from 2017 as Head of Accounting, Financial Controller, Foreign Entrepreneur Representative at the branch

office at John Deere Bank SA. Spółka Akcyjna Branch in Poland. Member of the Supervisory Board of the Company since 10 March 2022 and also Chairperson of the Audit Committee of Caspar Asset Management S.A. since 15 March 2022.

Mr Maciej Czapiewski

He gained professional experience: (i) from 1997 to 2005 at HLB Frąckowiak and Partners Ltd. (now: Grant Thornton Frąckowiak Prosta spółka akcyjna) as an assistant auditor and then as a statutory auditor since 2006 as Chairman of the Management Board of HLB M2 sp. z o.o. Tax & Audit sp. k., (iii) lecturer at the School of Banking in Toruń, (iv) lecturer at the Academy of Companies of the Warsaw School of Economics. In addition, he served on the supervisory boards of the joint stock companies: (i) Powszechna Kasa Oszczędności Bank Polski S.A. in 2007-2008, (ii) WEMA S.A. in 2008, (iii) Comarch S.A. in 2008-2011, Port Lotniczy Bydgoszcz S.A. in 2013-2015. The place of performance is the address of the Issuer's registered office. Member of the Supervisory Board of the Company since 2009 and also Vice Chairperson of the Audit Committee of Caspar Asset Management S.A. since 15 March 2022.

Andrzej Tabor

Mr Andrzej Tabor holds a university degree. He obtained a Bachelor of Commerce degree from Concordia University in Montreal, majoring in International Finance. From 1989 to 1991, he studied accounting and finance at Red River College Polytechnic in Winnipeg, Canada. He gained his professional experience: (i) at "Korona" Towarzystwo Funduszy Inwestycyjnych S.A. as an Analyst, (ii) at Cargill Financial Markets Inc Equity Trader CEE, dealing with equities and derivatives in Central and Eastern Europe, (iii) from 1999 to 2001 at Bank Handlowy S.A. as Director of the Analysis Department, (iv) from 2001 to 2012 as a member of the Management Board of Erste Securities Polska S.A., (v) from 2012 to 2014 as Advisor to the Management Board of Erste Securities Polska S.A., (vi) from 2015 as President of the Management Board of Heraclon International Sp. z o. o., (vii) from 2018 as President of the Management Board of Heraclon Publishing Canada Inc. Member of the Supervisory Board of the Company since 10 March 2022 and also member of the Audit Committee of Caspar Asset Management S.A. since 15 March 2022.

Were there any permitted non-audit services provided to the Company by the audit company auditing its financial statements and was there an assessment of the independence of that audit company and approval of the provision of those services.

In 2023, the Audit Committee assessed the independence of 4AUDYT Sp. z o.o. and agreed to the provision of non-audit services consisting in:

– expressing an opinion on whether the Group's annual consolidated financial statements prepared for the period from 1 January 2023 to 31 December 2023 have been tagged in accordance with the requirements set out in the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards for the specifications of the uniform electronic reporting format (hereinafter the "ESEF Regulation") and meet the technical requirements for the specifications of the uniform electronic reporting format that are set out in the ESEF Regulation;

- expressing an opinion on whether the Group's annual consolidated financial statements prepared for the period from 1 January 2024 to 31 December 2024 have been tagged in accordance with the requirements set out in the ESEF Regulation and meet the technical

requirements for the specifications of the uniform electronic reporting format that are set out in the ESEF Regulation;

- assessing the Supervisory Board's Report on remuneration to members of the Management Board and Supervisory Board of Caspar Asset Management S.A. for the year 2023 by the auditor;
- assessing the risk management system at Caspar Towarzystwo Funduszy Inwestycyjnych S.A. by the auditor.

In 2023, the Company entered into relevant agreements with the aforementioned audit company covering the above scope of services.

The main principles of the policy for the selection of the audit company to conduct the audit and the policy for the provision of permitted non-audit services by the audit company, by entities related to the audit company and by a member of the audit company's network.

The Company has a Policy and Procedure for the Selection of an Entity Authorised to Perform an Interim Review of the Separate and Consolidated Financial Statements and to Audit and Issue an Opinion/Audit Report on the Annual Separate and Consolidated Financial Statements and for the Selected Entity Authorised to Perform Other Activities for the Company or the Company's Subsidiaries at Caspar Asset Management S.A. (hereinafter: "Audit Company Selection Policy"). In accordance with the aforementioned policy, the Supervisory Board of the Company is the body authorised to select the entity authorised to perform the interim review of the separate and consolidated financial statements and to audit and issue an opinion/report on the audit of the annual separate and consolidated financial statements (hereinafter: the "Authorised Entity"). The selection of the Authorised Entity follows the recommendation of the Company's Audit Committee acting within the Supervisory Board. Three months prior to the selection of the Audit Company, the Management Board collects bids from at least three audit companies for the review and audit of the interim and annual separate and consolidated financial statements as well as the annual reports of subsidiaries, which it forwards to the Chairperson of the Audit Committee. The Audit Committee then makes a recommendation to the Supervisory Board on the selection of the Authorised Entity. When selecting the Authorised Entity, the Supervisory Board takes into account the recommendation of the Audit Committee and the independent findings and requests contained in the annual report referred to in Article 90(5) of the Act on Statutory Auditors.

The Audit Committee has a number of powers to act in monitoring and controlling the way in which the Authorised Entity performs its contracted audit activities and the Company's financial reporting process as a whole. Its responsibilities also include controlling and monitoring the independence of the Authorised Entity, reporting to the Supervisory Board on its activities in the audit process and the impact of these activities on the integrity of the Company's financial reporting. In addition, in accordance with the Audit Company Selection Policy, the Audit Committee should take steps to minimise the risk of circumstances that prevent or may prevent the eligible Entity from performing or completing the Company's audit engagements in a timely manner.

The Policy for the Selection of the Audit Company further stipulates that before entrusting an Authorised Entity with the provision of services other than the statutory audit, the Audit Committee shall perform an assessment of the threats and safeguards to independence referred

to in Articles 69-73 of the Act on Statutory Auditors. The Chairperson of the Audit Committee shall report the results of the analysis to the Supervisory Board and the Management Board.

Did the recommendation for the selection of the audit company to carry out the audit meet the applicable conditions and was the recommendation made following a selection procedure organised by the issuer that met the applicable criteria.

The Supervisory Board of Caspar Asset Management S.A., acting on the basis of the Company's Articles of Association, selected by Resolution No. 1 of 31 May 2023 4AUDYT Sp. z o.o. with its registered office in Poznań to audit the annual separate financial statements of Caspar Asset Management S.A. for the period from 01.01.2023 to 31.12.2023. and to audit the annual consolidated financial statements of Caspar Asset Management S.A. Group for the period from 01.01.2023 to 31.12.2023. In making the above selection, the Supervisory Board took into account the Audit Committee's Recommendation of 18 May 2023 on the selection of the aforementioned entity to audit the Company's financial statements. The selection was made in accordance with the provisions of the applicable legislation and the Audit Company Selection Policy.

Number of Audit Committee meetings held

The Audit Committee held 7 meetings in 2023 on: 27.02.2023 r. 30.03.2023 r. 26.04.2023 r. 18.05.2023, 23.06.2023, 11.09.2023 and 7.12.2023. In addition, it adopted resolutions in writing between meetings and was in ongoing contact with the auditing company, the person responsible for keeping the accounts, the Management Board and the control units in the Company, i.e. the Supervisor, the Internal Auditor and the Risk Inspector. In exercising its powers, the Audit Committee made recommendations, requested financial information, obtained explanations to the extent necessary from members of the Management Board, Company employees and the auditors, and analysed financial information, including in particular the financial statements.

Caspar Towarzystwo Funduszy Inwestycyjnych S.A.

Management Board

Composition of the Management Board from 1 January 2023 to 31 March 2023:

Tomasz Salus President of the Management Board,
Agata Babecka Vice President of the Management Board,
Tomasz Michalak Vice President of the Management Board (resignation effective 31 March 2023),
Andrzej Miszczuk Vice President of the Management Board.

Composition of the Management Board from 1 April 2023 to 6 June 2023:

Tomasz Salus President of the Management Board,
Agata Babecka Vice President of the Management Board,
Andrzej Miszczuk Vice President of the Management Board.

Composition of the Management Board from 7 June 2023 to 31 December 2023:

Tomasz Salus President of the Management Board,
Agata Babecka Vice President of the Management Board,
Kamil Herudziński Vice President of the Management Board,
Andrzej Miszczuk Vice President of the Management Board.

Supervisory Board

Composition of the Supervisory Board from 1 January 2023 to 31 December 2023:

Witold Pochmara	Chairman of the Supervisory Board,
Maciej Czapiewski	Member of the Supervisory Board,
Rafał Litwic	Member of the Supervisory Board,
Rafał Płókarz	Member of the Supervisory Board.

F-Trust S.A.

Management Board

Composition of the Management Board from 1 January 2023 to 13 June 2023:

Krzysztof Jeske - President of the Management Board,
Anna Švarcová - Vice President of the Management Board,
Jakub Strysik - Vice President of the Management Board.

Composition of the Management Board from 14 June 2023 to 31 December 2023:

Jakub Strysik - President of the Management Board,
Anna Švarcová - Vice President of the Management Board.

Supervisory Board

Composition of the Supervisory Board from 1 January 2023 to 13 June 2023:

Leszek Kasperski - Chairman of the Supervisory Board,
Błażej Bogdziewicz - Member of the Supervisory Board,
Rafał Płókarz - Member of the Supervisory Board,
Piotr Przedwojski - Member of the Supervisory Board.

Composition of the Supervisory Board from 14 June 2023 to 31 December 2023:

Krzysztof Jeske - Chairman of the Supervisory Board,
Błażej Bogdziewicz - Member of the Supervisory Board,
Rafał Płókarz - Member of the Supervisory Board,
Piotr Przedwojski - Member of the Supervisory Board.

12. Statement of the Management Board

The Management Board states as follows:

1. To the best knowledge of the members of the Management Board, the Company's annual separate financial statements and comparative data have been prepared in accordance with the applicable accounting principles and give a true, fair and clear view of the Issuer's assets, financial position and financial result;
2. To the best knowledge of the members of the Management Board, the annual consolidated financial statements and comparative data have been prepared in accordance with the applicable accounting principles and give a true, fair and clear view of the assets, financial position and financial result of the Issuer's Group;

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3. The annual report on the activities of the Issuer and the Issuer's Group gives a true picture of the Issuer's and the Group's development, achievements and position, including a description of the principal risks and threats.

Hanna Kijanowska Błażej Bogdziewicz Krzysztof Jeske

President of the Management Board Vice-President of the Management Board Vice-
President of the Management Board