

Independent Auditor's Report on Annual Consolidated Financial Statements

Grant Thornton Polska

Sp. z o.o. sp. k.
ul. Abpa Antoniego Baraniaka 88 E
61-131 Poznań
Polska

T +48 61 62 51 100
F +48 61 62 51 101
www.GrantThornton.pl

For the Shareholders of Ipopema Securities Spółka Akcyjna

Report on the Annual Consolidated Financial Statements

Opinion

We have audited the annual consolidated financial statements of the Group (the Group), in which the parent entity is Ipopema Securities Spółka Akcyjna (the Parent) with its registered office in Warsaw, Próżna 9 Street which comprise the consolidated statement of financial position as of December 31, 2020, and the consolidated statement of profit or loss, consolidated statement of profit or loss, consolidated statement of changes in equity, consolidated statement of cash flows for the financial year then ended, and notes, comprising a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying annual consolidated financial statements:

- give a true and fair view of the financial position of the Group as of December 31, 2020 and of its financial performance and of its cash flows for the financial year then ended in accordance with the International Accounting Standards, International Financial Reporting Standards and related interpretations published in the form of European Commission regulations and adopted accounting principles (policy),
- comply with the laws affecting the content and form of the annual consolidated financial statements and the provisions of the Parent's articles of association.

The audit opinion is consistent with the additional report to the Audit Committee submitted on the same day as this audit report.

Basis for Opinion

We conducted our audit in accordance with

- the Act of May 11, 2017 on statutory auditors, audit firms, and public supervision (uniform text: Journal of Laws of 2020, item 1415) (the Act on Statutory Auditors),

- International Standards on Auditing adopted as National Standards on Auditing (NSA) by the National Council of Statutory Auditors' resolution No. 3430/52a/2019 of March 21, 2019, as amended and
- Regulation (EU) No. 537/2014 of the European Parliament and of the Council of April, 16 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (OJ L 158, 27.5.2014, p. 77 and OJ L 170, 11.6.2014, p. 66) (the Regulation 537/2014).

Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Annual Consolidated Financial Statements* section of our report.

We are independent of the entities comprising the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* (including *International Independence Standards*) (IESBA Code) adopted by the National Council of Statutory Auditors' resolution No. 3431/52a/2019 of March 25, 2019 together with the ethical requirements that are relevant to our audit of the financial statements in Poland. In particular, in conducting the audit the Key Audit Partner and the Audit Firm remained independent of the entities comprising the Group in accordance with the provisions of the Act on Statutory Auditors and the Regulation 537/2014. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the annual consolidated financial statements of the current period. They include the most significant assessed risks of material misstatement, including assessed risk of material misstatement due to fraud. These matters were addressed in the context of the audit of the annual consolidated financial statements as a whole, and in forming the auditor's opinion thereon. Below, we provided a summary of our response to those risks and where relevant, key observations arising with those risks. We do not provide a separate opinion on these matters.

Risk of incorrect recognition of sales revenue.

Sales revenue is a significant area of the financial statements. There is a risk of misstatement of financial reporting by overstating revenue (for example, by recognizing revenue prematurely or reporting fictitious revenue) or understating revenue (for example, by improperly deferring revenue to a later period).

Auditor's response

The procedures carried out in this area included:

- understanding the revenue recognition process in the Parent Company and consolidated subsidiaries,
- assessment of the internal control environment in the revenue recognition process,
- carrying out reconciliation of commission income from stock exchange transactions to brokerage reports in the Parent Company,
- for a selected sample, obtaining pledging of transactions and reconciliation of commission amount to general conditions included in the fee schedule or individual terms and conditions specified in agreements,
- on a selected sample of source documents assessing the correctness of allocation of costs to a specific project and relevant process,
- on a selected sample of revenues from the provision of advisory services, analysis of revenues accrued in the reporting period in relation to contractual provisions
- analyses were carried out to determine whether there were any projects with zero or negative margins.

Responsibilities of Management Board and Supervisory Board of the Parent for the Annual Consolidated Financial Statements

The Management Board of the Parent is responsible for the preparation of these annual consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the International Accounting Standards, International Financial Reporting Standards and related interpretations published in the form of European Commission regulations, adopted accounting principles (policy), legal regulations, and the Parent's articles of association. The Management Board of the Parent is also responsible for such internal control as the Management Board determines is necessary to enable the preparation of annual consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the annual consolidated financial statements, the Management Board of the Parent is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Board of the Parent either intends to liquidate the Group or to cease the operations, or has no realistic alternative but to do so.

In accordance with the Accounting Act of September 29, 1994 (uniform text: Journal of Laws of 2021, item 217, as amended) (the Accounting Act), the Management Board and the Supervisory Board of the Parent are obliged to assure compliance of the annual consolidated financial statements with the requirements of the Accounting Act. The Supervisory Board of the Parent is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Annual Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual consolidated financial statements.

The scope of the audit does not include assurance on the future viability of the Group or on the efficiency or effectiveness with which the Management Board of the Parent has conducted or will conduct the affairs of the Group.

As part of an audit in accordance with NSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board of the Parent.
- Conclude on the appropriateness of the Management Board of the Parent's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in

our auditor's report to the related disclosures in the annual consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual consolidated financial statements, including the disclosures, and whether the annual consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the annual consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Supervisory Board of the Parent regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Supervisory Board of the Parent with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From matters communicated with the Supervisory Board of the Parent, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that the matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Information including the Report on the Group's operations

The other information comprises the Report on the Group's operations for the financial year ended December 31, 2020, the Corporate Governance Statement which are a separate parts of the Report on the Group's operations and the Annual Report for the year ended December 31, 2020 (but does not include the consolidated financial statements and our auditor's report thereon).

Responsibilities of the Management Board and the Supervisory Board of the Parent

The Management Board of the Parent is responsible for the preparation of the other information in accordance with the Accounting Act and other legal regulations. The Management Board and the Supervisory Board of the Parent are obliged to assure compliance of the Report on the Group's operations with the requirements of the Accounting Act.

Responsibilities of the Auditor

Our opinion on the annual consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon that results from NSAs. In connection with our audit of the annual consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether it is materially inconsistent with the annual consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. Additionally, according to the Act on Statutory Auditors, our responsibility is to express an opinion on whether the Report on the Group's operations has been prepared in accordance with legal regulations and whether information included therein is consistent with the accompanying annual consolidated financial statements. Moreover, we are obliged to express an opinion on whether the Parent included the required

information in the Corporate Governance Statement. We obtained the Report on the Group's operations prior to the date of this auditor's report, while the remaining parts of the Annual Report will be delivered later. If we conclude that there is a material misstatement in the Annual Report, we are required to communicate the matter to the Supervisory Board of the Parent.

Opinion on the Report on the Group's operations

In our opinion, the Report on the Group's operations has been prepared in accordance with the applicable legal regulations, i.e. Article 55 clause 2a of the Accounting Act and Paragraph 71 of the Regulation of the Minister of Finance of March 29, 2018 on current and periodic information disclosed by issuers of securities and the conditions for recognition as equivalent of the information required by law of a non-member state (Journal of Laws of 2018, item 757) (the Regulation on current and periodic information), and information included therein is consistent with the accompanying annual consolidated financial statements. Moreover, taking into account our knowledge of the Group and its environment obtained during the audit of the annual consolidated financial statements, we state that we have not identified any material misstatements in the Report on the Group's operations.

Opinion on the Corporate Governance Statement

In our opinion, the Corporate Governance Statement includes the information required by Paragraph 70 clause 6 point 5 of the Regulation on current and periodic information. The information specified in Paragraph 70 clause 6 point 5 letters c-f, h and i of the Regulation on current and periodic information included in the Corporate Governance Statement complies with applicable regulations and is consistent with the information included in the annual consolidated financial statements.

Report on Other Legal and Regulatory Requirements

Opinion on whether the consolidated financial statements prepared in the single electronic reporting format comply with the requirements of the regulation on technical standards for single electronic reporting format specifications

In connection with the audit of the annual consolidated financial statements, we were engaged to perform an attestation service that provides reasonable assurance to express an opinion on whether the Group's annual consolidated financial statements as at and for the year ended 31 December 2020, prepared in a single electronic reporting format contained in a file named *ipe_2020-12-31.zip* (consolidated financial statements in ESEF format) has been labelled in accordance with the requirements set out in 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 concerning the specifications of the uniform electronic reporting format (ESEF Regulation) and meets the technical requirements for the specifications of the uniform electronic reporting format that are set out in the ESEF Regulation.

Identification of criteria and description of the object of the service

The consolidated financial statements in ESEF format have been prepared by the Board of Directors of the Parent Company in order to comply with the labelling and technical requirements for the specifications of the uniform electronic reporting format that are set out in the ESEF Regulation.

The object of our assurance service is the compliance of the consolidated financial statements in ESEF format with the requirements of the ESEF Regulation, and the requirements set out in these regulations are, in our opinion, appropriate criteria for forming our opinion.

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

Management of the Parent Company is responsible for preparing the consolidated financial statements in ESEF format in accordance with the tagging requirements and technical requirements for the specification of the

uniform electronic reporting format that are set out in the ESEF Regulation. This responsibility includes the selection and application of appropriate XBRL tags using the taxonomy set out in the ESEF Regulation. The responsibility of the Board of Directors of the Parent Company also includes designing, implementing and maintaining a system of internal control to ensure that the consolidated financial statements are prepared in ESEF format free from material non-compliance with the requirements of the ESEF Regulation. The members of the Supervisory Board of the Parent Company are responsible for overseeing the financial reporting process, which includes the preparation of the financial statements in accordance with the format prescribed by applicable law.

Auditor's responsibility

Our purpose was to express an opinion, on the basis of performing an assurance service that provides reasonable assurance, as to whether the consolidated financial statements in ESEF format have been labelled in accordance with the requirements of the ESEF Regulation and whether they comply with the technical standards for the specification of a single electronic reporting format set out in the ESEF Regulation. We have performed the service in accordance with the National Standard on Assurance Engagements Other than Audits and Reviews 3000 (Z) as set out in International Standard on Assurance Engagements 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information, which was adopted by resolution National Council of Statutory Auditors No. 3436/52e/2019 of 8 April 2019, as amended (KSUA 3000 (Z)).

This standard requires the auditor to plan and perform procedures to obtain reasonable assurance that the consolidated financial statements in ESEF format have been prepared in accordance with specified criteria. Reasonable assurance is a high level of assurance but does not guarantee that a service performed in accordance with KSUA 3000 (Z) will always detect an existing material misstatement.

The choice of procedures depends on the auditor's judgement, including their estimate of the risk of material misstatement due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the consolidated financial statements in ESEF format in order to design appropriate procedures to provide the auditor with sufficient and appropriate evidence. An assessment of the operation of the internal control system has not been made in order to express an opinion on its effectiveness.

Summary of the work done

The procedures we planned and performed included, but were not limited to:

- obtaining an understanding of the process for preparing the consolidated financial statements in ESEF format including the process of selection and application of XBRL tags by the Board of Directors of the Parent Company and ensuring compliance with the ESEF Regulation, including an understanding of the internal control system mechanisms related to this process,
- reconciliation of the tagged information included in the consolidated financial statements in ESEF format to the audited annual consolidated financial statements,
- assessing compliance with the technical standards for the specification of the single electronic reporting format, including the use of XHTML format, using specialized IT tools,
- assessing the completeness of tagging the information in the consolidated financial statements in ESEF format with XBRL tags,
- assessing whether the applied XBRL tags from the taxonomy specified in the ESEF Regulation have been applied appropriately and that taxonomy extensions have been used where the relevant elements have not been identified in the underlying taxonomy specified in the ESEF Regulation
- to assess the correctness of the anchoring of the applied taxonomy extensions to the core taxonomy of the ESEF Regulation.

We consider that the evidence we have obtained provides a sufficient and appropriate basis for our opinion of the performance of the attestation service.

Ethical requirements, including independence

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

Quality control requirements

The audit firm applies the national quality control standards in the wording of International Quality Control Standard 1 Quality Control of Firms Performing Audits and Reviews of Financial Statements and Performing Other Assurance and Related Service Engagements adopted by Resolution of the National Council of Statutory Auditors No. 2040/37a/2018 of 3 March 2018, as amended (NCSA).

As required by the NCSA, the audit firm maintains a comprehensive quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Opinion

The basis for the formulation of the auditor's opinion is based on the matters described above and the opinion should therefore be read with these matters in mind.

In our opinion, the consolidated financial statements in ESEF format have been prepared in all material respects in accordance with the requirements of the ESEF Regulations. As required by the NCSA, the audit firm maintains a comprehensive quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Information on compliance with prudential regulations

The Parent Company's Management Board is responsible for ensuring that the Group's activities comply with the prudential regulations set out in separate legislation, and in particular for the correct determination of capital ratios.

The purpose of our audit of the consolidated financial statements was not to express an opinion on the Group's compliance with prudential regulations, and therefore we express no opinion on this matter. As part of our audit of the annual consolidated financial statements, we performed procedures that were designed to identify any breaches by the Group of prudential regulations set out in separate regulations, in particular with respect to the correctness of the determination by the Management Board of the Parent Company of the capital ratios presented in Note 13.4. of the explanatory notes to the attached consolidated financial statements, which could have a material effect on the consolidated financial statements.

As a result of our audit of the accompanying annual consolidated financial statements of the Capital Group, we report that we have not identified any instances of non-compliance by the Capital Group in the period from 1 January 2020 to 31 December 2020 with the prudential regulations applicable to it, as set out in separate regulations, in particular with respect to the correctness of the determination by the Management Board of the Parent Company of the capital ratios as at 31 December 2020, which could have a material impact on the audited annual consolidated financial statements.

Statement on non-audit services

To the best of our knowledge and belief we confirm that we have not provided non-audit services prohibited in accordance with the provisions of Article 136 of the Act on Statutory Auditors and Article 5 clause 1 of the Regulation 537/2014.

Appointment of the Audit Firm

We were appointed to audit the annual consolidated financial statements of the Group for the years 2020 and 2021 by the Parent's Supervisory Board's resolution of June 18, 2020. We have been auditors of the Group

since the financial year ended December 31, 2018, for three consecutive financial years. We were appointed for two-year periods: 2018 and 2019; 2020 and 2021.

Elżbieta Grześkowiak

Statutory Auditor No. 5014
Key Audit Partner performing the audit on behalf of
Grant Thornton Polska Spółka z ograniczoną odpowiedzialnością sp. k.,
Poznań, ul. Abpa Antoniego Baraniaka 88 E, Audit Firm No. 4055

Poznań, March 30, 2021.

THIS IS TRANSLATION ONLY. The Polish language version of the report is the only valid and legally binding version. This translation into English is provided to facilitate understanding of the report.