1.1.1.1

MANAGEMENT REPORT OF GENOMTEC S.A. FOR 2023

Wrocław, April 25, 2024

Ladies and Gentlemen, Shareholders and Investors,

We are pleased to share with you the 2023 annual report of Genomtec S.A., a summary of the events in 2023 and a valuable source of knowledge about our achievements and plans for the future.

Last year saw the completion of an important milestone we would like to highlight – the confirmation of the usefulness of a Genomtec-developed method for detecting genetic variants, including in oncological diagnostics, and submitting a patent application in September 2023, which extends the scope of application of the proprietary SNAAT® method based on the amplification of genetic material using the LAMP technique beyond the area of infectious disease diagnostics. In a very short time – a few months – our team made significant progress in this completely new area of our research: the detection of genetic changes. The result was a fast transition from concept stage, through experimental work and laboratory tests, culminating in the submission of a patent application, which we consider an important milestone in our oncology project. This is crucial to us because it opens the doors to talks with a much wider range of potential partners of a M&A transaction. Importantly, achieving success in this area would not have been possible without additional funds (over PLN 13 million), which we secured in the spring of 2023 through a share issue. Here we would like to express our thanks to those of you who decided to support the company's development by becoming our shareholders.

We also submitted an application for grants for our oncology program as part of a call for the European Funds for a Modern Economy program organized by the Polish Agency for Enterprise Development (PARP). In October 2023, our project was positively assessed by PARP and recommended for funding in the amount of over PLN 21 million. This is a great success because independent experts have confirmed the potential and value of our technology built in recent years. Born in December we signed an agreement with PARP and received grant funds that contributed to our budget for the project.

In order to receive funding from European funds to accelerate work on the development of the OncoSNAAT oncology project, we need partial own financing that exceeds the funds we had at our disposal at the end of 2023. Hence, we made efforts to increase the capital and in March this year Genomtec concluded an investment agreement with ten significant shareholders of the Company, including the founders of the Company and a foreign investor, as a result of which we will obtain over PLN 10 million, which will almost entirely be used to support the further development of the oncology project OncoSNAAT, which is crucial to increasing the company's value and to completing a potential M&A transaction.

At the same time, we are working on our most advanced project related to infectious disease diagnostics: the Genomtec ID platform. Our focus of remains on optimizing the costs of future production and operation of the platform and the possibility of scaling up the production of the reaction card, reagents and the analyzer. The Genomtec ID clinical trial for respiratory infectious diseases resumed at the start of the flu season and is going according to plan – we receive patient samples every week. The research is taking place in France and Poland.

Efforts aimed at commercializing our technology, carried out together with our transaction advisor, Clairfield Partners, are progressing as planned. Clairfield Partners are currently in talks with potential partners interested in purchasing our technology. In 2023, we participated in key industry conferences for the bio-tech and in-vitro diagnostics markets: BIO 2023 in Boston, ADLM 2023 in Anaheim (formerly known as AACC) and ECCMID 2023 in Copenhagen. During these conferences, we had scores of meetings, including with members of the Management Boards of potential M&A process partners,

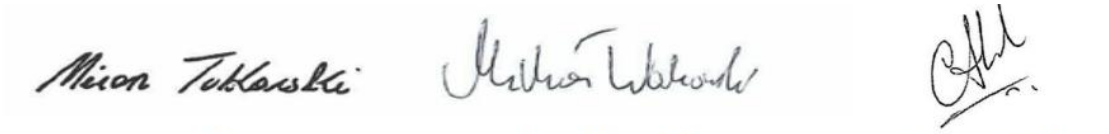
which were a starting point for further talks. The management board intends to complete the M&A process as soon as possible. Of course, the implementation of this plan hinges on many factors over which the board has no or limited influence, but we strive to make it happen.

Finally, it is worth noting the changes in the Supervisory Board that took place in March and April this year, with Gualtiero Garlasco, Beata Turlejska and Dr. Trevor Hawkins joining Genomtec's Supervisory Board. We are very pleased that Dr. Trevor Hawkins, an experienced leader in business development, research and commercial operations for global healthcare companies, has agreed to join our Supervisory Board. With Dr. Trevor Hawkins and Mr. Gualtiero Garlasco, a veteran of the MedTech industry with extensive experience in business development, our company has gained two world-class experts who will provide significant support on the way to achieving the company's strategic goals and developing our innovative technology in the area of genetic diagnostics in infectious diseases and oncology.

We would like to thank our Shareholders and investors for their trust, and our employees for their contribution to the growth of Genomtec's business. We invite you to read our quarterly report, and if you have any questions, feel free to contact our Investor Relations Team at investors@genomtec.com

With kind regards,

Management Board of Genomtec S.A.



Miron Tokarski	Michał Wachowski	Charudutt Shah
Prezes Zarządu	Członek Zarządu	Członek Zarządu

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1 Financial highlights

in thousands	2023 [PLN]	2022 [PLN]	2023 [EUR]	2022 [EUR]
Revenue from sales	1	40	0	9
Cost of sales	1	31	0	7
Revenue from grants	1,145	446	253	95
Research and development expenses	793	3,240	175	691
General and administrative expenses	9,430	8,568	2,082	1,828
Result on operating activities	-8,727	-11,492	-1,927	-2,451
Net profit/loss	-9,013	-11,928	-1,990	-2,544
Equity	8,302	4,888	1,909	1,042
Cash and cash equivalents	4,169	4,139	959	883
Total assets	15,972	11,756	3,673	2,507
Long-term liabilities	4,526	4,544	1,041	969
Short-term liabilities	3,144	2,324	723	496

In order to present the items shown in the "Selected financial data" table in EUR, the items of the statement of financial position were converted using the average NBP exchange rate applicable on the last day of the reporting period.

The items of the statement of comprehensive income and the statement of cash flows were translated using the exchange rate being the arithmetic mean of the average NBP exchange rates established on the last day of each calendar month of the reporting period.

EUR exchange rate		2023
	Average during the reporting period	4.5284
	Exchange rate on the last day of the reporting period	4.3480

2 Information on the Issuer

2.1 General information about the Company

Based in Wrocław, Genomtec S.A. (Company, Issuer, Genomtec) was founded in 2016 by a group of scientists and engineers with experience, skills and know-how in the domain of molecular biology, microsystems and photonics.

The Company’s core business is scientific research and development in the field of biotechnology.

The Company’s flagship project, Genomtec ID, is a diagnostic system that has the potential to become a new standard in diagnostics. Owing to its mobility, speed and effectiveness, the device enables the detection of pathogens such as viruses, bacteria and fungi and of genetic mutations through the analysis of biological material: swab, urine, saliva.

With a cuboid shape and measuring approx. 10cm x 10cm x 15cm, Genomtec ID is a handy diagnostic system marked by mobility and speed of testing while maintaining the highest standards of sensitivity and specificity. Genomtec ID will be able to test up to five pathogens at the same time on one reaction card, which, in the view of the Management Board, represents the optimal information value for the person analyzing the results.

In 2023, the Company began work on the development of a new diagnostic platform based on nucleic acid isothermal amplification techniques. The project seeks to develop a technology and automatic system for detecting mutations in the area of clinical oncology using on a lab-on-chip solution and nucleic acid isothermal amplification techniques, designed, among others, to choose a targeted oncological therapy.

As at the date of publication of this report, the Company does not form a corporate group and has no subsidiaries. The company has no branches.

There were no changes to the essential principles of managing the Company's business during the reporting period.

On February 16, 2023, the Company debuted on the WSE Main Market.

2.2 Objects of the Company

Genomtec S.A. conducts research and development work in the use of isothermal methods in molecular diagnostics.

Another area of the Company's business is the development and commercialization of genetic tests used, among others, in the detection of viral infectious diseases, including COVID-19, caused by the SARS-CoV-2 virus. However, the Management Board treats the testing activity as a side bar – the Company's key projects are Genomtec ID and the OncoSNAAT oncology project.

The experience gained in the scientific and business projects we have completed has allowed us to develop a technology free of the disadvantages of the currently dominant approach to genetic diagnostics, with particular emphasis on Point of Care Testing (POCT): the device size, its energy consumption, time to obtain a result, cost of producing the analyzer and reaction cards.

Given the above, the Issuer decided to develop its devices based on the rapidly developing isothermal method of amplifying genetic material using the LAMP technique. The company uses its own automated version of this method, which it has called SNAAT® (Streamlined Nucleic Acid Amplification Technology).

It is estimated that the annual growth rate of the market value of isothermal nucleic acid amplification is significantly higher than the current market standard – the Polymerase Chain Reaction (PCR).

2.3 Strategy and goals

The company focuses on research and development. Its strategic objective is to develop key technological and scientific competences in order to maximize the effect of tasks carried out as part of the current projects. Currently, the Company does not have the capacity and production resources to mass-produce devices or reaction cards, and its development strategy does not assume that such production capacities will be implemented by the Company on its own. The Company's development strategy envisions the development of innovative technologies by the in-house scientific team, securing intellectual value via patents and patent applications, and commercializing projects in conjunction with external partners.

The strategic goal of the Company is therefore to achieve the ability to commercialize and market the results of work carried out by the Company's specialists. This currently applies primarily to our flagship project, the Genomtec ID diagnostic system, and the oncology project.

As the Company's strategic projects are Genomtec ID and the development of its oncology project, Genomtec is currently investing extensive time and resources in the development of these projects. The development strategy for these products assumed their certification by an authorizing entity in Europe and the achievement of external production capabilities on a small scale, which, for Genomtec ID, took place in the second half of 2022. The market sale of the results of the Company's work may, as a rule, take place in line with one of two basic formulas: strategic partnership and licensing or sale of technology – these possibilities are analyzed by the Company on an ongoing basis and, in order to implement them, Genomtec is seeking a partner or business investor. Work in this area intensified at

the end of 2022 after launching a relationship with Clairfield Partners LLC. The subject of the agreement Clairfield Partners LLC is advisory in the process of establishing a strategic partnership, selling licenses and/or selling all or part of the intellectual property and related technology. Pursuant to the concluded agreement, Clairfield Partners LLC is responsible, among others, for identifying and selecting potential buyers and partners. These efforts include, among others: preparing the required materials and establishing contacts, including with global companies from the in-vitro diagnostic medical device sector.

Since the commencement of research and development work, the company has taken the following steps to ensure effective market commercialization:

- collaboration with international CDMO partners in the area of reaction cards and the analyzer, which lends credence to production capabilities in the eyes of international entities;
- development of a team of specialists with international experience in the commercialization of medical devices;
- ensuring the protection of intellectual property through patents and patent applications, which allows us to build the value of the technology.

At the same time, using the international contacts with people working or collaborating with the Company, including a UK team and the industry experience of Mr. Charudutt Shah, member of the Management Board, the Company conducts talks with potential business partners, presenting its technology and commercial opportunities.

Genomtec also attends trade fairs and conferences.

As at the date of publication of this Report, the Management Board has not made a decision to choose a single path to the market sale of the results of the Company's work. The main criterion that the Management Board will consider when choosing the appropriate path is the maximization of the Company's value for shareholders and the effectiveness of the Company's development.

As at the date of publication of this report, a review of strategic options is under way, of which the Company has informed the public, among others, in its current reports 27/2022 and 4/2023.

2.4 Company development projects

2.4.1 Genomtec ID

Genomtec ID is the Company's flagship technological solution that offers rapid genetic diagnostics using the SNAAT® technology. The Genomtec ID system allows the diagnostic process to be carried out at the point of care testing (such as primary care clinics, pharmacies, doctor's offices, emergency departments (EDs)) without the need for complicated and time-consuming laboratory procedures performed by qualified personnel. Currently, the Genomtec ID platform is at the stage of industrialization in collaboration with an external partner – a CDMO (Contract Development and Manufacturing Organization).

In the second quarter of 2022, the Issuer achieved the significant milestone of obtaining the CE-IVD mark for its flagship solution – a diagnostic panel for detecting pathogens causing respiratory diseases, the Genomtec®ID 5-Plex Respiratory Panel (RP5-PLEX) – required for all in-vitro diagnostics devices (IVD

devices) to be launched on the market in the European Economic Area countries and in Iceland, Norway and Liechtenstein. GENOMTEC registered a new IVD device with the Office for Registration of Medicinal Products, Medical Devices and Biocidal Products, and after the statutory deadline for notification expired, it obtained the right to launch the Genomtec ID 5-Plex Respiratory Panel in the EU market (ESPI current report 12/2022 of June 8, 2022).

2.4.2 Oncology project

The oncoSNAAT oncology project is a method developed by Genomtec that uses the SNAAT® technology for cancer diagnosis in distributed diagnostics. The project involves the development of a technology and automatic system for the detection of genetic variants in the area of clinical oncology using a lab-on-chip solution and isothermal nucleic acid amplification techniques. As part of the R&D work, laboratory work will be carried out to develop a technology of detecting genetic variants in oncological diagnostics using microfluidic cards in order to enable diagnosis and the use of molecularly targeted therapy. The technology will be further developed using a dedicated analyzer and a clinical trial will be conducted.

Moreover, in addition to the diagnostics of upper respiratory tract diseases and oncology, which are one of the most lucrative segments of the diagnostics market, the technology under development can be used, among others, in areas related to drug dosing, epidemiology, veterinary diagnostics and food safety. The project implementation started in January 2024 and will last until 2027.

2.5 Intellectual and industrial property

2.5.1 Patent protection

Patent protection of a technology or of the processes comprising a technology is a key area of building and protecting the intellectual value developed in the Company.

As at the date of publication of this report, the Company holds patents in Europe, the US, Canada, Brazil and Japan. In addition, the Company has over 30 patent applications pending for global markets.

List of the Issuer's patents:

No.	Patent number	Valid in	Name	Expires by
1	Patent 235210	Poland	Method of detecting genetic material in a biological sample and device for its implementation	Dec 21, 2036
2	US 10781479	USA	Method of detecting genetic material in a biological sample and device for its implementation	Dec 21, 2037
3.	237232	Poland	Set of primers for amplification of Borrelia burgdorferi's nucleotide sequence, method for detecting Borrelia burgdorferi, method for diagnosing Lyme disease and	Oct 20, 2037

No.	Patent number	Valid in	Name	Expires by
			kit for diagnosing Lyme disease	
4.	6961700	Japan	Method for detecting genetic material in a biological sample, device for the implementation of this method	Dec 20, 2037
5	Patent 239727	Poland	Set for non-contact temperature control, method of generating electromagnetic wave fronts and use of the set for generating temperature field profiles	Jan 3, 2038
6	Patent 240016	Poland	Set of primers for detecting human papilloma virus type 16 (HPV16), method of detecting HPV16 infection, use of the set of primers for detecting HPV infection	Sep 9, 2039
7	338891	Albania, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Montenegro, Czech Republic, Denmark, Estonia, Finland, France, Greece, Spain, Netherlands, Ireland, Iceland, Liechtenstein, Lithuania, Luxembourg, Latvia, Macedonia, Malta, Monaco, Germany, Norway, Portugal, Romania, San Marino, Serbia, Slovakia, Switzerland, Sweden, Turkey,	Method of detecting genetic material in a biological sample and device for its implementation	Dec 20, 2037

No.	Patent number	Valid in	Name	Expires by
		Hungary, UK and Italy		
8	63179	Serbia	Method of detecting genetic material in a biological sample and device for its implementation.	Dec 20, 2037
9	BR 112019012501-9	Brazil	Method of detecting genetic material in a biological sample and device for its implementation (UM MÉTODO PARA DETECTAR MATERIAL GENÉTICO EM UMA AMOSTRA BIOLÓGICA E UM DISPOSITIVO PARA SUA IMPLEMENTAÇÃO)	Dec 20, 2037
10	11608521	USA	Method of detecting genetic material in a biological sample and device for its implementation (continuation)	Oct 23, 2037
11	88667-1	Canada	Method of detecting genetic material in a biological sample and device for its implementation	Dec 20, 2037
12		Poland	Set of primers for amplification of the nucleotide sequence of the Mycoplasma pneumoniae dnaE gene, method of detecting the Mycoplasma pneumoniae bacterium, method of detecting infection with the Mycoplasma pneumoniae bacterium and kit for detecting infection with the Mycoplasma pneumoniae bacterium	

2.5.2 Industrial property

In 2023, GENOMTEC filed sixteen patent applications:

• Patent application filed under the global PCT procedure:

- "Primer set, reagent composition and method of detecting Neisseria meningitidis";

- “Set of primers for amplifying the nucleotide sequence of the recA gene of Salmonella enterica sp., method of detecting Salmonella enterica sp., method of detecting an infection caused by Salmonella enterica sp. 5, and kit for detecting an infection caused by Salmonella enterica sp.”;

- “Set of primers, composition of the reaction mixture and method of detecting human respiratory syncytial virus types A and B (RSVA and RSVB)”.

• Patent applications filed with the Patent Office of the Republic of Poland:

- “Starter set, reagent composition and method of detecting defined types of orthomyxoviruses)";

- “Method of detecting changes in the nucleotide sequence using isothermal amplification of nucleic acids, set of primers and the composition of the reaction mixture for detecting selected genetic variants]”;

• Patent applications filed with the United States Patent and Trademark Office:

- “Starter set, reagent composition and method of detecting atypical bacteria [ChT]”;

- “Amplification primer kit, method for detecting a sexually transmitted bacterial infection, and kit for detecting the infection [NG]”;

- “Primer set, reagent composition and method of detecting methicillin-resistant Staphylococcus aureus (MRSA)”.

- Patent applications filed under the European EPO procedure:
  - “Diagnostic primers, kits and methods for viral detection”;
  - “Set of primers, composition of reagents and method of detecting atypical bacteria [PD]”;
  - “Amplification primer kit, a method for detecting a sexually transmitted bacterial infection, and kit for detecting the infection [NG]”;
  - “Primer set, reagent composition and method of detecting methicillin-resistant Staphylococcus aureus (MRSA)”;
- Patent applications filed with the Japanese patent office:
  - “Starter set, reagent composition and method of detecting atypical bacteria [ChT]”,
  - “Amplification primer kit, method of detecting a sexually transmitted bacterial infection, and kit for detecting the infection [NG]”;
  - “Primer set, reagent composition and method of detecting methicillin-resistant Staphylococcus aureus (MRSA)”.

As at the date of publication of this report, the Company holds patents in Europe, the US, Canada, Brazil and Japan. In addition, the Company has over 30 patent applications pending for global markets.

2.6 Sources of financing – grants

From the start of the Company’s operation, its basic sources of financing were contributions from the founders and external investors as well as funds obtained from support programs, such as grants.

Issuance of series M shares

On March 27, 2023, the Extraordinary General Meeting adopted a resolution on the issue of up to 1,237,000 series M ordinary bearer shares and authorized the Management Board to increase the share capital within the authorized capital by issuing up to 400,000 new ordinary bearer shares. As the

Company reported in ESPI current reports 22/2022 and 27/2022, funds obtained from the above-mentioned issues are intended to maximize the Company's valuation for the purposes of the planned strategic partnership, sale of licenses and/or sale of all or part of its intellectual property and related technology, and are to be spent to:
a. intensify R&D in the oncology area,
b. conduct an early access program for leading clinical units in the European Union,
c. optimize the production costs of the reaction card and analyzer for the Genomtec ID mobile diagnostic system,
d. continue clinical tests (funds from the issue will allow achieving the milestone of readiness for IVDR certification),
e. strengthen the Company's cash position for the purposes of a possible M&A process.

On March 28, 2023, an investment agreement was concluded between the Company and Leonarto Funds SCSp domiciled in Luxembourg ("Shareholder"), a shareholder of the Company ("Investment Agreement"), which is part of the implementation of the above intention to obtain financing. The Company's seeks to obtain financing through the issue of new shares in collaboration with a Shareholder who plans to sell some of his shares solely for the purpose of reinvesting all the funds obtained from such sale in the acquisition of newly issued shares under the terms specified in the Investment Agreement, i.e. at the same price at which investors will take up new series M shares, which the Company reported in detail in ESPI current report 6/2023. On April 17, 2023, the Company received information of that Dom Maklerski INC S.A. completed building an accelerated ABB book of demand for no more than 1,237,000 series M shares to be issued by the Company and no more than 400,000 shares to be sold via public offering by Leonarto Funds SCSp.

In connection with the above, an annex to the Investment Agreement was signed, under which Leonarto Funds SCSp committed to increase the maximum number of Company shares held by Leonarto Funds SCSp to 900,000 and to allocate the funds obtained from the sale of the shares exceeding the originally planned number of 400,000, exclusively for the acquisition of series M shares offered by the Company as part of the public offering, their number not exceeding 500,000 series M shares (ESPI current report 9/2023 of April 17, 2023). In current report 12/2023 of April 27, 2023, the Company provided information summarizing the public offering in the form of private subscription of series M ordinary shares issued on the basis of resolution 03/03/2023 of the Extraordinary General Meeting, adopted on March 27, 2023.

The Company's series M shares were registered in the National Court Register on May 29, 2023, of which the Company informed in ESPI current report 13/2023 (amended on May 29, 2023).

Issue of series N shares

On June 1, 2023, the Management Board adopted a resolution to increase the Company's share capital within the limits of the authorized capital by issuing series N ordinary bearer shares with the full exclusion of the pre-emptive rights of existing shareholders, amending the Company's Articles of Association and applying for the admission of these shares to trading on the regulated market ("Issue Resolution").
Pursuant to the Issue Resolution, the Company's share capital was increased by PLN 40,000, i.e. up to PLN 1,179,554.00, by issuing 400,000 series N ordinary bearer shares with a nominal value of PLN 0.10

each ("Series N Shares"). The entirety of N series shares were offered for acquisition to Leonarto Funds SCSp domiciled in Luxembourg (the "Shareholder") for an issue price of PLN 8 per one N series share. The agreement for the acquisition of N series shares was concluded between the Company and the Shareholder on June 1, 2023. The issue of Series N Shares was carried out by the Company in execution of the investment agreement of March 28, 2023, between the Company and the Shareholder, of which the Company informed in current report 6/2023 of March 28, 2023, and in the current report 9/2023 of April 17, 2023.

Series N shares were registered in the National Court Register on June 22, 2023 (ESPI current report 17/2023).

Financing agreement with the Polish Agency for Enterprise Development

On December 22, 2023, the Company signed an agreement with the Polish Agency for Enterprise Development (PAPR) to co-finance the project "Development of the technology for and of an automatic mutation detection system in the area of clinical oncology based on a lab-on-chip solution and isothermal nucleic acid amplification techniques". The agreement specifies the rules for PAPR to provide co-financing for the implementation of the above project and the rights and obligations of the parties related to it. The amount of funding is approximately PLN 21.6 million, and the total cost of implementing the project is approx. PLN 36.7 million. The project will start in January 2024 and is expected to be completed in 2027. (ESPI current report 29/2023).

Issue of series O shares

On March 26, 2024, the Company concluded an investment agreement with ten shareholders of the Company, including the President of the Management Board, Miron Tokarski, and the founders of the Company ("Shareholders"). Pursuant to the Investment Agreement, the Shareholders agreed to provide financing to the Company by taking up a total of 1,066,684 new ordinary bearer shares issued by the Company for a unit issue price of PLN 10.00. The proposed issue price of the New Issue Shares was agreed between the parties to the Investment Agreement based on the market conditions prevailing on the date of conclusion of this agreement, taking into account the average price of the Company's shares in the period of 3 months preceding the date of conclusion of the Investment Agreement.

The above obligation of the Shareholders was reserved under the condition precedent that the General Meeting of the Company adopts a resolution constituting the basis for the Company to conduct a public offering (in the form of private subscription) of New Issue Shares addressed to the Shareholders, excluding the pre-emptive right of the Company's shareholders. The Investment Agreement will expire if the Issue Resolution is not adopted by May 31, 2024. On April 22, 2024, the Extraordinary General Meeting adopted a resolution on increasing the Company's share capital by issuing no more than 1,066,684 new ordinary series O bearer shares, the issue price of which will be PLN 10 per share (current report 13/2024). The most important events during the reporting period and after the balance sheet date.

2.7 Key events of the reporting period and subsequent events

2.7.1 Description of the status of implementation of the Issuer's activities and investments and their implementation schedule

At the beginning of 2023, Genomtec received a valuation of Genomtec's intellectual property portfolio from the German company Dennemeyer Consulting GmbH. The value of Genomtec's intellectual property was estimated at EUR 191,336 million gross.

In mid-February 2023, Genomtec debuted on the main market of the Warsaw Stock Exchange. The transition from the NewConnect market to the main trading floor of the Warsaw Stock Exchange was an important milestone in the Company's development.

In the following months, the Company continued efforts aimed at commercializing its technology. Together with the transaction advisor, Clairfield Partners, the Company conducted talks with potential partners interested in purchasing the technology. One of the elements of activities aimed at commercialization was the launch of a new project in the field of oncology.

In a relatively short time, the company confirmed the usefulness of the developed method in the diagnosis of genetic variants and submitted a patent application in September 2023, which extends the scope of applications of the proprietary SNAAT method based on the amplification of genetic material using the LAMP technique beyond the area of diagnostics of infectious diseases. This was possible thanks to intensive work on the development of a technology enabling the detection of genetic variants, including cancer mutations, using isothermal nucleic acid amplification techniques, which the Company carried out in the previous months. The team's goal was to obtain specificity results previously unavailable for this type of methods. In just a few months, the Company has made significant progress in this completely new area of its operations. The result was a quick transition from the concept stage, through experimental work and laboratory tests, culminating in the preparation and submission of a patent application in September. This success opened the way for talks with a much wider range of potential partners for M&A transactions.

In October 2023, the oncology project was positively assessed and recommended by PARP for funding of over PLN 21 million. It was a great success as independent experts confirmed the value and potential of the Company's technology. On December 22, 2023, the Company concluded an agreement to finance this project.

On March 26, 2024, the Company concluded an investment agreement with ten shareholders of the Company, including the President of the Management Board, Miron Tokarski, and the founders of the Company, under which the shareholders agreed to provide financing to the Company by taking up a total of 1,066,684 new issue ordinary bearer shares for a unit issue price of PLN 10. In this way, the Company secured financial resources in the amount of over PLN 10 million for the implementation of the oncology project.

In 2023, the Company also worked on the most advanced project related to infectious disease diagnostics: the Genomtec ID platform. The focus was on optimizing the costs of future production and operation of the platform and the possibility of scaling up the production both the reaction card and its components, and the analyzer.

The activities carried out are intended to lead to the commercialization of the technology developed by the Company, through licensing or selling rights to the technology to a global strategic partner. The development of technology in the area in which the Company operates is a multi-stage process marked

by high scientific and technical complexity. The Management Board indicates that there is a risk of changing the planned sequence or period of implementation of individual stages of technology development and commercialization.

2.7.2 The Issuer's commentary on circumstances and events significantly affecting the business, financial situation and results

Due to the Issuer's business model, at the current stage of development of the implemented projects, the Issuer does not generate sales revenues and does not achieve net profit. In 2023, the Issuer generated a net loss of PLN 9,013 thousand. The net loss was directly related to incurring significant operating costs and the simultaneous lack of significant operating revenues. The results achieved by the Issuer are in particular influenced by the expenditure incurred on the implementation of subsequent stages of project development and the financing obtained by the Issuer. The Issuer also takes actions that, in the Issuer's opinion, will be positively reflected in its performance in future quarters.

2.7.3 Important events in 2023

- The Issuer received a report from Dennemeyer Consulting GmbH (Dennemeyer) with the valuation of the intellectual property rights portfolio of Genomtec SA. Taking into account the estimation in accordance with the DIN/ISO 77100 standard adopted by Dennemeyer, the number of patents granted (9), patents applications pending (26) and the conversion of all patent applications into patents as well as the 14-year period of protection of the entire IP (intellectual property) portfolio, the fair value of the Company's intellectual property is estimated at EUR 191.336 million (ESPI current report 2/2023).
- On January 25, 2023, the Company received the decision of the Polish Financial Supervision Authority approving the Issuer's prospectus. The prospectus was prepared in connection with applying for admission to trading on the regulated market (parallel market) operated by the Warsaw Stock Exchange S.A. 9,364,179 existing ordinary bearer shares of the Issuer, series A, B, C, D, E, F, G, H, J, K with a nominal value of PLN 0.10 each. The company made its debut on the WSE Main List on February 16, 2023 (ESPI current report 4/2023).
- On February 9, 2023, the Issuer received information about the positive decision of the US Patent Office granting the Company patent protection for the invention called "A method of detecting genetic material in a biological sample and device for its implementation". The granting of the patent is conditional on the Issuer's payment of the required official fees, for which the Management Board of Genomtec S.A. agreed. (ESPI current report 6/2023).
- On March 21, 2023, the Issuer adopted a resolution on determining the method of dividing funds from a potential sale of technology. In accordance with the adopted resolution, the Issuer's Management Board will take all reasonable actions to ensure that Shareholders participate in the benefits from the potential sale of technology to the widest possible extent, in particular in the form of the potential buyer taking over 100% of the Issuer's shares or allocating the entire profit obtained by the Company as a result of the potential sale of technology to the Shareholders (ESPI current report 4/2023).
- On March 27, 2023, the Extraordinary General Meeting of the Company adopted a resolution on the issue of up to 1,237,000 series M ordinary bearer shares and authorized the Company's Management Board to increase the share capital within the authorized capital by issuing up to

400,000 new ordinary bearer shares. Funds obtained from the above-mentioned issues are intended to maximize the Company's valuation for the purposes of the planned strategic partnership, sale of licenses and/or sale of all or part of the owned intellectual property and related technology, while on March 28 this year an investment agreement was concluded between the Company and Leonarto Funds SCSp with its registered office in Luxembourg (Shareholder), which is a shareholder of the Company (Investment Agreement), which is part of the implementation of the above-mentioned financing (ESPI current report 5/2023 and 6/2023).

- On April 27, 2023, the Company completed the subscription of series M shares, as a result of which 1,237,000 shares were finally issued for a total issue price of PLN 9,896,000 (ESPI current report 12/2023).
- On June 1, 2023, the Company's Management Board adopted a resolution on increasing the Company's share capital within the limits of the authorized capital by issuing series N ordinary bearer shares, fully excluding the pre-emptive rights of existing shareholders, amending the Company's statute and applying for the admission of these shares to trading on the regulated market. Based on the above resolution, the Company's share capital was increased by PLN 40,000, i.e. up to PLN 1,179,554.00, by issuing 400,000 series N ordinary bearer shares with a nominal value of PLN 0.10 each. (ESPI current report 15/2023).
- On June 27, 2024, the Annual General Meeting appointed the composition of the Company's Supervisory Board for a new three-year joint term of office. (ESPI current report 21/2023).
- On August 11, 2023, the Company informed about the appointment of the Company's Management Board with unchanged composition for the next term of office (ESPI current report 25/2023).
- On September 28, 2023, received information about the submission of an application on behalf of the Company to the Patent Office of the Republic of Poland for a patent for an invention in the field of oncological diagnostics. The Company's patent strategy assumes extending the protection of the invention in question under the international PCT procedure (ESPI current report 27/2023).
- On October 19, 2023, the Issuer received information about the release by the Polish Agency for Enterprise Development of the results of the assessment of the application submitted by the Company as part of the call process carried out under the European Funds for a Modern Economy program [Measure SMART Path FENG.01.01-IP.02-001/23/2023] for a project called "Development of technology and an automatic mutation detection system in the area of clinical oncology based on a lab-on-chip solution and isothermal amplification techniques of nucleic acids." The application was assessed positively by PARP. On December 22, 2023, the Company concluded an agreement with PARP to finance the above-mentioned project. The agreement specifies the rules for PAPR to provide co-financing for the implementation of the Project and the rights and obligations of the parties related thereto, while the amount of co-financing granted is approximately PLN 21.6 million and the total cost of the Project implementation is approximately PLN 36.7 million (ESPI current report 28/2023 and 29/2023).
- On September 28, 2023, received information about the submission of an application on behalf of the Company to the Patent Office of the Republic of Poland for a patent for an invention in the field of oncological diagnostics. The Company's patent strategy assumes extending the protection of the invention in question under the international PCT procedure. (ESPI current report no. 27/2023).

2.7.4 Events after the balance sheet date

- On January 29, 2024, the Company received information from the National Center for Research and Development that NCBR recognized the project implemented by the Company under the name "Development of technology and mobile diagnostic equipment based on a lab-on-chip solution for detecting infectious diseases" as completed in terms of content and finances. The project was co-financed by NCBR, and in accordance with the co-financing agreement with NCBR, the Company is obliged to ensure the continuance of the Project for a period of 3 years. The total cost of the project was approximately PLN 12.2 million, and the funding granted by NCBR was approximately PLN 8.9 million (ESPI current report no. 2/2024).
- On February 12, 2024, the Company received information about the positive decision of the Canadian Patent Office granting the Company patent protection for the invention called "A method of detecting genetic material in a biological sample and device for its implementation" (ESPI current report no. 3/2024).
- On February 28, 2024, the Company received information about the positive decision of the Polish Patent Office granting the Company patent protection for an invention called "A set of primers for amplification of the nucleotide sequence of the Mycoplasma pneumoniae dnaE gene, method for detecting the Mycoplasma pneumoniae bacterium, method for detecting infection with the Mycoplasma pneumoniae bacterium and kit for detecting infection with the Mycoplasma pneumoniae bacterium" (ESPI current report 5/2024).
- On March 12, 2024, there were changes in the composition of the Company's Supervisory Board, consisting in the fact that Mr. Jarosław Oleszczuk will submit his resignation from the position of Member of the Issuer's Supervisory Board with effect from the moment of submission, and Mr. Karol Hop submitted a declaration of resignation from sitting on the Supervisory Board of the Company upon the opening of the Extraordinary General Meeting of the Company convened on March 12, 2024. On the same day, the Extraordinary General Meeting of the Company decided to appoint new Members of the Supervisory Board to the Issuer's Supervisory Board: Mrs. Beata Turlejska and Mr. Gualtiero Garlasco (ESPI current report no. 6/2024).
- On March 26, 2024, the Company concluded an investment agreement with ten shareholders of the Company, including 5HT Fundacja Rodzinna, the President of the Management Board of the Company, Miron Tokarski, and the founders of the Company, on the basis of which the above-mentioned shareholders agreed to provide financing to the Company by taking up a total of 1,066,684 new ordinary bearer shares issued by the Company for a unit issue price of PLN 10. On April 22, 2024, the Extraordinary General Meeting of the Company adopted a resolution on increasing the Company's share capital (ESPI current report 11/2024 and 13/2024).

3 Key economic and financial values

The balance sheet total as at December 31, 2023 amounted to PLN 15,972 thousand. The value of non-current assets as at the balance sheet date amounted to PLN 9,327 thousand, which constitutes 58.4% of the Company's balance sheet total. Of these, the most important items were intangible assets, constituting 80.9% of non-current assets, and tangible assets, constituting 18.7% of the value of non-current assets. The main item of intangible assets was development related to the creation of Genomtec ID for commercialization purposes.

The value of current assets as at the balance sheet date was PLN 6,645 thousand and constituted 41.6% of the Company's balance sheet total. Of this, the most important item was cash, constituting 62.7% of current assets.

The Company's equity as at the balance sheet date amounted to PLN 8,302 thousand and accounted for 52% of the balance sheet total. Short-term liabilities in the amount of PLN 3,144 thousand constitute 19.7% of the balance sheet total.

Grants settled over time amounted to PLN 4,204 thousand and constitute 26.3% of the balance sheet total.

The company's sales revenues in the reporting period amounted to PLN 1,000 and were significantly lower than the revenues achieved in 2022 (PLN 40,000) due to the low sales of tests. The dominant revenue item in 2023 was revenue from grants, which was recognized in the amount of PLN 1,145 thousand, up 157% vs. 2022.

The Company's net result for the period from January 1, 2023 to December 31, 2023 amounted to -PLN 9,013 thousand compared to PLN -11,928 thousand in the previous year.

3.1 The current and expected financial situation of the Company

The Management Board evaluates the current situation of the Company as stable. The company is successfully implementing the planned projects. Since the Company does not generate revenues, it obtains financing from the issue of shares and subsidies. In April 2023, the Company obtained equity financing in the amount of over PLN 13 million. The funds obtained from investors allowed the achievement of milestones related to the development, validation, certification and scaling up of production of the Genomtec ID diagnostic platform.

On March 26, 2024, the Company concluded an investment agreement with ten shareholders of the Company, including the President of the Management Board of the Company – Miron Tokarski and founders of the Company. Pursuant to the agreement, the investors agreed to provide financing to the Company by taking up a total of 1,066,684 new ordinary bearer shares issued by the Company for an issue price of PLN 10.00 per share. The proposed issue price of the shares was agreed between the parties to the investment agreement based on the market conditions prevailing on the date of the agreement, including taking into account the average price of the Company's shares in the period of 3 months preceding the date of conclusion of the investment agreement. On April 22, 2024, the Extraordinary General Meeting of the Company took place, which adopted a resolution to increase the Company’s capital by issuing series O shares. Based on the investment agreement concluded on March 26, 2024 and the resolution adopted on April 22, 2024 the Company will raise financial resources totalling PLN 10.67 million. Moreover, on December 22, 2023, the Company concluded an agreement with the Polish Agency for Enterprise Development (PARP) to co-finance the project “Development of technology and an automatic system for detecting mutations in the area of clinical oncology based on the lab-on-chip solution and isothermal amplification techniques of nucleic acids”. Under the agreement, the Company obtained approximately PLN 21.6 million towards the project. On March 5, 2024, the Company received the first advance payment of PLN 4.5 under the new grant.

The future financial position depends primarily on the expected cash flows related to the commercialization of the developed technology in connection with the planned M&A transaction or obtaining another strategic partnership.

3.2 Loans

The Company did not take out any loans in the reporting period.

On November 23, 2023, the Company concluded a loan agreement with a legal entity (Borrower), under which the Borrower received a loan of PLN 200,000.00. The Borrower is not an entity related to the Company within the meaning of IAS 24. The Borrower agreed to repay the entire loan amount along with interest at the rate of 5% per annum by December 31, 2024. The Borrower has the right to pre-pay the loan in full or in any parts. As at the balance sheet date, December 31, 2023, the loan with interest has not been repaid.

On November 23, 2023, the Company concluded a loan agreement with a legal entity (Borrower), under which the Borrower received a loan of PLN 250,000.00. The Borrower is not an entity related to the Company within the meaning of IAS 24. The Borrower agreed to repay the entire loan amount along with interest at the rate of 5% per annum by December 31, 2024. The Borrower has the right to pre-pay the loan in full or in any parts. As at the balance sheet date, December 31, 2023, the loan with interest has not been repaid.

3.3 Sureties and guarantees

The Company did not provide any sureties or guarantees during the reporting period.

3.4 Method of using the proceeds from the issue

In 2023, the Company carried out issues of series M and N shares.

The proceeds from the issue of series M shares, carried out in April 2023, in the amount of PLN 9,896,000 net, and the proceeds from the issue of series N shares, carried out within the authorized capital in June 2023, in the amount of PLN 3,200,000.00 net, were allocated to the implementation of milestones related to the development, validation, certification and scaling up of production of the Genomtec ID diagnostic platform.

Proceeds from the issue of series O shares adopted by the Extraordinary General Meeting on April 22, 2024 will be used to finance the OncoSNAAT oncology project.

3.5 Investments

As of the date of the report, the only ongoing investment that has already been paid for and has not been delivered is specialized QMS software, dedicated to companies in the medical equipment industry, particularly significant in the area of design and quality control. The software is settled in half-yearly instalments, and the Company has already made payments of approx. USD 15,000 (over PLN 60,000). The investment is financed from own funds. The QMS software was purchased by the Company in the Saas model – Software as a Service). Software as a Service (Saas) is a cloud software delivery model in which a cloud provider develops and maintains cloud applications, provides automatic updates, and makes the software available to its customers over the Internet based on resource utilization. The cloud

provider manages all the hardware, middleware, application software and security. This means that the fee for the software will be paid semi-annually as before, as long as the Company uses it.

3.6 Financial resource management

As at the date of publication of the report, the Company has the necessary capital base necessary to further finance the company's operations. On April 22, 2024, the Company finalized equity financing, from which it is expected to ultimately obtain PLN 10,666,840. An additional amount of approximately PLN 21,500,000. The Company has been provided with grants but they have not yet been used. Taking into account the historical and planned level of monthly costs, these resources should be sufficient to cover costs for at least 12–14 months. Financing the Company's development in the longer term will depend on the level of financial inflows from the achievement of the Company's revenue goals. The company meets its obligations on an ongoing basis, and its cash balance allows it to maintain current liquidity and enables it to finance planned investments in innovative projects.

3.7 Factors and events, including those of an unusual nature, affecting the Company's operations and financial results

Apart from the information included in this report, the Company does not identify any factors or unusual events affecting the operating result for the financial year.

3.8 Factors important for the development of the Company

The Company does not generate any significant revenues from the sale of its products, and the sales revenues it reports result from one-off orders for customers.

The Company's projects are at the development stage and products are not currently available for sale. For Genomtec ID, the Company obtained IVDD certification and achieved external small-scale production capacity in the second half of 2022. Full commercialization capacity through sales or strategic partnership will be achieved in the coming years.

Further financing of development and thus possible achievement of significant income from the commercialization of technology will be possible in the event of proper settlement and receipt of subsequent tranches of received grants, which are of key importance (apart from investor contributions) as external sources of financing the Company's operations.

3.9 Financial forecasts

The Issuer did not publish forecasts for 2023.

3.10 Principles adopted when preparing the annual report

Financial statements of GENOMTEC S.A. covers the period of 12 months ended on December 31, 2023 and contain comparative data for the period of 12 months ended on December 31, 2022 and were prepared in accordance with the historical cost principle. The financial statements were prepared with the assumption that the Company would continue its business operations for a period of at least one year from the date of its preparation.

The financial statements were prepared in accordance with International Accounting Standards, International Financial Reporting Standards and related interpretations published in the form of regulations of the European Commission and approved by the European Union.

The functional currency and reporting currency of the financial statements is the Polish zloty (PLN), and the data contained in the financial statements are presented in thousands of Polish zlotys.

When preparing the financial statements, accounting principles were applied, which were presented in detail in note 7.3. of the financial statements.

This Management Board Report on the activities of Genomtec S.A. in 2023 was prepared in accordance with § 70 section 1 point 4 of the Regulation of the Polish Minister of Finance of March 29, 2018 on current and financial information submitted by issuers of securities and the conditions for recognizing as equivalent information required by the laws of a non-member state (Journal of Laws of 2018, item 757, as amended).

3.11 Financial instruments

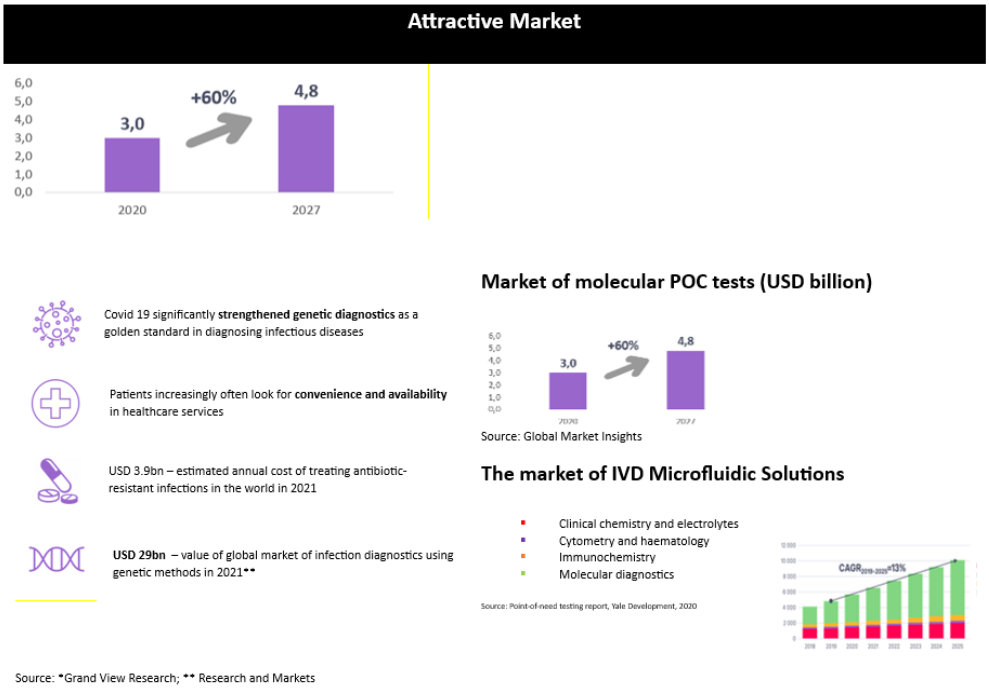
The Company is exposed to risk in each area of its operations. With understanding of the threats that originate through the Company's exposure to risk and the rules for managing these threats the Company can run its operations more effectively. Financial risk management includes the processes of identification, assessment, measurement and management of this risk. The risk management process is supported by appropriate policies, organisational structure and procedures.

The Parent Company does not use financial instruments in relation to the price risk, credit risk, risk of material disruption of cash flows or financial liquidity risk. The Company did not use hedge accounting during the financial year.

In Note 44 to the financial statements for 2023, the Company's Management Board presented the main financial risks to which the Company is exposed in the course of its business.

4 Development outlook

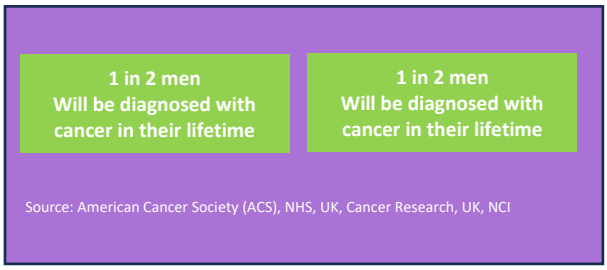
According to Global Market Insights, in 2020, the global market for molecular POCT tests was worth USD 3 billion. According to experts, by 2027 its value will increase by 60% to USD 4.8 billion.
In turn, according to Yole development experts, the value of the global market for microfluidic IVD solutions was almost USD 6 billion in 2020. In 2025 is is expected to reach nearly USD 10 billion.



The table below presents selected market transactions in the In Vitro Diagnostics area in 2020-2022.

> USD 100m – acquisition of projects similar to Genomtec ID						
Most recent transactions in the IVD sector						
Solution/ brand	Company	Buyer	Value	Year	Transaction type	Key factors for the deal – Board's opinion*
PCR/ONE	Curiosity Diagnostics	Bio-Rad	USD 170m	2022	Acquisition	IP, portfolio expansion
Ortho Clinical	Ortho Clinical Diagnostics	Quidel	USD 6n	2022	Reverse acquisition	Geographical potential, IP, portfolio expansion
Illuminigene	Meridian Bioscience	SD Biosensor	USD 1.5bn	2022	Acquisition	Geographical reach, revenue streams, regulations
Qpoc	Quantum Diagnostics	VitaSpring HK	GBP 15m	2021	Equity	Venture capital

Novodiag	Mobidiag	Hologic	EUR 670m	2021	Acquisition	Portfolio expansion, market potential
ePlex	GenMark	Roche	USD 1.8bn	2021	Acquisition	Portfolio expansion
Accula	Mesa Biotech	Thermo Fisher	USD 450m	2021	Acquisition	Market potential in POC
NeumoDX	NeumoDX	Qiagen	USD 248m	2020	Acquisition	Efficiency, product competitiveness
Veros	Sense Biodetection	Koch Industries	USD 65m	2021	Equity	Strategic interest area
ARIES© Luminex	Luminex	Diasorin	USD 1.8bn	2021	Acquisition	Portfolio expansion, product scalability



Market drivers

- Increasing significance of personalized therapies
- Increasing number of targeted therapies in the market (at the end of August 2023, the number of medications approved by the FDA connected with CDx was 63)
- Increasing number people are diagnosed with cancer
- Process made in discovering new biomarkers
- Increasing significance of personalized therapies
- Growing cooperation between pharmaceutical companies and IVD producers
- Technological progress (incl. liquid biopsy, CTC, lab-on-chip, NGS)

▪

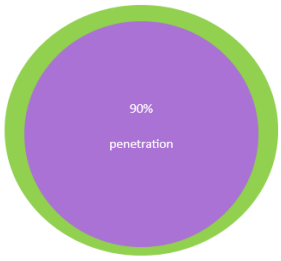
Diagnostics

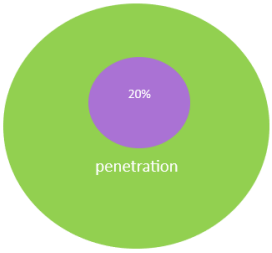
c. USD 9bn

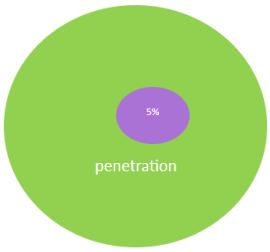
Therapy selection (CDx)
c. USD 7bn

MRD

c. USD 20bn





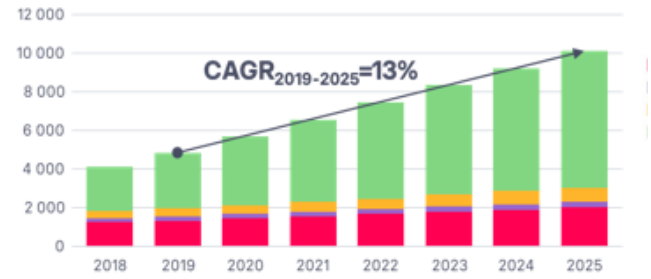


CAGR 5%

CAGR 13%

CAGR >25%

The market of IVD Microfluidic Solutions



- Clinical chemistry and electrolytes
- Cytometry and haematology
- Immunochemistry
- Molecular diagnostics

Source: up: Precision Medical Analysis (Neogenomics), DeciBio, Global Clinical
Down: Point-of-Need testing report, Yale, Development, 2020

5 Risk factors

The Company identifies the following as the most significant risk factors, taking into account their likelihood and consequences:

- risk related to the early stage of the Company's development and failure to generate sales revenues;
- risks related to the implementation of the development strategy;
- risks related to external financing;
- risks related to intellectual and industrial property rights;
- risk related to the inability to continue operations if external financing is not obtained.

Risk factors directly related to the Company's operations

Risk related to the early stage of the Company's development and failure to generate sales revenues;

The Company's activities involve research and development in the area of technology applicable in mobile genetic diagnostics, including the development of diagnostic panels. The company is in the development phase preceding the commercialization of its flagship genetic diagnostics platform Genomtec ID.

The Company reports negative financial results, which is related to the stage of the Company's business with R&D costs and no significant sales revenues. The Company finances its operations from external investors and grants.

Using its know-how in molecular biology, the Company has also developed two-gene genetic tests for detecting SARS-CoV-2. The Company treats the development of these tests as the use of the Company's knowledge and experience, but they are not a key business line for the Company. As of the date of the report, the tests are not subject to regular sales.

The R&D carried out by the Company is inherently subject to uncertainty as to the market results of product commercialization. Research conducted by the Company demonstrates the effectiveness of its technology, which, together with the Company's identification of market demand for its products and analysis of competitors' offers, allows the Company to expect that the products will attract interest.

The early phase of product development and the specific nature of the Company's business with presence in a very innovative medical diagnostics segment, also result in the possibility of failure to meet commercialization deadlines. Development of technology and putting it on the market is a multi-stage process, which means that unforeseen circumstances may arise that affect the adopted work schedule.

Due to the early stage of development of the Company and its products, there is a risk of continued absence of sales revenues. The prospects for achieving profits are also unknown, which may very likely result in losses in subsequent periods. For the further development of the Company, it may be necessary to obtain additional financial resources from external sources, which the Company plans to obtain from the issue of shares, a new grant or in the form of loans. The Company is constantly looking into the opportunities offered by the market in this area. In particular, in the event of difficulties in raising financing from the issue of shares or grants, the Company's Management Board will consider alternative forms of financing its operations in the form of further loans.

In the Company's opinion, the risk, if materialized, would have a severe impact, but the probability of its materialization is medium.

Risks related to the implementation of the development strategy;

The Company's development strategy provides for the implementation of R&D on a number of projects culminating in commercial sales. The Company plans to achieve this goal in cooperation with external partners or by selling technology to a third party. To achieve commercialization, the Company's strategy provides for the implementation of a number of stages related to validation, industrialization and commercialization of the device. Due to the innovative nature of the work, there is a risk of failure to achieve the Company's objectives in whole or in part.

Work on projects may be prolonged, for example due to technological problems, which may cause problems with financing subsequent stages. Additionally, there is a risk, assessed by the Company as low, that during work on Genomtec ID, another competitive product with properties significantly better than the Company's product will appear on the market.

At the same time, the Company continuously monitors the diagnostic devices market and analyzes the potential interest of large foreign enterprises that could become the Company's commercialization partners or acquire the developed technology.

In the Company's opinion, the risk, if materialized, would have a medium impact. The likelihood of the risk is medium.

Risks related to external financing

Since its inception, the Company's key funding sources have been contributions from the founders and external investors as well as funds obtained from support programs (subsidies and grants).

It cannot be definitively expected that the funds raised in the issue of shares and grants available to the Company will be sufficient to generate sales revenues. In the event of a shortage of funds, the Company will be forced to consider using new, external sources of financing. The possible need and scale of the Company's use of external financing will depend primarily on the effects of completed research and development and commercialization of the Company's products.

In the Company's opinion, the risk, if materialized, would have a high impact. The likelihood of the risk is medium.

Risks related to subsidies and grants

The Company uses subsidies and grants.

In order to receive grants from public funds, the Company must meet certain eligibility conditions, and the use of grants means that the Company obtains financing mainly in the form of advance payments, which are next accounted for in accordance with the grant application and agreement. For this reason, there is a risk that the costs incurred by the Company for the implementation of R&D projects will be questioned and the final grant amount will be reduced. In addition, the Company is also exposed to the risk of having to return of grants received, but that procedure may be initiated only when the grants are used contrary to the grant agreement. In turn, the possibly longer time it takes for government agencies to process the reconciliation of advances and payment applications may result in the need to spend large amounts from equity before they are refunded. If the above risk materializes, it would have an adverse impact on the implementation of the development strategy adopted by the Company and its financial liquidity. The Company attaches particular importance to the proper fulfillment of the terms of grant agreements and, according to its knowledge, there is no risk that the above negative conditions will occur.

In the Company's opinion, the risk, if materialized, would have a severe impact, but the probability of its materialization is low.

Risk related to the inability to continue operations if external financing is not obtained

The Company currently conducts research and development activities, which are financed from its own funds from shareholder contributions and proceeds from grants received from the National Center for Research and Development. As the current stage of the Company's operations and market development is characterized by achieving negative financial results and incurring negative net flows from operating and investing activities, the possibility to continue business depends on the ability to obtain further funding. The Company is constantly looking into the opportunities offered by the market in this area. In particular, in the event of difficulties in raising financing from the issue of shares or grants, the

Company's Management Board will consider alternative forms of financing its operations in the form of further loans.

In the Company's opinion, the risk, if materialized, would have a severe impact, and the probability of its materialization is medium.

Risk of losing key employees

Human capital is one of the pillars for the Company’s daily business and its development strategy. The Company's development requires the engagement, loyalty and retention of key employees. Due to the specific nature of the Company's operations, its employees must have high, specialized qualifications and experience. Should those key staff members be lost, it might be seriously difficult to find their successors with appropriate skills. The loss of key personnel would significantly disrupt the Company's development and call into question the viability of its strategy.

In the Company's opinion, the risk, if materialized, would have a severe impact, but the probability of its materialization is medium.

Supplier and buyer risk

The Company buys materials and components for conducting its business from a small group of several suppliers who meet the Company’s stringent criteria. The Company reaches out to suppliers with specific orders and maintains daily working relationship with them to source key components from both electronics and molecular biology areas. Cooperation with a narrow group of proven suppliers ensures high quality of purchased materials, but may make the Company more sensitive to changes in prices offered by suppliers and to limiting or discontinuing the supply of necessary materials or components.

When selecting partners, the Company was primarily guided by the experience and skills of the entities and their employees as well as the quality of production and the stability of the counterparty’s financial position.

In the Company's opinion, the risk, if materialized, would have a medium impact. The likelihood of the risk is medium.

Risks related to intellectual and industrial property rights

The Company’s key assets are the knowledge of its employees, scientific and research achievements, the technological processes used and the resulting patents (including proceedings pending before patent offices in this area). To effectively guard itself against infringements of these rights, the Company obtained patents for inventions in Poland, the USA, Japan, Canada, Brazil and the European Patent Office, and filed further patent submissions in selected jurisdictions. The Company has registered trademarks in the European Union and the USA.

Disclosure of the Company's intellectual and industrial property would pose a risk of the Company's proprietary, unique solutions being duplicated by competitors. This might have serious impact on the Company's operations and assets, including its financial results.

The Company's business activities also involve the risk of infringement of the intellectual and industrial property rights of third parties. The Company is particularly careful in this respect, and each time the process of obtaining a patent requires an assessment by patent attorneys and patent offices in terms of the innovative character of the invention and the lack of infringement of the intellectual property of another patent. The risk related to possible infringement of another entity's intellectual property rights occurs mainly in distant markets, outside the European Union and the USA, where the aspect of

intellectual property monitoring is not so advanced and systematized. Due to the wide scope of patent protection specified in the Company's patent applications, the risk of infringing the intellectual property rights of third parties cannot be categorically excluded, although such a situation is unlikely due to the analysis performed by patent offices before a patent decision is issued to see whether the patent is innovative and whether it affects any third party rights. However, if a third party brings infringement action, the Company could be exposed to the costs of such proceedings and their unfavorable outcome, which would negatively affect its situation.

The inventive process at the Company involves conducting research, often lasting many years, and developing various technologies, including the involvement of various entities, in particular employees and collaborators. Any imprecise or missing clauses in contracts entered by the Company, including those regarding acquisition of intellectual property rights, there is a risk that the effectiveness of those acquisitions might be questions, which gives rise to a potential risk of employees or associates raising claims in this respect against the Company.

In the Company's opinion, the risk, if materialized, would have a severe impact, but the probability of its materialization is low.

Risks related to registration studies

The area in which the Company operates requires that before being marketed, products must be validated in order to obtain their registration. Validation generally takes place at external, independent units. These tests are intended to check whether the product meets the criteria required for registration and marketing. Standard registration procedures require diagnostic validation of product parameters, which can be performed internally, but is usually done externally, with the participation of an independent third party (e.g. diagnostic laboratory, clinical hospital) carrying out the tests. There is a risk that quality deficiencies or incorrect diagnostic parameters will be detected during the examination, affecting the speed of the registration procedure and causing additional costs related to the removal of identified shortcomings. In extreme cases, the Company's products may not be registered. The Company operates in an area subject to stringent technological, operational and legal requirements, therefore the presented risk factor is a natural element of the process of introducing products to the market.

In the Company's opinion, the risk, if materialized, would have a severe impact, and the probability of its materialization is medium.

Product failure risk

The risk of failure of the Company's products is related to the components and materials used in the production of diagnostic test kits (chemical and biochemical raw materials), microfluidic reaction cards (polymers and other substances used to produce microstructures) and the control device (mechanical, electronic components and housing materials). The Company partially uses materials and other chemical/ biochemical components from third party producers, while specialist subcontractors are responsible for obtaining materials and components used for the production of the microfluidic card and the analyzer itself (control device). Therefore, it cannot be ruled out that in the future the quality of production of the test mixture will be reduced, which may negatively affect the diagnostic parameters of the genetic test being performed or a failure of the entire Genomtec ID diagnostic platform. Additionally, products might have hidden defects due to failure to comply with quality management principles at the stage of production of reaction cards and analyzer components, as well as its final

assembly in the production technology process. The above may also be caused by inadequate training of process line employees, as well as inadequate maintenance of automated equipment used in the production process. It cannot be ruled out that the production security system at subcontractors or/and the Company itself may be disturbed by failures (electrical or mechanical failures of the technological line) and unplanned downtime, natural disasters, terrorist attacks and other similar events that may have a negative impact on the overall product quality. The failure rate of the Genomtec ID product might increase in inappropriate conditions of use, e.g. very high or very low external temperatures, high dust or humidity, factors that are beyond the Company's direct control. However, the Company will clearly define the environmental framework for the use of the product in the diagnostic device's user manual. Failures may also occur as a result of excessive shocks to which the analyzer was subjected during operation or transport. There is also a risk of failure of the analyzer software due to incorrect coding of the operating system and its commands or due to electrical damage (micro-surge), which may negatively affect the quality of the product and its use for diagnostic purposes.

In the Company's opinion, the risk, if materialized, would have a medium impact, and the probability of its materialization is low.

Risk related to the commercialization model of the Company's products

The Company plans to commercialize its products, including the Genomtec ID platform and genetic tests, on a global scale. In the case of the Genomtec ID project, a large foreign company may become a potential strategic partner or technology buyer as in the case of global commercialization plans, knowledge of trends in global markets, especially the market for POC (Point of Care) diagnostic devices is of significant important. There are several risks associated with the currently used model of distribution of diagnostic tests, the most important ones being: (i) the inability to determine or wrong determination of the market potential of the prospective distributor; (ii) incorrectly entered commercial contracts, which may result in claims and legal or administrative proceedings; (iii) failure to meet the established sales objectives by the distributor and the need to enforce them; (iv) defining a consistent warranty and complaints policy and its implementation and maintenance for all distributors; (v) dependence on one key distributor in a given market or globally; (vi) the difficulty of controlling many aspects in hermetic markets such as China, including the production of counterfeit products and the quality of services provided; (vii) the risk of an authorized distributor going out of business and the need to replace it in a given market, and (viii) the risk of loss of credibility (image) of the Company due to inconsistent marketing policy or prohibited activities undertaken by the distributor(s).

In the Company's opinion, the risk, if materialized, would have a low impact. The likelihood of the risk is low.

Risk related to the dominant market share of PCR technology

The Polymerase Chain Reaction (PCR) technology alongside its various variants has the largest share in the molecular diagnostics market (41.1% in 2021 according to Molecular Diagnostics Market by Product & Service, Test Type, Technology, Application, End User – Global Forecast to 2027). This is due to the fact that this technology is well established in the market, as it has been used since the 1980s, becoming the basic diagnostic standard. There is a risk of "distrust" of diagnostic laboratories towards isothermal techniques, including the LAMP technique used by Genomtec ID, due to the fact that they are younger and so far less popular that the PCR. The position of the PCR technique is also strengthened by the producers of diagnostic kits and PCR technology devices themselves, who, by investing heavily in the

protection of intellectual property and the development of their PCR technology products, are interested in maintaining the market status of this technology. Despite those risks, the LAMP technique, as well as other isothermal methods, are gaining in importance.

In the Company's opinion, the risk, if materialized, would have a low impact. The likelihood of the risk is low.

Risk related to a potential conflict of interests of the Company with the interests of a member of the Management Board

On July 5, 2021, the Company concluded a cooperation agreement with Modern Diagnostics SAS, under which Modern Diagnostics SAS is to provide services to the Company specified in the agreement, including:

- close cooperation with the Company's management in order to implement the Company's business strategy;
- assistance in building the corporate structure and development of the corporate culture of the Company and its management;
- negotiating significant contracts for the Company, including financial contracts and activities related to public relations and relations with investors and business partners;
- cooperation with the Company's management in business development, setting new goals and implementing business plans;
- participating in the development of strategic partnerships, joint ventures and technology platforms;
- monitoring competitors' activities;
- participating in seminars, conferences and meetings with current and potential clients of the Company;
- participating in defining and implementing sales and marketing activities;
- participating in building a distribution network for the Company's products.

Services on behalf of Modern Diagnostics SAS are provided by Mr. Charudutt Shah - member of the Management Board since August 1, 2021 and the only member of the Management Board of Modern Diagnostics SAS. The service contract was concluded for an indefinite period, and the service provision period began on August 1, 2021.

Due to the indicated scope of services provided by Modern Diagnostics SAS to the Company, there is a potential risk of a conflict of interest between the Company and its member of the Management Board Charudutt Shah.

However, the risk of a conflict of interest was assessed by the Management Board and the Supervisory Board as negligible. The principles of cooperation with Mr. Shah and the terms of the contract with Modern Diagnostics SAS were discussed in detail at the meeting of the Supervisory Board on May 31, 2021, following which the final content of the contract with Modern Diagnostics SAS was established. The risk of a conflict of interest was also discussed at the meeting and found as negligible. The Supervisory Board supported the conclusion of the contract with Modern Diagnostics SAS. Moreover, in accordance with the conclusions of the discussions of the Supervisory Board and Company’s

remuneration policy, the contract contains exclusivity provisions mitigating the risk of a conflict of interest with a member of the management board and with Modern Diagnostics SAS.

In the Company's opinion, the risk, if materialized, would have a severe impact, but the probability of its materialization is low.

Risk factors related to the Company's business environment

Risk related to the legal environment

The Company's operations are subject to specific legal framework for medical devices and diagnostics, in particular the Medical Devices Act, Regulation (EU) 2017/746 of the European Parliament and of the Council of 5 April 2017 on in vitro diagnostic medical devices and repealing Directive 98/79/EC and Commission Decision 2010/227/EU, and Commission Decision 2010/227/EU and Regulation (EU) 2017/745 of the European Parliament and of the Council of 5 April 2017 on medical devices, amending Directive 2001/83/EC, Regulation (EC) 178/2002 and Regulation (EC) 1223/2009 and repealing Council Directives 90/385/EEC and 93/42/EEC. A detailed description of those legal acts is presented in section Błąd! Nie można odnaleźć źródła odwołania. *Description of the legal environment.*

The legal and regulatory environment for medical devices and diagnostics remains volatile, and the regulations are not applied uniformly by courts and public authorities, in particular in Poland.

Changes to the legislation may have a serious impact on the Company's legal environment, while the entry into force of the new regulation may result in such issues as interpretation problems, inconsistent court decisions and unfavorable interpretations adopted by public administration bodies.

Regulatory changes in the area of in-vitro medical diagnostics related to the commencement of application of the IVDR Regulation in the European Union, planned for May 2022, imposing new certification obligations on research and development companies, are important for the Company's business. However, it should be noted that already at the date of the report, research and development as well as the procedure for the industrialization and clinical validation for the Company's products are carried out by the Company under more restrictive requirements.

In the Company's opinion, the risk, if materialized, would have a low impact. The likelihood of the risk is low.

Competition risk

The Company operates as a research and development company. Its competitors include companies with a similar business profile, operating in particular scientific disciplines and medical diagnostic segments, as well as branches of foreign enterprises established in Poland.

The leaders in the segment of molecular testing of infectious diseases are such global companies as Roche Diagnostics, BioMérieux, Abbott Laboratories and Bio-Rad Laboratories. However, these companies are currently focusing on the production of very expensive, stationary laboratory diagnostic devices. Direct competitors of the Company's solution are smaller, innovative companies that work on rapid tests and portable diagnostic devices in the field of molecular diagnostics of infectious diseases (and possibly other segments). Currently available point-of-care diagnostic solutions in this category include Abbot ID Now and Roche Cobas LIAT.

The emergence of new entities with a business profile similar to the Company's cannot be ruled out. Strong competition, including diversified forms of conducting business by competitive entities,

connections of competitive entities with foreign enterprises and an increase in the number of entities conducting consulting activities may result in a reduction in the number of projects implemented by the Company and their unit value.

However, taking into account the intellectual property protection model adopted by the Company and the entry barriers for such projects, as well as the technological advantages identified by the Management Board that are subject to patent protection, the likelihood of materialization of this risk is relatively low.

In the Company's opinion, the risk, if materialized, would have a low impact. The likelihood of the risk is low.

Risk related to the potential impact of the armed conflict in Ukraine on the Company's operations

On February 24, 2022, the Russian Federation launched a military invasion of Ukraine without declaring war. The Management Board emphasizes that the Company's operational activities are not dependent on the situation in Ukraine, Belarus or Russia. At the same time, due to the lack of resolution of the hostilities, it is currently not possible to assess the impact of the conflict in question at the strategic level in the long term. The ongoing war has an impact on the Company's environment, which may impede its functioning. The outbreak of armed conflict increases risk aversion among investors, limiting the financing of innovative projects, including those in the biotechnology sector. At the same time, warfare indirectly leads to higher interest rates and potentially increases financing costs. The increased volatility of exchange rates observed in connection with the conflict may affect the value of the Company's settlements, which have a significant share in the structure of the Company's revenues and costs. Moreover, military operations reduce the supply of raw materials and increase their prices, which may translate into the prices of components and materials used in production. In the opinion of the Management Board, taking into account the course of the conflict so far, the indicated areas do not have a significant impact on the Company's current operations.

In the Company's opinion, the risk, if materialized, would have a medium impact. The likelihood of the risk is low .

Ryzyko walutowe

W strukturze kosztów i przychodów Spółki istotne znaczenie mają rozliczenia w walutach obcych. Ze względu jednak na charakter działalności, Spółka nie osiąga istotnych przychodów. Większość przychodów i kosztów walutowych Spółki rozliczana jest w EUR i USD. W przyszłości Spółka planuje sprzedawać swoje produkty za granicą, z czym wiązać się będzie rozliczanie ich w walutach obcych, przede wszystkim w USD i EUR, co będzie oznaczało również istotniejszą ekspozycję na zmiany kursów walut obcych. Jako że walutą, w jakiej raportuje Spółka jest złoty, zmienność kursów walutowych może prowadzić do zwiększenia kosztów działalności w przypadku osłabienia złotego albo zmniejszenia wpływów ze sprzedaży w przypadku umocnienia złotego. Wskazany czynnik ryzyka występuje ze względu na międzynarodowy charakter działalności Spółki, zatrudnianie zagranicznych pracowników i współpracowników mieszkających poza Polską oraz nabywanie materiałów i usług za granicą. Spółka nie zdecydowała się na zabezpieczanie przed ryzykiem walutowym z wykorzystaniem instrumentów finansowych, w szczególności biorąc pod uwagę wysokie koszty takiego zabezpieczenia. W ocenie Spółki istotność opisanego czynnika ryzyka, w przypadku jego wystąpienia, byłaby niska. Prawdopodobieństwo wystąpienia opisanego czynnika ryzyka jest niskie.

6 Corporate Governance Statement

6.1 A set of corporate governance principles to which the Company is subject

Since the moment the Company's shares were admitted to trading on the regulated market of the Warsaw Stock Exchange in accordance with Resolution No. 99/2023 of the Management Board of the Warsaw Stock Exchange S.A. of February 9, 2023 regarding the admission to exchange trading on the WSE Main List of ordinary bearer shares of series A, B, C, D, E, F, G, H, J and K of GENOMTEC S.A., the Company has applied the principles of corporate governance, constituting an annex to Resolution No. 13/1834/2021 of the Supervisory Board of the Warsaw Stock Exchange S.A. of March 29, 2021: "Good Practices of WSE Listed Companies 2021" (DPSN 2021), which were published on the website operated by the WSE at https://www.gpw.pl/dobre-praktyki2021.

6.2 Principles of corporate governance that have been abandoned

As at the date of publication of this report, the Company applied all the principles of DPSN 2021, except for principles: 1.3.1., 1.3.2., 1.4., 1.4.1., 1.4.2., 1.5., 2.1., 2.2., 2.7., 2.11.5., 2.11.6., 3.1., 3.4., 3.5., 3.6., 3.8., 3.9., 4.1., 4.3., 4.13., 4.14, 6.3.

Principle 1.3.1.: *In its business strategy, the company also takes into account ESG issues, in particular: environmental factors, including measures and risks relating to climate change and sustainable development;.*

The Company's activity does not bear any signs of being harmful to the environment. Moreover, the size of the Company's operations and the early stage of development do not justify inclusion of environmental matters in the Company’s business strategy. Nevertheless, the Management Board is aware of the importance of sustainability in business operations, and in running the Company's affairs, it is guided by the principle of respect for the natural environment and takes actions aimed at reducing the impact of the Company's operations on the environment and climate change. As the Company evolves and updates its current development strategy, it will also take into account ESG matters.

Principle 1.3.2.: *In its business strategy, the company also takes into account ESG issues, in particular including: 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, customer relations.*

Due to its size and early stage of its development, the Company does not yet include social and employee factors in its development strategy or business model. The Company adheres to the applicable employment law provisions relating to working conditions, respect for employee rights, equality and non-discrimination. In relations with clients and local communities, the Company is guided by the principles of mutual respect and understanding. As the Company evolves and updates its current development strategy, it will also take into account ESG matters.

Principle 1.4.: *To ensure quality communications with stakeholders, as a part of the business strategy, companies publish on their 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:*

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

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.

As part of pursuance of the principle of proper communication with shareholders, the Company has a business strategy that is published on its website. However, due to its size and early stage of its development, the Company does not yet include ESG or financial/non-financial metrics in its development strategy or business model. As the Company evolves and updates its current development strategy, it will also take into account ESG matters.

Principle 1.4.1.: *To ensure quality communications with stakeholders, as a part of the business strategy, companies publish on their 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: explain how issues related to climate change are taken into account in the decision-making processes of the company and its group entities, pointing to the resulting risks.*

The Management Board is aware of the importance of sustainability in business operations, and in running the Company's affairs, it is guided by the principle of respect for the natural environment and takes actions aimed at reducing the impact of the Company's operations on the environment and climate change. However, due to its size and early stage of its development, the Company does not yet include ESG, or climate-related factors, in its development strategy or business model. As the Company evolves and updates its current development strategy, it will also take into account ESG matters.

Principle 1.4.2.: *To ensure quality communications with stakeholders, as a part of the business strategy, companies publish on their 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: 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.*

The early stage of the Company's development and the nature of its operations do not justify the presentation of the information in question. In determining remuneration, the Company follows applicable laws and the principles of equality and non-discrimination, including on grounds of gender. When determining employees' remuneration, the Company relies on objective factors: education, experience and knowledge

Principle 1.5: *Companies disclose 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.*

Due to the early stage of its development, the Company does not conduct corporate giving activities and does not finance culture, sports charity institutions, media, social organizations, trade unions, etc.

Principle 1.7.: *If an investor requests any information about a company, the company replies immediately and in any case no later than within 14 days.*

The company provides all shareholders with access to information about it to the extent and on such terms as required by law, in particular, it follows the principle of equal access to the information being disclosed. Due to the early stage of its development, the Company believes it is sufficient for the time being to fulfil the obligation to the extent provided for by law.

Principle 2.1.: Companies 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%.

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The Company does not have a diversity policy. Candidates for members of the Company's governing bodies are selected based on objective factors of qualifications, experience and knowledge, in the first place taking into account the interests of the Company and shareholders.

Principle 2.2: *Decisions to elect members of the management board or the supervisory board of companies 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.*

The Company does not have a diversity policy. Candidates for members of the Company's governing bodies are selected based on objective factors of qualifications, experience and knowledge, in the first place taking into account the interests of the Company and shareholders. Currently, men represent a majority in the Company's bodies.

Principle 2.7: *A company's management board members may sit on corporate bodies of companies other than members of its group subject to the approval of the supervisory board..*

The Company's Articles of Association do not require the approval of members of governing bodies to sit on corporate bodies of other entities. As the Company is on the initial stage of its development, imposing such restrictions on members of the Management Board would be a too excessive measure. However, the Supervisory Board's approval is required when members of the Company's Management Board wish to engage in any competitive business.

Principle 2.11.5.: *In addition to its responsibilities laid down in the legislation, the supervisory board prepares and presents an annual report to the annual general meeting once per year. Such report includes at least the following: an assessment of the justification for expenses incurred by the company and its group to support culture, sports, charitable institutions, media, social organizations, trade unions, etc.*

Due to the early stage of its development, the Company does not conduct corporate giving activities and does not finance culture, sports charity institutions, media, social organizations, trade unions, etc.

Principle2.11.6.: *In addition to its responsibilities laid down in the legislation, the supervisory board prepares and presents an annual report to the annual general meeting once per year. Such report includes at least the following: 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.*

The principle is not followed, as the Company does not apply principle 2.1. The Company does not have a diversity policy. Candidates for members of the Company's governing bodies are selected based on objective factors of qualifications, experience and knowledge, in the first place taking into account the interests of the Company and shareholders.

Principle 3.1.: *Listed companies maintain efficient internal control, risk management and compliance systems and an efficient internal audit function adequate to the size of the company and the type and scale of its activity; the management board is responsible for their functioning.*

Due to the early stage of the Company's development and the size of its business, the implementation of internal control, risk management and compliance systems is not justified. Due to the level of complexity of the Company's structure and its business, the establishment of additional functions and structures is not required. As its growth progresses, the Company will monitor the need for such systems and will consider their implementation.

Principle 3.2: *Companies' organisation includes units responsible for the tasks of individual systems and functions unless it is not reasonable due to the size of the company or the type of its activity..*

Due to the early stage of the Company's development and the size of its business, the establishment of units responsible for the tasks of the individual systems or functions is not justified. Due to the level of complexity of the Company's structure and its business, the establishment of additional functions and structures is not required. As its growth progresses, the Company will monitor the need to have such separate units and will consider their implementation.

Principle 3.4.: *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.*
Due to the early stage of the Company's development and the size of its business, the Company does not have dedicated roles responsible for risk management and compliance. Those functions are performed by the Company's governing bodies. Additionally, the Audit Committee will perform the control function in its own right. As its growth progresses, the Company will monitor the need for and will consider the appointment of such roles.

Principle 3.5: Persons responsible for risk and compliance management report directly to the president or other member of the management board.

Due to the early stage of the Company's development and the size of its business, the Company does not have dedicated roles responsible for risk management and compliance. Those functions are performed by the Company's governing bodies. As its growth progresses, the Company will monitor the need for and will consider the appointment of such roles.

Principle 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.*

Due to the early stage of the Company's development and the size of its business, the Company does not have dedicated roles responsible for internal audit. Those functions are performed by the Company's governing bodies. Additionally, the Audit Committee will perform the control function in its own right. As its growth progresses, the Company will monitor the need for and will consider the appointment of such roles.

Principle 3.7.: *Principles 3.4 to 3.6 apply also to members of the company's group which are material to its activity if they appoint persons to perform such tasks.*

The company does not form a capital group.

Principle 3.8.: The person responsible for internal audit or the management board if such function is not performed separately in the company reports to the supervisory board at least once per year with their assessment of the efficiency of the systems and functions referred to in principle 3.1 and tables a relevant report.

The Company does not follow principle 3.1. Due to the early stage of the Company's development and the size of its business, the implementation of internal control, risk management and compliance systems is not justified. Due to the level of complexity of the Company's structure and its business, the establishment of additional functions is not required. As its growth progresses, the Company will monitor the need for such systems and will consider their implementation.

Principle 3.9: *The supervisory board monitors the efficiency of the systems and functions referred to in principle 3.1 among others on the basis of reports provided periodically by the persons responsible for the functions and the company's management board, and makes annual assessment of the efficiency of such systems and functions according to principle 2.11.3. Where the company has an audit committee, the audit committee monitors the efficiency of the systems and functions referred to in principle 3.1, which however does not release the supervisory board from the annual assessment of the efficiency of such systems and functions*.

The Company does not follow principle 3.1. Due to the early stage of the Company's development and the size of its business, the implementation of internal control, risk management and compliance systems is not justified. Due to the level of complexity of the Company's structure and its business, the establishment of additional functions is not required. As its growth progresses, the Company will monitor the need for such systems and will consider their implementation.

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

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Not applicable. The Company is not a member of the WIG20, mWIG40 or sWIG80 indices.

Principle 4.1.: *Companies should enable their shareholders to participate in a general meeting by means of electronic communication (e-meeting) if justified by the expectations of shareholders notified to the*

company, provided that the company is in a position to provide the technical infrastructure necessary for such general meeting to proceed.

The Company does not have technical capabilities to ensure that shareholders can participate in the general meeting by means of electronic communication (e-AGM). Provision of appropriate infrastructure would additionally entail excessive costs. In this regard, the Company compiles with the applicable provisions of its Articles of Association and law, and operates an appropriate information policy.

Principle 4.3: *Companies provide a public real-life broadcast of the general meeting.*

The company does not have the technical capacity to make real-time broadcasts of the general meeting available to the general public. Provision of appropriate infrastructure would additionally entail excessive costs. In the Company's opinion, the shareholder structure does not justify making such a transmission available. In this regard, the Company complies with the applicable provisions of its Articles of Association and law, and operates an appropriate information policy, which duly secures the interests of all shareholders, including minority ones.

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

The presence of representatives of the media at general meetings is possible only after prior authorization by the Company. The early stage of the Company's development does not justify unauthorized access of media representatives to general meetings. The Company fulfills its information obligations in a reliable and exhaustive manner, and in the case of any questions regarding general meetings addressed to the Company by media representatives, the Company immediately provides relevant answers.

Principle 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:*

The law sets out precise rules for arranging new share issues with the exclusion of subscription rights and the mechanisms provided for by law, in the Company's opinion, ensure proper protection for shareholders. In addition, due to the early stage of the Company's development, the needs to raise share capital may require greater flexibility and adaptation of the new share offer to investors' expectations, subject to any requirements and restrictions arising from the law.

Principle 4.13. a): *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: 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.*

The law sets out precise rules for arranging new share issues with the exclusion of subscription rights and the mechanisms provided for by law, in the Company's opinion, ensure proper protection for shareholders. In addition, due to the early stage of the Company's development, the needs to raise share capital may require greater flexibility and adaptation of the new share offer to investors' expectations, subject to any requirements and restrictions arising from the law.

Principle 4.13. b): *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: the persons granted the pre-emptive right are to be selected according to objective general criteria.*

The law sets out precise rules for arranging new share issues with the exclusion of subscription rights and the mechanisms provided for by law, in the Company's opinion, ensure proper protection for shareholders. In addition, due to the early stage of the Company's development, the needs to raise share capital may require greater flexibility and adaptation of the new share offer to investors' expectations, subject to any requirements and restrictions arising from the law.

Principle 4.13. c): *the persons granted the pre-emptive right are to be selected according to objective general criteria: 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.*

The law sets out precise rules for arranging new share issues with the exclusion of subscription rights and the mechanisms provided for by law, in the Company's opinion, ensure proper protection for shareholders. In addition, due to the early stage of the Company's development, the needs to raise share capital may require greater flexibility and adaptation of the new share offer to investors' expectations, subject to any requirements and restrictions arising from the law.

Principle 4.14: *Companies should strive to distribute their profits by paying out dividends. Companies may retain all their earnings subject to any of the following criteria:*

a) the earnings are minimal and consequently the dividend would be immaterial in relation to the value of the shares; b) the company reports uncovered losses from previous years and the earnings are used to reduce such losses; c) the company can demonstrate that investment of the earnings will generate tangible benefits for the shareholders; d) the company generates insufficient cash flows to pay out dividends; e) a dividend payment would substantially increase the risk to covenants under the company's binding credit facilities or terms of bond issue; f) retention of the company's earnings follows recommendations of the authority which supervises the company by virtue of its business activity. The Company's intention is to achieve recurring profit and pay dividends. However, the early stage of the Company's development does not permit the adoption of the principle, as this would be a too excessive limitation. When recommending profit allocation, the Management Board is always guided by the Company's situation and its current needs

The Company's intention is to achieve recurring profit and pay dividends. However, the early stage of the Company's development does not permit the adoption of the principle, as this would be a too excessive limitation. When recommending profit allocation, the Management Board is always guided by the Company's situation and its current needs.

Principle 6.3.: *If companies' 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.

The Company has an incentive scheme in place based on management options and providing for fulfillment of the vesting conditions over a period shorter than three years. Due to the early stage of its development, the Company is of the opinion that it is in its best interest to ensure that the conditions attached to the objectives set for members of governing bodies and key employees are linked to the Company's circumstances and needs. The Company will decide on the conditions of its incentive schemes based on its current situation and current reasons for the implementation of the incentive scheme

6.3 Shareholding and shares of the Company

The Company's share capital as at the date of the report amounts to PLN 1,225,788.60 and is divided into 12,257,886 ordinary bearer shares with a nominal value of PLN 0.10 (ten groszy) each.

The Company's share capital is divided into:

a) 1,000,000 series A ordinary bearer shares,

b) 142,860 series B ordinary bearer shares,

c) 4,000,000 series C ordinary bearer shares,

d) 583,670 series D ordinary bearer shares,

e) 85,900 series E ordinary bearer shares,

f) 76,000 series F ordinary bearer shares,

g) 710,110 series G ordinary bearer shares,

h) 830,000 series H ordinary bearer shares,

i) 730,000 series J ordinary bearer shares,

j) 1,205,639 series K ordinary bearer shares,

k) 794,361 series L ordinary bearer shares,

l) 1,237,000 series M ordinary bearer shares,

m) 400,000 series N ordinary bearer shares,

n) 462,346 series I ordinary bearer shares.

The Company does not have any treasury shares.

Moreover, there are no holders of the Company's securities giving special control rights, and as of the date of preparation of this report, there are no restrictions on the exercise of voting rights attached to the Company's shares.

Additionally, the Company's Articles of Association do not provide for any restrictions on the transfer of ownership rights to securities issued by the Company.

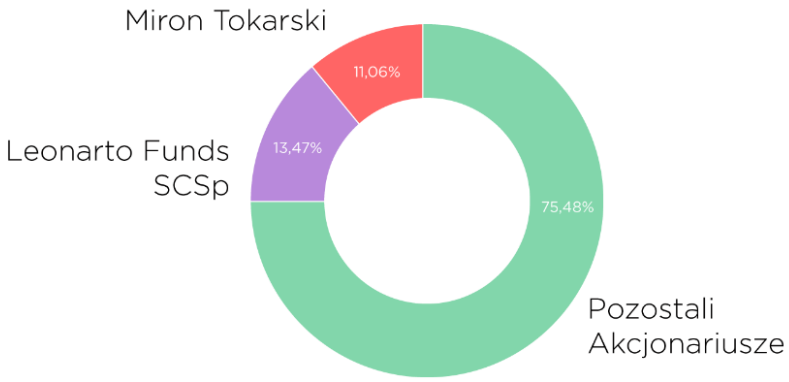
The Company does not have a system for controlling employee share programs.

Apart from the incentive program, the Company is not aware of any agreements that may result in changes in the proportions of shares held by existing Shareholders in the future, including agreements concluded between Shareholders or other insurance, cooperation or cooperation agreements.

The Issuer's shareholding structure as at the date of preparation of this report was as follows:

Shareholder	Number of shares	Number of votes	Share in the share capital	Share in the number of votes at the General Meeting
Leonarto Funds SCA (société en commandite par actions) *	1,650,620	1,650,620	13.47%	13.47%
Miron Tokarski	1,355,118	1,355,118	11.06%	11.06%
Others	9,252,148	9,252,148	75.48%	75.48%
TOTAL	12,257,886	12,257,886	100.00%	100.00%

**in accordance with the notice published by the Company in current report 9/2024 Leonarto VC Pankiewicz Spółka jawna obtained the status of the parent entity of Leonarto Funds SCA. Leonarto VC Pankiewicz Spółka jawna holds directly 1,000 shares of the Company representing 0.008% of the share capital of the Company and entitling to 1,000 votes, constituting 0.008% of the total number of votes, and holds indirectly through the company Leonarto Funds SCA with its registered office in Luxembourg, entered into the Luxembourg commercial register under the number B234200, which is a subsidiary of the Shareholder (through Leonarto VC Pankiewicz Spółka jawna Spółka komandytowa, which is a subsidiary of the Shareholder and the parent entity of Leonarto Funds SCA), 1,650,620 shares of the Company, representing 13.47% of the share in share capital of the Company and entitling to 1,650,620 votes, constituting 13.47% of the total number of votes.*



6.4 Incentive Program

By way of resolution 06/08/2020 of the Extraordinary General Meeting of the Company of August 31, 2020, an incentive program based on GENOMTEC S.A. shares was established in the Entity.

The primary goal of the incentive program is to create a mechanism aimed at implementing the Company's strategy to ensure a constant increase in its market value and, as a result, in the value of shares held by all its shareholders. An additional goal of the program is to create an additional remuneration system and mechanisms motivating participants of the incentive program to increase their commitment and effectiveness of work for the Company, which should ensure maintaining a high level of professional management of the Company.

The incentive program was based on series H shares (a total of 830,000 shares) and no more than 659,854 series A subscription warrants, issued on the basis of resolution 05/08/2020 of the Extraordinary General Meeting of Shareholders of August 31, 2020, entitling to acquire more than 659,854 series I shares. The incentive program will be implemented in the Company in 2020-2024. As

part of the incentive program, series H shares and subscription warrants may be offered for purchase to program participants, i.e. members of the Company's Management Board, key managers, key employees and key collaborators of the Entity. Eligible persons will be able to acquire the right to take up shares for an issue price equal to their nominal value, i.e. PLN 0.10. The number of shares in the Company that will be offered to a given eligible person under the incentive program depends on the decision of the Management Board and the Supervisory Board.

The program is planned for 2020-2024. Participants of the Program may be Members of the Management Board, key managers, key employees and associates of the Company in a number not exceeding 149 people. The first stage of the Plan implementation consisted in the Supervisory Board offering no more than 730,000 Series H Shares for purchase to Members of the Management Board at an issue price equal to the nominal price, i.e. PLN 0.10 (ten groszy) and signing share subscription agreements and agreements prohibiting the sale of Series H Shares (lock-up) with Members of the Management Board for a period of 36 (thirty-six) months from the date of taking up Series H Shares. The second stage of the implementation of the Incentive Program consisted of the Management Board offering the remaining Series H Shares (i.e. 100,000 Series H Shares) at an issue price equal to the nominal price, i.e. PLN 0.10 (ten groszy) and signing share subscription agreements and agreements prohibiting the sale of Series H Shares (lock-up) with the program participants for a period of 36 (thirty-six) months from the date of taking up the Series H Shares. The shares were acquired under the program. as part of a private subscription. As part of the third stage of the Incentive Program, which is to be implemented in 2020-2024, Warrants are to be offered to participants of the Incentive Program. The right to acquire Series I Shares attached to the Warrants may be exercised no later than August 31, 2025. The selection of Program participants, the determination of possible goals set for them, the number of Warrants offered and the application of a possible ban on the sale of Series I Shares (lock-up) for a period not longer than 60 months from the date of taking up Series I Shares is made by the Supervisory Board.

6.5 General Meetings

Rules of operation of the general meeting

The general meeting may adopt resolutions only on matters included in the agenda, unless the entire share capital is represented at the general meeting and no one present raised an objection to the adoption of the resolution. The General Meeting may also adopt resolutions without a formal convening, if the entire share capital is represented and no one present raises any objections to the holding of the General Meeting or to the inclusion of individual matters on the agenda. Voting at the general meeting is open. A secret ballot is ordered for elections and for motions to dismiss members of the Company's governing bodies or liquidators, to hold them liable, in personal matters and at the request of at least one shareholder present or represented at the General Meeting.

Powers of the general meeting

The powers of the General Meeting result from both legal provisions, in particular the Commercial Companies Code, and the Articles of Association.

Pursuant to § 12 of the Company's Articles of Association, the powers of the General Meeting include in particular the following matters:

- appointing and dismissing members of the Supervisory Board;

- establishing the rules for remunerating Members of the Supervisory Board and Members of the Audit Committee, if it is appointed;
- creation and liquidation of reserve capitals and other capital and funds of the Company;
- expressing consent to the sale and lease of the enterprise or its organized part
- and establishing a limited property right thereon;
- expressing consent for the Company to conclude a loan, guarantee or similar agreement
- agreements with a Member of the Management Board, a commercial proxy, a liquidator or a Member of the Supervisory Board;
- adopting and amending the regulations of the General Meeting.

Pursuant to § 12 section 8 of the Articles of Association, the General Meeting may adopt resolutions regardless of the number of current Shareholders or represented shares, unless the Articles of Association or the Commercial Companies Code provide otherwise. Resolutions of the General Meeting are adopted by an absolute majority of votes, unless the provisions of the Articles of Association or the Commercial Companies Code provide for stricter requirements.

Pursuant to Art. 416 § 1 of the Commercial Companies Code, the General Meeting may also adopt a resolution on a significant change in the scope of the Company's activities. In this case, a majority of 2/3 (two thirds) of the votes is required.

Resolutions of the General Meeting on the issue of convertible bonds or bonds with priority rights and subscription warrants referred to in Art. 453 § 2 of the Commercial Companies Code and regarding amendments to the Articles of Association, including resolutions on increasing and decreasing the share capital, are adopted by a majority of 3/4 (three-fourths) of votes.

Pursuant to Art. 415 § 11 of the Commercial Companies Code, a resolution regarding the company's financing of the purchase or subscription of shares issued by it is adopted by a majority of 2/3 (two-thirds) of votes. However, if at the general meeting at least half of the share capital is represented at the meeting, an absolute majority of votes is sufficient to adopt a resolution.

The right to participate in the General Meeting

Pursuant to Art. 406^1 § 1 of the Commercial Companies Code, persons who are shareholders of the company sixteen days before the date of the General Meeting (the date of registration of participation in the general meeting) have the right to participate in the General Meeting.

The shareholder may participate in the General Meeting of ENEA S.A. and exercise the right to vote in person or by proxy.

Shareholder rights

A shareholder or shareholders of the company representing at least one twentieth of the share capital have the right to request that certain matters be included in the agenda of the General Meeting. This request, containing a justification or a draft resolution regarding the proposed agenda item, should be submitted to the Company's Management Board no later than 21 days before the scheduled date of the meeting.

A shareholder or shareholders of the company representing at least one twentieth of the share capital may, before the date of the General Meeting of the Company, submit draft resolutions regarding matters included in the agenda of the General Meeting or matters that are to be included in the agenda.

Each shareholder may submit draft resolutions regarding matters included in the agenda during the General Meeting.

Shareholders participating in the General Meeting of the Company have the right to ask questions regarding matters included in the agenda of the General Meeting.

The Company's general meeting regulations are available at https://genomtec.com/materialy/#dokumenty-spolki

6.6 Rules for amending the Company's Articles of Association

Pursuant to the provisions of the Commercial Companies Code, an amendment to the Company's Articles of Association requires a resolution adopted by a specified majority of votes and an entry in the register. The Company's Articles of Association do not contain any provisions different from the provisions of the Commercial Companies Code regulating changes to the Articles of Association.

6.7 Company authorities

6.7.1 Management Board

The management body of the Company is the Management Board.

The Management Board consists of a maximum of 5 (five) members, appointed by the Supervisory Board, including the President and Vice-President or Vice-Presidents if the Management Board consists of more than one person.

The joint term of office of the Management Board Members is 3 years. Each Member of the Management Board may be elected for the next term of office. A member of the Management Board may be dismissed or suspended for important reasons by the Supervisory Board.

The mandates of members of the Management Board expire at the latest on the date of the General Meeting approving the financial statements for the last full financial year of serving as members of the Management Board.

The remuneration of Management Board members is determined by the Supervisory Board in a resolution.

Powers of the Management Board

The Management Board manages the Company's affairs and represents the Company in all judicial and extrajudicial activities. The Management Board makes decisions on all matters not reserved by the provisions of the Articles of Association or legal provisions for the exclusive competence of the Supervisory Board or the General Meeting. The Management Board, pursuant to §10A section 1 of the Articles of Association, is entitled to increase the Company's share capital by issuing up to 2,000,000 (two million) new ordinary shares with a nominal value of PLN 0.10 (ten groszy) each and a total nominal value not exceeding PLN 200,000 (two hundred thousand zlotys), which constitutes an increase in the authorized capital. The management board may execute the authorization granted to it by making one or more increases in the share capital within specified limits. The authorization expires on August 31, 2023, and this is the last day on which the Management Board may submit an application to the registry court for registration of the issue of shares within the authorized capital. The issue price of shares issued within the authorized capital may not be lower than 80% (eighty percent) of the average market price of the Company's shares on the alternative trading system or the regulated market organized by the WSE, determined as the average price weighted by the trading volume in the three months preceding

the date of adoption by the Management Board of the resolution on issue of shares within the authorized capital

The composition of the Issuer's Management Board as at the Balance Sheet Date and Report Date was as follows:

- Miron Tokarski President of the Management Board
- Michał Wachowski Member of the Management Board
- Charudutt Shah Member of the Management Board

dr Miron Tokarski

Chief Executive Officer (CEO)

Miron is the co-founder and CEO of Genomtec S.A. He is also a laboratory diagnostician. He graduated from the Faculty of Pharmacy, Department of Medical Analytics of the Medical University of Wrocław. He obtained his PhD in medical sciences in the field of molecular biology in December 2021 from the Medical University of Wrocław. Author of publications and co-author of Genomtec patents. An ambitious young scientist. His master's thesis was awarded by the Hasco-Lek foundation. Research project manager of the National Science Center.

At Genomtec, Miron actively participates in R&D in molecular biology in the area of infectious diseases.

Michał Wachowski

Management Board Member, Chief Financial Officer (CFO)

Michał Wachowski has over 14 years of experience in corporate financing, investment management and business consulting.
Before joining the team, he served as an investment director in Venture Capital fund. Previously, he was the CEO of a medium-sized company from the energy sector and CFO of a startup from the chemical sector. He advised on a number of transactions relating to investments, mergers and acquisitions as well as restructuring processes. Previously, he held operational positions at ARP, TFS, Deloitte, Polimex Mostostal and Central Europe Trust. Completed Master's studies at the Warsaw School of Economics, majoring in Finance and Banking, and postgraduate studies in Transfer of IT Technologies to Enterprises.
At Genomtec, he is responsible for the Company's finances.

Charudutt Shah

Management Board Member

Charudutt Shah has more than ten-year management experience in commercializing products, developing brands and building partnerships with international companies. He is a senior manager with long-standing international experience in such areas as business development, marketing and sales management and strategic planning in genetic clinical diagnostics. He joined Genomtec on 1 August 2021. In his work, he focuses on developing market entry strategies, building the awareness of clinicists, market access and introduction of innovative solutions for testing in different healthcare ecosystems to improve patient care.
Mr. Charudutt Shah obtained a degree from the University of Toronto and has a degree of Bachelor of Applied Science & Engineering and Master of Biotechnology/Management. He also holds certification of studies in corporate strategic alliances issued by the Canadian Healthcare Licensing Association.

There were no changes in the composition of the Management Board in 2023.

6.7.2 Supervisory board

The Supervisory Board exercises constant supervision over the Company's activities in all areas of its activity. Pursuant to the Company's Articles of Association, the Supervisory Board consists of 5 (five) to 7 (seven) members, including the Chairman. Members of the Supervisory Board are appointed and dismissed by the General Meeting for a joint 3-year term of office. Each member of the Supervisory Board may be reappointed. Each member of the Supervisory Board may be dismissed at any time. If the General Meeting did not elect the Chairman of the Board, he is elected at the first meeting in a given term by the Supervisory Board from among its members. The mandate of a member of the Supervisory

Board expires no later than on the date of the General Meeting which approves the financial statements for the last full financial year during which the Supervisory Board member held their role.

The Annual General Meeting of the Company held on June 27, 2023, on the same day, made changes to the composition of the Company's Supervisory Board by dismissing the current members of the Supervisory Board from the Supervisory Board of the current term of office, i.e.: Mr. Karol Hop, Mr. Krzysztof Krawczyk, Mr. Michał Jank, Mr. Jakub Swadźb, Mr. Tomasz Jurek, Mr. Jarosław Oleszczuk.

At the same time, the Annual General Meeting of the Company appointed, as of the same day, the following persons to the Supervisory Board of the Company for a new three-year joint term of office: Mr. Karol Hop, Mr. Michał Jank, Mr. Jarosław Oleszczuk, Mr. Paweł Duszek, Mr. Andrzej Taudul.

The composition of the Issuer's Supervisory Board as at the Balance Sheet Date was as follows:

Karol Hop Chairman of the Supervisory Board

Michał Jank Member of the Supervisory Board

Andrzej Taudul Member of the Supervisory Board

Paweł Duszek Member of the Supervisory Board

Jarosław Oleszczuk Member of the Supervisory Board

On March 12, 2024, there were changes in the composition of the Company's Supervisory Board, consisting in the fact that Mr. Jarosław Oleszczuk will submit his resignation from the position of Member of the Issuer's Supervisory Board with effect from the moment of submission, and Mr. Karol Hop submitted a declaration of resignation from sitting on the Board. Supervisory Board of the Company upon the opening of the Extraordinary General Meeting of the Company convened on March 12, 2024. On the same day, the Extraordinary General Meeting of the Company decided to appoint new members of the Supervisory Board to the Issuer's Supervisory Board: Ms. Beata Turlejska and Mr. Gualtiero Garlasco.

On April 22, 2024, the Company received the resignation of Mr. Michał Jank from serving as a Member of the Company's Supervisory Board, effective at the opening of the Extraordinary General Meeting of the Company convened on April 22, 2024, and on the same day, the Extraordinary General Meeting of the Company appointed Mr. Trevor Hawkins to hold the position. Member of the Company's Supervisory Board.

The composition of the Issuer's Supervisory Board as at the Report Date was as follows:

Beata Turlejska	Chairwoman of the Supervisory Board
Andrzej Taudul	Member of the Supervisory Board
Trevor Hawkins	Member of the Supervisory Board
Paweł Duszek	Member of the Supervisory Board
Gualtiero Garlasco	Member of the Supervisory Board

The Supervisory Board may appoint commissions or committees, both permanent and ad hoc, to consider specific matters, as opinion-giving and advisory bodies, consisting of individual members of the Supervisory Board, advisors and experts.

6.7.2.1 Audit Committee

The Audit Committee was appointed from among the members of the Supervisory Board pursuant to Resolution No. 01/10/2021 of the Supervisory Board of October 22, 2021.

Composition of the Committee

The Audit Committee operates on the basis of the Audit Committee Regulations adopted by the Company's Supervisory Board, which specifies, among others: detailed scope of tasks and powers of the Committee.

In accordance with the requirements of Art. 129 section 1 of the Act on Statutory Auditors, at least one member of the Audit Committee must have knowledge and skills in accounting or auditing financial statements. The majority of members of the Audit Committee, including its chairman, must meet the independence criteria specified in Art. 129 section 3 of the Act on Statutory Auditors. At the same time, in accordance with Art. 129 section 5 of the Act on Statutory Auditors Members of the Audit Committee must have knowledge and skills in the industry in which the Company operates. This condition is deemed to be met if at least one member of the Audit Committee has knowledge and skills in this industry or individual members have knowledge and skills in this industry in specific areas.

As of January 1, 2023, the composition of the Audit Committee was as follows:

Name	Role	Independence criteria	Knowledge and experience in accounting or auditing financial statements	Knowledge and experience in the Company's industry
Krzysztof Krawczyk	Chairman of the Audit Committee	yes	yes	no
Tomasz Jurek	Audit Committee Member	yes	no	yes
Karol Hop	Audit Committee Member	yes	no	no

In 2023, as well as in 2024 until the date of preparation of this Report, there were changes in the composition of the Company's Audit Committee, which are detailed below, and which are a derivative of the personal changes in the composition of the Supervisory Board, described in point 7.7.2 above.

At the end of the 2023 financial year, the composition of the Audit Committee was as follows:

Name	Role	Independence criteria	Knowledge and experience in accounting or auditing financial statements	Knowledge and experience in the Company's industry
Karol Hop	Chairman of the Audit Committee	yes	no	no
Paweł Duszek	Audit Committee Member	yes	yes	no
Jarosław Oleszczuk	Audit Committee Member	no	no	yes

The composition of the Audit Committee at the time of publication of the Report is as follows:

Name	Role	Independence criteria	Knowledge and experience in accounting or auditing financial statements	Knowledge and experience in the Company's industry
Paweł Duszek	Chairman of the Audit Committee	yes	yes	no
Trevor Hawkins	Audit Committee Member	yes	no	yes
Beata Turlejska	Audit Committee Member	yes	no	yes

In the opinion of the Supervisory Board, based on, among others, based on the submitted documents, including statements and surveys, all members of the Audit Committee, i.e. Paweł Duszek, Mr. Trevor Hawkins and Ms. Beata Turlejska meet the criteria of independence within the meaning of Art. 129 section 3 of the Act on Statutory Auditors. At the same time, experience, knowledge and skills in the field of accounting and experience in the industry in which the Company operates in relation to individual persons are described below.

Paweł Duszek

Paweł Duszek has knowledge and skills in the field of accounting within the meaning of the Act on Statutory Auditors. The knowledge requirement was confirmed and documented in connection with Mr. Duszek's possession of the Chartered Financial Analyst Charterholder (CFA) certificate awarded by the CFA Instituite. This is one of the most prestigious professional titles in the world of finance; only about 600 people in Poland hold it. Obtaining the above-mentioned the certificate requires approximately 2.5 years of taking three-stage exams. To be eligible for admission, it is required to document at least four years of professional experience in the financial market. What is crucial, in the exams, one of the main thematic blocks concerns knowledge of accounting principles (including IFRS and GAAP) and the preparation and analysis of financial statements. Mr. Duszek successfully passed the exams and meets the requirements for current use of the above certificate.

Regardless of the above, the study program at the Faculty of Management of the University of Warsaw, which Mr. Duszek completed, also included a subject called "financial accounting", which Mr. Duszek passed with a positive result.

The requirement of skills (experience) in the field of accounting was sufficiently confirmed in connection with the fact of admission (in order to be admitted to the exam, the requirement of four years of experience on the capital market is examined by the CFA Institute) and the positive passing by Mr. Duszek for the CFA exam, as well as comments on other aspects of Mr. Duszek's professional experience known from his curriculum vitae and discussed by the Supervisory Board related to employment at Grant Thornton Frąckowiak, brokerage houses and other consulting and investment companies.

Trevor Hawkins

Dr. Trevor Hawkins is an entrepreneur, academic and commercial leader with diverse experience in global healthcare. Former director of the US DOE Human Genome Project, with significant technical and academic qualifications, as well as commercial and managerial experience in leading global companies. Active in the industry for over 25 years.

Dr. Trevor Hawkins graduated in Biochemistry from the University of Sussex, UK 1989, and holds a Ph.D. in biochemistry [Biochemistry Laboratory of Molecular Biology, Cambridge, UK February 1993]. He

attended courses such as GE Management Course, General Electric Business Management Course, and Management Course.

Professional track record and positions held:

2023 – present, Independent Board Member, Resistell AG

2023 – present, Science Advisor, AtonArp

2023 – present, Advisor Cellesta Capital

2019 – present, Science & Strategy Advisory Board Member, LifeSpin GmbH

2019 – present, Science & Strategy Advisory Board Member, Noscendo GmbH

2019 – 2021 CEO of HP Health

2019 – present, Operating Advisor Graybird Ventures

2016 – present, Founder and Managing member of Coffee Shop Labs

- Venture Investing
- Technology & Strategy Development

2019 – 2020 Strategy Advisor, Northwell Health

2019 – 2021 Independent Board Member, GNA Bio Solutions GmbH

2011 – 2016 Senior Vice President & Chief Strategy Officer, Siemens Healthcare

2011 - 2016 Head of the Siemens Clinical Lab, Siemens Healthcare Diagnostics. Location: Berkeley, CA

Apr 2010 – Jan 2011 Group Vice President, Thermo Fisher Scientific

2007 - April 2010 Chairman & CEO, ProGenTech Limited

2006-2007 Chief Scientist, Royal Philips Electronics

2005-2006 Chief Science & Technology Officer, Executive Vice President, MDS Inc

2002-2005 GE Healthcare/Amersham Biosciences

1999 - 2002 Director, US DOE Joint Genome Institute

1999 - 2002 Director, Genomics Division, LBNL

1997 - 1999 Associate Professor, College of Medicine, University of Florida

1995 - 1997 Assistant Professor, Whitehead Institute/ MIT

Beata Turlejska

Mrs. Beata Turlejska has many years of managerial experience in building and managing large companies. Since 2017, she has been the Managing Partner of the Leonarto fund, which is one of the main shareholders of Genomtec. She managed one of the largest marketing agencies in Poland, where she was responsible for clients' marketing budgets worth over PLN 50 million annually. Professional career:

- December 2017 until present: Leonarto VC - Managing Partner,

- February 2014 - December 2017 - J. Walter Thompson Group Poland – CEO,

- June 2008 - January 2014 - Adv.pl / Lemon Sky – CEO,

- May 2000 - June 2008 - Dem'a Promotion Polska - Client Service Director

Mrs. Beata Turlejska has a master's degree in economics in the field of finance, is a specialist in human resources management and marketing. A graduate of the Warsaw School of Economics and the Lazarski University in Warsaw.

Committee tasks and activities

The Audit Committee performs in particular the tasks indicated in Art. 130 of the Act on Statutory Auditors, which include:

monitoring of financial reporting process; of effectiveness of internal control and risk management systems and internal audit, including financial reporting; of performing financial audit activities, in particular the audit carried out by the audit firm, taking into account all conclusions and findings of the Polish Audit Oversight Agency resulting from the inspection carried out at the audit firm;

controlling and monitoring the independence of the statutory auditor and the audit firm, in particular if the audit firm provides services other than auditing to the company;

informing the supervisory board or other supervisory or control body of the company about the results of the audit and explaining how the audit contributed to the reliability of financial reporting in the company, as well as what was the role of the audit committee in the audit process;

assessing the independence of the statutory auditor and consenting to the provision of permitted non-audit services by them to the company;

developing a policy for selecting an audit firm to conduct the audit;

developing a policy for the provision of permitted non-audit services by the audit firm carrying out the audit, by entities related to this audit firm and by a member of the audit firm's network;

determining the procedure for selecting an audit firm;

submitting recommendations to the supervisory board regarding the appointment of statutory auditors or audit firms;

submitting recommendations aimed at ensuring the reliability of the financial reporting process in a public interest entity.

The Audit Committee began the full implementation of its statutory tasks when the Company obtained the status of a public interest entity as defined in the provisions of the Act on Statutory Auditors, which resulted from the admission of the Issuer's shares to trading on the regulated market pursuant to Resolution No. 99/2023 of the Warsaw Stock Exchange Management Board of February 9, 2023 regarding the admission to exchange trading on the WSE Main List of ordinary bearer shares of series A, B, C, D, E, F, G, H, J and K of GENOMTEC S.A.

In 2023, until the date of publication of this report, the Company's Audit Committee held five meetings, the key subject of which, apart from formal activities, was:

Meeting No. 1 of 22 March 2023:

- Discussion with the statutory auditor of the planned schedule and course of work related to the audit of the financial statements for 2022, including key aspects, audit risks, adopted materiality criteria, risks to the possibility of continuing the audit process.
- Discussion of the Guidelines of the Polish Financial Supervision Authority on the implementation of emergency mechanisms in the event of loss of authorizations by an audit firm or other reasons preventing the selected audit firm from carrying out an audit (Guidelines of the Polish Financial Supervision Authority).
- Assessment of continued independence of the audit firm and key statutory auditor, including a discussion of:
  - ✓ the Report of the Polish Audit Oversight Agency for 2021, referred to in Art. 90.5 of the Act on Experts (…),
  - ✓ the Transparency Report 4 AUDYT sp. z o.o. referred to in Art. 13 Regulation 537/2014,
  - ✓ information on conclusions and findings from inspections carried out by the Polish Audit Oversight Agency, provided by 4 AUDYT sp. z o.o.
- Adoption of the framework work plan of the Audit Committee for 2023.

Meeting No. 2 of 28 April 2023:

- Adoption of the policy for selecting an audit firm to conduct an audit, as updated with the PFSA Guidelines, developed by the Audit Committee, referred to in Art. 130 section 1 point 5 of the Act on Statutory Auditors.
- Adoption of the update of the policy developed by the Audit Committee for the provision of permitted non-audit services by the audit firm conducting the audit, by entities related to this audit firm and by a member of the audit firm's network, referred to in Art. 130 section 1 point 6 of the Act on Experts.
- Adoption of the procedure for selecting an audit firm, updated with the Polish Financial Supervision Authority's Guidelines, specified by the Audit Committee, referred to in Art. 130 section 1 point 7 of the Act on Statutory Auditors.
- Summary with representatives of the audit company of the course and key aspects of the audit of the financial statements for 2022 and discussion of the draft expert opinion on the audit.
- Discussion of information for the Supervisory Board of GENOMTEC S.A. about the results of the audit of the financial statements for 2022 and explaining how this audit contributed to the reliability of financial reporting in the Company, as well as what was the role of the Audit Committee in the audit process.
- Opinion on the draft statements of the Supervisory Board of GENOMTEC S.A. on the functioning of the Audit Committee and the selection of the audit firm, referred to in § 70 section 1 point 7 and § 70 section 1 point 8 of the Regulation of the Minister of Finance of March 29, 2018 on current and periodic information (…).
- Opinion on the draft assessment of the Supervisory Board of GENOMTEC S.A. together with the justification referred to in § 70 section 1 point 14 of the Regulation of the Minister of Finance of March 29, 2018 on current and periodic information (...) on the reliability of the Management Board's Report on activities in 2022 and the Financial Statements for 2022 2.
- Presentation of actions taken by the Audit Committee between meetings.

Meeting No. 3 of 25 May 2023:

- Discussion of the Company's results for the first quarter of 2023.
- Discussion of the correctness of the financial reporting process related to the preparation of the periodic report for the first quarter of 2023.
- Adoption of the Audit Committee's Report on its activities, including, among others: assessment of the adequacy and effectiveness of internal control systems, risk management and compliance supervision, as well as the internal audit function.
- Presentation of actions taken by the Audit Committee between meetings.

Meeting No. 4 of 27 September 2023:

- Discussion of the Company's results for the first half of 2023 and the financial reporting process.
- Discussion with the participation of an expert of the correctness of the financial reporting process related to the preparation of the periodic report for the first half of 2023.
- Confirmation that the conditions for auditor independence continue to exist.
- Presentation of actions taken by the Audit Committee between meetings.

Meeting No. 5 of 24 November 2023:

- Discussion of the Company's results for the third quarter of 2023.
- Discussion of the correctness of the financial reporting process related to the preparation of the periodic report for the third quarter of 2023.
- Discussion of offers from audit companies received in the simplified tender procedure.

- Adopting a resolution on presenting a recommendation to the Supervisory Board regarding the selection of the entity authorized to audit financial statements (as part of the extension of cooperation).
- Confirmation of the continued existence of the conditions for the independence of the statutory auditor and the absence of risks indicated in the PFSA guidelines of September 21, 2022.
- Presentation of actions taken by the Audit Committee between meetings.

In the period from the beginning of 2024 to the date of publication of this report, the Audit Committee held two further meetings on:

February 9, 2024 and

April 24, 2024,

- focusing on the activities related to the audit of the Company's financial statements for 2023 and the correctness of the reporting process (in cooperation with a certified auditor), including consent to the provision by the audit firm auditing the annual financial statements of an additional attestation service in the scope of assessing the Supervisory Board's report on the remuneration of the Company's Management Board and Supervisory Board and adopted a framework work plan for 2024.

The main assumptions of the developed policy for selecting an audit firm to conduct the audit and the policy for providing permitted services by the audit firm

The policy for selecting an audit firm to audit financial statements developed by the Audit Committee assumes, in particular, the need to take into account in the process of selecting an audit firm made by the Supervisory Board such criteria as, for example, previous experience as well as qualifications and experience of persons delegated to perform financial audit activities, knowledge of the industry, in particular in which the Company operates, pricing conditions offered by the auditing company, completeness of the declared services, or the reputation of the auditing company. The policy of selecting an audit firm also assumes the need to obtain a recommendation from the Audit Committee, taking into account in particular the assessment of the independence of the audit firm. Additionally, it provides for the selection of an audit firm independently, free from pressure or suggestions from third parties. The audit firm selection policy also takes into account restrictions on the selection of an audit firm resulting from generally applicable regulations, such as in particular the grace period and rotation of audit firms and statutory auditors.

The Policy for the provision of permitted non-audit services by the audit firm conducting the audit, by entities related to this audit firm and by a member of the audit firm's network, developed by the Audit Committee of the Supervisory Board, assumes primarily the need to ensure the independence of the audit firm and the statutory auditor and to limit the possibility of a conflict of interest in the event of commissioning an audit firm to provide permitted non-audit services by defining prohibited and permitted services. Examples of permitted services include, for example, carrying out due diligence procedures regarding the economic and financial condition, assurance services regarding pro forma financial information, forecasts of results or estimated results included in the prospectus of the audited entity, examination of historical financial information for the prospectus, verification of consolidation packages. In turn, prohibited services include, in particular, tax services relating to: preparing tax forms, payroll taxes, customs obligations, keeping accounting and preparing accounting documentation and financial statements, developing and implementing internal control procedures or risk management procedures related to the preparation or control of financial information or development and implementation of technological systems for financial information, or services related to the internal audit function. The provision of permitted services is possible only to the extent not related to the Company's tax policy, after the Audit Committee has assessed the threats and safeguards to the independence of the audit firm, the key statutory auditor and other members of the audit team.

In 2022, no permitted services other than financial audit activities were provided to the Company by the audit company auditing financial statements, but in the scope of financial audit activities, the audit

company 4AUDYT sp. z o.o. audited Historical Financial Information prepared in accordance with IFRS for the years 2019-2021 and issued a report on the audit of this information.

6.8 The status of ownership of shares or rights to them by managing and supervising persons

As at the date of publication of the report, the following persons who are members of the Company's management and supervisory bodies hold shares in the Company:

Shareholder	Number of shares/votes held	Nominal value of shares (PLN)	Share in the share capital	Share in the number of votes at the General Meeting
Miron Tokarski – President of the Management Board	1 355 118	135 511.80	11.06%	11.06%
Michał Wachowski – Member of the Management Board	45 006	4 500.60	0.37%	0.37%
Charudutt Shah – Member of the Management Board	94 123	9 412.30	0.77%	0.77%
Beata Turlejska – Chairwoman of the Supervisory Board	833	83.3	0.01%	0.01%
Trevor Hawkins – Member of the Supervisory Board	0	0	0.00%	0.00%
Paweł Duszek – Member of the Supervisory Board	0	0	0.00%	0.00%
Andrzej Taudul – Member of the Supervisory Board	3 441	344	0.03%	0.03%
Gualtiero Garlasco – Member of the Supervisory Board	0	0	0.00%	0.00%

As at the date of publication of the report, none of the members of the Company's management and supervisory bodies has any rights to the Company's shares (except for the incentive program) or holds shares in related entities.

6.9 Employment and remuneration policy

The Company employs employees on the basis of employment contracts, commissions activities on the basis of civil law contracts, and collaborates with people running businesses.

As at December 31, 2023, the Company employed 17 people under employment contracts and mandate contracts, and collaborated with 4 people on the basis of civil law contracts.

As at the date of publication of this report, the Company employs 19 people on the basis of employment and mandate contracts and cooperates with 6 people on the basis of civil law contracts.

Remuneration policy

On November 5, 2021, the Extraordinary General Meeting adopted resolution 04/11/2021 on the adoption of the remuneration policy for Members of the Management Board and the Supervisory Board. The remuneration system for members of the Management Board and the Supervisory Board specified in the remuneration policy and the amount of their remuneration take into account objective criteria, including market conditions and the scope of responsibility and the level of qualifications and experience related to performing a given function. The remuneration principles provided for in the remuneration policy are intended to enable the recruitment and retention of persons meeting the criteria required to manage the Company, as well as to ensure full commitment to perform functions in the Company.

The remuneration system for members of the Management Board and the Supervisory Board is established taking into account the working conditions and remuneration of the Company's employees, other than members of the Management Board and members of the Supervisory Board. When establishing the remuneration policy, particular account was taken of the level of remuneration of the Company's employees and the scope of responsibility related to serving as a member of the Management Board and the Supervisory Board.

In accordance with the introduced remuneration policy, remuneration is paid to members of the Management Board on the basis and in accordance with (i) the employment contract concluded between a given member of the Management Board and the Company and the resolution of the Supervisory Board on determining the remuneration of a member of the Management Board, (ii) the resolution of the Supervisory Board on appointing a member of the Management Board or determining the remuneration of members of the Management Board, if the Company and the member of the Management Board have not concluded an employment contract, (iii) a cooperation agreement (B2B agreement) concluded between a member of the Management Board or a company controlled by him and the Company.

Remuneration is paid to members of the Supervisory Board on the basis and in accordance with the resolution of the general meeting on the appointment of a member of the Supervisory Board or the resolution on determining the amount and principles of remuneration of members of the Supervisory Board.

The remuneration policy applicable in the Company provides that members of the Management Board, for performing their functions and working for the Company, receive remuneration in a fixed monthly amount determined by a resolution of the Supervisory Board. Members of the Supervisory Board receive remuneration for performing their function in a fixed monthly amount determined by a resolution of the Company's general meeting. Additionally, members of the Management Board are remunerated based on variable remuneration components in the form of granted financial instruments, i.e. in accordance with the rules resulting from the regulations of the incentive program, which was adopted on the basis of resolution 01/12/2020 of the Supervisory Board of December 28, 2020 in regarding the adoption of the regulations of the incentive program, to which the Supervisory Board was authorized in § 3 of resolution 06/08/2020 of the Extraordinary General Meeting of August 31, 2020 regarding the creation of an incentive program in the Company.

Remuneration of Members of the Management Board

Members of the Management Board receive remuneration in the Company for performing their functions and for employment contracts concluded between them and the Company. Members of the Management Board receive monthly remuneration for performing their functions. The monthly remuneration of Management Board members for performing their functions was each time determined individually for individual members. The presented amounts do not include capital instruments granted under the incentive program.

	Paid, due or potentially due remuneration of managers (in PLN thousand)	
	2023	**2022**
Miron Tokarski – President of the Management Board	475.3	289.1
Michał Wachowski – Member of the Management Board	254.5	212.5
Charudutt Shah – Member of the Management Board	898.5	775.7

Remuneration of Members of the Supervisory Board

The remuneration of members of the Supervisory Board is determined by the General Meeting by resolution. Pursuant to resolution 04/09/2021 of the Extraordinary General Meeting of September 13, 2021 on determining the remuneration of Members of the Supervisory Board, Members of the Supervisory Board were granted remuneration in the amount of PLN 1,000 gross per month, starting from the month in which the WSE Management Board adopts a resolution on admission of the Company's shares to trading on the regulated market operated by the WSE.

	Paid, due or potentially due remuneration of supervisory board members (in PLN thousand)	
	2023	**2022**
Karol Hop – Chairman of the Supervisory Board	11.0	0.0
Krzysztof Krawczyk – Member of the Supervisory Board	0.0	0.0
Tomasz Jurek – Member of the Supervisory Board	0.0	0.0
Jakub Swadźba – Member of the Supervisory Board	0.0	0.0
Michał Jank – Member of the Supervisory Board	11.0	0.0
Jarosław Oleszczuk – Member of the Supervisory Board	11.0	0.0
Paweł Duszek – Member of the Supervisory Board	6.0	0.0
Andrzej Taudul – Member of the Supervisory Board	6.0	0.0

There are no contracts or agreements with Members of the Management Board or Members of the Supervisory Board providing for compensation in the event of their resignation or dismissal from their position without an important reason or when their dismissal / employment contract termination is due to the merger of the issuer by takeover.

The Company does not have any obligations towards former managing and supervising persons resulting from pensions and similar benefits.

6.10 Expenditures on supporting culture, sports, charitable institutions, media, social organizations, trade unions, etc.

Due to the early stage of development, the Company does not conduct charitable activities and does not finance culture, sports, charitable institutions, media, social organizations, trade unions, etc.

6.11 Issues related to the natural environment and social responsibility

There have been and are currently no proceedings conducted against the Company related to violations of environmental protection regulations. There are no environmental protection issues or requirements that could have a significant impact on the Company's operations, in particular on the Company's use of property, plant and equipment.

6.12 Description of the main features of the internal control and risk management systems used in the Company in relation to the preparation of financial statements

The Company's Management Board is responsible for the effectiveness of internal control in relation to the process of preparing financial statements. The company maintains documentation describing its accounting principles, which includes, among others, information on the method of measuring assets and liabilities and determining the financial result, the method of keeping accounting books, the data protection system and their files. Data for the financial statements and the reports themselves are prepared by an external accounting office. Economic events are recorded using an ERP computer accounting system, which is protected against unauthorized access and has functional access restrictions. The Financial Director, who is an employee of the Company, supervises the preparation and approval of financial statements. Control over the financial reporting process is also exercised by the Audit Committee, operating within the Company's Supervisory Board. Financial statements are audited by an independent auditor selected by the Company's Supervisory Board. In the opinion of the Company, the division of tasks within the above-mentioned process ensures the reliability and correctness of the information presented in the financial statements.

7 Related party transactions

During 2023 and from January 1, 2024 to the date of publication of this report, the Company concluded and intends to enter into future transactions with related parties within the meaning of IAS 24 "Related Party Disclosures" ("IAS 24").

Pursuant to the definition of a related party specified in IAS 24 regarding disclosure of transactions regarding related parties, related entities with which the Company concluded transactions during 2023 and from January 1, 2024 to the date of publication of this report include transactions with key members of the management staff and entities related to Company by members of the management staff.

In the Management Board's opinion, transactions with related entities were concluded on market terms and at prices that did not differ from the prices used in transactions between unrelated entities. As at the date of publication of this report, the tax authorities did not question the conditions under which the Company concluded transactions with related entities. In particular, the tax authorities did not issue any interpretation according to which the transactions were not concluded on market terms.

8 Other information

8.1 Litigations

In 2023, there were no court, administrative or arbitration proceedings pending against the Company that could have a significant impact on the Company's financial situation or the results of its operating activities. In particular, there were no proceedings pending against the Company based on consumer claims.

8.2 Audit company

By resolution of September 21, 2021, the Supervisory Board of Genomtec S.A. chose 4AUDYT sp. z o.o. based in Poznań (entered into the list of audit companies under number 3363) as an audit company to carry out:

(i) audits of historical financial data for 2017, 2018, 2019 and 2020;

(ii) audits of the statutory financial statements for 2021 and 2022;

(iii) limited review of the half-yearly reports for the half-years 2021, 2022 and 2023.

Agreement with the above-mentioned audit company was concluded on January 24, 2022 for the period of implementation of the above-mentioned work.

The Issuer used the services of a selected audit company.

The audit company 4AUDYT sp. z o. o. audited Historical Financial Information prepared in accordance with IFRS for 2019-2021 and issued a report on the audit of this information.

Remuneration of the above-mentioned auditing company for the above-mentioned period includes:

- PLN 24,000 PLN for the audit of the financial statements for 2021,
- PLN 24,000 PLN for the audit of the financial statements for 2022.

On November 24, 2024, based on the Company's policies and the Procedure for selecting the entity authorized to audit financial statements and after reviewing the recommendation of the Audit Committee to submit to the Supervisory Board a recommendation regarding the selection of the entity authorized to audit financial statements (as part of the extension of cooperation) and after assessing the collected offers, decided to choose 4AUDYT sp. z o.o. as part of the extension of cooperation to carry out:

a) an audit of standalonoe financial statements of Genomtec S.A. prepared in accordance with IFRS for the financial year ending on December 31, 2023 and the financial year ending on December 31, 2024.
b) limited review of interim financial statements prepared as at June 30, 2024 and June 30, 2025.
c) and providing additional assurance services regarding the assessment of the Supervisory Board's report on the remuneration of members of the Management Board and the Supervisory Board

The agreement was concluded on December 4, 2023 for the period of implementation of the above-mentioned work.

The remuneration divided into components separately for individual years and type of service is shown in the table below.

Scope of work for the financial year 2023/2024	**Net price in PLN***
Audit of the standalone financial statements of the Public Interest Entity of Genomtec S.A. for the financial year ending on December 31, 2023.	27,000.00
Review of the separate semi-annual financial statements of the Public Interest Entity Genomtec S.A. for the period from January 1, 2024 to June 30, 2024	16,000.00

Assessment of the remuneration report of the Company's management board and supervisory board members for 2023	8,000.00
Scope of work for the financial year 2024/2025	

** the price will be updated with the price index of consumer goods and services (average annual inflation) published by the Central Statistical Office in June (review) and December (research and assessment of the report) 2024, as well as June (review) 2025, respectively.*

8.3 War in Ukraine

The war in Ukraine did not significantly affect the Issuer's operations in the reporting period. The potential impact of the war in Ukraine is described in point 5 on risks.

8.4 Other information

In the opinion of the Company's Management Board, apart from the information contained in this report, there is no other information that, in the Company's opinion, is important for the assessment of its personnel, asset and financial position, financial result and changes thereto, as well as information that is important for assessing the ability of the Company to fulfil its obligations.

9 Management Board's statements

9.1 Statement of the Management Board on the compliance of the annual financial statements and the Management Board Report on the Company's activities

We, the undersigned, declare that, to the best of our knowledge, the annual financial statements of Genomtec S.A. for the financial year 2023 and comparable data were prepared in accordance with applicable accounting policies and that they give a true and fair view of the financial position and financial result of Genomtec S.A.

We also declare that the Management Board's Report on the activities of Genomtec S.A. for the financial year 2023 contains a true view of the development, achievements and situation of Genomtec S.A., including a description of the basic threats and risks.

9.2 Information from the Management Board. regarding the selection of the audit firm to audit the Company's annual financial statements for the financial year 2023

Based on the statement of the Supervisory Board of Genomtec S.A. of April 25, 2024, the Management Board advises that:

- The audit firm auditing the annual financial statements of Genomtec S.A. for the financial year 2023 was selected in accordance with the regulations, including those regarding the selection and selection procedure of the audit firm applicable in the Company,
- The audit firm and members of the audit team met the conditions for preparing an impartial and independent report on the audit of the annual financial statements of Genomtec S.A., in accordance with applicable regulations, professional standards and principles of professional ethics,
- The Company and the audit firm comply with applicable regulations related to the rotation of the audit firm and the key statutory auditor and mandatory cooling-off periods,
- The Company has a policy in place on the selection of an audit firm and a policy on the provision of additional non-audit services to the issuer by an audit firm, an entity related to an audit firm or a member of its network, including services conditionally exempt from the ban on provision by an audit firm.

This report was approved for publication on April 25, 2024.

Miron Tokarski	Michał Wachowski	Charudutt Shah
Prezes Zarządu	Członek Zarządu	Członek Zarządu