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INDEPENDENT STATUTORY AUDITOR'S AUDIT REPORT

For the Shareholder Meeting and Supervisory Board of Dino Polska S.A.

Report on the annual consolidated financial statements

Opinion

We audited the annual consolidated financial statements of the Dino Polska S.A. Group ("Group"), in which Dino Polska S.A. remains a parent company ("Parent Company") with its registered office in Krotoszyn, at Ostrowska 122, which comprise of the consolidated statement of the financial situation as at 31 December 2019, consolidated profit and loss account, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the period between 1 January 2019 and 31 December 2019, as well as additional information containing a description of adopted accounting principles and other additional information ("consolidated financial statements").

In our opinion, the consolidated financial statements:

- present an accurate and clear picture of the Group's assets and financial standing as at 31 December 2019, as well as its consolidated financial results, consolidated cash flows for the period between 1 January 2019 and 31 December 2019, in accordance with the International Financial Reporting Standards approved by the European Union as well as adopted accounting principles (policy),

- are compliant, in their form and content, with the applicable laws and the Parent Company's Articles of Association.

This opinion is consistent with the additional report for the Audit Committee, which we issued on 12 March 2020.

Basis for opinion

Our audit was performed in accordance with the International Standard on Auditing in the version adopted by the National Chamber of Statutory Auditors as National Auditing Standards (“NAS”) and pursuant to the statutory auditor act, audit firms and public oversight of 11 May 2017 (“Statutory Auditor Act”) and Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (“EU Regulation”). Our responsibility resulting from these standards has been described further in this report under “Statutory auditor’s responsibility for the audit of the consolidated financial statements”.

In accordance with the Code of Ethics for Professional Accountants of the International Federation of Accountants (“IFAC Code”) adopted by the National Chamber of Statutory Auditors and other ethical requirements applicable for the audits on financial statements in Poland, we remain independent of the Group Companies. We have fulfilled our other ethical obligations under these requirements and the IFAC Code. The key statutory auditor and the audit firm remained independent of the Group’s Companies during the audit, in accordance with the independence requirements set forth in the Statutory Auditor Act and the EU Regulation.

We believe that the audit evidence that we obtained is sufficient and adequate to constitute the basis for our opinion.

Key audit matters

The key audit matters are those which, according to our professional judgment, remained the most important during the audit of consolidated financial statements for the current reporting period. They include the most significant identified risks of material misstatements, including the identified risks of material misstatement resulting from fraud. We referred to these issues in the context of the consolidated financial statements as a whole and while forming our opinion, we also summarized our reaction to such risk types and, in the cases we found appropriate, we presented the key observations on such risks. We do not express a separate opinion on these issues.

Key audit matter	How our audit approached it
Settlement of revenue under contracts with suppliers The Group enters into contracts with suppliers on whose basis rebates, discounts and additional remuneration and fees are awarded to the Group, hinging, among other things, on the volume of purchases and related to promotions and marketing. The Group recognizes the benefits derived from these contracts by subtracting them from the purchase price of merchandise from suppliers and accordingly a reduction in the cost of goods sold presented in the statement of profit or loss as cost of sales at the time of sale of the merchandise. A justified portion of the benefits received is allocated to unsold merchandise as at the balance sheet date as a reduction in the value thereof. The large number of contracts with suppliers and the diversity of their terms make it a sizable area of estimation and judgment burdened with a significant risk of incorrect assessment to properly define their nature and the moment when these transactions should be recognized in the accounting ledgers and financial statements. For this reason, we have come to the conclusion that this issue is among the key issues of our audit. The accounting policy adopted by the Group with regard to the recognition and presentation in the financial statements of such settlements arising from contracts entered into with suppliers are described in section 10.23.1 of the accounting principles (policy) and additional notes. The structure of the Group's revenues and expenses are presented in Note 11. "Revenue from contracts with customers" and in Note 13. "Revenues and costs of the consolidated financial statements".	As part of our audit work, we documented our understanding of the contract execution process applied by members of the Group and the control procedures implemented to correctly account for settlements related to this type of contracts with suppliers. In our work, we included procedures covering the following activities (without limitation): • we evaluated the accounting policy and its compliance with IFRS 15; • applying analytical procedures, we assessed the completeness and correctness of accounting recognition of such settlements arising from contracts with suppliers; • for a selected sample of suppliers, we verified whether the settlements were based on actual contracts or agreements with suppliers, we reconciled the calculation of the value of the performance recognized in the financial statements with the relevant contracts and agreements and we verified whether the performance period was recognized properly; • we ran analytical procedures to identify key transactions and trends in the recognition of settlements with suppliers and to explain deviations, if any, from our expectations in this regard; • we evaluated the adequacy of disclosures and of the accounting policy.
Uncertainty related to the tax treatment of transactions executed between related parties Within the Group, a number of transactions are executed between related parties, including reorganizations that affect tax settlements. For	As part of our audit work, we documented our understanding of the interpretation process applied by the Management Board of individual

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instance, the following significant transactions have been executed to date affecting the Group's tax settlements: • reorganization of the Group in terms of managing activities related to marketing and trademarks; • prepayment of amounts due for services provided by related parties; • distribution of a dividend by a subsidiary to the parent company; • sales of shares and mergers between companies. The Parent Company's Management Board has presented a detailed description of these transactions in Note 14 "Income tax, to the financial statements" along with the Management Board's judgment on the correctness of these settlements. The manner of settlement of transactions executed between related parties and their impact on the Group may be interpreted differently by external entities, including tax offices, from the interpretations adopted by the Parent Company's Management Board. Accordingly, the adopted settlement method is a significant area of the Management Board's judgment, and as such may significantly affect the consolidated financial statements. The Management Board has presented transactions with related parties in Note 33 "Information about related parties" and tax treatment of key transactions subject to judgment and their impact on the consolidated financial statements in Note 14 "Income tax" to the consolidated financial statements. Also section 5.2 of the accounting policy and notes presents uncertainty concerning the adopted estimates and assumptions, including those related to assets and liabilities and possible provisions related to current and deferred taxes.	transactions with related parties in terms of their tax treatment and updating these interpretations as a result of evolution in the interpretation environment as well as the accounting and reporting effects of the adopted settlement method along with the tax risk assessment process applied by the parent company's Management Board for individual transactions included in the consolidated financial statements. As part of our work, we reviewed the documentation held by the Management Board of the parent company, including risk assessment analyses prepared by experts in the field of tax law. We also involved our own experts in the field of tax law in the process of reviewing the documentation and interpretations held by the Management Board in respect of selected significant transactions with related parties in order to support us in evaluating the assumptions adopted for the transactions in question and the manner of their settlement for tax purposes. In our work, we included procedures covering the following activities (without limitation): • we evaluated the recognition of the transactions in question and the complete fulfillment of grounds for the recognition of assets, liabilities and tax-deductible expenses in accordance with the accounting policy; • we analyzed compliance of these transactions with the applicable tax regulations and assessed the possibility of realizing assets arising from tax settlements with the assistance of experts in the field of tax law; • we evaluated the adequacy of presentation of tax liabilities and disclosures pertaining to potential tax risks in consolidated statements the financial situation, consolidated statement of profit or loss and accounting principles (policies) as well as additional notes.

Responsibility of the Management Board and Supervisory Board of the Parent Company for consolidated financial statements

The Parent Company's Management Board is responsible for the preparation of the consolidated financial statements, which present an accurate and clear picture of the Group's assets and financial standing and consolidated financial result in accordance with the International Financial Reporting Standards approved by the European Union as well as adopted accounting principles (policy), the applicable laws and the Parent Company's Articles of Association, as well as for the internal control that the Parent Company's Management Board deems necessary to prepare the consolidated financial statements not involving any significant distortion resulting from fraud or error.

In preparing the consolidated financial statements, the Parent Company's Management Board is responsible for assessing the ability of the Group (Parent Company and significant entities) ability to continue as a going concern, disclosing, where applicable, matters related to going concern and using the going concern basis of accounting, except in the situation where the Parent Company's Management Board either intends to liquidate the Group (Parent Company and significant entities) or to discontinue operations, or has no realistic alternative for such liquidation or discontinuation.

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The Parent Company's Management Board and members of its Supervisory Board are obliged to ensure that the consolidated financial statements satisfy the requirements prescribed by the Accounting Act of 29 September 1994 ("Accounting Act"). The Parent Company's Supervisory Board Members are responsible for supervising the financial reporting process.

Statutory auditor's responsibility for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance that the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report containing our opinion. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit conducted in accordance with the NASs will always reveal a material misstatement. Misstatements may arise from fraud or error and are material when they can be reasonably expected to influence, individually or taken together, the economic decisions of users taken based on these consolidated financial statements.

In accordance with § 5 of International Auditing Standard 320, the concept of materiality is applied by the auditor both when planning and carrying out the audit and when assessing the impact of the misstatements identified during the audit and uncorrected deformations, if any, on the consolidated financial statements, as well as when formulating the Statutory Auditor's opinion. Therefore, all opinions, assertions and statements contained in the audit report have been made taking into consideration the quantitative and qualitative materiality levels determined in accordance with the auditing standards and the registered auditor's professional judgment.

The scope of the audit does not include any assurance as to the Group's future profitability or the efficiency or effectiveness of the management of the Parent Company's affairs at present or in the future by the Management Board.

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

- identify and assess the risks of material misstatement of the consolidated financial statements caused by fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control,

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control,

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent Company's Management Board,

- conclude on the appropriateness of the Parent Company's Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report, however, future events or conditions may cause the Group to cease to continue as a going concern,

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation,

- obtain sufficient and appropriate evidence for auditing financial information of business units or operations within the Group in order to give an opinion on the consolidated financial statements. We are responsible for managing, overseeing and conducting the Group's audit and we remain solely responsible for our opinion on the audit.

We provide the Parent Company's Audit Committee with information regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with the Parent Company's Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current reporting period and are therefore the key audit matters. We describe these matters in our report of the Statutory Auditor unless law or regulation precludes public disclosure about the matters or where, in exceptional circumstances, we determine that an issue should not be presented in our report because adverse consequences could reasonably be expected to outweigh the public interest benefits of such information.

Other information, including the Group's Activity Report

The other information comprises the Group's activity report for the period from 1 January 2019 to 31 September 2019 (the "Group's Activity Report") with a corporate governance statement and a non-financial information statement as referred to in Article 55 sec. 2b of the Accounting Act, which are separate parts of this report (jointly referred to as the "Other Information").

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

The Parent Company's Management Board is responsible for the preparation of the Other Information in compliance with law.

The Parent Company's Management Board and its Supervisory Board members are obligated to ensure that the Group's Activity Report with separate parts comply with the requirements provided for in the Accounting Act.

Auditor's responsibility

Our opinion on the consolidated financial statements does not cover the Other Information. In connection with our audit of the consolidated financial statements, our responsibility is to read the

Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Other Information, we are required to report this fact in our audit report. In accordance with the requirements of the Statutory Auditor Act, it is also our responsibility to issue an opinion as to whether the Activity Report has been prepared in compliance with the law and whether it is consistent with the information disclosed in the consolidated financial statements.

In addition, we are obligated to inform whether the Parent Company has drawn up a representation on non-financial information and to issue an opinion whether the Parent Company has included the required information in the corporate governance statement.

Opinion on the Group's Activity Report

Based on the work during the audit, in our opinion, the Group's Activity Report:

- has been prepared in compliance with Article 49 of the Accounting Act and § 71 of the Finance Minister's Regulation of 29 March 2018 on current and periodic information transmitted by securities issuers and the conditions for recognizing information required by the laws of a non-member state as equivalent (the "Current Information Regulation"),

- is consistent with the information found in the consolidated financial statements.

In addition, in light of the knowledge about the Group and its environment obtained in our audit, we hereby represent that we have not found any material misstatements in the Group's Activity Report.

Opinion on the corporate governance statement

In our opinion, in the corporate governance statement, the Group has included information referred to in § 70 sec. 6 item 5 of the Current Information Regulation.

Furthermore, we believe that the information referred to in § 70 sec. 6 item 5, sub-items c-f, h and i of the Regulation included in the corporate governance statement is consistent with the applicable laws and information found in the financial statements.

Statement on non-financial information

In accordance with the requirements of the Statutory Auditor Act, we hereby confirm that the Parent Company has drawn up a statement on non-financial information as referred to in Article 55 sec. 2b of the Accounting Act, as a separate part of the Group's Activity Report.

We have not performed any assurance work pertaining to the statement on non-financial information and we do not give any assurance in respect thereof.

Statement on provision of non-audit services

To the best of our knowledge and belief, we represent that non-audit services provided to the Group comply with law and regulations in force in Poland. We also represent that we have not provided non-audit services prohibited pursuant to Article 5(1) of the EU Regulation and Article 136 of the Statutory Auditor Act. The non-audit services we have provided to the Group in the audited reporting period are listed in the Group's Activity Report.

Selection of the audit firm

We were appointed to audit the Group's consolidated financial statements for the first time with the resolution adopted by the Supervisory Board on 15 December 2010 and again with resolution 24/2018 adopted by the Supervisory Board on 6 July 2018. We have audited the Group's consolidated financial statements without interruption since the financial year ended 31 December 2010, or for 10 consecutive years.

Warsaw, 12 March 2020

Key Statutory Auditor

Łukasz Wojciechowski
Statutory Auditor
no. 12273

acting on behalf of:
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