

Report of the Supervisory Board of Dino Polska Spółka Akcyjna with its registered office in Krotoszyn on the results of examining the Activity Report of the Company and the Dino Polska S.A. Group, the Company's standalone and consolidated financial statements and the Management Board's motion on the distribution of the Company's profit for the financial year ended 31 December 2020

1. Analysis of the financial statements and the Management Board Activity Report for Dino Polska S.A. in 2020

Pursuant to art. 382 of the Commercial Company Code, the Company's Articles of Association and the Best Practices of WSE Listed Companies, the Supervisory Board of Dino Polska S.A. evaluated and examined the following documents in order to prepare this report:

- 1) Management Board Activity Report for the Company in the financial year ended 31 December 2020,
- 2) the Company's financial statements for the period from 1 January 2020 to 31 December 2020, consisting of the following:
 - a) introduction to the financial statements,
 - b) balance sheet prepared as at 31 December 2020 with total assets and equity and liabilities of PLN 4,987,834 thousand,
 - c) statement of profit or loss for the financial year from 1 January 2020 to 31 December 2020 showing net profit of PLN 468,036 thousand,
 - d) statement of changes in equity for the financial year from 1 January 2020 to 31 December 2020, showing an increase in equity by PLN 468,036 thousand,
 - e) statement of cash flows for the financial year from 1 January 2020 to 31 December 2020, showing an increase in cash by PLN 45,908 thousand,
 - f) notes and explanations to the financial statements,
- 3) opinion and report on the audit of the Company's financial statements for 2020 issued by the statutory auditor, ERNST & YOUNG Audyt Polska Sp. z ograniczoną odpowiedzialnością sp. k. with its registered office in Warsaw.
- 4) the Management Board's proposal regarding the distribution of the 2020 profit.

The Supervisory Board has familiarized itself with the statutory auditor's opinion and report on the audit of the standalone financial statements and conducted an economic and financial analysis of the Company's operations. The statutory auditor acting on behalf of Ernst & Young Audyt Polska Sp. z ograniczoną odpowiedzialnością sp. k. with its registered office in Warsaw issued a positive opinion on the submitted financial statements for 2020, stating that they were prepared, in all material respects, in compliance with the regulations of the Accounting Act of 29 September 1994 and the related interpretations in these standards and based on properly kept accounting ledgers. The financial statements are compliant, in their form and content, with the applicable laws and are a fair and clear presentation of all material information, the economic and financial standing and the financial result of the entity. In the reporting period from 1 January to 31 December 2020, the sales revenues of Dino Polska S.A. totaled PLN 10,115,839 thousand, compared to PLN 7,624,411 thousand in 2019 (+32.4%). The Company generated an operating profit of PLN 626,191 thousand and a net profit of PLN 468,036 thousand. Like-for-like sales grew 12.6%. Operating expenses were PLN 9,490,536 thousand in the period under discussion. Dino Polska S.A.'s balance sheet as at 31 December 2020 had total assets and equity and liabilities of PLN 4,987,834 thousand. The total balance sheet climbed PLN 1,069,548 thousand in comparison with its value as of 31 December 2019.

The Activity Report of Dino Polska S.A. in 2020 should be deemed to be complete. This report contains information about the Company's economic and financial standing and describes material events having a significant influence on

the Company's activity in the reporting period. The report was prepared in accordance with the Company's ledgers and documents and the facts and contains the necessary composite information about the operations of the Dino Polska S.A. Group. The Supervisory Board deems this report to be a correct reflection of the actual status and correct presentation of the Company's financial and economic standing in the reporting period. The Supervisory Board deems these financial statements and this report to have been prepared correctly, in compliance with the provisions of law affecting the form and content of financial statements and governing the preparation of financial statements.

2. Analysis of the consolidated financial statements and the Management Board Activity Report of the Dino Polska S.A. Group in 2020

The Supervisory Board has familiarized itself with the opinion and report of the statutory auditor on the audit of the consolidated financial statements; it has also performed an economic and financial analysis of the operation of the Dino Polska S.A. Group. The statutory auditor acting on behalf of Ernst & Young Audyt Polska Sp. z ograniczoną odpowiedzialnością sp. k. with its registered office in Warsaw issued a positive opinion on the submitted consolidated financial statements for 2020, stating that they have been prepared, in all material respects, in compliance with the accounting principles, International Financial Reporting Standards and related interpretations and based on properly kept accounting ledgers and consolidation documentation. The financial statements are compliant, in their form and content, with the applicable laws and are a fair and clear presentation of the economic and financial standing of the Dino Polska SA Group and the Group's financial result as at 31 December 2020.

In 2020, the Dino Polska SA Group generated sales revenue of PLN 10,125,815 thousand (+32.4%). The Group generated operating profit of PLN 837,859 thousand and net profit of PLN 643,917 thousand. The Company improved its profitability on all levels related to profit. The balance sheet of the Dino Polska SA Group as at 31 December 2020 carried total assets and total equity and liabilities of PLN 5,570,510 thousand. The total balance sheet value climbed PLN 1,219,760 thousand compared to its value as at 31 December 2019. The development of the sales network led to growth in property, plant and equipment of PLN 902,662 thousand and inventories of PLN 251,152 thousand. In terms of equity and liabilities, the material changes included the liabilities of the Dino Polska S.A. Group growing by PLN 575,550 thousand.

The activity report of the Dino Polska SA Group in 2020 should be deemed to be complete. The report contains information about the Group's economic and financial standing and describes material events having a significant influence on its activity in the reporting period. The report has been prepared in accordance with the Company's ledgers and documents and the facts and contains the necessary composite information about the Group's operations. The Supervisory Board deems the statements to be an accurate reflection of the facts and a presentation of the Group's standing in the reporting period.

3. Evaluation of the Company's standing, including its internal control, risk management and compliance systems and internal audit function

Evaluation of the internal control system

Dino Polska S.A. has an extensive internal control system in place whose task is to facilitate effective prevention and rapid elimination of any irregularities. The internal control system covers in essence all the areas of the Company's operation and all of its organizational units. Within the framework of reviewing the financial statements, the financial statements are reviewed by an independent statutory auditor.

The Parent Company's standalone financial statements have been prepared in accordance with the following:

1. Accounting Act of 29 September 1994 (consolidated version: Journal of Laws of 2021, item 217, as amended),
2. Internal accounting procedures based on the accounting policies in effect in Dino Polska S.A.,
3. Applicable law and provisions of the articles of association of Dino Polska S.A.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as endorsed by the European Union – they include adjustments that are not recognized in the accounting ledgers of all the Dino Polska S.A. Group companies, which are made in order to restate the standalone financial data of the Parent Company and the Dino Polska S.A. Group’s Subsidiaries to ensure compliance with IFRS.

The process of preparing financial statements is covered by an internal control and risk management system, which contributes to the credibility and accuracy of financial reporting, and compliance with the law and internal regulations. The internal control system entails:

1. control activities performed by employees of the Dino Polska S.A. Group companies as part of their tasks and duties (the current allocation of duties rules out the possibility of one employee performing activities related to the execution and documentation of business operations from beginning to end),
2. functional control performed by all the employees in managerial positions who oversee the organizational cells reporting to them,

Risk management in the process of preparing the financial statements is based on risk identification and assessment combined with defining and taking actions aimed at minimizing or eliminating risks in their entirety. The Chief Accountant and the Management Board Member responsible for finance to whom the financial and accounting teams report oversee the process of preparing the financial statements of the Parent Company and the consolidated financial statements of the Dino Polska S.A. Group. The risk management process starts already at the Group’s lowest levels, so as to ensure fulfillment of the intended objectives. Risk management in the Dino Polska S.A. Group is a process overseen by the Management Board and key managerial personnel.

The accuracy of preparation of the financial statements is also verified by Supervisory Board members as part of the Audit Committee’s duties entrusted to the Supervisory Board. To confirm the consistency of the data contained in the financial statements with the facts and records in the accounting ledgers kept by the Company, the financial statements are audited by a statutory auditor who issues an opinion in this respect. All actions taken by the company aim to ensure compliance with the provisions of law and the facts, and early identification and elimination of potential risks so that they do not affect the credibility and accuracy of presented financial data.

Compliance

The company does not have a distinct compliance system. Compliance tasks are performed by Legal Department employees as the people who are the most familiar with the applicable provisions of law. Irrespective of the above, all of the Company’s employees participate in the process of reviewing the compliance of internal regulations effective in their area of activity with local and international law.

Internal audit

The company has an internal audit system in which there is an internal auditor. The Audit Committee elected from among the Supervisory Board members also fulfills the internal audit function. The internal audit function is a function independent of all of the other functions and units and its purpose is to provide the Management Board, Supervisory Board and other members of the Company’s senior management with an independent assurance of quality and

effectiveness of internal control, risk management (current or new risk), processes and systems thereby contributing to protecting the Company's values, solvency and reputation.

The internal audit methodology reflects current professional standards and facilitates the identification of material risks in the Company and the Group. Internal audit findings pointing to the shortcomings of the internal control and risk management system form the basis for issuing recommendations to eradicate the irregularities identified by the audited units.

In the opinion of the Supervisory Board, the internal audit system operated and supervised by the Supervisory Board in the Company and the Group provides the opportunity to identify problems and threats and to undertake effective preventive measures.

Policy for charitable and sponsoring activity

The company does not pursue a sponsoring policy. Charitable activity is conducted through the DINO Najbliżej Ciebie Foundation, which holds the status of a public benefit organization.

3. Evaluation of the manner of the Company's fulfillment of reporting duties concerning the application of corporate governance principles,

In the 2020 financial year Dino Polska S.A. applied the corporate governance standards set forth in the "Best Practices of WSE Listed Companies 2016", which constitute Attachment to Resolution No. 26/1413/2015 adopted by the Supervisory Board of Giełda Papierów Wartościowych w Warszawie S.A. (Warsaw Stock Exchange) on 13 October 2015. In accordance with standard I.Z.1.13. of the "Best Practices of WSE Listed Companies 2016", Dino Polska S.A. publishes information on its website at www.grupadino.pl in the "Corporate Governance" section of the "About Dino Polska" tab on the status of the application by the Company of recommendations and standards included in the "Best Practices of WSE Listed Companies 2016".

According to the Company's representation, in the 2020 financial year, Dino Polska S.A. applied the corporate governance principles set forth in the document entitled "Best Practices of WSE Listed Companies 2016", with the exception of the following:

- standard I.Z.1.3. – to the extent it refers to the division of duties and responsibilities among members of the management board drawn up according to standard II.Z.1.;
- standard I.Z.1.8. – to the extent it refers to the tables containing the company's financial highlights for the most recent 5 years of business in a format facilitating data processing by the recipients thereof;
- standard I.Z.1.20. – to the extent it refers to an audio or video recording of the shareholder meeting;
- standard II.Z.1. – to the extent it refers to the internal division of responsibilities for individual areas of the company's operation among members of the management board;
- standard IV.Z.2. - to the extent it relates to the provision of publicly available broadcasts of shareholder meetings in real time;
- recommendation II.R.2 – to the extent it refers to diversity of the corporate bodies in terms of gender;
- recommendation IV.R.2. - to the extent that it refers to shareholders' participation in shareholder meetings using IT tools, in particular bilateral mutual real-time communication, participating in discussions during the meeting for shareholders who are physically absent at the venue of the shareholder meeting.

In performance of the obligations set forth in §91 Section 5 Item 4 of the Regulation issued by the Minister of Finance on 19 February 2009 on the Current and Periodic Information Transmitted by Securities Issuers and the Conditions for Recognizing the Information Required by the Regulations of a Non-Member State as Equivalent, Dino Polska S.A. included a representation on the application of the corporate governance principles in the 2020 financial year in the Management Board Activity Report for 2020, as a separate part of that Report. The Supervisory Board discussed with

the Management Board the corporate governance principles used by the Company, familiarized itself with the statement of Dino Polska S.A. on the application of corporate governance principles in the 2020 financial year included in the Company's annual report for the 2020 financial year and with the Information on the status of application of recommendations and standards included in the "Best Practices of WSE Listed Companies 2016" published on the Company's website and with the statutory auditor's opinion about the statement on the application of corporate governance principles included in the independent statutory auditor's report on the audit of the financial statements of Dino Polska S.A. for the 2020 financial year.

The Supervisory Board believes that in the 2020 financial year the Company fulfilled its reporting duties pertaining to the application of corporate governance principles set forth in the Stock Exchange Regulations and the provisions of law pertaining to current and periodic information submitted by securities issuers, in a correct, accurate and complete manner.

4. Conclusions from the analysis of the financial statements and recommendations to the Shareholder Meeting

To recapitulate the previous year, the Supervisory Board has determined that the activity conducted by Dino Polska S.A. generated very good business results thereby consolidating the position of the Company and the overall Group on the financial and business market and grew the value of its assets.

The strategy of the Dino Polska SA Group calls for the consistent expansion of the sales network and opening new stores, carefully selected in terms of their expected profitability and rates of return.

In 2020, the Dino Polska S.A. Group maintained its high rate of expansion, strengthening its position on the retail market in Poland. In 2020, effective expansion translated into growing retail space. Retail space grew by 21.4% compared to the previous year totaling 573,489 thousand square meters as at 31 December 2020.

Having regard for ensuring the Company's ongoing stable development, the Supervisory Board asserts that the chosen directions of development are being pursued properly and steadily by the Management Board. The economic and financial results presented in the financial statements and their analysis by the Supervisory Board make it possible to endorse the Company's operations in 2020 and hold the work done by Management Board in high regard. Having analyzed the submitted financial statements and the results of Dino Polska S.A. and the Dino Polska S.A. Group in 2020, the Supervisory Board, acting in accordance with the principles set forth in the Best Practices of WSE Listed Companies, hereby issues a positive opinion about the Company's activity and financial standing in the period from 1 January to 31 December 2020. The Supervisory Board believes that there are no threats to the continuing operation of Dino Polska S.A. and the Group as a going concern and the actions being taken secure the Company's further development in the future. The Supervisory Board hereby accepts the proposal put forward by the Dino Polska S.A. Management Board in respect to the distribution of profit for 2020 and the standalone and consolidated financial statements for 2020 and moves to the Shareholder Meeting to approve them.

Accordingly, having conducted this evaluation, the Supervisory Board resolves to issue a positive opinion for the Ordinary Shareholder Meeting to adopt the following resolutions:

1. to approve the standalone financial statements and the Management Board Activity Report for DINO POLSKA S.A. for the financial year ended 31 December 2020;
2. to approve the consolidated financial statements and the Activity Report of the Dino Polska S.A. Group for the financial year ended 31 December 2020;
3. to distribute the profit earned by Dino Polska S.A. in the financial year ended 31 December 2020 in such a way that the entire net profit of PLN 468,036 thousand is allocated to supplementary capital;
4. to grant a discharge to the Company's Management Board on the performance of its duties in 2020.

DINO POLSKA S.A. Supervisory Board

Tomasz Biernacki _____

Eryk Bajer _____

Maciej Polanowski _____

Piotr Nowjalis _____

Sławomir Jakszuk _____