

Polnord SA (the "Company") statement

In reference to information that is recently being published in press and relates to the detentions that are being handled by the Prosecutor's Office in Poland, regarding former members of the Company's board and Legal Advisors that aren't working for the Company any more, we provide the following clarification:

- On January 20, 2017, the Company submitted a notification of suspicion of criminal offences committed by some former members of the Company's Management Board, as referred to in Article. 296 § 1-3 of the Act of 6 June 1997 The Penal Code, involving failure to fulfill their obligations to exercise due diligence in the management of the Company's assets, against provisions of the Act and the obligation they undertook, which could cause large-scale damage (within the meaning of the Penal Code) in the Company's assets;
- The Regional Prosecutor's Office in Warsaw informed the Company in writing on March 3, 2017 about launching an investigation;
- The Company published relevant current reports no. 2/2017 and 11/2017 in this regard. The reports are available on the website www.palnord.pl in the section "Investor Relations";
- The company continues operations as normal. The detentions don't influence in any way the current business activity and don't change currently performed business ventures.

It should be emphasized that any possible irregularities that resulted in the submission of the above-mentioned notification by the Company took place before 2015. The current Management Board of the Company, which was formed in 2020, has no relations with the persons managing the Company at that time. The major shareholder of the Company (approx. 93% of shares) is the Company's shareholder since February 2020.

At the same time, we would like to point out that the company will not comment on media reports or actions of law enforcement authorities related to the detentions mentioned above.

Links to the reports mentioned in the statement:

1. <http://www.ri.palnord.pl/en/submission-by-the-company-of-a-notification-of-a-suspected-offence>

2. <http://www.ri.polnord.pl/en/the-public-prosecutors-office-launches-an-investigation-pursuant-to-companys-notification>