

## INDEPENDENT AUDITOR'S REPORT

### To the Shareholders and the Supervisory Board of Covenant.dev S.A.

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Covenant.dev S.A. ("the Company"), which comprise introduction to the financial statements, balance sheet prepared as at 31 December 2022, and profit and loss statement, statement of changes in equity, cash flow statement for the financial year from 1 January to 31 December 2022 and additional information and explanations ("the financial statements").

In our opinion, the accompanying financial statements:

- give a true and fair view of the financial situation of the Company as at 31 December 2022 and its financial result and cash flow for the financial year ended on that day in accordance with the Accounting Act of 29 September 1994 (Published in 2023 J. L. No. 120, with further changes) ("the Accounting Act") and the accounting principles (policy);
- comply in terms of form and content with the applicable laws and the Articles of Statute of the Company;
- have been prepared on the basis of properly maintained books of account accordance with the provisions of chapter 2 of the Accounting Act.

#### Basis for opinion

We conducted our audit in accordance with National Auditing Standards in meaning of the International Standards on Auditing adopted by Resolution of the National Board of Statutory Auditors in Poland No 3430/52a/2019 dated on 21 March 2019 in the case of national auditing standards and other documents, with further changes ("NSA") as well as pursuant to the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight (published in 2022, J.L. No. 1302, with further changes) ("the Act on Statutory Auditors"). Our responsibilities under those standards are further described in the section of our report Auditor's Responsibilities for the Audit of the Financial Statements.

We are independent of the Company within the meaning of International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants ("IESBA Code") adopted by the Resolution of the National Board of Statutory Auditors in Poland No 3431/52a/2019 dated on 25 March 2019, with subsequent changes, and other ethical requirements that apply to the audit of financial statements in Poland. We have fulfilled our other ethical obligations in accordance with these requirements and the IESBA Code. During the audit, the key statutory auditor and the audit firm remained independent of the Company in accordance with the independence requirements set out in the Act on Statutory Auditors.

PRO AUDIT Kancelaria Biegłych Rewidentów Spółka z o.o. (Nexia Pro Audit) jest firmą członkowską sieci "Nexia International". Nexia International Limited nie świadczy usług we własnym imieniu ani w żaden inny sposób. Nexia International Limited oraz firmy członkowskie sieci Nexia International (włączając członków prowadzących działalność pod nazwą zawierającą słowo NEXIA) nie są częścią globalnej firmy partnerskiej. Nexia International Limited nie ponosi odpowiedzialności za jakiegokolwiek działania, zaniechania lub zobowiązania jakiegokolwiek ze swoich członków. Każda firma członkowska w sieci Nexia International jest podmiotem odrębnym.

Sąd Rejonowy dla Krakowa-Śródmieścia w Krakowie, XI Wydział Gospodarczy Krajowego Rejestru Sądowego, KRS 0000125073, NIP: 676-22-17-735, REGON: 356548127



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

### **The Management Board's and the Supervisory Board's Responsibility for the financial statements**

The Management Board of the Company is responsible for the preparation, based on the accuracy of the accounting records, of the financial statements that present true and fair view of the financial position and financial result of the Company in accordance with the provisions of the Accounting Act, adopted accounting principles (policy) and the applicable laws and the Articles of the Statute of the Company, as well as internal control, which the Management Board considers it necessary to enable the preparation of financial statements that are free from material misstatement caused by fraud or error.

In preparing the financial statements, the Management Board is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern, and using the going concern basis of accounting, except the situation when the Management Board intends to liquidate the Company or cease operations or there is no realistic alternative to liquidation or cease operations.

The Management Board and the members of the Supervisory Board are obligated to ensure that the financial statements are in compliance with the requirements set forth in the Accounting Act. The members of the Supervisory Board are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

The concept of materiality is used by the auditor both in planning and conducting the audit as well as in assessing the impact of the misstatements identified during the audit and the unadjusted misstatements, if any, on the financial statements, as well as when formulating the auditor's opinion. In connection with the above, all opinions and statements included in the audit report are expressed with regard to the qualitative and valuable level of materiality determined in accordance with the audit standards and professional judgment of the statutory auditor.

The scope of the audit does not include assurance as to the future profitability of the Company neither the effectiveness or efficiency of managing the Company's affairs by the Company's Management Board at present or in the future.

As part of an audit in accordance with NSA, we exercise professional judgment and maintain professional scepticism throughout the audit, and we also:

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

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management Board;
- conclude on the appropriateness of the Management Board's use of the going concern basis of accounting and based on the audit evidence obtained, whether there a material uncertainty exists related to events or conditions that may significantly doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.

We communicate with the Supervisory Board 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.

### **Other information, including the Management Board's Report on the activities**

Other information includes the Management Board's Report on the activities for the financial year ended 31 December 2022 ("the activity report").

### **The Management Board's and the Supervisory Board's Responsibility**

The Management Board of the Company is responsible for preparation of the activity report in accordance with the law.

The Management Board of the Company and members of the Supervisory Board are obliged to ensure that the activity report is in compliance with the requirements set forth in the Accounting Act.

### **Auditor's Responsibility**

Our opinion on the financial statements does not include the activity report. In connection with our audit of the financial statements, our responsibility is to read the information included in the activity report and, in doing so, consider whether the information included in the activity report is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we find material misstatement in the activity report, we are required to report that fact in our auditor's report. Our responsibility in accordance with the requirements of the Act on Statutory Auditors is also to issue an opinion on whether the activity report has been prepared in accordance with the applicable laws and whether it is consistent with the information contained in the financial statements.

### **Opinion on the Management Board's Report on the activities**

In our opinion, based on the audit, the Management Board's Report on the activities:

- has been prepared in accordance with Article 49 of the Accounting Act;
- is consistent with the information in the financial statements.

Furthermore, we declare that in accordance with our knowledge of the Company and its environment obtained during the audit of the financial statements we did not identify any materials misstatements in the Management Board's Report on the activities.

The key statutory auditor responsible for the audit, which results is this independent auditor's report is Krzysztof Gmur.

On behalf of:

PRO AUDIT Kancelaria Biegłych Rewidentów Spółka z o.o.

ul. E. Wasilewskiego 20, 30-305 Kraków

No. 2696

on behalf of the key statutory auditor audited the financial statements



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Krzysztof Gmur

No. 10141

Cracow, 6th March 2023

*The above auditor's report is a translation from the original Polish version. In case of any discrepancies between the Polish and English version, the Polish version shall prevail.*