

**Report of the Supervisory Board on remuneration
at Creepy Jar Spółka Akcyjna with its registered office in Warsaw
for the financial year ended 31 December 2022**

I. Introduction

The Supervisory Board of Creepy Jar S.A. (the “**Company**”, “**Creepy Jar**”) acting in order to fulfil the obligation provided for in § 12(3) of the Remuneration Policy of the Members of the Management Board and the Supervisory Board of Creepy Jar S.A. (the “**Remuneration Policy**”) and Article 90g (1) of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading and Public Companies (consolidated text Journal of Laws Dz.U.2021.1983, as amended), hereby submits a report (the “**Report**”) on the remuneration of the members of the Management Board and the Supervisory Board of Creepy Jar S.A. for the financial year ended 31 December 2022 (the “**Reporting Period**”).

In the reporting period, members of the Company's bodies were remunerated on the basis of the Remuneration Policy adopted by Resolution No. 20 of the Ordinary General Meeting of 24 June 2021, amended by Resolution No. 4 of the Extraordinary General Meeting of the Company of 25 October 2022.

The Remuneration Policy is available on the Company's website at: <https://creepyjar.com/lad-korporacyjny/>

II. Remuneration of Members of the Management Board

1. Composition of the Management Board in the reporting period:

- Krzysztof Kwiatek (President of the Management Board),
- Krzysztof Sałek (Member of the Management Board),
- Tomasz Soból (Member of the Management Board).

In the reporting period, the composition of the Management Board has not changed.

On 29 April 2022 the Supervisory Board of the Company adopted a resolution to appoint all existing Members of the Company's Management Board for a new, 5-year term of office, commencing on the date of the Ordinary General Meeting of the Company approving the financial statements for the financial year ended 31 December 2021 (i.e. 7 June 2022):

- Mr. Krzysztof Maciej Kwiatek – entrusting him with the function of President of the Management Board,
- Mr. Krzysztof Sałek – entrusting him with the function of a Member of the Management Board,
- Mr. Tomasz Michał Soból – entrusting him with the function of a Member of the Management Board;

On 30 November 2022 the Supervisory Board of the Company adopted a resolution on changes in the composition of the Management Board of the Company. The Supervisory Board, in accordance with § 21 (2) and (4) of the Company's Articles of Association, determined the number of members of the Management Board of Creepy Jar S.A. to be 4 (four) members, including the President of the Management Board, and appointed Mr. Grzegorz Piekart as a Member of the Company's Management Board as of 1 January 2023.

Until the date of preparation of the Report, there have been no changes in the composition of the Management Board of the Company other than those indicated above.



2. Principles of remuneration of Members of the Management Board

The remuneration paid to members of the Management Board is divided into: (i) fixed remuneration received by each member of the Management Board for the performance of their function, (ii) fixed remuneration received by each member of the Management Board for the provision of specialist services to the Company, (iii) variable remuneration, i.e. cash bonuses, incentive schemes and (iv) additional benefits not directly in cash.

The Management Board members receive monthly remuneration for the performance of their duties in an equal amount for each member of the Management Board. By resolution of the Company's Supervisory Board No. 2/12/2021 of 3 December 2021, the gross monthly remuneration of each member of the Management Board for the performance of their duties was set at PLN 22,500 (twenty-two thousand five hundred) starting from 1 January 2022.

In connection with the adoption by the Company's Supervisory Board of a resolution on the appointment of all existing members of the Company's Management Board for a new term, as referred to in point 1 above, by resolution of the Company's Supervisory Board No. 4/06/2022 of 20 June 2022, the gross monthly remuneration of each member of the Management Board for the performance of their duties was again set at PLN 22,500 (twenty-two thousand five hundred) starting from 8 June 2022.

By resolution of the Company's Supervisory Board No. 1/09/2022 of 26 September 2022, the gross monthly remuneration of each member of the Management Board for the performance of their duties was set at PLN 28,500 (twenty-eight thousand five hundred) starting from 1 January 2023.

Cooperation in the provision of specialist services key for the Company's operations is based on service contracts, the content of which, including the amount of remuneration, was approved by resolution of the Supervisory Board of the Company.

By resolution of the Supervisory Board of the Company No. 3/12/2021 of 3 December 2021, the net monthly remuneration of each member of the Management Board for the provision of specialist services to the Company was set at PLN 22,500 (twenty-two thousand five hundred) plus VAT, starting from 1 January 2022. By resolution of the Company's Supervisory Board No. 2/09/2022 of 26 September 2022, the gross monthly remuneration of each member of the Management Board for provision of specialist services to the Company was set at PLN 28,500 (twenty-eight thousand five hundred zlotys) starting from 1 January 2023

Members of the Company's Management Board also receive cash bonuses. Since the effective date of the Remuneration Policy, the variable remuneration for each member of the Management Board is granted by the Company in a clear, comprehensive manner, ensuring effective implementation of the Remuneration Policy, by reference to the financial and non-financial performance of the Company, taking into account the social interest, as well as the Company's contribution to the protection of the environment and aimed at preventing and eliminating the negative social consequences of the Company's activities.

A bonus fund is created for cash bonuses, the allocation of which is decided by the Supervisory Board on the basis of evaluations taking into account such elements as:

- a) achievement of the financial targets set for the financial year,
- b) contribution of individual members of the Management Board to the achievement of financial and non-financial objectives,
- c) overall functioning of the Company, including securing the risks in key areas of its operations,
- d) financial security of the Company.

The total cash bonus budget may not exceed 6% (six percent) of the Company's net profit for a given financial year. The Supervisory Board evaluates the Company's financial result and the criteria described above on an annual basis and, on this basis, adopts a resolution determining the amount of the bonus fund and the share of each member of the Management Board in this fund. In accordance with the Remuneration Policy, in 2022 members of the Management Board were granted cash bonuses in the total amount of PLN 2,187,000, i.e. an amount representing 6% of the net profit achieved by the Company in the previous financial year.

Members of the Management Board participate also in the incentive scheme introduced based on the Regulations of the Incentive Scheme adopted by the General Meeting by way of Resolution No. 17 of 23 July 2020 (the "**Regulations**"), as amended by resolution of the General Meeting No. 27 of 7 June 2022. Pursuant to the rules set forth in the Regulations at the meeting held on 25 August 2020 the Company's Supervisory Board, by its resolution No. 5/08/2020, approved the list of participants in the Incentive Scheme, including, among others, the Members of the Company's Management Board. Under the above-mentioned resolution, each Member of the Management Board received an opportunity to acquire up to 5,000 shares, depending on the Company's financial performance for 2020-2022.

In 2022, the Company covered the costs of medical insurance for each Member of the Management Board and their closest relatives. Members of the Management Board had company cars at their disposal, as well as the opportunity to take advantage of the Company's Multisport sports and recreation programme. Moreover, members of the Management Board are covered by the Company's insurance related to their holding functions in the Company's bodies.

3. The amount of remuneration of members of the Management Board in 2022 (in PLN)

Name, surname, function	Fixed remuneration for holding office (gross)	Fixed remuneration for services rendered (net)	Variable remuneration - bonuses for 2021 paid in 2022 (gross)	Ratio between variable and fixed remuneration	Additional benefits (gross)	Variable remuneration for 2022 to be paid in 2023 (gross)
Krzysztof Kwiatek, President of the Management Board	270,000	270,000	582,160	1.08	8,573	729,000
Krzysztof Sałek, Member of the Management Board	270,000	270,000	582,160	1.08	8,573	729,186
Tomasz Soból, Member of the Management Board	270,000	270,000	582,160	1.08	9,324	729,186

4. Incentive scheme for 2020-2022, including the number of rights granted and the rules for their execution.

The Regulations specify the duration of the incentive scheme for 2020, 2021 and 2022. Under the Scheme entitled persons may be granted up to 37,000 new shares in the Company's increased share capital, divided into two equal tranches. Pursuant to the Regulations, the General Meeting, when adopting the Regulations, indicated the general objectives of the Company applicable during the term of the incentive scheme of its participants who have entered into Participation Agreements in 2020 and will enter into them in subsequent years. These are as follows:



- an employee or associate of the Company remains in a legal relationship under specific agreements (e.g. service agreement, employment agreement) at least from the date of the conclusion of the Participation Agreement to 31 December 2022 (Tranche 1),
- the Company achieved an average annual Gross Profit in the years 2020-2022 in the amount of PLN 20,000,000 (twenty million PLN Tranche 2), as a condition for full allocation of Tranche 2.

Terms and conditions for taking up shares by participants in the Incentive Scheme are as follows:

- Tranche 1 – intended exclusively for employees and associates of the Company (excluding members of the Company’s Management Board) – 18,500 shares acquired at an issue price of PLN 1 (one zloty);
- Tranche 2 – intended for employees, associates and members of the Company’s Management Board – 18,500 shares acquired at an issue price calculated as the average price of closing prices for the Company’s Shares on the NewConnect market in the period from 1 March 2019 to 28 February 2020, i.e. PLN 186.20.

The Supervisory Board will adopt a resolution to grant a specified number of shares to the eligible persons identified by the Supervisory Board by 10 June 2023. The rights under the incentive scheme may be exercised at the request of the holder not later than 30 June 2023.

The table below provides data on the number of shares pre-allocated to the members of the Management Board, holding office in 2022, (the final number and the subscription of which is conditional on the achievement of the financial objectives of the Incentive Scheme), the issue price and the period for exercising the rights if all the criteria set out in the Regulations are met.

Name, surname, function	Number of pre-allocated shares	Issue price (PLN)	Period for exercising the right
Krzysztof Kwiatek, President of the Management Board	5,000	186.20	to 30 June 2023
Krzysztof Sałek, Member of the Management Board	5,000	186.20	to 30 June 2023
Tomasz Soból, Member of the Management Board	5,000	186.20	to 30 June 2023

III. Remuneration of members of the Supervisory Board

1. Composition of the Supervisory Board as of 1 January 2022, 31 December 2022 and as at the date of the Report:

- Michał Paziewski (Chairman of the Supervisory Board),
- Tomasz Likowski (Member of the Supervisory Board),
- Piotr Piskorz (Member of the Supervisory Board),
- Artur Lebiedziński (Member of the Supervisory Board),
- Mirosława Cienkowska (Member of the Supervisory Board).

In the reporting period, the Company's Ordinary General Meeting of Shareholders, on 7 June 2022, appointed the following persons to the Company's Supervisory Board for a new term of office:

- Mr. Artur Lebiedziński,
- Mr. Tomasz Likowski,
- Mr. Michał Paziewski,
- Mr. Piotr Piskorz.

At the same time, Venture Fundusz Inwestycyjny Zamknięty, acting pursuant to § 18 (3) of the Company's Articles of Association, appointed Mrs. Mirosława Cienkowska to the Company's Supervisory Board as of 7 June 2022.

2. Principles of remuneration of members of the Supervisory Board

Pursuant to the Company's Articles of Association, the remuneration of members of the Supervisory Board is determined by the General Meeting under the adopted remuneration policy by way of adopting a resolution.

Members of the Supervisory Board are entitled to monthly remuneration irrespective of the frequency of formally convened Supervisory Board meetings. Members of the Supervisory Board who serve on the Audit Committee are entitled to additional remuneration in the amount, timing and method of payment to be determined by the General Meeting.

By resolution No. 21 of 24 June 2021 the Ordinary General Meeting resolved to fix the remuneration of the members of the Company's Supervisory Board and the remuneration for the persons serving on the Audit Committee, starting from July 2021, as follows:

- fix the monthly gross remuneration of the Chairman of the Supervisory Board at PLN 6,600 (six thousand six hundred);
- fix the monthly gross remuneration of each member of the Supervisory Board at PLN 4,000 (four thousand);
- fix the remuneration of the Chairman of the Company's Audit Committee at PLN 3,000 (three thousand) gross per each meeting of the Audit Committee;
- fix the remuneration of each member of the Company's Audit Committee at PLN 1,500 (one thousand five hundred) net per each meeting of the Audit Committee.

The Extraordinary General Meeting of the Company, by resolution No. 5 of 25 October 2022, starting from November 2022, fixed the remuneration of the members of the Supervisory Board of the Company as follows:

- fix the monthly gross remuneration of the Chairman of the Company's Supervisory Board at PLN 7,900 (seven thousand nine hundred),
- fix the monthly gross remuneration of each member of the Company's Supervisory Board at PLN 4,800 (four thousand eight hundred).

The General Meeting is entitled to grant individual awards to members of the Supervisory Board in the amount specified in a resolution of the General Meeting.

Members of the Supervisory Board may not receive from the Company any other pecuniary or non-pecuniary remuneration for serving as a member of the Supervisory Board other than as described above.

In 2022 Members of the Supervisory Board did not receive any part of their remuneration on the basis of a bonus or profit-sharing plan, in the form of stock options, in the form of any other benefit in kind (such as health care or a means of transportation), subject to coverage under the Company's existing insurance related to their functions in its bodies.

3. The amount of remuneration of members of the Supervisory Board in 2022 (in PLN)

Name and surname	Position	Fixed remuneration for holding office (gross)
Michał Paziewski	Chairman of the Supervisory Board, Member of the Audit Committee	90,800
Mirosława Cienkowska	Member of the Supervisory Board, Chairwoman of the Audit Committee	67,600
Artur Lebiedziński	Member of the Supervisory Board	49,600
Tomasz Likowski	Member of the Supervisory Board	49,600
Piotr Piskorz	Member of the Supervisory Board, Member of the Audit Committee	58,600

IV. Explanation on how the total remuneration is consistent with the adopted remuneration policy, including how it contributes to the company's long-term performance;

Information on how the performance criteria have been applied;

Members of the Company's bodies receive remuneration in accordance with the principles set out in the Remuneration Policy. At the same time, they do not receive benefits from the Company other than those provided for in the Remuneration Policy. Taking into account the Company's financial results, stability and development of the production team, the achievement of operational objectives in the period after the adoption of the Remuneration Policy it should be considered that its objectives are being met.

As part of the implementation of the Remuneration Policy, the performance criteria were used to calculate the total value of the fund on bonuses for members of the Management Board and to determine the level of achievement of the objectives of the Incentive Scheme in the tranche intended for members of the Management Board.

V. Information on the change, on an annual basis, in the remuneration of members of the bodies, the Company's performance and the average remuneration of the Company's employees who are not members of the management board or the supervisory board, for at least the last five financial years, in aggregate, in a manner that allows for comparison;

Specification (PLN)	2022	2021	2020	2019	2018

Sales revenue		54,910,256	46,128,029	37,670,842	6,985,927	4,659,819
Net profit / loss		36,459,277	29,103,176	22,408,772	137,155	2,796,579
Remuneration of members of the Management Board	total	3,392,950	2,590,211	1,747,440	1,246,673	986,539
Remuneration of members of the Supervisory Board	total	316,200	212,543	60,739	3,081	0
Average remuneration of employees who are not members of the Company's bodies		0	0	0	0	0

VI. The amount of remuneration from entities belonging to the same capital group within the meaning of the Accounting Act of 29 September 1994 (Journal of Laws of 2019, items 351, 1495, 1571, 1655 and 1680);

During the analysed period, the Company did not belong to any capital group.

information on the use of the possibility to reclaim variable remuneration;

The Remuneration Policy does not provide for the possibility of reclaiming variable remuneration components paid in cash. As part of the Incentive Scheme, the Company has the right to make a compulsory redemption of shares acquired under the scheme by scheme participants, if after the acquisition of shares:

- there is a serious breach of employee obligations, a serious breach of the terms of the cooperation agreement or a serious breach of official duties of persons acting as a member of the Company's Management Board,
- an employee, associate or member of the Company's Management Board, without the prior written consent of the Company, conducts activities competitive to the Company or
- an employee, associate or member of the Company's Management Board is validly convicted of an intentional crime.

Considering that the final allocation of shares under the Incentive Scheme will take place in 2023, the above rules did not apply in the analysed period.

VIII. Information on deviations from the procedure for implementing the remuneration policy and deviations from the application of the remuneration policy in the company, including an explanation of the conditions and procedures, and an indication of elements from which deviations were applied.

As of the date of the Report, the Supervisory Board is not aware of any deviations regarding the implementation and application of the Remuneration Policy.

IX. Opinion of the General Meeting of Shareholders on the remuneration report for the previous financial year

The Ordinary General Meeting of the Company, acting pursuant to Article 90g (6) of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading and Public

Companies, by Resolution No. 25 of 7 June 2022, gave a positive opinion on the report of the Supervisory Board on the remuneration of members of the Management Board and the Supervisory Board of Creepy Jar S.A. for 2021, without additional reservations.

X. Proposal to the General Meeting of Shareholders.

The Supervisory Board requests the General Meeting of Shareholders to give a positive opinion on the Report.