

**Documentation to be Submitted to the Annual General Meeting of Shareholders
of Ten Square Games S.A. convened on June 23, 2021**

On March 22, 2021, the Company published its annual report consisting of, among others: Separate Financial Statements of Ten Square Games S.A. as at December 31, 2020 together with the independent auditor's report, Consolidated Financial Statements of the Ten Square Games S.A. Capital Group for 2020 together with the independent auditor's report and the Management Board's Report on the activities of the Ten Square Games S.A. Group and Ten Square Games S.A. for 2020.

These documents are available at <https://tensquaregames.com/pl/report-category/okresowe/>

The content of resolutions and reports of the Supervisory Board of Ten Square Games S.A. submitted to the Ordinary General Meeting of the Company is presented below.

Resolution No. 1

**of the Supervisory Board of Ten Square Games S.A.
of May 19, 2021
regarding evaluation of the separate financial statements of the Company for the fiscal year
2020 and presentation of a recommendation to the Ordinary General Meeting of Shareholders
of the Company**

1.

1. Acting pursuant to Article 382(3) of the Commercial Companies Code in connection with Article 395(2)(1) of the Commercial Companies Code, the Supervisory Board, after due consideration, confirms that the "Separate Financial Statements of Ten Square Games S.A. drafted as at December 31, 2020" are consistent with the documents and books of the Company and are in line with the facts.
2. The Supervisory Board recommends that the Ordinary General Meeting of Shareholders of the Company adopt a resolution approving the "Separate Financial Statements of Ten Square Games S.A. drafted as at December 31, 2020". The report of the Supervisory Board on the conclusions of the assessment of the separate financial statements of the Company is attached to this Resolution.

2.

The Resolution shall come into force upon its adoption.

Report of the Supervisory Board of Ten Square Games S.A. on the conclusions of the assessment of the "Separate Financial Statements of Ten Square Games S.A. drafted as at December 31, 2020".

The Supervisory Board of Ten Square Games S.A. has examined the "Separate Financial Statements of Ten Square Games S.A. drafted at December 31, 2020" and has familiarized itself with the auditor's opinion and the audit report.

The Supervisory Board and in particular its organ, i.e. the Audit Committee, actively participated, within the scope of its responsibilities and competences, in the process of drafting and auditing the separate financial statements, having permanent access to information on the course of the audit, actions taken and their justification. The Supervisory Board highlights the very strong commitment of the company's financial services and the audit team.

According to the opinion issued by the auditor:

- the annual separate financial statements of Ten Square Games S.A. represent a true and fair view of the Company's financial position as at December 31, 2020, its financial performance and its cash flows for the year ended on that day in accordance with the applicable EU IFRS and the adopted accounting principles (policy),
- the annual separate financial statements of Ten Square Games S.A. have been drafted, in all material aspects, in accordance with the requirements of the Commission Delegated Regulation of December 17, 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (Official Journal of the European Union, L 143 of May 29, 2019 p. 1),
- the annual separate financial statements of Ten Square Games S.A. comply, in all material respects, in form and content with the Regulation of the Minister of Finance of March 29, 2018 on current and periodic information provided by issuers of securities and the conditions for recognising as equivalent information required by the laws of a non-member state (Journal of Laws of 2018, item 757, as amended), the Accounting Act of September 29, 1994 (Journal of Laws of 2019, item 351, as amended), EU IFRS, as well as with the provisions of the Company's Articles of Association affecting its content,
- the annual separate financial statements of Ten Square Games S.A. have been prepared, in all material respects, on the basis of properly maintained accounting books in accordance with the provisions of Chapter 2 of the Accounting Act.

The aforementioned conclusions constituted the basis for the Supervisory Board's assessment. Taking into consideration the conclusions as well as the activities of the Supervisory Board and the Audit Committee performed during and after the end of the 2020 financial year, the Supervisory Board positively assesses these financial statements in terms of their consistence with the books, documents and facts. The Supervisory Board confirms that the above-mentioned financial statement was drafted within the prescribed period and in accordance with International Financial Reporting Standards in the wording approved by the European Union. The correctness of these financial statements in terms of their consistency with the accounting books, documents and facts does not raise any objections and is confirmed by the auditor's positive opinion.

The Supervisory Board recommends that the Ordinary General Meeting of Shareholders of the Company adopt the resolution on the approval of the "Separate Financial Statements of Ten Square Games S.A. drafted as at December 31, 2020".

Resolution No. 2
of the Supervisory Board of Ten Square Games S.A.
of May 19, 2021
on the evaluation of the consolidated financial statements of the Ten Square Games S.A.
Capital Group as at December 31, 2020 and presentation of a recommendation to the Ordinary
General Meeting of Shareholders of the Company

1.

1. Acting pursuant to Article 382(3) of the Commercial Companies Code in connection with Article 395(2)(1) of the Commercial Companies Code, the Supervisory Board, after due consideration, confirms that the "Consolidated Financial Statements of Ten Square Games S.A. Capital Group drafted as at December 31, 2020" are consistent with the documents and books of the Company and are in line with the facts.
2. The Supervisory Board recommends that the Ordinary General Meeting of Shareholders of the Company adopt a resolution approving the "Consolidated Financial Statements of the Ten Square Games S.A. Capital Group drafted as at December 31, 2020". The report of the Supervisory Board on the conclusions of the assessment of the consolidated financial statements of the Company is attached to this Resolution.

2.

The Resolution shall come into force upon its adoption.

Report of the Supervisory Board of Ten Square Games S.A. on the „Consolidated Financial Statement of the Ten Square Games S.A. Capital Group drafted as at December 31, 2020”

The Supervisory Board of Ten Square Games S.A. has examined the "Consolidated Financial Statement of the Ten Square Games S.A. Capital Group drafted at December 31, 2020" and has familiarized itself with the auditor's opinion and the audit report.

The Supervisory Board and in particular its body, i.e. the Audit Committee, actively participated, within the scope of its responsibilities and competences, in the process of drafting and auditing the consolidated financial statement, having permanent access to information on the course of the audit, actions taken and their justification. The Supervisory Board highlights the very strong commitment of the company's financial services and the audit team.

According to the opinion issued by the auditor:

- the annual consolidated financial statement of the Ten Square Games S.A. Capital Group represents a true and fair view of the Company's financial condition as at December 31, 2020, its financial performance and its cash flows for the year ended on that day in accordance with the applicable EU IFRS and the adopted accounting principles (policy),
- the annual consolidated financial statement of the Ten Square Games S.A. Capital Group has been drafted, in all material aspects, in accordance with the requirements of the Commission Delegated Regulation of December 17, 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (Official Journal of the European Union, L 143 of May 29, 2019 p. 1),
- the annual consolidated financial statement of the Ten Square Games S.A. Capital Group complies, in all material respects, in form and content with the Regulation of the Minister of Finance of March 29, 2018 on current and periodic information provided by issuers of securities and the conditions for recognising as equivalent information required by the laws of a non-member state (Journal of Laws of 2018, item 757, as amended), the Accounting Act of September 29, 1994 (Journal of Laws of 2019, item 351, as amended), EU IFRS, as well as with the provisions of the Company's Articles of Association affecting its content,

The aforementioned conclusions constituted the basis for the Supervisory Board's assessment. Taking into consideration the conclusions as well as the activities of the Supervisory Board and the Audit Committee performed during and after the end of the 2020 financial year, the Supervisory Board positively assesses this financial statement in terms of its consistence with the books, documents and facts. The Supervisory Board confirms that the above-mentioned financial statement was drafted within the prescribed period and in accordance with International Financial Reporting Standards in the wording approved by the European Union. The correctness of these financial statements in terms of their consistency with the accounting books, documents and facts does not raise any objections and is confirmed by the auditor's positive opinion.

The Supervisory Board recommends that the Ordinary General Meeting of Shareholders of the Company adopt a resolution approving the "Consolidated Financial Statements of the Ten Square Games S.A. Capital Group drafted as at December 31, 2020".

**assessing the Management Board's Report on the operations of the Ten Square Games S.A.
Capital Group
and Ten Square Games S.A. for the year 2020 and presenting a recommendation to the
Ordinary General Meeting of Shareholders of the Company**

1.

1. Acting pursuant to Article 382(3) of the Commercial Companies Code in connection with Article 395(2)(1) of the Commercial Companies Code, the Supervisory Board after due consideration, confirms that the "Report on the operations of the Ten Square Games S.A. Capital Group and Ten Square Games S.A. for the year 2020" are consistent with the documents and books of the Company and are in line with the facts.
2. The Supervisory Board recommends that the Ordinary General Meeting of Shareholders of the Company adopt a resolution approving the "Report on the operations of the Ten Square Games S.A. Capital Group and Ten Square Games for the year 2020". The report of the Supervisor Board on the conclusions of the assessment of the Management Board's report is attached to this Resolution.

2.

The Resolution shall come into force upon its adoption.

of the Supervisory Board of Ten Square Games S.A.

of May 19, 2021

Report of the Supervisory Board of Ten Square Games S.A. on the conclusions of the assessment of the "Report on the activities of the Ten Square Games S.A. Capital Group and Ten Square Games S.A. for the year 2020"

The Supervisory Board of Ten Square Games S.A., having assessed the "Report on the activities of the Ten Square Games S.A. Capital Group and Ten Square Games S.A. for the year 2020" and having familiarized itself with the auditor's opinion on the report on activities, confirms that the report is consistent with the books, documents and facts. This report represents a true and fair view of the development and achievements as well as the economic and financial situation and the financial result of Ten Square Games S.A.

The Supervisory Board concludes that the aforementioned report has been drafted in accordance with the applicable provisions of the Accounting Act of September 29, 1994 and the Regulation of the Minister of Finance of March 29, 2018 on current and periodic information provided by issuers of securities and conditions for recognising as equivalent information required by the laws of a non-member state. According to the independent auditor's opinion, the Management Board's report is consistent with the information included in the Ten Square Games S.A. Capital Group and the Ten Square Games S.A. Company's financial statement and does not contain any material distortions. The "2020 Statement on the Application of Corporate Governance Principles" included in the report consists of all required components.

The Supervisory Board recommends that the Ordinary General Meeting of Shareholders of the Company adopt a resolution approving the "Report on the operations of the Ten Square Games S.A. Capital Group and Ten Square Games for the year 2020".

Resolution No. 4
of the Supervisory Board of Ten Square Games S.A.
of May 19, 2021

regarding the assessment of the Management Board's proposed distribution of the profits for the fiscal year 2020 and presenting a recommendation to the Ordinary General Meeting of Shareholders of the Company

1.

1. Acting pursuant to Article 382(3) of the Commercial Companies Code in connection with Article 395(2)(2) of the Commercial Companies Code, the Supervisory Board positively assesses the proposal of the Company's Management Board that the net profit for the financial year 2020 in the amount of PLN 150,589,521.00 (say: one hundred fifty million five hundred eighty-nine thousand five hundred twenty-one zloty and zero grosz) be distributed in the following manner:
 - 1) distributing the amount of PLN 72,673,110.00 (in words: seventy-two million, six hundred seventy-three thousand one hundred ten zloty and zero grosz) among the shareholders as a dividend of PLN 10.00 (in words: ten zloty zero grosz) per share;
 - 2) allocating the amount of PLN 77,916,411.00 (seventy-seven million, nine hundred and sixteen thousand, four hundred and eleven zloty) to a reserve capital intended for the acquisition of own shares;
 - 3) to discontinue the write-off for the supplementary capital;and considers it justified.
2. The Supervisory Board accepts the Management Board's motion to set the dividend day for July 5, 2021 and the dividend payment date for July 19, 2021.
3. The Supervisory Board recommends that the Ordinary General Meeting of Shareholders of the Company adopt a resolution whereby the net profit for the 2020 financial year is distributed as described in section 1 above, and the dividend date and the dividend payment date are set as proposed by the Management Board of the Company. The report of the Supervisory Board on the results of the assessment of the motion of the Company's Management Board concerning the distribution of the profit for the year 2020 and the payment of dividend is attached to this Resolution.

2.

The Resolution shall come into force upon its adoption.

Report of the Supervisory Board of Ten Square Games S.A. on the results of the evaluation of the motion of the Management Board of Ten Square Games S.A. concerning the distribution of the profit for 2020 and the payment of dividend

The Supervisory Board of Ten Square Games S.A. has reviewed the motion and the recommendation of the Management Board on the distribution of the profit generated by the Company in 2020 and the payment of dividend. The Company's financial statement for 2020 shows net profit of PLN 150,589,521.00 (say: one hundred and fifty million five hundred eighty-nine thousand five hundred twenty-one zloty and zero grosz), which the Management Board of the Company proposes to distribute in the following manner:

- 1) distributing the amount of PLN 72,673,110.00 (in words: seventy-two million six hundred seventy-three thousand one hundred ten zloty and zero grosz) among the shareholders as a dividend of PLN 10.00 (in words: ten zloty zero grosz) per share;
- 2) allocating the amount of PLN 77,916,411.00 (seventy-seven million nine hundred and sixteen thousand four hundred and eleven zloty) to a reserve capital intended for the acquisition of own shares;
- 3) to discontinue the write-off for the supplementary capital.

The Management Board of the Company proposes that the dividend payment be set at July 5, 2021, and the dividend payment day be set at July 19, 2021.

The Supervisory Board has analysed the motion of the Management Board from the formal and factual point of view. In the opinion of the Supervisory Board, the motion of the Management Board meets the formal requirements, i.e. complies with the applicable regulations. On the other hand, the content of the motion justifies issuing an opinion that the proposals contained therein are in line with the interest of the Company and its shareholders as well as the dividend policy and the Company's development strategy.

In this view of that the Supervisory Board requests that the Ordinary General Meeting of the Company adopt an appropriate resolution taking into account the content of the motion of the Management Board concerning the method of distribution of the Company's net profit for the fiscal year 2020.

**Resolution No. 3
of the Supervisory Board of Ten Square Games S.A.
of April 21, 2021**

**concerning the approval of the report on the activities of the Supervisory Board of the
Company for the financial year 2020**

1.

1. The Supervisory Board decides to approve the report on the activities of the Supervisory Board for the financial year 2020, which is attached to the resolution.
2. The Board requests that the Company's Ordinary General Meeting of Shareholders acknowledges the fulfilment of duties by members of the Supervisory Board in the fiscal year 2020.

2.

The Resolution shall come into force upon its adoption.

**Report on the activities of the Supervisory Board of
Ten Square Games S.A. with its registered office in Wrocław
for the fiscal year 2020**

Wrocław, April 21, 2021

1. Introduction

Acting pursuant to article 382(1) of the Commercial Companies Code and section 14(1) of the Articles of Association of Ten Square Games S.A. (hereinafter referred to as: the Company) and the provisions of the Best Practice for WSE-listed Companies 2016 (hereinafter referred to as: Best Practice 2016), the Supervisory Board of Ten Square Games S.A. (hereinafter referred to as: the Supervisory Board) hereby submits to the Ordinary General Meeting of Shareholders the Company the Report on the activities of the Supervisory Board in the fiscal year 2020 (hereinafter referred to as: the Report). The Report includes a description of the activities and functioning of the Supervisory Board and its committees in the fiscal year 2020.

Applying the recommendations and principles of the Best Practice 2016, the Supervisory Board has monitored and evaluated:

- 1) the situation of the Company, including in particular its financial reporting and operations,
- 2) the manner of the Company's fulfilling the disclosure obligations concerning the application of the corporate governance principles set forth in the Rules of the Warsaw Stock Exchange S.A. (hereinafter: the WSE Rules) and regulations concerning current and periodical information provided by issuers of securities,
- 3) the rationality of the Company's sponsorship, charity or other similar policies.

The Supervisory Board, performing the obligations set out in the Best Practice 2016, presents to the Ordinary General Meeting of Shareholders of the Company the aforementioned assessments contained in this Report.

2. Information on the composition of the Supervisory Board

The Supervisory Board of Ten Square Games S.A. as of December 31, 2020 consisted of:

1. Rafał Olesiński- Chairman of the Supervisory Board;
2. Wiktor Schmidt – Deputy Chairman of the Supervisory Board;
3. Marcin Biłos – Member of the Supervisory Board;
4. Tomasz Drożdżyński – Member of the Supervisory Board;
5. Maciej Marszałek – Member of the Supervisory Board;
6. Kinga Stanisławska– Member of the Supervisory Board.

Between January 1, 2020 and April 21, 2021, there were the following changes in the composition of the body resulting from the end of the term of office and the appointment of a new Supervisory Board:

1. Marcin Chruszczyński was Member of the Supervisory Board of the Company until May 20, 2020;
2. Milena Olszewska-Miszuris was Member of the Supervisory Board until May 20, 2020;
3. Maciej Żużalek was Member of the Supervisory Board of the Company until April 21, 2020;
4. Rafał Olesiński was the Deputy Chairman of the Supervisory Board until May 20, 2020 and after that day he became Chairman of the Supervisory Board;
5. Marcin Biłos joined the Supervisory Board on May 20, 2020;
6. Kinga Stanisławska joined the Supervisory Board on May 20, 2020.

Furthermore, Arkadiusz Pernal, after resigning October 7, 2020 (effective as at December 31, 2020) from the position of Vice-President of the Management Board, joined the Supervisory Board on January 1, 2021.

The composition of the Supervisory Board of Ten Square Games S.A. conforms to the requirements of the composition of a supervisory board of a public company.

3. The fulfilment of independence criteria by the members of the Supervisory Board

The term "independent member of a supervisory board" means an independent member of a supervisory board within the meaning of the European Commission Recommendation of February 15, 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board (2005/162/EC), taking into account the Best Practice 2016. At least two members of the Supervisory Board must meet the criteria of independence in the meaning of the said Recommendation (hereinafter referred to as: the independent members of the Supervisory Board). The members of the Supervisory Board provided the Supervisory Board and the Management Board of the Company with declarations on the fulfilment of the independence criteria. The Supervisory Board examined whether there were any relations or circumstances that might have affected the fulfilment of the independence criteria by a particular member of the Supervisory Board.

Below is information about the Supervisory Board Members' compliance with the independence criteria referred to in principle II.Z.4 of the Best Practice 2016 as at December 31, 2019 and as at the date of this report.

As at 31/12/2020:

1. Rafał Olesiński – did not meet the independence criteria indicated in the Best Practice 2016;
2. Wiktor Schmidt – met the independence criteria indicated in the Best Practice 2016.
3. Marcin Biłos – met the independence criteria indicated in the Best Practice 2016;
4. Tomasz Drożdżyński – met the independence criteria indicated in the Best Practice 2016;
5. Maciej Marszałek – met the independence criteria indicated in the Best Practice 2016;
6. Kinga Stanisławska – met the independence criteria indicated in the Best Practice 2016.

As long as they served on the Company's Supervisory Board in 2020:

1. Maciej Zużalek – did not meet the independence criteria indicated in the Best Practice 2016;
2. Marcin Chruszczyński – met the independence criteria indicated in the Best Practice 2016;
3. Milena Olszewska-Miszuris – met the independence criteria indicated in the Best Practice 2016;

Arkadiusz Pernal, serving on the Company's Supervisory Board since January 1, 2021, does not meet the independence criteria indicated in the Best Practice 2016.

Until the day on which the report was drafted, there were no changes in the extent of the fulfilment of independence criteria by members of the Supervisory Board.

4. Meeting of the Supervisory Board

In 2020, the Supervisory Board of Ten Square Games S.A. held 11 meetings, one of which was held at the Company's registered office in Wrocław:

- 1) January 28, 2020 – The Board discussed current performance and key issues, as well as the 2020 budget and the Company's marketing strategy for 2020. The Supervisory Board adopted resolutions on the determination of the list of beneficiaries of the incentive program, on the authorization of a member of the Supervisory Board to receive Reports on violations of the law, in particular the Public Offering Act, Regulation 2017/1129 and the procedures and ethical standards implemented in the Company, and adopted a resolution on the adoption of a procedure for the periodic assessment of transactions concluded with affiliated entities of Ten Square Games S.A.
- 2) March 17, 2020 – The Board discussed the coronavirus situation and its impact on the Company's operations. The Supervisory Board discussed the Company's and the Group's draft financial statements, the Management Board's report on the Company's and the Group's activities (including the section on corporate governance) for the 2019 financial year. The Auditor who audited the Company's statements also participated in part of the Board meeting. Additionally, the Supervisory Board adopted a resolution concerning the determination of the list of beneficiaries of the incentive program.
- 3) March 23, 2020 – the Supervisory Board adopted the following resolutions: on authorising the Chairman of the Supervisory Board to make a statement on behalf of the Supervisory Board concerning the functioning and performance of tasks by the Audit Committee; on authorising the Chairman of the Supervisory Board to make a statement on behalf of the Supervisory Board concerning the evaluation of the annual financial statements and the annual report of the Company's Management Board; on authorising the Chairman of the Supervisory Board to make a statement on behalf of the Supervisory Board concerning the audit firm auditing the annual separate and consolidated financial statements for the fiscal year 2019.
- 4) April 21, 2020 – the Supervisory Board adopted resolutions on the evaluation and presentation of recommendations to the Ordinary General Meeting of Shareholders of the financial statements (individual and consolidated), the report of the Management Board on the activities of the Company and the Capital Group, the proposal of the Management Board concerning the distribution of the Company's profit for the financial year 2019. In addition, the Supervisory Board adopted a resolution on the adoption of the report on the activities of the Supervisory Board for the fiscal year 2019, as well as a resolution expressing an opinion on the matters to be discussed at the Company's Ordinary General Meeting of Shareholders and adopted the Regulations on the detailed principles of participation in the Company's General Meeting of Shareholders by means of electronic communication.
- 5) May 19, 2020 – after discussing the current issues, the Supervisory Board adopted a resolution on amending its Regulations, resolutions on appointing the Management Board of the Company for a new term, as well as concluding managerial contracts with Maciej Zużalek (President of the Management Board of a new term) and Arkadiusz Pernal (Vice-President of the Management Board of a new term). The Supervisory Board also adopted a resolution on concluding an agreement obliging it to sell shares on behalf of the Company and authorizing a member of the Supervisory Board to sign it on behalf of the Company.
- 6) June 2, 2020 – the Supervisory Board of the new term discussed the business strategy presented by the new CEO, elected the members of the Audit Committee and the Nomination and Remuneration Committee, adopted a resolution on the fulfilment of the Participation Criteria and the Programme 2 Criteria and confirmed the number of shares allocated under Tranche II of the incentive scheme, as well as

adopted a resolution on including the CEO in the incentive scheme and a resolution on the establishment of management objectives for the CEO and adopted the consolidated text of the Company's Articles of Association.

- 7) July 31, 2020 – the Supervisory Board adopted resolutions on the appointment of Marcin Chruszczyński to perform a function in the Management Board of the Company, determination of remuneration for this function and conclusion of a managerial contract with the new Member of the Management Board.
- 8) August 18, 2020 – the Supervisory Board discussed the draft interim report for the first half of 2020. In addition, the current operations of the Company, key issues concerning the HR department, marketing, and games functionality were presented and discussed.
- 9) November 17, 2020 – the Supervisory Board discussed the current activity of the Company, the results of the Company in the third quarter of 2020, adopted a resolution on giving consent to the establishment of a subsidiary as well as resolutions related to the forthcoming Extraordinary General Meeting of Shareholders the Company.
- 10) December 17, 2020 – the Supervisory Board was briefed on the new Management Board's priorities and the preliminary financial plan for 2021-2022. The Supervisory Board adopted resolutions on the appointment of new Management Board members and their remuneration for the performance of their duties on the Company's Management Board.
- 11) December 22, 2020 – the Supervisory Board approved the Management Board's plans related to the implementation of the M&A strategy.

Minutes of the meetings were taken and are stored at the offices of Ten Square Games S.A.

Meetings and votes of the Supervisory Board shall be held in a composition ensuring legal capacity, i.e. at least half of the Supervisory Board members shall participate in the meetings and/or votings. Members of the Supervisory Board perform their functions also between meetings.

5. Audit Committee

The Company has an Audit Committee, which performs auxiliary and advisory functions in relation to the Supervisory Board.

During the reporting period, the Audit Committee consisted of (until May 20, 2020):

- Chairman – Marcin Chruszczyński;
- Member – Maciej Marszałek;
- Member – Rafał Olesiński;
- Member – Milena Olszewska-Miszuris

As of June 2, 2020, in connection with the appointment of the Supervisory Board for a new term, the composition of the Audit Committee is as follows:

- Chairman – Marcin Chruszczyński;
- Member – Maciej Marszałek;
- Member – Kinga Stanisławska.

In 2020, the Audit Committee held 4 sessions and a number of meetings and consultations.

The Audit Committee actively monitored the financial reporting process and the performance of auditing activities, including through analysis of the Company's interim reports prior to publication, as well as meetings and ongoing communication with the auditor and the Company's financial services.

With the exception of Rafał Olesiński, all other members of the Audit Committee met the independence criteria set out in Article 129 of the Act of May 11, 2017 on auditors, audit firms and public supervision (i.e. Journal of Laws of 2019, item 1421).

6. Appointment and Remuneration Committee

The Company has an Appointment and Remuneration Committee, which performs auxiliary and advisory functions in relation to the Supervisory Board.

During the reporting period, the Appointment and Remuneration Committee consisted of:

- Chairwoman – Milena Olszewska-Miszuris (until May 20, 2020);
- Member – Wiktor Schmidt (until May 20, 2020);
- Member - Maciej Zużalek (until April 21, 2020).

As of June 2, 2020, in connection with the appointment of the Supervisory Board for a new term, the composition of the Audit Committee is as follows:

- Chairman – Rafał Olesiński;
- Member – Maciej Marszałek;
- Member – Tomasz Drożdżyński.

In 2020, meetings and consultations took place and 3 sessions of the Appointment and Remuneration Committee focused on changes to the Board and setting the remuneration arrangements for the new members of the Company's Management Board.

7. Assessment of the situation of Ten Square Games S.A., including evaluation of internal control systems, risk management, compliance and internal audit function and evaluation of the way in which the Company fulfils its information obligations concerning the application of the principles of corporate governance.

Based on the analysis of the Company's and the Capital Group's financial statements for 2020 and the Management Board's report on the operations of the Capital Group and the Company for 2020, as well as on the information received from the Management Board, the Supervisory Board assesses that the Company has met the targets set for 2020 both in terms of the development of the operating activities and the financial result.

2020 was a year of continued strong growth for the Company. Revenue of the Ten Square Games Group more than doubled from PLN 241.1 million in 2019 to PLN 578.2 million in 2020. Gross profit increased from PLN 84.6m in 2019 to PLN 170.9m in 2020. Net profit increased from PLN 76.4m in 2019 to PLN 151.6m in 2020. As at the end of December 2020, the balance of cash and cash equivalents in the Company amounted to PLN 236.6m, with no interest-bearing debt.

In the opinion of the Supervisory Board, this over twofold increase in revenue and net profit in a special period of the pandemic lends credence to the Group's plans and strategy are based on seeking and innovatively combining the most effective game models from the Free 2 Play segment with interesting thematic areas. The Group aims to fulfil its plan consisting in building a portfolio of products with a long life and high monetization.

In the opinion of the Supervisory Board, the Group's financial condition will allow it to continue intensive work on new games using its own financing and in accordance with the assumed strategy. Additional impetus may come from experience and information gained in the process of analysing potential acquisition targets.

There are no prerequisites that could pose a real threat to the continuation of the Company's operations.

8. Internal control and risk management system, compliance and internal audit

The Company's Management Board is responsible for the internal control system and its effectiveness in the process of drafting financial statements.

The Management Board directly supervises the process of drafting the financial statements and periodic reports. The Management Board is also directly responsible for organising the work related to the drafting of the financial statements required by the regulations.

The financial statements drafted by the Management Board are submitted to the Supervisory Board with the aim of performing obligations provided for in the provisions of the Commercial Companies Code.

The annual and half-yearly financial statements (consolidated and separate) are subject to an independent audit/review by an auditor appointed by the Company's Supervisory Board. The results of the audit shall be submitted to the Supervisory Board, and the report on the audit of the annual report shall also be submitted to the General Meeting of Shareholders.

The financial statements of the subsidiaries are not required to be audited in accordance with the Accounting Act of September 29, 1994. These reports shall be submitted for approval to the Ordinary General Meeting of Shareholders of a relevant company.

In the opinion of the Supervisory Board, the internal control and risk management system operating in the Company satisfies the relevant functional needs.

The Company does not plan to establish within its structure a separate compliance and internal audit function. In the opinion of the Supervisory Board (taking into account the scale of operations and the available human resources), in 2020 there was no need to establish an organisationally separate compliance function and internal audit function in the Company.

9. The assessment of the Company's fulfilment of information obligations

In the opinion of the Supervisory Board, the Company conducted its business in compliance with the principles applicable to public companies, among others, the Best Practice 2016, adopted by Resolution No. 26/1413/2015 of the Supervisory Board of the Warsaw Stock Exchange of October 13, 2015.

Having analysed the content of the reports published by the Company on the Best Practice 2016, the Supervisory Board is of the opinion that in 2020 the Company duly complied with its information obligations regarding the application of corporate governance principles set out in the WSE Rules and the regulations on current and periodic information provided by issuers of securities, including in particular the correct and timely publication of statements on the Company's application of corporate governance principles.

Information on the application by the Company of the recommendations and principles contained in the Code of Best Practice for WSE-Listed Companies can be found at <https://tensquaregames.com/pl/inwestorzy/lad-korporacyjny/dobre-praktyki/> whereas ESPI and EBI reports are available at <https://tensquaregames.com/pl/report-category/raporty/>.

10. Assessment of the rationality of the Company's sponsorship, charity and other similar activities policy

In 2020, the Company did not have a formalised policy on sponsorship and charitable activities. In 2020, in connection with the outbreak of the COVID-19 pandemic, the Company supported charitable organizations and supported internal initiatives related to the support of businesses at the risk of collapse due to the pandemic (mainly the purchase of goods and services on a pay-as-you-go basis). The total expenditure for this purpose amounted to PLN 913 thousand. The Supervisory Board positively evaluates the decision made by the Company to provide financial support to both charitable entities and enterprises. The Supervisory Board is of the opinion that such activities, apart from their obvious value as assistance to entities in need of financial support, contribute to building and strengthening of the Company's positive image as a socially responsible and committed entity.

11. Self-assessment of the Supervisory Board

It should be emphasized that meetings of the Supervisory Board and its work (supported by the Management Board and relevant Company services) between meetings ensure the processing of data and analyses needed for decision-making. No disruptions have been recorded during the work of the Supervisory Board.

In 2020 the Members of the Supervisory Board remained in regular contact with the Company's Management Board, supervising and consulting the Management Board on specific areas of the Company's operations. In performing its supervisory and control activities, the Supervisory Board relied on written materials drafted by the Management Board of the Company as well as current information and explanations provided by the Members of the Management Board during the meetings of the Supervisory Board.

In 2020, the Supervisory Board exercised continuously supervised the Company's activities in all areas of the Company's operations. The aforementioned activities included, among others: the analysis and assessment of the current financial results, analysis of the information received from the Management Board concerning the Company's operations (including specific reports relating to operating activities) and meetings of the Supervisory Board and Management Board held with the purpose of discussing the Company's situation. The members of the Supervisory Board – as a whole – contributed diverse knowledge, judgement and experience for the proper performance of the body's tasks.

With its diverse competences and experience, the Supervisory Board is a body that ensures constructive and efficient operation, in effect supporting the Management Board.

In the opinion of the Supervisory Board, in 2020 the supervisory and control activities of the Supervisory Board were performed on a permanent basis, based on and within the limits of the regulations and internal acts binding on this body and in accordance with the Best Practice 2016. In the opinion of the Supervisory Board, all its Members have demonstrated due diligence in the performance of their duties, using their knowledge and experience.

The Supervisory Board has maintained an independent view on the work of the Management Board and the Company's activities.

In their activities the members of the Supervisory Board demonstrated conscientiousness and reliability, using their professional knowledge and experience, thanks to which the Supervisory Board – guided by the interest of the Company – effectively carried out its statutory tasks.

The Supervisory Board positively assesses its work in 2020 and requests that all its Members be granted a discharge of their duties in the 2020 financial year.
