

**Report on the Remuneration of the Members of the Management Board and Supervisory Board
of Ten Square Games S.A. for the year 2021**

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I. Introduction

This Report on the Remuneration of the Members of the Management Board and Supervisory Board of Ten Square Games S.A. for the year 2021 was drafted in line with Article 90g of the Act on Public Offering and provides a comprehensive overview of remuneration, including all benefits received or due to individual Members of the Management Board and Supervisory Board in the financial year 2021, in accordance with the Company's internal regulations and corporate governance procedures and, in particular, in accordance with the Remuneration Policy.

The Remuneration Policy was not subject to change during the Reporting Period.

All amounts in this Report are provided as gross and are denominated in PLN.

1. Definitions

Capital Group – a capital group composed of the Company as the parent company and all its subsidiaries in accordance with IFRS. More details can be found in the consolidated financial statements for 2021 (item 7 in section "General information");

Audit Committee – an audit committee of the Company's Supervisory Board;

Appointment and Remuneration Committee – a committee operating within the structure of the Company's Supervisory Board, with competencies of an appointment and remuneration committee;

Immediate Family Member – the immediate family member is a spouse, parents and grandparents, children and grandchildren, brothers and sisters, mother in law and father in law, brothers in law and sisters in law, daughters in law and sons in law. Adopted and step members are also included in the immediate family.

Reporting Period – the period from 1 January 2021 to 31 December 2021.

Remuneration Policy – the document entitled: "Remuneration Policy for Management and Supervisory Board Members of Ten Square Games S.A." adopted by Resolution no. 22 of the Company's Ordinary General Meeting of Shareholders on 20 May 2020; the content of the Remuneration Policy is available on the Company's website at: https://tensquaregames.com/wp-content/uploads/2021/02/Zalacznik_nr_1_do_Uchwały_nr_22_-_Polityka_wynagrodzeń_Członków_Zarządu_i_Rady_Nadzorczej_obowiązującą_w_Ten_Square_Games_S.A.-1.pdf

PPK – an Employee Capital Plan applicable at the Company;

Employee – a person employed by the Company under a contract of employment;

President of the Management Board/Vice President of the Management Board/Member of the Management Board – the President/Vice President/Member of the Management Board of the Company;

Chairman/Deputy Chairman/Member of the Supervisory Board – means the Chairman/Deputy Chairman/Member of the Supervisory Board of the Company;

Supervisory Board – the Supervisory Board of the Company;

Company – Ten Square Games S.A. with its registered office in Wrocław, at ul. gen. Romualda Traugutta 45, recorded in the register of business organisations of the National Court Register, maintained by the District Court for Wrocław-Fabryczna in Wrocław, Commercial Division 6 – National Court Register, entry number: 0000704863, with fully paid-up share capital of PLN 730,178.30, holding Polish tax identification number (NIP): 8982196752, Polish business identification number (REGON): 021744780;

Act on Public Offering – the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading and Public Companies (i.e. Journal of Laws of 2021.1983);

Polish PPK Act – Polish Employee Capital Plan Act of 4 October 2018 (consolidated text Journal of Laws 2020.1242);

General Meeting – the General Meeting of Shareholders of the Company;

Management Board – the Management Board of the Company.

2. Overview of the most significant events during the Reporting Period affecting the remuneration of Members of the Management Board

The year 2021 was one of the busiest periods in the Company's history. Following the success of mobile games in 2020, the Company, in order to increase its market position in the gamedev industry, took advantage of various commercial opportunities

and developed the Company's existing game teams and entered the Chinese market with the Fishing Clash game. At the same time, the Company opened further new studios (Berlin and Bucharest) in 2021 and acquired 100% of the shares of the Italian company RORTOS s.r.l., which, together with the other subsidiaries established in 2021, i.e. Ten Square Games GmbH and Ten Square Games Romania, became part of the Group.

Revenue of Ten Square Games Capital Group increased from PLN 578,194,656 in 2020 to PLN 634,045,040 in 2021. Consolidated gross profit decreased from PLN 170,945,301 in 2020 to PLN 161,981,769 in 2021. Net profit also declined from PLN 151,598,963 in 2020 to PLN 141,264,582 in 2021. As at the end of December 2021, the balance of cash and cash equivalents in the Capital Group amounted to PLN 139,553,427, with no interest-bearing debt.

The above-mentioned growth of the Group was accompanied in 2021 by an unprecedented increase in the workforce (employees and associates) – from 320 people at the beginning of January 2021 to over 500 people at the end of that year.

During the Reporting Period, the composition of the Management Board also grew from two persons to six. In 2021, there were also changes in the composition of the Management Board (with Magdalena Jurewicz returning after a long break, Marcin Chruszczyński stepped down from the Management Board, having been appointed as Member of the Management Board for the duration of the replacement).

The Company implemented an incentive scheme that operated in the Company from 2018 to 2020, adopted by Resolution no. 3 of the General Meeting of Shareholders of the Company dated 15 March 2018.

Considering the situation in the mobile games market, as well as in order to:

- create mechanisms that will encourage and motivate qualified persons, key to the implementation of the Company's strategy, to act in the interest of the Company and its shareholders by enabling them to purchase the Company's shares;
- maintain the direction of the Company's ongoing activities and build long-term shareholder value;
- ensure that people who are key to the development of the Capital Group, including the Company, participate in the expected increase in the Capital Group's value;

The Company launched a further incentive scheme for 2021–2022, which was adopted by Resolution no. 25 of the General Meeting of Shareholders of the Company; on 20 May 2020. In view of the need to ensure long-term and stable cooperation with the Members of the Management Board, this scheme was also addressed to them.

3. Changes in the composition of the Supervisory Board and the Management Board which took place in 2021

3.1. The Supervisory Board

During the Reporting Period, the Supervisory Board had the following composition:

Rafał Olesiński – Chairman of the Supervisory Board;
Wiktor Schmidt – Deputy Chairman of the Supervisory Board;
Marcin Biłos – Member of the Supervisory Board;
Tomasz Drożdżyński – Member of the Supervisory Board;
Maciej Marszałek – Member of the Supervisory Board;
Arkadiusz Pernal – Member of the Supervisory Board;
Kinga Stanisławska – Member of the Supervisory Board.

During the Reporting Period, there were no changes to the composition of the Supervisory Board, nor did the functions of the Supervisory Board Members indicated above change.

After the end of the Reporting Period, on 11 March 2022, Tomasz Drożdżyński stepped down as a Supervisory Board Member.

3.2. Audit Committee

The Audit Committee attached to the Supervisory Board had the following composition during the Reporting Period:

Marcin Biłos – Chairman of the Committee;
Maciej Marszałek – Member of the Committee;
Kinga Stanisławska – Member of the Committee.

There were no changes to the composition of the Audit Committee during the Reporting Period.

3.3. Appointment and Remuneration Committee

Within the structure of the Supervisory Board, there is an Appointment and Remuneration Committee, whose composition on 31 December 2021 was as follows:

Rafał Olesiński – Chairman of the Committee;
Maciej Marszałek – Member of the Committee;
Arkadiusz Pernal – Member of the Committee.

The following changes in the composition of the Appointment and Remuneration Committee took place during the Reporting Period:

- on 4 August 2021, by Resolution no. 1 of the Supervisory Board, Tomasz Drożdżyński was removed from the Appointment and Remuneration Committee;
- on 4 August 2021, by Resolution no. 2 of the Supervisory Board, Arkadiusz Pernal was appointed to the Appointment and Remuneration Committee.

3.4. Management Board

As at 31 December 2021, the composition of the Management Board was as follows:

Maciej Zużalek – President of the Management Board;
Janusz Dziemidowicz – Member of the Management Board;
Wojciech Gattner – Member of the Management Board;
Anna Idzikowska – Member of the Management Board;
Andrzej Ilczuk – Member of the Management Board;
Magdalena Jurewicz – Member of the Management Board.

The following changes in the composition of the Management Board took place during the Reporting Period:

- as of 21 January 2021, the following were appointed as Members of the Company's Management Board: Anna Idzikowska, Janusz Dziemidowicz, Wojciech Gattner and Andrzej Ilczuk (appointment of the persons indicated was made on the basis of resolutions of the Company's Supervisory Board dated 17 December 2020, as of the date of registration by the competent registration court of the amendment to the Company's Articles of Association made by Resolution no. 4 of the Extraordinary General Meeting of the Shareholders of the Company dated 16 December 2020);
- on 11 October 2021, Marcin Chruszczyński resigned from the Company's Management Board with effect on 20 October 2021;
- on 11 October 2021, Magdalena Jurewicz, by Resolution no. 4 of the Supervisory Board, was appointed to serve as a Member of the Management Board, starting on 21 October 2021.

4. Change in the methodology of preparing the Remuneration Report

The methodology of preparing this Report compared to the 2019–2020 Remuneration Report has changed in the following aspects:

- the method of calculating the total remuneration received by each Member of the Management Board by including in the total remuneration of a Member of the Management Board – in addition to the remuneration for serving on the Company's Management Board – also the remuneration associated with employment/civil law relationship with the Company under which work is performed/services are provided which are not related to the performance of management functions.

The change in the methodology results from the fact that in 2021 persons were appointed to serve on the Company's Management Board who are connected with the Company by employment/civil law relationships, under which they receive benefits of significant value. The change in the methodology is intended to maintain transparency in the presentation of the benefits received by these individuals and to present them in a comprehensive manner. Moreover, the change in the methodology will allow the Remuneration Report to be consistent with the Company's financial statements, where the remuneration of the individual Members of the Company's Management Board is presented collectively.

II. Remuneration of Supervisory Board Members

1. Internal regulations governing the remuneration of Supervisory Board Members

During the Reporting Period, the Company had in place remuneration arrangements for the Supervisory Board under the Remuneration Policy.

In accordance with the Remuneration Policy, Members of the Supervisory Board receive only fixed remuneration (monthly remuneration) for performing their functions in the Supervisory Board. Supervisory Board members who serve on Supervisory Board committees also receive fixed additional monthly remuneration for serving on Supervisory Board committees. The remuneration of Members of the Supervisory Board is paid only in cash.

During the Reporting Period, the amount of remuneration of Supervisory Board Members was determined on the basis of Resolution no. 23 of the Ordinary General Meeting of the Shareholders of the Company of 20 May 2020 on the determination of principles of remuneration of Members of the Supervisory Board of the second term, which took into account the provisions of the Remuneration Policy. The aforementioned Resolution sets forth the amount of and rules for the payment of remuneration to Supervisory Board Members for performing their functions in the Supervisory Board and its committees (i.e. the Audit Committee and the Appointment and Remuneration Committee).

Moreover, in line with the Remuneration Policy, each Member of the Supervisory Board is entitled to the reimbursement of costs arising from the performance of duties in the Supervisory Board, in particular, the costs of travel, accommodation and meals.

2. Remuneration received by Members of the Supervisory Board in 2021

Table 1 shows the total remuneration received by Supervisory Board Members in 2021, broken down into the following components: fixed remuneration for serving on the Supervisory Board and additional fixed remuneration for serving on Supervisory Board committees. During the Reporting Period, the Supervisory Board Members did not receive any other benefits from the Company, including any reimbursement of expenses related to their participation in the work of the Supervisory Board.

At the same time, in order to ensure the transparency of this Report, information on the Employee Capital Plans in which the Supervisory Board Members participated during the Reporting Period is presented below.

As of 1 November 2020, the Company's Employee Capital Plan (ECP) is operational. Taking into account the fact that in the Reporting Period the Members of the Supervisory Board received fixed remuneration for performing their functions in the Supervisory Board, they were subject to mandatory retirement pension insurance and disability insurance on this account, within the meaning of the Act of 13 October 1998 on the social insurance system, and therefore were employed within the meaning of the Act on Employee Capital Plans. Therefore, pursuant to Article 28(3) and (4) of the Act on Employee Capital Plans, the Company calculated PPK payments for each Member of the Supervisory Board from their remuneration for performing their function of a Member of the Supervisory Board, and in the case of payments financed by the Members of the Supervisory Board as participants in PPK – the Company calculated PPK payments from their remuneration for performing their function in the Supervisory Board on the date of payment of such remuneration and then made the PPK payments to the financial institution selected by the Company – Aviva Investors Poland Towarzystwo Funduszy Inwestycyjnych S.A.

Given that during the Reporting Period contributions to the PPK were made by the Company on the basis and in the amount indicated in the Employee Capital Plans Act, the Company does not consider this as additional benefits or advantages granted to Members of the Supervisory Board. Accordingly, it does not show these payments in the statement of remuneration of the Supervisory Board Members indicated in Table 1. For the same reason, the Company did not show these payments in the Report on the Remuneration of the Members of the Management Board and Supervisory Board for 2019 and 2020.

Table 1 – Remuneration of the Members of the Supervisory Board in 2021.

Name and surname Position	Fixed remuneration for serving on the Supervisory Board	Additional fixed remuneration for serving on Supervisory Board committee(s)	Total remuneration
Rafał Olesiński Chairman of the Supervisory Board and Chairman of the Appointment and Remuneration Committee	96,000	6,000	102,000
Wiktor Schmidt Deputy Chairman of the Supervisory Board	48,000	0	48,000
Marcin Bilos Member of the Supervisory Board and Chairman of the Audit Committee	48,000	6,000	54,000
Tomasz Drożdżyński* Member of the Supervisory Board and Member of the Appointment and Remuneration Committee	48,000	3,565	51,565
Maciej Marszałek Member of the Supervisory Board, Member of the Audit Committee and Member of the Appointment and Remuneration Committee	48,000	12,000	60,000
Kinga Stanisławska Member of the Supervisory Board and Member of the Audit Board	48,000	6,000	54,000
Arkadiusz Pernal** Member of the Supervisory Board and Member of the Appointment and Remuneration Committee	48,000	6,000	54,000

1 On 4 August 2021, Tomasz Drożdżyński was removed from the Appointment and Remuneration Committee.

2 * On 4 August 2021, Arkadiusz Pernal was appointed to the Appointment and Remuneration Committee.

III. Remuneration of the Members of the Management Board

The regulations governing the remuneration of the Members of the Management Board are presented below, and the tables present the total remuneration of the Members of the Management Board due and received in 2021, broken down into the components referred to in Article 90d(3)(1) of the Act on Public Offering.

1. Internal regulations governing the remuneration of the Management Board

During the Reporting Period, the Company had in place remuneration arrangements for the Management Board under the Remuneration Policy.

The purpose of the Remuneration Policy is to ensure a consistent and motivational remuneration system, the level of which is adapted to the qualifications, skills and the level of professional experience of the Board Member, taking into account the financial and non-financial performance of the Company when awarding remuneration, as well as to contribute to the implementation of the Company's business strategy, long-term interests and stability of the Company.

In accordance with the Remuneration Policy, all benefits for the Company's Management Board Members are granted by the Supervisory Board on the basis of a resolution of this body (by indicating them directly in the resolution or in the content of a contract entered into with a Member of the Management Board attached to the resolution of the Supervisory Board).

Remuneration for the performance of functions in the Management Board may be granted under an employment contract, managerial contract or under designation only. The Supervisory Board shall be entitled to establish different legal bases for the management relationship and different detailed contractual terms for individual Management Board Members.

The obligatory part of remuneration paid to Members of the Management Board for performing their functions in the Company's Management Board is only fixed remuneration.

In addition to the fixed remuneration for serving on the Management Board, a member of the Management Board may be granted variable remuneration for serving on the Management Board, the payment of which depends on the achievement of management objectives. The objectives and their importance, the determination of their achievement and the amount of the variable remuneration due are determined on the basis of relevant resolutions of the Supervisory Board within the limits and under the conditions defined in the Remuneration Policy. Variable remuneration is payable to the relevant Board Member upon approval of the Company's/Capital Group's financial statements for the financial year to which the management objective relates and the discharge of their duties by the General Meeting of Shareholders.

Members of the Management Board may also be granted additional cash and non-cash benefits as indicated in the Remuneration Policy.

During the Reporting Period, the amount of fixed remuneration granted to the individual Management Board Members for serving on the Management Board was determined by resolutions of the Supervisory Board adopted upon the appointment of each individual to serve on the Management Board of the Company.

Moreover, the Company concluded managerial contracts with Maciej Zużalek and Marcin Chruszczyński, the scope of which also included fulfilling managerial functions. Managerial contracts stipulate the amount of fixed remuneration and the possibility of awarding variable remuneration for meeting management objectives. In accordance with the content of the managerial contracts, their objectives and their importance, the determination of their implementation and the amount of the variable remuneration due are determined on the basis of relevant resolutions adopted by the Supervisory Board within the limits and in line with the terms defined by the Remuneration Policy.

Apart from the activities arising from designation (fulfilling the function in the Management Board of the Company), the Members of this body may independently perform work or render services for the Company, provided that the scope of this work (these services) does not overlap or collide with the tasks performed in connection with the appointment to the function of a Member of the Management Board. In the course of performing functions in the Management Board of the Company, the legal basis for such a relationship and the detailed content of the agreement (annexes to the agreement) is determined by the Supervisory Board on the basis of negotiations with the person performing a function in the Management Board of the Company. In accordance with the Remuneration Policy, remuneration for work performed or services rendered not related to the performance of management functions may consist of a fixed part, a variable part and additional cash and non-cash benefits.

In accordance with the Remuneration Policy, the Members of the Management Board may be covered by an incentive scheme established for key persons in the Company, being a type of variable remuneration. Incentive schemes are established by the General Meeting of Shareholders in the form of a separate resolution and are designed to ensure that employees and associates (including Members of the Management Board) who are key to the development of the Company's Capital Group participate in the expected increase of the Capital Group's value (including the Company) and maintain their lasting relationship with the Capital Group (including the Company).

2. Variable remuneration of the Members of the Management Board due or received in cash for performing their functions in the Company's Management Board

2.1. Variable remuneration of Maciej Zużalek, the President of the Management Board, for 2020

In accordance with the Remuneration Policy, variable remuneration is dependent on the extent to which management objectives have been achieved. On 2 June 2020, the Company's Supervisory Board adopted Resolution no. 12, which established management objectives for the Company's President of the Management Board, Maciej Zużalek. The management objectives were determined for the period from the date of appointment of the President of the Management Board until 31 December 2020. Management objectives included the implementation of the Company's strategy in the area of mobile games production and the achievement of defined financial indicators (adjusted EBITDA). The resolution defined the weightage of each managerial objective.

Whereas:

- The Company's Ordinary General Meeting of Shareholders, which took place on 23 June 2021, approved the Management Board's report on the Company's activities and the Company's financial statements for the financial year 2020;
- Maciej Zużalek, the President of the Management Board, was discharged in 2020;
- the consolidated financial statements for 2020 showed the Group achieving an adjusted EBIDTA of PLN 226,369,642;

The Supervisory Board, by Resolution no. 3 of 29 June 2021, confirmed that the President of the Management Board, Maciej Zużalek, achieved in:

- 100% – the objective consisting in implementing the strategy of producing mobile games, in accordance with the schedule and budget that was optimal from the Company's point of view, for which the weighting was 0.2;
- 90% – the target of achieving a certain adjusted EBITDA, for which the weighting was 0.8;

and fixed the variable remuneration payable to the President of the Management Board for 2020 at: PLN 290,479 gross, in accordance with the content of the managerial contract and the Remuneration Policy.

The variable remuneration for 2020 was paid to the President of the Management Board – Maciej Zużalek – on a one-off basis in 2021.

2.2. Variable remuneration of Maciej Zużalek, the President of the Management Board, for 2021

On 31 March 2021, the Company's Supervisory Board adopted Resolution no. 1 which established management objectives for the Company's President of the Management Board, Maciej Zużalek, for the financial year 2021. These management objectives include achieving a certain adjusted EBITDA in 2021 and executing the Company's strategy related to mobile games production. The resolution defines the weightage of each managerial objective.

The fulfilment of the conditions for the variable remuneration for 2021 is determined by the Supervisory Board after the approval of the Company's financial statements for 2021 and the discharge of the President of the Management Board in 2021. The Supervisory Board will determine the amount due in accordance with the Remuneration Policy and the managerial contract, based on audited financial statements and other internal documents of the Company. The maximum amount of variable remuneration that may be awarded to Maciej Zużalek for 2021 is PLN 513,600 gross.

As at the date of this Report, the conditions necessary to establish the level of fulfilment of management objectives, i.e. the approval of the financial statements and granting discharge to the President of the Management Board, Maciej Zużalek, have not been met.

Assuming that:

- The Company's Ordinary General Meeting of Shareholders will approve the Management Board's report on the Company's activities and the financial statements of the Company and the Capital Group for the financial year 2021;
- the President of the Management Board, Maciej Zużalek, will be discharged in 2021;
- the amount of the Capital Group's adjusted EBIDTA indicated in the Group's financial statements for 2021 will not change until the financial statements are approved by the Company's Ordinary General Meeting of Shareholders,

and taking into account that the Company's adjusted EBIDTA indicated in the consolidated financial statements for 2021 is PLN 234,179,331 and taking into account the weighting for individual management objectives, the Supervisory Board, according to its best estimates, anticipates that the variable remuneration due to the President of the Management Board for 2021 will amount to PLN 128,400 (gross).

The amount of the variable remuneration due to the President of the Management Board for 2021 for the achievement of the management objectives in 2021 may still be reviewed by the Supervisory Board, and therefore the final amount of the variable remuneration will be reported in the Remuneration Report for 2022.

2.3. Variable remuneration of other Management Board Members

During the Reporting Period, the other Members of the Management Board, i.e. Marcin Chruszczyński, Janusz Dziemidowicz, Wojciech Gattner, Anna Idzikowska, Andrzej Ilczuk and Magdalena Jurewicz did not receive any variable remuneration in cash for serving on the Management Board. The Supervisory Board has not set management objectives for the other Management Board Members for 2021, on which the variable remuneration paid in cash is dependent.

3. Variable remuneration due or received in the form of shares in 2021.

3.1. The incentive scheme of the President of the Management Board, Maciej Zużalek, which includes the right to purchase existing shares

In order to ensure transparency and completeness of information on benefits received by Management Board Members in connection with their function on the Board, details of the incentive scheme for the President of the Management Board, Maciej Zużalek, which was established before the Remuneration Policy came into effect, are presented below.

On 20 May 2020, the Company's Ordinary General Meeting of Shareholders adopted Resolution no. 26 on the inclusion of the President of the Management Board, Maciej Zużalek, in the incentive scheme which includes the right to purchase existing shares. Under the terms and conditions of the scheme, the President of the Management Board purchased (under purchase and sale agreements) from the Company's existing shareholders a total of 144,825 existing shares at a nominal price of PLN 0.1 per share. In accordance with the terms and conditions of the scheme, if within 3 (three) years from the date on which the aforementioned Resolution was adopted, the President of the Management Board files a declaration on the termination or expiration of the managerial contract or resigns from the position of the President of the Management Board of the Company without justifiable reasons, in each case for reasons other than attributable to the Company, he shall be obliged to return part of the shares, under the terms stipulated in the Resolution. The market value of the scheme on the day on which Maciej Zużalek became its beneficiary was PLN 72.4 million. In the financial statements, the Company recognises the value of the scheme as an expense pro rata to the period during which Maciej Zużalek sat on the Management Board of the Company (in accordance with IFRS 2). In 2020, the following amount was recognised as a scheme expense: PLN 18.1 million. In 2021, the following amount was recognised as a scheme expense: PLN 24.1 million.

Adoption of the resolution on the establishment of the incentive scheme for Maciej Zużalek resulted from his appointment to perform the function of President of the Management Board of the Company and was intended to increase (his) benefit from the expected growth of the Company and its Capital Group and nurture his lasting relationship with the Company and the Capital Group.

The Company does not show the cost of this incentive scheme in Table 2 in the variable remuneration payable column. Shares were received in full in 2020, prior to the implementation of the Remuneration Policy.

3.2. Incentive scheme for 2021–2022

During the Reporting Period, the Company operated an incentive scheme for 2021–2022, which was adopted by Resolution no. 25 of the Company's Ordinary General Meeting of Shareholders dated 20 May 2020.

On 21 April 2021, by Resolution no. 2, the Supervisory Board, pursuant to the authorisation contained in Resolution no. 25 of the Company's Ordinary General Meeting of Shareholders of 20 May 2020, granted the Members of the Management Board: Marcin Chruszczyński, Anna Idzikowska, Andrzej Ilczuk, Wojciech Gattner, the status of participants in the 2021–2022 incentive scheme and made an initial allocation of shares for the first and second year of the scheme in their favour.

For the first year of the scheme, i.e. from 1 January 2021 to 31 December 2021, an initial allocation of shares was made to the Board Members, as follows:

Marcin Chruszczyński – 700 shares;

Anna Idzikowska – 8,000 shares;

Andrzej Ilczuk – 8,000 shares;

Wojciech Gattner – 8,000 shares.

Under IFRS2 – Share-based Payment, the value of pre-allocated shares is determined at the grant date of the financial instrument and is accounted for over time according to the duration of the service provided for which the share-based payment is made. The cost of pre-allocated shares to Management Board Members in 2021 was PLN 12.8 million. A detailed breakdown of the amounts is provided in Table 2.

According to the rules of the incentive scheme, the right to subscribe for shares under a given tranche is granted to scheme participants on the condition that they fulfil the participation and scheme criteria. The fulfilment of the scheme criteria is subject to the Company achieving, on the basis of the consolidated audited financial statements approved by the General Meeting of Shareholders, a recurring EBITDA in the relevant scheme year in an amount determined by a resolution of the Company's Supervisory Board. The determination of the fulfilment of the participation criterion and the relevant scheme criteria, as well as the confirmation of the number of shares granted (allocated) to a scheme participant within a given tranche, shall be made by the Supervisory Board in the form of a resolution after the General Meeting of Shareholders has approved the Company's financial statements for the relevant financial year.

As at the date of this Report, the final number of shares granted for the first year of the scheme has not been confirmed. This is because there was no approval of the consolidated financial statements for 2021 by the Company's Ordinary General Meeting of Shareholders.

To the best of the knowledge available at the time of publication of this Report, the Supervisory Board considers that the EBITDA target (recurring EBITDA) based on the published consolidated financial statements has been met and also the Members of the Management Board were bound by active contracts as at the last day of the financial year (i.e. 31.12.2021), which makes it possible to presume that the pre-allocated shares will ultimately be awarded to the Members of the Management Board.

For this reason, the Company shows the value of the incentive scheme in Table 2 in the column of variable remuneration due next

to those Members of the Management Board who obtained the status of a participant in the scheme by virtue of their function in the Company's Management Board as the value of pre-allocated shares for the first year of the incentive scheme, i.e. for the period from 1 January 2021 to 31 December 2021.

4. Additional non-cash benefits

During the Reporting Period, the President of the Management Board and the Members of the Management Board received additional non-cash benefits, consisting of, i.e. "Worksmile" cafeteria system benefits in a fixed amount and special gifts, which are granted to the Members of the Management Board on the same basis (i.e. the scope and value of benefits) as to the company's employees. The actual value of the non-cash benefits received by each Member of the Management Board is shown in Table 2.

5. Remuneration of the Members of the Management Board under the agreements whose scope does not include activities falling within the scope of functions on the Management Board

Apart from the remuneration for performing managerial functions, the Members of the Company's Management Board received remuneration resulting from other legal relationships between the person concerned and the Company.

During the Reporting Period:

- Janusz Dziemidowicz (throughout his tenure on the Management Board) was tied to the Company by a service provision agreement dated 13 January 2014, which did not include in its scope the performance of functions on the Management Board of the Company;
- Wojciech Gattner (throughout his tenure on the Board) was tied to the Company by a service provision agreement dated 3 August 2015, which did not include in its scope the performance of functions on the Management Board of the Company;
- Wojciech Gattner (throughout his tenure on the Board) was tied to the Company by a service provision agreement dated 25 January 2019, which did not include in its scope the performance of functions on the Management Board of the Company;
- Andrzej Ilczuk (throughout his tenure on the Board) was tied to the Company by a service provision agreement dated 14 September 2019, which did not include in its scope the performance of functions on the Management Board of the Company;
- Magdalena Jurewicz (throughout her tenure on the Board) was tied to the Company by an employment contract dated 29 April 2016, which did not include in its scope the performance of functions on the Management Board of the Company.

6. Variable remuneration of the Members of the Management Board under the agreements whose scope does not include activities falling within the scope of functions on the Management Board

The service provision agreements entered into with Wojciech Gattner and Anna Idzikowska specify both the amount of fixed remuneration and the possibility of awarding variable remuneration for services rendered not related to the performance of management functions. The detailed terms for awarding the variable remuneration, the method of calculation of the variable remuneration and the manner of its payment shall be set out in a service provision agreement concluded with each person.

6.1. Variable remuneration of the Management Board Member – Anna Idzikowska

The provisions on variable remuneration were introduced by an annexe, effective from 10 July 2021. Pursuant to the service provision agreement entered into between the Company and Anna Idzikowska, Anna Idzikowska is entitled to receive variable remuneration dependent on the financial performance achieved by one of the Capital Group's games. The maximum amount of variable remuneration for a calendar year may not exceed PLN 480,000 per year.

During the period of performing her function in the Management Board, i.e. from 21 January 2021, Anna Idzikowska, due to the fulfilment of the conditions for granting variable remuneration indicated in the service provision agreement, which did not include activities falling within the scope of functions in the Management Board, received variable remuneration for the provision of services in the amount of PLN 64,747.

6.2. Variable remuneration of the Management Board Member – Wojciech Gattner

Pursuant to the service provision agreement entered into between the Company and Wojciech Gattner, Wojciech Gattner is entitled to receive variable remuneration calculated quarterly and dependent on the financial performance of selected games of the Capital Group. The total value of variable remuneration may not exceed PLN 413,675 for each quarter starting from Q1 2021.

During the period in which Wojciech Gattner served on the Management Board, i.e. from 21 January 2021 to 31 December 2021, Wojciech Gattner received for services not related to the performance of management functions:

- variable remuneration due in the amount of PLN 413,776 for the last quarter of 2020 (i.e. for the period during which he was not appointed to serve on the Company's Management Board) and
- variable remuneration for the first, second and third quarter of 2021 (PLN 960,660), in the total amount of PLN 1,374,436.

In addition, as at 31 December 2021, Wojciech Gattner was entitled to the variable remuneration due for the fourth quarter in the amount of PLN 348,216, which will be paid in 2022.

6.3. Incentive scheme for 2018–2020

In order to ensure transparency and completeness of information on the benefits received by the Members of the Management Board – Wojciech Gattner and Andrzej Ilczuk – in the Reporting Period for agreements whose scope did not include activities falling within the scope of functions in the Management Board, the information on the incentive scheme applicable in 2018–2020 is presented below.

The Company had an incentive scheme in place from 2018 to 2020. The participants in this incentive scheme were Wojciech Gattner and Andrzej Ilczuk.

During the Reporting Period, the third year of the incentive scheme covering the period from 1 January 2020 to 31 December 2020, was settled. Under the third tranche of the incentive scheme, Wojciech Gattner received 3,489 shares, and Andrzej Ilczuk received 4,335 shares.

Andrzej Ilczuk and Wojciech Gattner received shares in connection with a service provision agreement entered into between them and the Company, the scope of which did not include activities falling within the scope of their functions in the Management Board, and in connection with participation in the incentive scheme during the period when they were not Members of the Management Board. For this reason, the Company does not disclose this incentive scheme (i.e. in Table 2) received by Management Board Members – Wojciech Gattner and Andrzej Ilczuk – from the Company in the statement of remuneration.

7. The total remuneration of the Company's Management Board in 2021.

Table 2 presents the total remuneration of the Members of the Management Board in 2021, broken down into components referred to in Article 90d(3) of the Act on Public Offering.

At the same time, in order to ensure the transparency of this Report, information on the Employee Capital Plans in which the Management Board Members participated during the Reporting Period is presented below.

Taking into account that in the Reporting Period Maciej Zużalek, Marcin Chruszczyński and Magdalena Jurewicz received fixed remuneration for performing functions in the Management Board on the basis of appointment, on the basis of a managerial contract (Maciej Zużalek, Marcin Chruszczyński) or an employment contract (Magdalena Jurewicz), they were subject to mandatory retirement pension insurance and disability insurance on this account, within the meaning of the Act of 13 October 1998 on the social insurance system, and therefore were employed persons within the meaning of the Act on Employee Capital Plans. Therefore, pursuant to Art. 28(3) and (4) of the Act on Employee Capital Plans, the Company calculated PPK payments for each of the above-mentioned Management Board Members from the remuneration for performing functions in the Management Board based on the managerial contract/employment contract, and in the case of payments financed by the Management Board Members as PPK participants, the Company calculated PPK payments from the remuneration for performing functions in the Management Board on the basis of the managerial contract/employment contract on the payment date of such remuneration, and then made the PPK payments to the financial institution selected by the Company – Aviva Investors Poland Towarzystwo Funduszy Inwestycyjnych S.A.

Given that during the Reporting Period contributions to PPK were made by the Company on the basis and in the amount indicated in the Act on Employee Capital Plans, the Company does not consider this as additional benefits or advantages granted to Maciej Zużalek, Marcin Chruszczyński, and Magdalena Jurewicz. Accordingly, it does not show these payments in the statement of remuneration of the Members of the Management Board indicated in Table 2. For the same reason, the Company did not show these payments in the Report on the Remuneration of the Members of the Management Board and Supervisory Board for 2019 and 2020.

Below, the Company presents all remuneration due and received at the end of January 2021 despite the fact that four Members of the Management Board joined the Board during the course of the month (i.e. from 21 January 2021).

The Company presents the total sums of individual items in conformance with the accrual principle (i.e. summing up the remuneration due), not on a cash basis (i.e. remuneration paid). This approach ensures consistency in the presentation of data in this Report and in the Company's financial statements.

Remuneration for serving on the Management Board						
	Fixed (received = due)	Variable				Additional non-cash benefits for serving on the Management Board
		cash form – received	cash form – due	share form – received	share form – due	
Maciej Zużalek – President of the	824,520	290,479*	128,400**	0	0***	2,435
Marcin Chruszczyński – Member of the Board	310,759	0	0	0	291,334	1,680
Janusz Dziemidowicz – Member of the	34,225	0	0	0	0	2,525
Wojciech Gattner – Member of the	34,066	0	0	0	4,133,212	2,100
Anna Idzikowska – Member of the	34,065	0	0	0	4,133,212	2,100
Andrzej Ilczuk – Member of the Management Board	34,190	0	0	0	4,133,212	2,225
Magdalena Jurewicz – Member of the	7,065	0	0	0	0	1,167

* Remuneration paid in 2021 due for 2020 – the description of this remuneration is included in section 2.1 of this Report.

** In the financial statements for 2021, the Company listed the amount of PLN 205,440. The difference is due to the review of the achievement of management objectives by the Supervisory Board after the publication of the Report.

** In the financial statements for 2021, the Company listed the amount of PLN 24,132,672. This amount relates to the share-based incentive scheme described in section 2.3.1 above. This scheme was established prior to the entry into force of the amount of the bonus due for Q4 2021. Remuneration Policy, as well as all shares were subscribed prior to this date; hence, in order to present the correct proportions of the variable to fixed remuneration, the Company does not include this cost as variable remuneration from shares.

	Remuneration for agreements whose scope did not include activities falling within the scope of functions in the Management Board (provision of services/employment contract)		
	Fixed (received = due)	Variable remuneration	
		received	due
Maciej Zużalek – President of the Management Board, Chief Executive Officer	0	0	0
Marcin Chruszczyński – Member of the Management Board, Chief Financial Officer	0	0	0
Janusz Dziemidowicz – Member of the Management Board, Chief Technology Officer	375,000	0	0
Wojciech Gattner – Member of the Management Board, Chief Product Strategy	480,000	1,374,436	1,308,876***
Anna Idzikowska – Member of the Management Board, Chief Growth Officer	480,000	64,747	64,747
Andrzej Ilczuk – Member of the Management Board, Chief Production Officer	480,000	0	0
Magdalena Jurewicz – Member of the Management Board, Chief Financial Officer	93,468	0	0

** In the financial statements for 2021, the Company listed the amount of PLN 1,395,201. The difference results from the update to the amount of the bonus due for Q4 2021.

	Total remuneration (due)	
	for serving on the Management Board	for agreements whose scope did not include activities falling within the scope of functions in the Management Board
Maciej Zużalek – President of the Management Board	955,355	0
Marcin Chruszczyński – Member of the Management Board	603,773	0
Janusz Dziemidowicz – Member of the Management Board	36,750	375,000
Wojciech Gattner – Member of the Management Board	4,169,378	1,788,876
Anna Idzikowska – Member of the Management Board	4,169,377	544,747
Andrzej Ilczuk – Member of the Management Board	4,169,627	480,000
Magdalena Jurewicz – Member of the Management Board	8,231	93,468

	Total remuneration (due) A=B+D	Total remuneration – fixed (due) of which <i>Non-cash benefits</i> B	Total cash remuneration – variable (due) C	Total remuneration – variable (due) D	Proportion of cash variable remuneration to fixed remuneration (in %) C/B	Proportion of total variable remuneration to fixed remuneration (in %) D/B
Maciej Zużalek – President of the Management Board	955,355	826,955	128,400	128,400	16%	16%
Marcin Chruszczyński – Member of the Management Board	603,773	312,439	0	291,334	0%	93%
Janusz Dziemidowicz – Member of the Management Board	411,750	411,750	0	0	0%	0%
Wojciech Gattner – Member of the Management Board	5,958,254	516,166	1,308,876	5,442,088	254%	1054%
Anna Idzikowska – Member of the Management Board	4,714,124	516,165	64,747	4,197,959	13%	813%
Andrzej Ilczuk – Member of the Management Board	4,649,627	516,415	0	4,133,212	0%	800%
Magdalena Jurewicz – Member of the Management Board	101,699	101,699	0	0	0%	0%

IV. Explanation of how the total remuneration is consistent with the Remuneration Policy adopted and how it contributes to the Company's long-term performance

During the Reporting Period, the Company paid remuneration to the Members of the Management Board and Supervisory Board exclusively in accordance with the provisions of the Remuneration Policy – the remuneration included the components provided for in the Remuneration Policy and was paid in accordance with its principles and the criteria set out therein. The appropriate proportions between fixed and variable remuneration indicated in the Remuneration Policy were also maintained since the variable remuneration of each member of the Management Board did not exceed 3 times the components constituting their fixed remuneration, and, taking into account incentive schemes, the variable remuneration did not exceed 20 times the components constituting the fixed remuneration of the relevant member of the Management Board.

The remuneration of the Members of the Supervisory Board was determined by the General Meeting of Shareholders at a fixed amount, adequate to the function performed (higher remuneration for the Chairman of the Supervisory Board) and tasks entrusted to particular persons (additional fixed remuneration was granted for the work performed in committees) and taking into account the scale of the Company's operations and its financial standing.

The Members of the Supervisory Board were not entitled to variable remuneration dependent on the Company's performance, nor

were they entitled to participate in the Company's share-based incentive schemes. The application of these principles and basing the remuneration of Supervisory Board Members exclusively on fixed remuneration components ensures the independence of supervisory activity over the Company's financial standing, making the remuneration of Supervisory Board Members independent of the Company's results and financial standing, which in the case of a supervisory body is a desirable effect.

The remuneration of the Members of the Management Board contributes to their full involvement in the performance of their specific functions and motivates them to achieve the Company's business objectives. The Members of the Management Board receive fixed remuneration but also variable remuneration, the receipt of which is determined by the achievement of management objectives by the Members of the Management Board, among which are financial and non-financial criteria.

During the Reporting Period, the Company paid fixed remuneration to the Members of the Management Board for their functions on the Management Board on the basis of and in the amount provided for by resolutions of the Supervisory Board.

During the Reporting Period, the variable remuneration due to the President of the Management Board, Maciej Zużalek, for 2020 was determined and paid in accordance with the Remuneration Policy, i.e. after meeting the management objectives set by Resolution no. 2 of the Supervisory Board of 2 June 2020, which consisted of financial and non-financial criteria based on the outcome of the assessment of his performance.

At the same time, the Supervisory Board of the Company, by Resolution no. 1 of 31 March 2021, set management objectives for the President of the Management Board of the Company, Maciej Zużalek, for the financial year 2021. These management objectives include achieving a certain EBITDA in 2021 and executing the Company's strategy related to mobile games production. The selection of indicators (as well as their level of detail) took into account the scope of the President of the Management Board's individual duties and responsibilities in the process of managing the Company and contributes to the fact that the President of the Management Board is interested in the development of the Company's business, the continuous improvement of its market position and financial performance.

With regard to the remaining Members of the Management Board, i.e. Marcin Chruszczyński, Janusz Dziemidowicz, Wojciech Gattner, Anna Idzikowska, Andrzej Ilczuk and Magdalena Jurewicz, the Supervisory Board did not decide to set management objectives for the receipt of variable remuneration in cash, which is in accordance with the Remuneration Policy (only fixed remuneration is an obligatory part of the remuneration).

During the 2021 Reporting Period, the Management Board Members, i.e.: Marcin Chruszczyński, Wojciech Gattner, Anna Idzikowska, and Andrzej Ilczuk, were included in the incentive scheme for 2021–2022 established for key persons in the Company (including Members of the Management Board), which is a type of variable remuneration, and a preliminary allocation of shares was made to them. Magdalena Jurewicz, on the other hand, was included in this incentive scheme in 2022. The possibility of granting shares to Members of the Management Board within a given tranche (shares offered for subscription for a given year of the incentive scheme) is closely linked to the Company's financial performance, as the right to subscribe for shares by the participants in the scheme is conditional on meeting the participation criteria and the scheme criterion.

The fulfilment of the scheme criteria is subject to the Company achieving, on the basis of the consolidated audited financial statements approved by the General Meeting of Shareholders, a recurring EBITDA in the relevant scheme year in an amount determined by a resolution of the Company's Supervisory Board.

The inclusion of the Members of the Management Board in the incentive scheme was in accordance with the Remuneration Policy and was intended to encourage and motivate the Members of the Management Board to pursue the Group's strategy and act in the interests of the Company and its shareholders by enabling them to acquire shares. Thus, the share-based remuneration granted to the Members of the Management Board contributes to the implementation of the business strategy, the stability of the Company and such management of the Company that, in the long term, increases the value of the enterprise and thus the value of the Company.

The division of the remuneration of the Members of the Management Board into a fixed and a variable part, the amount of which is predominantly dependent on the Company's financial results, encourages the Members of the Management Board to take actions resulting in the Company achieving increasingly better economic results while ensuring the stability of its operations in the long term.

During the Reporting Period, the Members of the Management Board were also entitled to remuneration from agreements that did not include activities related to the performance of their functions on the Management Board, which is in accordance with the Remuneration Policy, which allows for the possibility of remunerating Members of the Company's Management Board in connection with their employment or civil law relationship with the Company. Moreover, the remuneration may consist of a fixed, variable part and additional cash and non-cash benefits.

In view of the above, in the opinion of the Supervisory Board, the form, structure and level of remuneration applied in the Company to date correspond to market conditions and reach a level allowing the Company to be bound in the long term to the persons responsible for managing and supervising the Company. The level of basic remuneration received by Members of the Management Board and additional benefits, as well as variable remuneration applicable in the Company, including incentive

schemes, result in long-term and stable cooperation of key persons with the Company.

V. Information on how the financial performance criteria were applied in the process of deciding on the remuneration of the Members of the Management Board

Each component of the variable remuneration of the Members of the Management Board includes, directly or indirectly, a reference to the Company's financial performance:

- one of the management objectives adopted by the Supervisory Board for the President of the Management Board, Maciej Zużalek, is to achieve a certain level of EBITDA;
- the variable remuneration under agreements which do not include activities covered by the scope of the functions performed in the Management Board – of Anna Idzikowska and Wojciech Gattner – is dependent on the financial results of the Company's individual games;
- the criterion for the 2021–2022 incentive scheme is the achievement of a specific EBITDA.

VI. Information on changes, on an annual basis, in the remuneration, the Company's results and the average remuneration of employees of the Company who are not Members of the Management Board or the Supervisory Board

The following table shows the changes in the Company's total and core remuneration, the Company's results and the average remuneration of employees of the Company in 2019–2021. Pursuant to Article 90g(3) of the Act on Public Offering, data for the years 2016 to 2018 have been omitted.

The table takes into account the composition of the Company's Management Board throughout the Reporting Period. However, due to the fact that the Members of the Company's Management Board performed their functions in different periods, some data are not reliable.

The remuneration of the Members of the Management Board and the average remuneration of the Company's employees presented in the table below do not take into account the potential benefits of the eligible persons who are Members of the Management Board received for participation in the incentive scheme operating in the Company in 2018–2020 and settled in 2021.

	2021	2020	2019	2021 vs. 2020	2020 vs. 2019
Remuneration of the Supervisory Board					
Rafał Olesiński	102,000	78,856	42,000	129%	188%
Wiktor Schmidt	48,000	46,485	36,000	103%	129%
Marcin Biłos	54,000	33,777	–	160%	–
Tomasz Drożdżyński	51,565	46,984	36,000	110%	131%
Maciej Marszałek	60,000	43,516	18,000	138%	242%
Kinga Stanisławska	54,000	33,048	–	163%	–
Arkadiusz Pernal	54,000	–	–	–	–
Remuneration of the Management Board					
Maciej Zużalek	955,355	509,246	–	188%	–
Marcin Chruszczyński	603,773	161,435	–	374%	–
Janusz Dziemidowicz	411,750	–	–	–	–
Wojciech Gattner	5,958,254	–	–	–	–
Anna Idzikowska	4,714,124	–	–	–	–
Andrzej Ilczuk	4,649,627	–	–	–	–
Magdalena Jurewicz	101,699	21,761	18,000	467%	121%
Company's Results					
Net profit – consolidated data	141,264,582	151,598,963	76,385,801	93%	198%
adjusted EBITDA – consolidated data	234,179,331	229,643,214	85,727,620	102%	268%
Average remuneration (gross)					
Employees of the Company	98,589	88,381	77,876	112%	113%

VII. Remuneration from entities belonging to the same capital group

During the Reporting Period, the Supervisory Board Members did not receive remuneration from Capital Group entities.

In accordance with the Remuneration Policy, Management Board Members who serve on management boards of companies belonging to the same capital group may receive fixed remuneration on this account.

The table below presents the remuneration paid to the Company's Management Board Members by companies belonging to the same Capital Group for performing functions in the management boards of these entities. The persons indicated did not receive any other benefits from the subsidiaries.

The list does not include:

- Rortos s.r.l., the company belonging to the Capital Group, as no Member of the Management Board or the Supervisory Board is a member of the bodies of this company.
- Ten Square Games Germany GmbH, because although Andrzej Ilczuk and Marcin Chruszczyński performed functions in the Management Board of this company during the period from its establishment until 31 December 2021, they did not receive remuneration for their management functions;
- Ten Square Games Romania S.r.l., because although Maciej Zużalek, Janusz Dziemidowicz and Marcin Chruszczyński performed functions in the Management Board of this company in the period from its establishment until 31 December 2021, they did not receive remuneration for their management functions.

Table 4

First and last name	Play Cool Zombie Sport Games Sp. z o.o.	Tiny Dragon Adventure Games Sp. z o.o.	Fat Lion Games Sp. z o.o.	Total remuneration from entities belonging to the same Capital Group
Magdalena Jurewicz	1,200	1,200	1,200	3,600
Andrzej Ilczuk	1,200	1,200	1,200	3,600

VIII. The number of financial instruments granted or offered and the main conditions for exercising the rights attached to those instruments, including the price, date of exercising these rights and changes thereto

In connection with the launch of a new 2021–2022 incentive scheme in the Company during the Reporting Period, each Member of the Management Board who is a participant in the scheme, on the basis of a participation agreement, in the first year of the scheme (i.e. from 1 January 2021 to 31 December 2021) under tranche I was initially allocated shares in the number and value indicated in Table 5 below. The value of shares is calculated in accordance with IFRS2.

First and last name	Number of pre-allocated shares in tranche I	Date of pre-allocated shares	Value of pre-allocated shares as at 21 April 2021
Maciej Zużalek	–	–	–
Marcin Chruszczyński	700	21 April 2021	PLN 291,334
Janusz Dziemidowicz	0	–	–
Wojciech Gattner	8,000	21 April 2021	PLN 4,133,212
Anna Idzikowska	8,000	21 April 2021	PLN 4,133,212
Andrzej Ilczuk	8,000	21 April 2021	PLN 4,133,212
Magdalena Jurewicz	–	–	–

IX. Information on the use of the option to claim variable components of remuneration

During the Reporting Period, the Company did not take advantage of the possibility of claiming variable components of remuneration.

X. Information on deviations from the procedure for implementing the Remuneration Policy, including an explanation of the rationale and procedure and an indication of the elements which have been deviated from

During the Reporting Period, the Company has not applied any exceptions to the application of the Remuneration Policy, exceptions to its temporal application, or exceptions to the procedure for implementing the Remuneration Policy.

XI. Explanation of how the General Meeting of Shareholders' resolution relating to the previous Remuneration Report was taken into account.

The previous and first Remuneration Report covered the period of 2019–2020. The Company's Ordinary General Meeting of Shareholders, by Resolution no. 8 of 23 June 2021 concerning the Report on Remuneration of the Members of the Management Board and Supervisory Board of Ten Square Games S.A. for the years 2019 and 2020, acting on the basis of Article 90g(6) of the Act on Public Offering and Article 395(5) of the Code of Commercial Companies, approved without reservations the Report of the Supervisory Board on the remuneration of the Members of the Management Board and the Supervisory Board for the years 2019 and 2020.

XII. Information on benefits for Immediate Family Members

For the sake of completeness and transparency, the Company indicates that the remuneration of Members of the Management Board and the Supervisory Board does not include cash or non-cash benefits for Immediate Family Members, and such benefits were not granted during the Reporting Period. Therefore, the Remuneration Report does not include information on the value of such benefits.

XIII. Overview

The Supervisory Board has reviewed the remuneration and all benefits received by individual Members of the Management Board and Supervisory Board for compliance with the applicable principles and the Remuneration Policy. In the opinion of the Supervisory Board, the remuneration paid to the Members of the Management Board, both in terms of fixed and variable components, is in accordance with the applicable Remuneration Policy and meets all requirements provided for by law. The Supervisory Board assesses positively the functioning of the Remuneration Policy and the compliance of the remuneration of the Members of the Management Board and Supervisory Board with the Remuneration Policy applicable in the Company.

The Supervisory Board adopted the Report by means of Resolution no. 7 of 25 April 2022.

This Report has been assessed by the statutory auditor with respect to the inclusion of the information required pursuant to Article 90g(1) to (5) and (8) of the Act on Public Offering.

The Supervisory Board submits this Report to the Company's Ordinary General Meeting of Shareholders for its opinion in the form of a resolution, which shall be advisory in nature.

Following the approval of this Report by the Company's Ordinary General Meeting of Shareholders, this Report shall be made available on the Company's website.