

**Declaration of the Supervisory Board of Przedsiębiorstwo Przemysłu Spożywczego
PEPEES S.A. on selection of the auditing company to audit the annual financial
statements**

*(prepared in compliance with the requirements of § 70 sec. 1 point 7 and § 71 sec. 1 point 7 of the
Regulation of the Minister of Finance
of 29 March 2018 on current and periodical information disclosed by issuers of securities and conditions of
treatment of the information required by the provisions of a non-EU Member State as equivalent)*

The Supervisory Board of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. declares that:

- on 5 June 2018 according to the provisions of applicable law and on the basis of internal regulations of Przedsiębiorstwo Przemysłu Spożywczego PEPEES S.A., that is respective policies and the procedure of selection of the auditing company, on the basis of recommendation of the Audit Committee, the Supervisory Board selected WBS Audyt Sp. z o. o., an auditing company with registered office in Warsaw, u. Grzybowska 4 suite U9B registered on the list of entities authorised to audit financial statements, maintained by the National Board of Chartered Auditors under number 3685, to perform:
 - a) audit of the Company's annual financial statements for years 2018 and 2019,
 - b) audit annual financial statements of the subsidiary, ZPZ "LUBLIN" Sp. z o.o. with registered office in Lublin for years 2018 and 2019,
 - c) audit annual financial statements of the subsidiary, PPZ "Bronisław" Sp. z o.o. with registered office in Bronisław for years 2018 and 2019,
 - d) audit annual financial statements of the subsidiary, CHP Energia Sp. z o.o. with registered office in Wojny Wawrzyńce for years 2018 and 2019, and:
 - e) audit the consolidated financial statements of PEPEES S.A. Capital Group for year 2018 and 2019, and:
 - f) review semi-annual statements of above mentioned companies and consolidated financial statements of PEPEES Capital Group prepared for in the periods listed above.
- the auditing company referred to above and members of the team that performed the task fulfilled the conditions necessary for preparation of impartial and independent audit of the financial statement for financial year 2019 in compliance with applicable provisions, standards of the profession and principles of professional ethics;
- Przedsiębiorstwo Przemysłu Spożywczego PEPEES S.A. complies with applicable provisions on rotation of the auditing company and the key chartered auditor and mandatory grace periods;
- Przedsiębiorstwo Przemysłu Spożywczego PEPEES S.A. has the policy regulating selection of the auditing company and the policy on rendering of additional services for the issuer by the auditing company, an entity related to the auditing company or a member of its chain, other than the audit, including services that are conditionally released from the prohibition of their rendering by the auditing company.

The Supervisory Board of
"PEPEES" S.A.