



Dear Sirs,

We have just completed an extremely successful year in which we achieved the highest financial performance in the history of the capital group of Cognor Holding S.A. This was a time to execute numerous investment undertakings which I am counting on to enable us to surpass last year's results in the future. It is with great satisfaction that I am able to present you with the consolidated annual report of Cognor Holding S.A., which contains a range of interesting data and information, including details of non-financial aspects of our business activities. I would like to encourage you to read the comments of the Board where the broad context of the market and its impact on our business is discussed, while also expectations regarding the near future may be found.

More or less one year ago we were shocked by the Russian invasion of Ukraine, which evoked unease first and foremost in a human dimension, while also raised concerns around the perspectives of our company. At present, it would seem that this unjustified aggression merely accelerated certain macro-economic trends that prove actually beneficial for our business operations. This first and foremost relates to the regression of the trend of globalization, the growth in protectionist tendencies, while also the increase in the cost of utilities, thus promoting the most modern and effective manufacturers. Despite the existence of a profound energy crisis in the EU, where we conduct our sales, the region has turned out to be surprisingly resilient. In truth, this has come at the cost of higher prices, yet the reorientation of the sources of supplies of raw materials is progressing very rapidly and it would appear that our continent is eliminating its dependence on Russia quite efficiently. It is my view that expensive raw materials will force an even faster process of adaptation by means of the increased pressure on saving materials and sources of energy. On balance, I feel that this is a positive aspect as we commenced the modernization of our manufacturing assets in the direction of reducing wear and tear at an appropriate time in the past. Our future potential and ideas are not used up in this area.

Following the re-commissioning of the steel plant in Gliwice at the beginning of this year, our next operational target is to complete the modernization of the rolling mill in Cracow, as well as significant advancement in the construction of the rolling mill in Siemianowice Śląskie. All these undertakings are associated with achieving the afore-mentioned efficiency. During the course of the ongoing war, while also the humanitarian crisis caused by it, we consistently continue to provide the hitherto forms of aid for the citizens of Ukraine. Likewise, we shall also continue to provide support for other useful social activities, for instance in the spheres of health care or sport.

From the viewpoint of the market environment, the year of 2023 may turn out to be a greater challenge than last year. Regardless of this issue, I can assure you that we shall make every effort in order to achieve the maximum effect to satisfy all our stakeholders. In the context of the fantastic performance of 2022 and the positive perspectives ahead of us, I am pleased to announce that the Board of our Group may recommend the payment of the so far highest dividend. Finally, I would like to take the opportunity to wish our team, clients and shareholders peace, good health and success in business during the year of 2023.

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*Przemysław Sztuczkowski*  
*Chairman of the Board of Cognor Holding S.A.*

*Poraj, the 2nd of March 2022*