

A concise assessment of KRAKCHEMIA S.A. situation together with the assessment of KRAKCHEMIA S.A. Supervisory Board`s work for the year 2009 compiled by the Supervisory Board for the General Shareholders Meeting in accordance with the stipulations of point III.1 of “Good Practices of the Companies quoted at the GPW”

The Supervisory Board at its sittings in the course of 2009 got acquainted on a regular basis with the Company financial results, current operational activity and the execution of the development strategy. In 2009, the Supervisory Board passed the resolutions concerning the issues connected with the Company activity. All Supervisory Board sittings were summoned in the manner complying with the Supervisory Board regulations, which made the Supervisory Board capable of passing resolutions. The minutes of Supervisory Board sittings are deposited in the Company headquarters.

Within the scope of its statutory authorization and described by the Supervisory Board regulations, the Supervisory Board executed an ongoing supervision over the Company activity and expressed its opinions as well as assessed the financial results executed by the Company. The Members of the Supervisory Board were informed on all substantial matters concerning the Company activity as well as the risks with the executed activity and the methods of risk management.

KRAKCHEMIA S.A. Supervisory Board executed the assessment of the financial report and the Company Board report on KRAKCHEMIA S.A. activity for the year 2009.

The Supervisory Board states that the co-operation with the Company Board was undisturbed. The Board reliably submitted information concerning all the aspects of the Company activity and informed on the matters within the competence of the Supervisory Board on a regular basis.

The Company Board is responsible for the Company system of inner control and its efficiency in the process of financial reports compilation as well as the periodic reports.

The Company Chartered Accountant, with the reports of whom the Supervisory Board took cognizance, issued an opinion without any reservations concerning the Company financial reports.

The assessments presented in the Company Board reports and the opinions of the Chartered Accountant allowed the Supervisory Board to assess the KRAKCHEMIA S.A. situation as positive. Both the assessment and the analysis of the financial result executed and the development plans are to be considered from the perspective of risks and threats, to which the Company Board draws attention in its reports.

Upon the assessment of the Company situation, the year 2009 may be described by the Company Board as difficult. The economic slowdown tangibly affected the distributory market of the plastic raw materials. The fact influenced the execution of the Company financial results. The Company operational activities related with the development of its own distributory network in this period brought considerable results. The Company strengthened its position on the plastic raw materials distributory market and executed a twice as high an increase in the sale of packaging film in comparison to 2008.

Bearing in mind the abovementioned, the Supervisory Board assesses the net result that was

executed and the Company`s current economic situation as well as its operational activity development prospects as positive.

Moreover, the Supervisory Board assesses that its performance in 2009 fulfilled its proper supervision over the Company activity.

KRAKCHEMIA S.A.Supervisory Board

Chairman of the Supervisory Board - Jerzy Mazgaj

Deputy Chairman of the Supervisory Board - Grzegorz Pilch

Member of the Supervisory Board - Mariusz Wojdon

Member of the Supervisory Board - Konrad Hernik

Member of the Supervisory Board - Ilona Malik