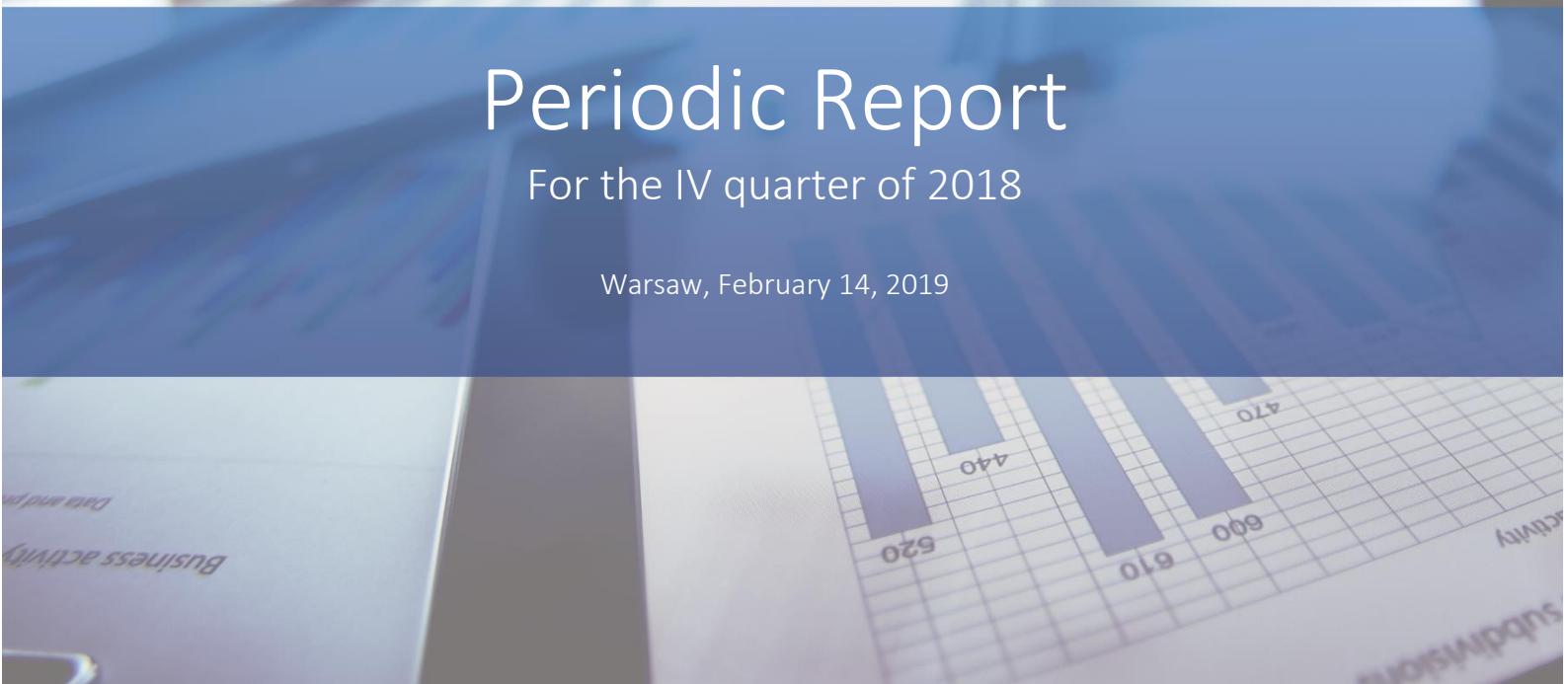




# Periodic Report

For the IV quarter of 2018

Warsaw, February 14, 2019



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# 1

General Informations about the Capital Group  
and the Parent Company

## PARENT COMPANY

<b>Name (Company):</b>	<b>Aforti Holding Inc</b>
<b>Country:</b>	Poland
<b>Address:</b>	00-613 Warsaw, 8 Chałubinskiego Street
<b>Telephone:</b>	+48 22 647 50 00
<b>Faks:</b>	+48 22 205 08 19
<b>E-mail address:</b>	<a href="mailto:inwestorzy@afortiholding.pl">inwestorzy@afortiholding.pl</a>
<b>Website:</b>	<a href="http://www.afortiholding.pl">www.afortiholding.pl</a>
<b>KRS:</b>	0000330108, District Court in Warsaw XII Commercial Division of the National Court Register
<b>NIP:</b>	525-245-37-55
<b>REGON:</b>	141800547

Source: Issuer

**Aforti Holding SA** is a public company acting as a parent company, which does not run operating activities but acts as a holding company

The Aforti Group shall be composed of:

**AFORTI Ac sp. z o.o.** – the company provides accounting and bookkeeping services

**AFORTI Capital Sp. z o.o.** – the company manages the fund of Aforti Micro-loans Closed-ended Investment Fund of Non-public Assets

**AFORTI Collections S.A.** – is a debt collection company specializing in managing liabilities with a wide range of collection tools at its disposal. Acquiring and servicing the portfolios of liabilities is the second line of the Company's operation.

**AFORTI Exchange S.A.** – is a functional online currency exchange platform for companies. It offers wholesale exchange rates, allowing for convenient non-cash exchange.

**AFORTI Exchange Romania S.A.** – is a functional online currency exchange platform for companies, that operating in Romania. It offers wholesale exchange rates, allowing for convenient non-cash exchange.

**Aforti Exchange Bulgaria AD** – is a functional online currency exchange platform for companies, that operating in Bulgaria. It offers wholesale exchange rates, allowing for convenient non-cash exchange. The company has not yet started operating activity.

**AFORTI Factor S.A.** – the company provides factoring services. It acquires from the clients overdue receivables of goods or services and supports effective management of the portfolio of receivables.

**AFORTI Finance S.A.** – is a company specializing in providing sole proprietors, civil-law partnerships, general partnerships and limited liability companies with “non-bank” loans. The products are dedicated to entrepreneurs whose access to financing their own business is restricted due to the stern requirements of the banking law.

**AFORTI Finance Romania IFN S.A.** – is a company registered in Romania, which will deal with non-bank loans for entrepreneurs. The company has not yet started operating activity.

## AUTHORITIES OF PARENT COMPANY

### BOARD OF DIRECTORS

Name	Function	Term of office	
		From	To
Klaudiusz Sytek	Chairman of the Board	29.06.2017	29.06.2020
Paweł Opoka	Vice-Chairman of the Board	15.05.2018	15.05.2021

Source: Issuer

On May 15, 2018, the Supervisory Board of the Company adopted a resolution on appointing Mr Paweł Opoka to the Management Board and entrusting him the function of the Vice-President of the Management Board. (EBI Current Report No. [33/2018](#))

### SUPERVISORY BOARD

Name	Function	Term of office	
		From	To
Kamilla Sytek - Skonieczna	President of the Supervisory Board	29.06.2017	29.06.2020
Maciej Stańczuk	Supervisory Board	29.06.2017	29.06.2020
Dawid Pawłowski	Supervisory Board	29.06.2017	29.06.2020
Olga Chojecka-Szymańska	Supervisory Board	02.07.2018	02.07.2021
Ludwik Sobolewski	Supervisory Board	02.07.2018	02.07.2021

Source: Issuer

On July 2, 2018, the Company received letters dated on June 19, 2018 with information about the resignation as of June 30, 2018 from the position of a member of the Supervisory Board of the Company by Mr. Krzysztof Dresler and Mr. Andrzej Podsiadło. (EBI current report No. [46/2018](#), [47/2018](#), [50/2018](#))

On July 2, 2018, the Supervisory Board of the Company based on §15 para. 4 of the Statutes of the Company, adopted a resolution on co-opting Mr. Ludwik Sobolewski to the Supervisory Board. (EBI current report No. [48/2018](#))

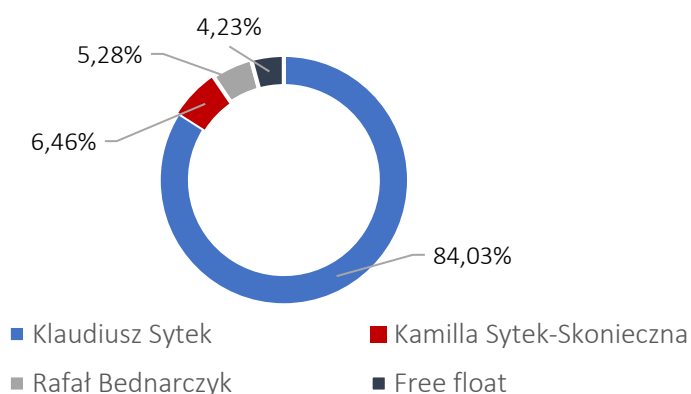
On July 2, 2018, the Supervisory Board of the Company based on §15 para. 4 of the Statutes of the Company, adopted a resolution on co-opting Mrs Olga Chojecka-Szymańska to the Supervisory Board. (EBI current report No. [49/2018](#))

## THE SHAREHOLDING STRUCTURE OF THE ISSUER WITH AN INDICATION OF SHAREHOLDERS WHO OWNS A MINIMUM 5% OF VOTES ON THE GENERAL MEETING ON THE DAY OF TRANSSMISSION OF THE REPORT

Shareholder	Number of shares	Number of votes GM	Interest on Share Capital	The percentage of voting rights at GM
Klaudiusz Sytek	6 556 216	6 556 216	84,03%	84,03%
Kamilla Sytek - Skonieczna	503 907	503 907	6,46%	6,46%
Rafał Bednarczyk	411 864	411 864	5,28%	5,28%
Free float	329 928	329 928	4,23%	4,23%
<b>Total</b>	<b>7 801 915</b>	<b>7 801 915</b>	<b>100,00%</b>	<b>100,00%</b>

Source: Issuer

Interest on Share Capital and general number of votes at GM



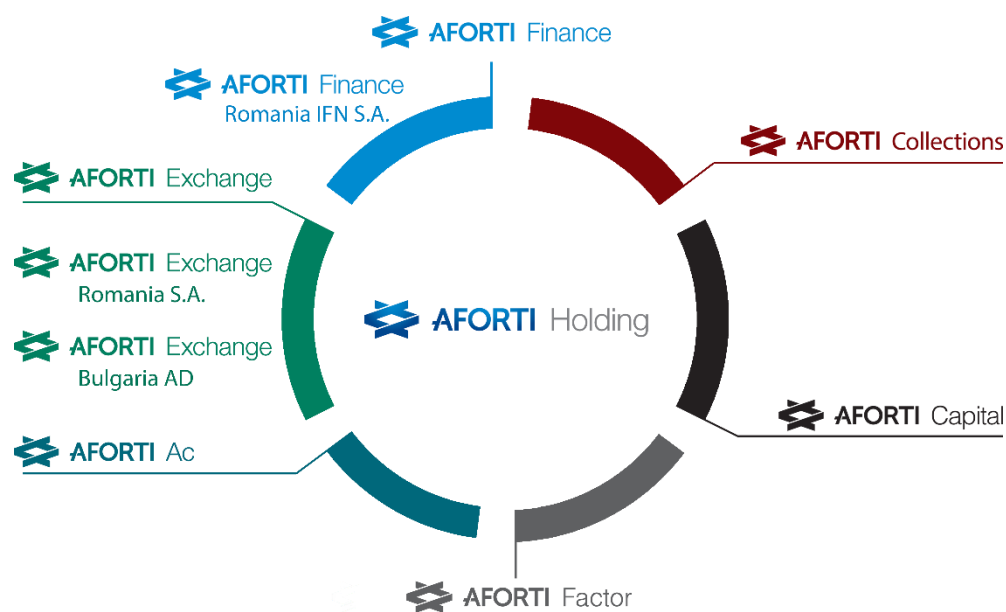
Source: Issuer

On 11/07/2018, the Issuer published the current report ESPI No. [27/2018](#), in which it announced changes in the shareholding structure.

## THE DESCRIPTION OF THE ORGANIZATION OF THE CAPITAL GROUP, WITH AN INDICATION OF THE UNDERTAKINGS TO BE CONSOLIDATED

The structure of the Capital Group on the day of publication of the report:

- Aforti Holding S.A. – parent company
- Aforti Finance S.A. – 72,07% shares
  - Aforti Finance Romania IFN S.A. – 99.99% shares indirectly through Aforti Finance S.A., the remaining 0.01% shares has Mr. Klaudiusz Sytek
- Aforti Collections S.A. – 100% shares
- Aforti Capital Sp. z o.o. – 100% shares
- Aforti Factor S.A. (Aforti Corporate Finance S.A.) – 100% shares
- Aforti Ac Sp. z o.o. – 100% shares
- Aforti Exchange S.A. – 100% shares
  - Aforti Exchange Romania S.A. – 30.57% of shares and indirectly through Aforti Exchange S.A. the 69.43% of shares
  - Aforti Exchange Bulgaria S.A. – 90% shares and indirectly through Aforti Exchange S.A. the 10% of shares



Source: Issuer

## INFORMATIONS CONCERNING THE NUMBER OF PERSONS FULL-TIME EMPLOYED BY THE ISSUER

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At the end of the IV quarter of 2018 Aforti Holding SA employed 14,48 people on full-time contracts and 54 people based on civil law and managerial contracts (also appointing board members).

The Aforti Capital Group in Poland and abroad (Romania and Bulagaria) has employed 76,78 people for full-time contracts and 153 people based on civil law and managerial contracts (also appointing board members).



# 2

Quarterly condensed CONSOLIDATED financial statements  
of the AFORTI Capital Group



**Table 1.** Consolidated selected financial data from the balance sheet dated on 31.12.2018 together with comparative and cumulative data [PLN]

**ASSETS**

Lp.	Title	Status	Status	Status	Status
		30.09.2018	30.09.2017	30.09.2018	30.09.2017
<b>A</b>	<b>Fixed assets</b>	<b>30 500 168,37</b>	<b>28 201 594,24</b>	<b>29 376 960,13</b>	<b>20 263 437,39</b>
<b>I</b>	<b>Intangible assets</b>	<b>1 757 146,23</b>	<b>596 109,81</b>	<b>977 091,20</b>	<b>615 114,08</b>
1	Reasearch and development costs	0,00	0,00	0,00	0,00
2	Goodwill	545 269,62	0,00	0,00	0,00
3	Other intengible assets	808 046,47	596 109,81	829 814,65	613 195,28
4	Intangible assets advances	403 830,14	0,00	147 276,55	1 918,80
<b>II</b>	<b>Consolidated goodwill</b>	<b>11 186 918,26</b>	<b>12 665 404,69</b>	<b>11 589 413,26</b>	<b>13 701 177,85</b>
1	Concolitaded goodwill - subsidiaries	11 186 918,26	12 665 404,69	11 589 413,26	13 701 177,85
<b>III</b>	<b>Property, plant and equipment</b>	<b>2 540 024,06</b>	<b>1 460 499,97</b>	<b>2 651 437,05</b>	<b>1 407 322,65</b>
<b>1</b>	<b>Capital assets</b>	<b>2 537 481,06</b>	<b>1 419 748,30</b>	<b>2 582 630,42</b>	<b>1 067 206,50</b>
a	Land (perpetual usufrut of the land)	0,00	0,00	0,00	0,00
b	Buildings, premisses, civil engineering	7 227,50	9 577,38	8 530,92	9 631,20
c	Equipment and machinery	396 483,98	314 669,29	365 107,63	490 380,14
d	Means of transport	1 875 373,53	869 575,48	1 933 473,57	346 819,09
e	Fixed assets	258 396,05	225 926,15	275 518,30	220 376,07
<b>2</b>	<b>Fixed assets in course of consrtruction</b>	<b>2 543,00</b>	<b>40 751,67</b>	<b>68 806,63</b>	<b>340 116,15</b>
<b>3</b>	<b>Advances on fixed assets in course of construction</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>IV</b>	<b>Long-term assets</b>	<b>328 075,32</b>	<b>63 312,28</b>	<b>274 199,76</b>	<b>76 240,28</b>
1	From related parties	18 475,00	0,00	18 475,00	0,00
2	Froim other capital entities	0,00	0,00	0,00	0,00
3	From otherentities	309 600,32	63 312,28	255 724,76	76 240,28
<b>V</b>	<b>Long-term investments</b>	<b>5 846 137,23</b>	<b>9 991 833,71</b>	<b>8 323 401,37</b>	<b>1 117 445,86</b>
<b>1</b>	<b>Real estate</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>2</b>	<b>Intangible assets</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>3</b>	<b>Long-term financial assets</b>	<b>5 846 137,23</b>	<b>9 991 833,71</b>	<b>8 323 401,37</b>	<b>1 117 445,86</b>
a	Affiliated undetakings	5 294 823,55	2 982 179,81	8 323 401,37	1 067 029,18
	- stocks or shares	5 094 823,55	2 176 325,92	6 123 401,37	297 295,12
	- other securities	200 000,00	734 856,34	2 200 000,00	734 856,34
	- loans	0,00	70 997,55	0,00	34 877,72
	- other long-term financial asstes	0,00	0,00	0,00	0,00
b	Other capital entities	0,00	0,00	0,00	0,00
	- stocks or shares	0,00	0,00	0,00	0,00
	- other securities	0,00	0,00	0,00	0,00
	- loans	0,00	0,00	0,00	0,00
	- other long-term financial assets	0,00	0,00	0,00	0,00
c	Other entities	551 313,68	7 009 653,90	0,00	50 416,68
	- stocks and shares	551 313,68	0,00	0,00	0,00
	- other securities	0,00	0,00	0,00	0,00
	- loans	0,00	7 009 653,90	0,00	50 416,68
	- other long-term financial assets	0,00	0,00	0,00	0,00
<b>4</b>	<b>Other long-term investments</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>VI</b>	<b>Long-term accrued settlements</b>	<b>8 841 867,27</b>	<b>3 424 433,78</b>	<b>5 561 417,49</b>	<b>3 346 136,67</b>
<b>1</b>	<b>Deffered tax assets</b>	<b>4 783 452,46</b>	<b>1 133 710,38</b>	<b>2 283 979,04</b>	<b>445 257,73</b>
<b>2</b>	<b>Other accrued settlements</b>	<b>4 058 414,81</b>	<b>2 290 723,40</b>	<b>3 277 438,45</b>	<b>2 900 878,94</b>
<b>B</b>	<b>Current assets</b>	<b>127 081 678,22</b>	<b>61 010 986,69</b>	<b>110 994 168,28</b>	<b>53 971 736,61</b>

<b>I</b>	<b>Supplies</b>	<b>1 800,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
1	Materials	1 800,00	0,00	0,00	0,00
2	Semi-finished products and products in progress	0,00	0,00	0,00	0,00
3	Finished products	0,00	0,00	0,00	0,00
4	Goods	0,00	0,00	0,00	0,00
5	Supply advances	0,00	0,00	0,00	0,00
<b>II</b>	<b>Current assets</b>	<b>32 256 059,79</b>	<b>13 963 011,06</b>	<b>26 925 646,93</b>	<b>12 444 095,08</b>
<b>1</b>	<b>Amounts owed by affiliated undertakings</b>	<b>5 536 544,01</b>	<b>5 505 670,36</b>	<b>8 677 318,03</b>	<b>5 742 664,42</b>
a	Due to supply and service during the collection period:	1 147 233,25	4 050 054,19	1 300 522,33	4 182 199,84
	- until 12 months	1 147 233,25	4 050 054,19	1 300 522,33	4 182 199,84
	- over 12 months	0,00	0,00	0,00	0,00
b	Others	4 389 310,76	1 455 616,17	7 376 795,70	1 560 464,58
<b>2</b>	<b>Amounts owed by other capital entities</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
a	Due to supply and service during the collection period:	0,00	0,00	0,00	0,00
	- until 12 months	0,00	0,00	0,00	0,00
	- over 12 months	0,00	0,00	0,00	0,00
b	Others	0,00	0,00	0,00	0,00
<b>2</b>	<b>Amounts owed by other entities</b>	<b>26 719 515,78</b>	<b>8 457 340,70</b>	<b>18 248 328,90</b>	<b>6 701 430,66</b>
a	Due to supply and service during the collection period:	1 095 321,37	509 162,52	775 978,32	841 430,67
	- until 12 months	1 095 321,37	509 162,52	775 978,32	841 430,67
	- over 12 months	0,00	0,00	0,00	0,00
b	For taxes, grants, duties, social securities, health insurance and other benefits	2 626 932,75	499 983,88	1 818 954,51	678 665,29
c	Others	22 997 261,66	7 448 194,30	15 653 396,07	5 181 334,70
d	Claims in court	0,00	0,00	0,00	0,00
<b>III</b>	<b>Short-term investments</b>	<b>90 155 289,64</b>	<b>44 633 907,08</b>	<b>80 307 348,70</b>	<b>35 981 846,84</b>
<b>1</b>	<b>Short-term financial assets</b>	<b>90 155 289,64</b>	<b>44 633 907,08</b>	<b>80 307 348,70</b>	<b>35 981 846,84</b>
a	Related parties	10 770 449,63	8 877 763,40	3 248 717,73	2 496 600,00
	- stocks or shares	10 770 449,63	8 877 763,40	3 248 717,73	2 496 600,00
	- Other intangible assets	0,00	0,00	0,00	0,00
	- loans	0,00	0,00	0,00	0,00
	- short-term financial assets	0,00	0,00	0,00	0,00
b	In other entities	77 539 525,80	31 898 611,68	72 779 972,46	30 583 891,82
	- shares or stocks	68 000,00	442 996,43	68 000,00	1 649 996,43
	- Other intangible assets	6 423 563,30	3 907 000,00	6 394 020,65	3 582 000,00
	- loans	71 047 962,50	27 548 615,25	66 317 951,81	25 350 490,46
	- other short-term financial assets	0,00	0,00	0,00	1 404,93
c	Money and monetary assets	1 845 314,21	3 857 532,00	4 278 658,51	2 901 355,02
	- cash in hand and on the accounts	1 834 285,90	3 670 076,98	3 562 575,28	2 858 165,95
	- other money	11 028,31	187 455,02	716 083,23	43 189,07
	- other monetary assets	0,00	0,00	0,00	0,00
<b>2</b>	<b>Other short-term investments</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>IV</b>	<b>Short-term accrued settlements</b>	<b>4 668 528,79</b>	<b>2 414 068,55</b>	<b>3 761 172,65</b>	<b>5 545 794,69</b>
<b>C</b>	<b>Unpaid capital</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>D</b>	<b>Own shares</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
	<b>Total Assets</b>	<b>157 581 846,59</b>	<b>89 212 580,93</b>	<b>140 371 128,41</b>	<b>74 235 173,99</b>

Source: Issuer

**LIABILITIES**

Lp.	Title	Status 30.09.2018	Status 30.09.2017	Status 30.09.2018	Status 30.09.2017
<b>A</b>	<b>Own Capital (fund)</b>	<b>6 131 610,24</b>	<b>4 377 023,62</b>	<b>5 740 234,46</b>	<b>5 576 855,35</b>
I	Share Capital (fund)	7 801 915,00	7 801 915,00	7 801 915,00	7 801 915,00
II	Capital reserve (fund)	6 803 898,96	3 504 854,16	6 803 898,96	3 504 854,16
	- sales value surplus (issuance value) over nominal value of shares	1 284 946,80	1 284 946,80	1 284 946,80	1 284 946,80
III	Revaluation capital (fund)	0,00	0,00	0,00	0,00
	- hourly revaluation	0,00	0,00	0,00	0,00
IV	Other capital reserves (fund)	0,00	0,00	0,00	0,00
	- in accordance with the agreement/ Articles of Asociacion	0,00	0,00	0,00	0,00
	- to own shares	0,00	0,00	0,00	0,00
V	Profit (loss) from previous years	(10 110 001,77)	(8 147 079,80)	(10 110 001,77)	(6 850 912,59)
VI	Net Profit (loss)	1 635 798,04	1 217 334,26	1 244 422,26	1 120 998,78
X	Net Profit copies during financial year (negative rate)	0,00	0,00	0,00	0,00
<b>B</b>	<b>Minority capital</b>	<b>2 704 892,52</b>	<b>979 541,20</b>	<b>2 989 576,03</b>	<b>1 095 952,75</b>
<b>C</b>	<b>Negative goodwill of entities</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
I	Negative goodwill — subsidiary	0,00	0,00	0,00	0,00
II	Negative goodwill — interdependent entities	0,00	0,00	0,00	0,00
<b>D</b>	<b>FINANCIAL LIABILITIES AND PROVISIONS FOR LIABILITIES</b>	<b>148 745 343,83</b>	<b>83 856 016,11</b>	<b>131 641 317,92</b>	<b>67 562 365,89</b>
I	Provisions for liabilities	29 598,90	27 000,00	5 000,00	14 774,01
1	Deffered tax liabilities	0,00	0,00	0,00	5 805,39
2	Provisions for pensions	0,00	0,00	0,00	0,00
	- long-term	0,00	0,00	0,00	0,00
	- short-term	0,00	0,00	0,00	0,00
3	Other provisions	29 598,90	27 000,00	5 000,00	8 968,62
	- long-term	0,00	0,00	0,00	0,00
	- short-term	29 598,90	27 000,00	5 000,00	8 968,62
II	Long-term liabilities	81 853 997,69	47 965 988,62	73 830 682,69	51 099 591,76
1	To affiliated undertakings	909 936,05	1 710 382,27	1 170 621,05	199 738,30
2	To other capital entities	0,00	0,00	0,00	0,00
3	To other entities	80 944 061,64	46 255 606,35	72 660 061,64	50 899 853,46
a	Loans	0,00	4 333,33	0,00	26 333,33
b	Debt securities issued	80 088 000,00	46 182 000,00	71 784 000,00	50 667 000,04
c	Other financial liabilities	856 061,64	69 273,02	876 061,64	206 520,09
d	Marker liabilities	0,00	0,00	0,00	0,00
e	Others	0,00	0,00	0,00	0,00
III	Short-term liabilities	60 307 602,06	32 494 320,31	54 037 300,52	14 899 217,23
1	To affiliated undertakings	579 633,09	388 959,88	394 411,05	624 430,99
a	Due to supplies and services during the collection period:	357 964,47	368 213,46	369 742,43	570 624,23
	- until 12 months	357 964,47	368 213,46	369 742,43	570 624,23
	- over 12 months	0,00	0,00	0,00	0,00
b	Others	221 668,62	20 746,42	24 668,62	53 806,76
2	Liabilities to other capital entities	0,00	0,00	0,00	0,00
a	Due to supplies and services during the collection period:	0,00	0,00	0,00	0,00
	- until 12 months	0,00	0,00	0,00	0,00
	- over 12 months	0,00	0,00	0,00	0,00

b	Others	0,00	0,00	0,00	0,00
2	To other entities	59 727 968,97	32 105 360,43	53 642 889,47	14 274 786,24
a	Loans	78,13	18 293,03	9 743,13	22 007,41
b	Debt security issues	12 114 504,81	14 815 504,81	16 561 504,81	420 000,00
c	Other financial liabilities	33 003 585,15	13 048 754,28	31 647 323,66	10 519 890,59
d	Due to supplies and services during the collection period:	6 260 143,82	493 217,02	1 621 538,44	1 472 846,18
	- until 12 months	6 260 143,82	493 217,02	1 621 538,44	1 472 846,18
	- over 12 months	0,00	0,00	0,00	0,00
e	Supplies advances	0,00	0,00	0,00	73,20
f	Marker liabilities	0,00	0,00	0,00	0,00
g	Tax, duties, insurances and others	7 088 382,49	2 422 045,49	3 260 230,91	1 089 899,83
h	Salaries	504 324,84	346 560,90	319 070,36	411 034,87
i	Others	756 949,73	960 984,90	223 478,16	339 034,16
3	Special funds	0,00	0,00	0,00	0,00
<b>IV</b>	<b>Accruals</b>	<b>6 554 145,18</b>	<b>3 368 707,18</b>	<b>3 768 334,71</b>	<b>1 548 782,89</b>
1	Negative goodwill	0,00	0,00	0,00	0,00
2	Other accruals	6 554 145,18	3 368 707,18	3 768 334,71	1 548 782,89
	- long-term	0,00	0,00	0,00	0,00
	- short-term	6 554 145,18	3 368 707,18	3 768 334,71	1 548 782,89
<b>Total Liabilities</b>		<b>157 581 846,59</b>	<b>89 212 580,93</b>	<b>140 371 128,41</b>	<b>74 235 173,99</b>

Source: Issuer

## INCOME STATEMENT – COMPARATIVER OPTION

**Table 2.** Consolidated selected financial data of the profit and loss for the fourth quarter 2018 and cumulatively with comparative data [PLN]

Lp.	Title	01.10.2018 – 31.12.2018	01.10.2017 – 31.12.2017	01.01.2018 – 31.12.2018	01.01.2017 – 31.12.2017
<b>A</b>	<b>Net turnover</b>	<b>206 153 452,14</b>	<b>68 881 523,35</b>	<b>571 882 623,66</b>	<b>190 582 632,51</b>
-	Related parties	0,00	0,00	0,00	0,00
I	Net revenues from sales of products	6 763 615,87	6 618 510,99	26 159 101,32	16 162 157,06
II	Changes in the state of products (increase – positive value, decrease – negative value)	0,00	0,00	0,00	0,00
III	Costs of product development	0,00	0,00	0,00	0,00
IV	Net revenues from sales of products, goods and materials	199 389 836,27	62 263 012,36	545 723 522,34	174 420 475,45
<b>B</b>	<b>Operational costs</b>	<b>210 979 619,75</b>	<b>72 217 888,27</b>	<b>576 743 339,97</b>	<b>191 870 073,38</b>
I	Depreciation	321 061,11	164 163,44	989 613,83	502 137,68
II	Materials and Energy consumption	286 287,09	196 195,62	771 760,31	557 322,80
III	External services	4 924 981,68	5 532 574,40	12 705 652,26	8 158 986,44
IV	Tax and fees, including:	1 070 915,06	725 944,01	2 837 546,78	1 650 405,03
-	excise duty	(3 417,57)	0,00	0,00	0,00
V	Salaries	2 440 135,69	942 631,79	6 418 209,74	2 846 704,70
VI	Social Securities and other benefits	510 293,52	188 022,41	1 199 156,81	498 592,92
-	pensions	132 681,19	99 852,20	417 399,14	217 245,42
VII	Other costs	2 129 053,14	2 141 701,16	6 369 110,47	3 196 471,72
VIII	Value of the goods and materials sold	199 296 892,46	62 326 655,44	545 452 289,77	174 459 452,09
<b>C</b>	<b>Profit (loss) on sales (A-B)</b>	<b>(4 826 167,61)</b>	<b>(3 336 364,92)</b>	<b>(4 860 716,31)</b>	<b>(1 287 440,87)</b>
<b>D</b>	<b>Other operational profits</b>	<b>509 176,20</b>	<b>163 319,56</b>	<b>1 199 094,57</b>	<b>231 482,12</b>
I	Profit of disbursement of fixed assets	139 286,08	100,00	166 416,24	34 895,64
II	Grants	0,00	0,00	0,00	0,00
III	Update on the value of non-financial assets	0,00	0,00	0,00	0,00
IV	Other operating income	369 890,12	163 219,56	1 032 678,33	196 586,48
<b>E</b>	<b>Other operating costs</b>	<b>4 425 805,81</b>	<b>1 397 107,19</b>	<b>9 219 009,83</b>	<b>1 826 520,82</b>
I	Loss from disposal of fixed assets	143 184,37	100,00	143 184,37	0,00
II	Update on the value non-financial assets	0,00	36 045,85	0,00	36 045,85
III	Other operational costs	4 282 621,44	1 360 961,34	9 075 825,46	1 790 474,97
<b>F</b>	<b>Profit (loss) on operational activity (C+D-E)</b>	<b>(8 742 797,22)</b>	<b>(4 570 152,55)</b>	<b>(12 880 631,57)</b>	<b>(2 882 479,57)</b>
<b>G</b>	<b>Financial income</b>	<b>8 969 160,98</b>	<b>7 153 483,80</b>	<b>27 293 757,79</b>	<b>11 491 912,87</b>
I	Dividends and shares of profits	0,00	0,00	0,00	0,00
a)	From related parties	0,00	0,00	0,00	0,00
-	capital involved	0,00	0,00	0,00	0,00
b)	From other entities	0,00	0,00	0,00	0,00
-	capital involved	0,00	0,00	0,00	0,00
II	Interest	83 978,43	(12 488,09)	275 027,00	46 616,44
-	from related parties	0,00	0,00	0,00	0,00
III	Profit from disposal of investment	768 321,90	1 499 878,03	9 333 589,89	2 703 126,96
-	related parties	0,00	0,00	0,00	0,00
IV	Update on the investment value	4 522 841,99	3 846 161,80	4 522 841,99	3 846 161,80
V	Others	3 594 018,66	1 819 932,06	13 162 298,91	4 896 007,67
<b>H</b>	<b>Financial expenses</b>	<b>(70 141,09)</b>	<b>1 555 715,46</b>	<b>9 151 511,61</b>	<b>4 536 385,03</b>

I	Interest	2 006 928,55	1 147 762,58	6 938 209,51	3 912 607,69
-	for related parties	0,00	0,00	0,00	0,00
II	Loss from disbursement of financial assets	0,00	(0,30)	0,00	0,00
-	in related parties	0,00	0,00	0,00	0,00
III	Value of financial assets update	(3 028 635,49)	0,00	9 265,17	0,00
IV	Others	951 565,85	407 953,18	2 204 036,93	623 777,34
<b>I</b>	<b>Profit (loss) on sale of whole or part of unit shares</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>J</b>	<b>Profit (loss) on business activity (F+G-H+/-I)</b>	<b>296 504,85</b>	<b>1 027 615,79</b>	<b>5 261 614,61</b>	<b>4 073 048,27</b>
<b>K</b>	<b>An impairment of the company</b>	<b>397 595,00</b>	<b>328 439,52</b>	<b>1 590 380,01</b>	<b>957 392,33</b>
I	An impairment — subsidiaries	397 595,00	328 439,52	1 590 380,01	957 392,33
II	An impairment — interdependent entities	0,00	0,00	0,00	0,00
<b>L</b>	<b>An impairment negative value of the company</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
I	An impairment negative value of the company — subsidiaries	0,00	0,00	0,00	0,00
II	An impairment negative value of the company — interdependent entities	0,00	0,00	0,00	0,00
<b>M</b>	<b>Profit (loss) from shares of subsidiaries priced by equity method</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>N</b>	<b>Profit (loss) gross (J-K+L+/-M)</b>	<b>(101 090,15)</b>	<b>699 176,27</b>	<b>3 671 234,60</b>	<b>3 115 655,94</b>
<b>O</b>	<b>Income tax</b>	<b>32 217,58</b>	<b>719 252,35</b>	<b>877 553,92</b>	<b>719 252,35</b>
<b>P</b>	<b>Other obligatory profit reduction (loss increase)</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>Q</b>	<b>Profit (loss) of minority</b>	<b>(524 683,51)</b>	<b>(116 411,55)</b>	<b>1 157 882,64</b>	<b>1 179 069,33</b>
<b>R</b>	<b>Profit (loss) net (N-O-P+/-Q)</b>	<b>391 375,78</b>	<b>96 335,47</b>	<b>1 635 798,04</b>	<b>1 217 334,26</b>

Source: Issuer

## CASH FLOW STATEMENT

**Table 3.** Consolidated selected financial data of the cash flow statement after twelve months of 2018 together with comparative data [PLN]

Lp.	Title	01.01.2018 – 31.12.2018	01.01.2017 – 31.12.2017
<b>A.</b>	<b>Cash flow net from operations</b>		
I	<b>Profit (loss) net</b>	<b>1 635 798,04</b>	<b>1 217 334,26</b>
II	<b>Total adjustment</b>	<b>(46 388 837,21)</b>	<b>(18 197 441,60)</b>
1	Profits (minority losses)	1 157 882,64	1 179 069,33
2	Profits (loss) from shares of entities priced by equity method	0,00	0,00
3	Depreciation	989 613,83	502 137,68
4	An impairment of goodwill of the company	1 590 380,01	957 392,33
5	An impairment of negative goodwill of the company	0,00	0,00
6	Profit (loss) due to exchange differences	0,00	0,00
7	Interest and shares on profit (dividends)	6 663 182,51	3 865 991,25
8	Profits (loss) from investment activity	(9 333 589,89)	(34 895,64)
9	Change in the provision	2 598,90	(67 214,47)
10	Change in stocks	(1 800,00)	0,00
11	Change in financial claims	(47 110 156,98)	(23 115 393,66)
12	Change in short-term financial liabilities, excluding loans	10 029 514,42	2 623 557,99
13	Change in accrued settlements	(4 486 455,73)	1 137 273,23
14	Other provisions	(5 890 006,92)	(5 245 359,64)
III	<b>Cash flow net from operations (I ± II)</b>	<b>(44 753 039,17)</b>	<b>(16 980 107,34)</b>
<b>B.</b>	<b>Cash flow from investment activity</b>		
I	<b>Profits</b>	<b>11 824 291,65</b>	<b>81 073,70</b>
1	Disposal of legal, intangible and tangible assets	0,00	61 073,70
2	Disposal of real estate investments and legal, intangible assets	0,00	0,00
3	Financial assets	11 824 291,65	20 000,00
a)	In related parties	11 753 294,10	0,00
b)	In other entities	70 997,55	20 000,00
-	Disposal of financial assets	0,00	20 000,00
-	Dividends and shares of profit	0,00	0,00
-	Repayment of long-term loans	70 997,55	0,00
-	Interest	0,00	0,00
-	Other profits from financial shares	0,00	0,00
4	Other investment profits	0,00	0,00
II	<b>Expenses</b>	<b>5 347 927,41</b>	<b>8 772 409,33</b>
1	Aquisition of tangible and intangible fixed assets	1 878 116,10	1 276 719,17
2	Investments in real estate and intangible assets	0,00	0,00
3	Financial assets	3 469 811,31	7 495 690,16
a)	In related parties	3 469 811,31	2 176 325,92
b)	In other equities	0,00	5 319 364,24
-	Aquisition of financial assets	0,00	5 249 163,40
-	Long-term loans	0,00	70 200,84
4	Dividends and other shares on profit paid to minority shareholders		
5	Other investment expenses	0,00	0,00
III	<b>Cash flow net from investment activity (I-II)</b>	<b>6 476 364,24</b>	<b>(8 691 335,63)</b>



<b>C</b>		<b>Cash flow from financial activity</b>	
<b>I</b>	<b>Profits</b>	<b>103 347 273,91</b>	<b>58 950 247,19</b>
1	Net receipts from issuance of shares and other equity instruments and equity infusion	0,00	0,00
2	Loans	26 760 638,65	8 177 025,24
3	Debt securities issuance	56 356 777,39	39 156 000,00
4	Other financial income	20 229 857,87	11 617 221,95
<b>II</b>	<b>Expenses</b>	<b>67 082 816,77</b>	<b>29 948 839,32</b>
1	Aquisition of treasury shares	0,00	0,00
2	Dividends and other distributions to owners	0,00	0,00
3	Other expenses than distribution to owners, expenses related to sharing of the capital gain	0,00	0,00
4	Repayment of loans	4 333,33	803 058,09
5	Debt securities buyout	25 151 777,39	3 547 000,00
6	Other financial liabilities	0,00	0,00
7	Payments from financial leasing	272 294,86	412 173,54
8	Interest	6 938 209,51	3 912 607,69
9	Other financial expenses	34 716 201,68	21 274 000,00
<b>III</b>	<b>Net cash flow from financial activity (I-II)</b>	<b>36 264 457,14</b>	<b>29 001 407,87</b>
<b>D</b>	<b>Tolat net cash flow (A.III ± B.III ± CIII)</b>	<b>(2 012 217,79)</b>	<b>3 329 964,90</b>
<b>E</b>	<b>Balance change in cash assets</b>	<b>(2 012 217,79)</b>	<b>3 329 964,90</b>
-	Profit (loss) due to exchange differences	0,00	0,00
<b>F</b>	<b>Cash at the beggining of period</b>	<b>3 857 532,00</b>	<b>527 567,10</b>
<b>G</b>	<b>Cash at the end of period (F±E)</b>	<b>1 845 314,21</b>	<b>3 857 532,00</b>
-	Restricted possibility of dispatch		

Source: Issuer

## THE STATEMENT OF CHANGES IN EQUITY

**Table 4.** Consolidated selected financial data from the statement showing changes in equity after twelve months 2018 together with comparative data [PLN]

Lp.	Title	01.01.2018 - 31.12.2018	01.01.2017 - 31.12.2017
<b>I.</b>	<b>Equity (fund) at the beginning of period (BO)</b>	<b>4 377 023,62</b>	<b>4 455 856,57</b>
-	Changes in accounting policy	0,00	0,00
-	Correction of fundamental errors	0,00	
<b>I.a.</b>	<b>Equity (fund) at the beginning of period (BO), after adjustments</b>	<b>4 377 023,62</b>	<b>4 455 856,57</b>
<b>1</b>	<b>Share capital (fund) at the beginning of period</b>	<b>7 801 915,00</b>	<b>7 801 915,00</b>
1.1.	Share capital changes (fund)	0,00	0,00
a	Increase related to:	0,00	0,00
-	Issuance of shares	0,00	
-	Contribution in-kind	0,00	0,00
b	Decrease related to:	0,00	0,00
-	Redemption of shares	0,00	
	.....	0,00	
<b>1.2.</b>	<b>Equity (fund) at the beginning of period</b>	<b>7 801 915,00</b>	<b>7 801 915,00</b>
<b>2</b>	<b>Equity (fund) reserve at the beginning of period</b>	<b>3 504 854,16</b>	<b>1 750 968,18</b>
2.1.	Equity (fund) reserve change	3 299 044,80	1 753 885,98
a	Increase related to:	3 299 044,80	1 753 885,98
-	Share issue over nominal value	0,00	
-	Appropriation of the profit (by law)	3 299 044,80	
-	Appropriation of the profit (over required by law nominal value)	0,00	1 753 885,98
-	Issuing of the new shares	0,00	
b	Decrease (for the transfer of capital reserve)	0,00	0,00
-	Cover the deficit	0,00	
-	Transfer to the share capital (registration of shares D series)	0,00	
<b>2.2.</b>	<b>Capital reserve status (fund) at the end of the beginning of period</b>	<b>6 803 898,96</b>	<b>3 504 854,16</b>
<b>3</b>	<b>Equity (fund) of revaluation at the beginning of period – changes in accounting policy</b>	<b>0,00</b>	<b>0,00</b>
3.1.	Changes in the share capital (fund) of revaluation	0,00	0,00
a	Increase	0,00	0,00
b	Decrease	0,00	0,00
<b>3.2.</b>	<b>Equity (fund) of revaluation at the end of period</b>	<b>0,00</b>	<b>0,00</b>
<b>4</b>	<b>Other reserves (fund) at the beginning of period</b>	<b>0,00</b>	<b>0,00</b>
4.1.	Changes in other reserves (fund)	0,00	0,00
a	Increase (copy of the profit)	0,00	
-	Increase of capital reserve (transfer)	0,00	
b	Decrease	0,00	0,00
-	Divident payment	0,00	
<b>4.2.</b>	<b>Other equity reserve (fund) at the end of period</b>	<b>0,00</b>	<b>0,00</b>
<b>5</b>	<b>Profit (loss) from the previous years at the beginning of period</b>	<b>0,00</b>	<b>0,00</b>
<b>5.1.</b>	<b>Profit from the previous years at the beginning of period</b>	<b>0,00</b>	
-	Changes in the accounting policy	0,00	
-	Correction of fundamental errors	0,00	

5.2.	<b>Profit from the previous years at the beginning of period, after corrections</b>	<b>0,00</b>	<b>0,00</b>
a	Increase	1 336 122,83	0,00
-	The appropriation of the profit from the previous years	1 336 122,83	
b	Decrease	1 336 122,83	0,00
-	Loss compensation	1 336 122,83	0,00
-	Transfer of capital reserve	0,00	
5.3.	<b>Profit from the previous years at the end of period</b>	<b>0,00</b>	<b>0,00</b>
5.4	<b>Losses from previous years at the beginning of period (-)</b>	<b>(8 147 079,80)</b>	<b>(5 620 238,40)</b>
-	Changes in accounting policy	0,00	
-	Correction of fundamental errors	0,00	(1 296 167,21)
5.5.	<b>Losses from previous years at the beginning of period, after corrections</b>	<b>(8 147 079,80)</b>	<b>(6 916 405,61)</b>
a	Increase	3 299 044,80	1 753 885,98
-	Loss carry-forward from the previous years to cover	3 299 044,80	1 753 885,98
b	Decrease	(1 336 122,83)	(523 211,79)
-	....	(1 336 122,83)	(523 211,79)
5.6.	<b>Losses from previous years at the end of period</b>	<b>(10 110 001,77)</b>	<b>(8 147 079,80)</b>
5.7	<b>Profit (loss) from previous years at the end of period</b>	<b>(10 110 001,77)</b>	<b>(8 147 079,80)</b>
6.	<b>Net income</b>	<b>1 635 798,04</b>	<b>1 217 334,26</b>
a	Net profit	1 635 798,04	1 217 334,26
b	Net loss (negative)	0,00	
c	Profit copy (negative)	0,00	
II	<b>Equity (fund) at the end of period (BZ)</b>	<b>6 131 610,24</b>	<b>4 377 023,62</b>
III	<b>Equity (fund) after taking into account proposed profit (cover loss)</b>	<b>6 131 610,24</b>	<b>4 377 023,62</b>

Source: Issuer

# 3

Quarterly condensed individual financial statements  
- selected individual financial data of Aforti Holding SA


**BALANCE SHEET**

**Table 5.** Individual selected financial data of the balance dated on 31.12.2018 together with comparative and cumulative data [PLN]

**ASSETS**

Lp.	Title	Status 31.12.2018	Status 31.12.2017	Status 30.09.2018	Status 30.09.2017
<b>A</b>	<b>FIXED ASSETS</b>	<b>113 229 912,68</b>	<b>73 639 492,29</b>	<b>111 263 978,00</b>	<b>36 536 082,79</b>
<b>I</b>	<b>Intangible fixed assets</b>	<b>22 140,67</b>	<b>46 809,44</b>	<b>29 550,87</b>	<b>38 000,13</b>
1	Costs of the completed, development activities	0,00	0,00	0,00	0,00
2	Change in the balance of products (increase – positive value, decrease – negative value)	0,00	0,00	0,00	0,00
3	Other intangible fixed assets	22 140,67	46 809,44	29 550,87	38 000,13
4	Intangible fixed assets advance	0,00	0,00	0,00	0,00
<b>II</b>	<b>Tangible assets</b>	<b>1 253 392,99</b>	<b>522 767,81</b>	<b>1 297 080,31</b>	<b>524 843,58</b>
<b>1</b>	<b>Fixed assets</b>	<b>1 253 392,99</b>	<b>522 767,81</b>	<b>1 297 080,31</b>	<b>524 843,58</b>
a	Land (perpetual usufruct)	0,00	0,00	0,00	0,00
b	Buildings, premises i civil engineering facilities	7 227,50	8 555,00	7 670,00	8 555,00
c	Equipment and machinery	159 767,19	143 545,91	127 477,19	123 764,07
d	Means of transport	870 963,99	165 261,43	932 003,03	188 178,73
e	Other fixed assets	215 434,31	205 405,47	229 930,09	204 345,78
<b>2</b>	<b>Fixed assets under construction</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>3</b>	<b>Fixed assets under construction advances</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>III</b>	<b>Long-term receivables</b>	<b>202 544,31</b>	<b>37 539,71</b>	<b>196 072,71</b>	<b>34 833,71</b>
1	From affiliates	0,00	0,00	0,00	0,00
2	From other capital equities	0,00	0,00	0,00	0,00
3	From other equities	202 544,31	37 539,71	196 072,71	34 833,71
<b>IV</b>	<b>Long-term investments</b>	<b>107 572 157,93</b>	<b>70 677 351,03</b>	<b>106 365 857,93</b>	<b>33 665 503,84</b>
<b>1</b>	<b>Real estate</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>2</b>	<b>Intangible assets</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>3</b>	<b>Long-term financial assets</b>	<b>107 572 157,93</b>	<b>70 677 351,03</b>	<b>106 365 857,93</b>	<b>33 665 503,84</b>
a	In affiliates	107 572 157,93	70 677 351,03	106 365 857,93	33 665 503,84
	- stocks or shares	90 472 157,93	58 256 995,30	89 265 857,93	28 040 225,50
	- other securities	17 100 000,00	734 856,34	17 100 000,00	734 856,34
	- loans	0,00	11 685 499,39	0,00	4 890 422,00
	- other long-term financial assets	0,00	0,00	0,00	0,00
b	In other capital entities	0,00	0,00	0,00	0,00
	- stocks or shares	0,00	0,00	0,00	0,00
	- other securities	0,00	0,00	0,00	0,00
	- loans	0,00	0,00	0,00	0,00
	- other long-term financial assets	0,00	0,00	0,00	0,00
c	In other equities	0,00	0,00	0,00	0,00
	- stocks or shares	0,00	0,00	0,00	0,00
	- other securities	0,00	0,00	0,00	0,00
	- loans	0,00	0,00	0,00	0,00
	- other long-term financial assets	0,00	0,00	0,00	0,00
<b>4</b>	<b>Other long-term investments</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>V</b>	<b>Long term accruals</b>	<b>4 179 676,78</b>	<b>2 355 024,30</b>	<b>3 375 416,18</b>	<b>2 272 901,53</b>
<b>1</b>	<b>Deffered tax assets</b>	<b>160 121,17</b>	<b>146 622,54</b>	<b>146 622,54</b>	<b>0,00</b>

2	Other accruals	4 019 555,61	2 208 401,76	3 228 793,64	2 272 901,53
<b>B</b>	<b>CURRENT ASSETS</b>	<b>30 858 281,80</b>	<b>19 296 301,76</b>	<b>18 251 392,68</b>	<b>16 730 996,52</b>
I	Supplies	0,00	0,00	0,00	0,00
1	Materials	0,00	0,00	0,00	0,00
2	Semi-finished products and products in progress	0,00	0,00	0,00	0,00
3	Finished products	0,00	0,00	0,00	0,00
4	Goods	0,00	0,00	0,00	0,00
5	Advances on supplies	0,00	0,00	0,00	0,00
II	Short-term receivables	13 314 347,86	6 297 427,87	8 859 610,54	4 970 525,71
1	Related parties receivables	9 864 012,90	6 147 738,89	8 443 779,66	4 477 593,01
a	Due to supplies and services during the collection period:	3 442 367,21	4 584 619,55	3 156 131,04	2 879 601,71
	- until 12 months	3 442 367,21	4 584 619,55	3 156 131,04	2 879 601,71
	- over 12 months	0,00	0,00	0,00	0,00
b	Other	6 421 645,69	1 563 119,34	5 287 648,62	1 597 991,30
2	Receivables from other capital entities	0,00	0,00	0,00	0,00
a	Due to supplies and services during the collection period:	0,00	0,00	0,00	0,00
	- until 12 months	0,00	0,00	0,00	0,00
	- over 12 months	0,00	0,00	0,00	0,00
b	Other	0,00	0,00	0,00	0,00
3	Receivables from other entities	3 450 334,96	149 688,98	415 830,88	492 932,70
a	Due to supplies and services during the collection period:	171 783,85	65 020,67	216 724,54	80 960,06
	- until 12 months	171 783,85	65 020,67	216 724,54	80 960,06
	- over 12 months	0,00	0,00	0,00	0,00
	Due to taxes, grands, duties, social securities, health insurance and other benefits	71 379,57	18 849,44	1 140,54	379 430,45
c	Other	3 207 171,54	65 818,87	197 965,80	32 542,19
d	Claimed at court	0,00	0,00	0,00	0,00
III	Short-term investemnts	14 562 077,82	10 880 623,66	6 198 993,40	6 902 560,94
1	Short-term financial assets	14 562 077,82	10 880 623,66	6 198 993,40	6 902 560,94
a	In related parties	13 747 290,91	8 941 334,40	4 941 104,61	3 140 000,00
	- stocks or shares	13 747 290,91	8 941 334,40	4 941 104,61	3 140 000,00
	- other securities	0,00	0,00	0,00	0,00
	- loans	0,00	0,00	0,00	0,00
	- other short-term financial assets	0,00	0,00	0,00	0,00
b	In other entities	802 003,30	189 000,00	792 460,65	1 639 000,00
	- stocks and shares	0,00	0,00	0,00	1 200 000,00
	- other securities	802 003,30	189 000,00	792 460,65	439 000,00
	- loans	0,00	0,00	0,00	0,00
	- other short-term financial assets	0,00	0,00	0,00	0,00
c	Money and monetary assets	12 783,61	1 750 289,26	465 428,14	2 123 560,94
	- cash in hand and in the account	12 783,61	1 750 289,26	465 428,14	2 123 560,94
	- other money	0,00	0,00	0,00	0,00
	- other monetary assets	0,00	0,00	0,00	0,00
2	Other short-term investemnts	0,00	0,00	0,00	0,00
IV	Short term accruals	2 981 856,12	2 118 250,23	3 192 788,74	4 857 909,87
C	Unpaid share capital (fund)	0,00	0,00	0,00	0,00
D	Own shares	0,00	0,00	0,00	0,00
<b>TOTAL ASSETS</b>		<b>144 088 194,48</b>	<b>92 935 794,05</b>	<b>129 515 370,68</b>	<b>53 267 079,31</b>

Source: Issuer

**LIABILITIES**

Lp.	Title	Status 31.12.2018	Status 31.12.2017	Status 30.09.2018	Status 30.09.2017
<b>A</b>	<b>Equity (fund)</b>	<b>57 081 690,07</b>	<b>43 573 835,43</b>	<b>50 467 375,01</b>	<b>12 292 816,94</b>
I	Share capital (fund)	7 801 915,00	7 801 915,00	7 801 915,00	7 801 915,00
II	Capital reserve (fund):	6 803 898,96	3 504 854,16	6 803 898,96	3 504 854,16
	- Excess of the sale value (issued value) over the nominal value of shares	1 284 946,80	1 284 946,80	1 284 946,80	1 284 946,80
III	Capital (fund) of revaluation	28 581 297,24	28 581 297,24	28 581 297,24	0,00
	- due to hourly update	0,00	0,00	0,00	0,00
IV	Other capital reserve (fund)	0,00	0,00	0,00	0,00
	- carried out in accordance of the agreement of the Group (articles of association)	0,00	0,00	0,00	0,00
	- to own shares	0,00	0,00	0,00	0,00
V	Profit (loss) from previous years	386 724,23	(499 270,56)	386 724,23	386 724,23
VI	Net profit (loss)	13 507 854,64	4 185 039,59	6 893 539,58	599 323,55
VII	Net profit copies during the financial year (negative value)	0,00	0,00	0,00	0,00
<b>B</b>	<b>LIABILITIES AND PROVISIONS ON LIABILITIES</b>	<b>87 006 504,41</b>	<b>49 361 958,62</b>	<b>79 047 995,67</b>	<b>40 974 262,37</b>
I	Provisions on liabilities	0,00	22 000,00	0,00	0,00
1	Deffered tax liability	0,00	0,00	0,00	0,00
2	Provisions and pensions	0,00	0,00	0,00	0,00
	- long-term	0,00	0,00	0,00	0,00
	- short-term	0,00	0,00	0,00	0,00
3	Other reserves	0,00	22 000,00	0,00	0,00
	- long-term	0,00	0,00	0,00	0,00
	- short-term	0,00	22 000,00	0,00	0,00
II	<b>Long-term liabilities</b>	<b>80 113 941,07</b>	<b>34 934 366,84</b>	<b>68 994 753,07</b>	<b>38 604 105,37</b>
1	To affiliated undertakings	470 661,61	112 876,00	473 473,61	706 403,61
2	To other capital entities	0,00	0,00	0,00	0,00
3	To other entities	79 643 279,46	34 821 490,84	68 521 279,46	37 897 701,76
a	Loans	0,00	0,00	0,00	0,00
b	Due to debt securities issues	78 792 000,00	34 777 000,00	67 670 000,00	37 616 000,04
c	Other financial liabilities	851 279,46	44 490,84	851 279,46	156 951,72
d	Marker liabilities	0,00	0,00	0,00	0,00
e	Other	0,00	0,00	0,00	124 750,00
III	<b>Short-term liabilities</b>	<b>6 703 763,90</b>	<b>14 405 591,78</b>	<b>10 053 242,60</b>	<b>2 370 157,00</b>
1	To related parties	1 143 430,97	526 618,90	4 353 313,59	499 544,73
a	Due to supplies and services, with the maturity:	56 103,31	27 324,17	47 218,00	250,00
	- until 12 months	56 103,31	27 324,17	47 218,00	250,00
	- over 12 months	0,00	0,00	0,00	0,00
b	Other	1 087 327,66	499 294,73	4 306 095,59	499 294,73
2	Liabilities to other capital entities	0,00	0,00	0,00	0,00
a	Due to supplies and services, with the maturity:	0,00	0,00	0,00	0,00
	- until 12 months	0,00	0,00	0,00	0,00
	- over 12 months	0,00	0,00	0,00	0,00
b	Other	0,00	0,00	0,00	0,00
3	To other entities	5 560 332,93	13 878 972,88	5 699 929,01	1 870 612,27
a	Loans	0,00	9 600,00	9 600,00	9 600,00

b	Due to debt securities issues	0,00	12 439 000,00	4 472 000,00	420 000,00
c	Other financial liabilities	49 298,34	102 797,39	58 874,87	7 647,97
d	Due to supplies and services, with the maturity:	1 480 145,11	266 791,71	381 861,76	737 442,46
	- until 12 months	1 480 145,11	266 791,71	381 861,76	737 442,46
	- over 12 months	0,00	0,00	0,00	0,00
e	Advances on supplies	0,00	0,00	0,00	0,00
f	Marker liabilities	0,00	0,00	0,00	0,00
g	Due to tax, duties, social securities, insurrances and other benefits	3 914 961,24	452 497,71	729 722,87	283 749,53
h	Payroll	109 442,45	143 872,56	35 719,67	181 472,84
i	Other	6 485,79	464 413,51	12 149,84	230 699,47
4	Special funds	0,00	0,00	0,00	0,00
<b>IV</b>	<b>Accruals</b>	<b>188 799,44</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
1	Negative goodwill	0,00	0,00	0,00	0,00
2	Other accruals	188 799,44	0,00	0,00	0,00
	- long-term	0,00	0,00	0,00	0,00
	- short-term	188 799,44	0,00	0,00	0,00
<b>TOTAL LIABILITIES</b>		<b>144 088 194,48</b>	<b>92 935 794,05</b>	<b>129 515 370,68</b>	<b>53 267 079,31</b>

Source: Issuer



## PROFIT AND LOSS ACCOUNT – by nature of expense

**Table 6.** Individual selected financial data of the profit and loss account after the fourth quarter and cumulatively after twelve months 2018 together with comparative data [PLN]

Lp.	Title	01.10.2018 – 31.12.2018	01.10.2017 – 31.12.2017	01.01.2018 – 31.12.2018	01.01.2017 – 31.12.2017
<b>A</b>	<b>Net revenues from sales and equivalent, including revenues:</b>	<b>5 334 890,12</b>	<b>3 539 438,40</b>	<b>17 511 330,98</b>	<b>7 005 188,35</b>
-	Related parties	0,00	0,00	0,00	0,00
I	Net revenues from sales of products	5 334 890,12	3 539 438,40	17 511 330,98	7 005 188,35
II	Change in the balance of products (increase - positive value, decrease - negative value)	0,00	0,00		
III	Manufacturing cost of products for internal purposes	0,00	0,00		
IV	Net revenues from sales of goods and materials	0,00	0,00		
<b>B</b>	<b>Operating expenses</b>	<b>3 830 613,73</b>	<b>4 803 307,85</b>	<b>12 397 266,88</b>	<b>7 380 808,93</b>
I	Amortisation and depreciation	100 225,00	52 636,13	358 255,31	173 549,89
II	Consumption of materials and energy	112 255,65	93 361,45	328 889,92	281 521,58
III	External services	1 665 328,22	1 644 516,57	4 635 296,76	3 217 526,53
IV	Taxes and charges, including:	13 678,26	29 813,45	54 597,92	47 637,60
	- excise duty	0,00	0,00	0,00	0,00
V	Payroll	535 825,67	313 248,57	2 031 805,49	750 258,53
VI	Social security and other benefits	87 416,44	72 951,80	298 792,38	115 421,80
	- pensions	30 641,20	26 236,66	111 743,52	44 256,39
VII	Other costs by type	1 315 884,49	2 596 779,88	4 689 629,10	2 794 893,00
VIII	Value of goods and materials sold	0,00	0,00		
<b>C</b>	<b>Profit (loss) on sales (A-B)</b>	<b>1 504 276,39</b>	<b>(1 263 869,45)</b>	<b>5 114 064,10</b>	<b>(375 620,58)</b>
<b>D</b>	<b>Other operating revenues</b>	<b>15 211,98</b>	<b>20,00</b>	<b>437 861,72</b>	<b>45 530,44</b>
I	Profit on disposal of non-financial fixed assets	(750,00)	0,00	26 380,16	34 795,64
II	Subsidies	0,00	0,00	0,00	0,00
III	Revaluation of non-financial assets	0,00	0,00	0,00	0,00
IV	Other operating revenues	15 961,98	20,00	411 481,56	10 734,80
<b>E</b>	<b>Other operating expenses</b>	<b>14 497,04</b>	<b>9 348,27</b>	<b>218 420,62</b>	<b>19 635,21</b>
I	Loss on disposal of non-financial fixed assets	0,00	0,00	0,00	0,00
II	Revaluation of non-financial assets	0,00	0,00	0,00	0,00
III	Other operating expenses	14 497,04	9 348,27	218 420,62	19 635,21
<b>F</b>	<b>Profit (loss) on operating activities (C+D-E)</b>	<b>1 504 991,33</b>	<b>(1 273 197,72)</b>	<b>5 333 505,20</b>	<b>(349 725,35)</b>
<b>G</b>	<b>Financial revenues</b>	<b>5 806 910,49</b>	<b>5 504 569,36</b>	<b>15 119 500,90</b>	<b>7 022 040,69</b>
I	Dividends and profit sharing, including:	0,00	0,00		
a)	from related parties:	0,00	0,00		
	- capital entity	0,00	0,00		
b)	From other entities:	0,00	0,00		
	- capital entity	0,00	0,00		
II	Interest, including:	568 081,96	148 009,55	1 925 239,79	441 702,54
-	From related parties	567 437,50	146 462,56	1 901 342,24	439 247,55
III	Profit on disposal of financial assets	715 982,30	1 500 426,96	8 671 323,79	2 703 126,96

- in related parties	0,00	0,00	0,00	0,00
IV Revaluation of financial assets	4 522 841,99	3 846 161,80	4 522 841,99	3 846 161,80
V Other	4,24	9 971,05	95,33	31 049,39
<b>H Financial expenses</b>	<b>(1 585 350,61)</b>	<b>792 278,14</b>	<b>4 662 214,09</b>	<b>2 633 898,29</b>
I Interest	1 452 550,05	791 935,87	4 660 954,34	2 632 105,85
- for related parties	270 626,90	63 966,33	554 384,87	263 089,14
II Loss on disposal of financial assets	0,00	0,00	0,00	0,00
- in relations parties	0,00	0,00	0,00	0,00
III Revaluation of financial assets	(3 037 900,66)	0,00	0,00	0,00
IV Other	0,00	342,27	1 259,75	1 792,44
<b>I Gross profit (loss) (F+G-H)</b>	<b>8 897 252,43</b>	<b>3 439 093,50</b>	<b>15 790 792,01</b>	<b>4 038 417,05</b>
<b>J Income tax</b>	<b>2 282 937,37</b>	<b>(146 622,54)</b>	<b>2 282 937,37</b>	<b>(146 622,54)</b>
<b>K Other statutory reductions in profit (increases in loss)</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>L Net profit (loss) (I-J-K)</b>	<b>6 614 315,06</b>	<b>3 585 716,04</b>	<b>13 507 854,64</b>	<b>4 185 039,59</b>

Source: Issuer

## CASH-FLOW STATEMENT

**Table 7.** Individual selected financial data of the cash flow statement after the fourth quarter of 2018 together with comparative data [PLN]

Lp.	Title	01.01.2018 – 31.12.2018	01.01.2017 – 31.12.2017
<b>A.</b>	<b>Net cash flows from operating activities</b>		
<b>I</b>	<b>Net profit (loss)</b>	<b>13 507 854,64</b>	<b>4 185 039,59</b>
<b>II</b>	<b>Total provisions</b>	<b>(12 585 319,57)</b>	<b>(11 698 690,78)</b>
3	Amortisation and depreciation	358 255,31	173 999,89
6	Foreign exchange gains (loss)	0,00	0,00
7	Interest and gain-share (dividends)	2 735 714,55	2 161 962,97
8	Profit (loss) on investment activity	(8 671 323,79)	(34 795,64)
9	Changes of provisions	(22 000,00)	8 777,43
10	Change in stocks	0,00	0,00
11	Change in receivables	(3 421 003,97)	(545 215,00)
12	Change in short-term liabilities excluding credits and loans	4 556 586,59	(6 155 323,25)
13	Change in prepayments and accruals	(2 499 458,93)	(2 575 940,59)
14	Other adjustments	(5 622 089,34)	(4 732 156,59)
<b>III</b>	<b>Net cash flows from operating activities (I ± II)</b>	<b>922 535,07</b>	<b>(7 513 651,19)</b>
<b>B.</b>	<b>Net cash flows from investment activities</b>		
<b>I</b>	<b>Inflows</b>	<b>24 591 146,79</b>	<b>10 046 685,25</b>
1	Disposal of intangible and tangible fixed assets	0,00	47 820,00
2	Disposal of investments in real property and in intangible assets	0,00	0,00
3	From financial assets, including:	24 591 146,79	9 998 865,25
a)	in related parties	14 840 026,40	662 350,64
b)	in other entities	9 751 120,39	9 336 514,61
-	Disposal of financial assets	0,00	0,00
-	Dividends and gain-share	0,00	0,00
-	Repayment of long-term loans	9 751 120,39	9 336 514,61
-	Interest	0,00	0,00
-	Other inflows from financial assets	0,00	0,00
4	Other investments inflows	0,00	0,00
<b>II</b>	<b>Outflows</b>	<b>55 874 844,10</b>	<b>27 197 150,12</b>
1	Aquisition of intangible fixed and tangible assets	257 423,10	366 468,82
2	Investments on real estate and intangible fixed assets	0,00	0,00
3	Financial assets:	55 617 421,00	26 830 681,30
a)	In related parties	33 737 390,00	7 968 141,30
b)	In other equities	21 880 031,00	18 862 540,00
-	Aquisition of financial assets	0,00	0,00
-	Long-term loans	21 880 031,00	18 862 540,00
4	Other investment expenses	0,00	0,00
<b>III</b>	<b>Net cash flows from investment activities (I-II)</b>	<b>(31 283 697,31)</b>	<b>(17 150 464,87)</b>
<b>C.</b>	<b>Net cash flows from financial activities</b>		

<b>I Inflows</b>	<b>52 312 239,79</b>	<b>36 809 072,88</b>
1 Net inflows from issuance of shares and other capital instruments and from capital	0,00	0,00
2 Credits and loans	0,00	1 537 930,00
3 Issuance of debt securities	50 387 000,00	34 801 000,00
4 Other inflows from financial activities	1 925 239,79	470 142,88
<b>II Outflows</b>	<b>23 688 583,20</b>	<b>10 689 624,02</b>
1 Purchase of own shares	0,00	0,00
2 Dividends and other payments to shareholders	0,00	0,00
3 Profit distribution liabilities other than profit distribution payments to shareholders	0,00	0,00
4 Repayment of credits and loans	0,00	4 204 158,61
5 Redemption of debt securities	18 831 795,33	3 547 000,00
6 Payment of other financial liabilities	0,00	0,00
7 Payment of liabilities arising from financial leases	195 833,53	306 359,56
8 Interest	4 660 954,34	2 632 105,85
9 Other financial expenses	0,00	0,00
<b>III Net cash flows from financial activities (I-II)</b>	<b>28 623 656,59</b>	<b>26 119 448,86</b>
<b>D Total net cash flows (A.III ± B.III ± C.III)</b>	<b>(1 737 505,65)</b>	<b>1 455 332,80</b>
<b>E Balance sheet change in cash:</b>	<b>(1 737 505,65)</b>	<b>1 455 332,80</b>
- Change in cash due to exchange differences	0,00	0,00
<b>F Opening balance of cash</b>	<b>1 750 289,26</b>	<b>294 956,46</b>
<b>G Closing balance of cash (F±E):</b>	<b>12 783,61</b>	<b>1 750 289,26</b>
- Limited possibility of disposition	<b>52 312 239,79</b>	<b>36 809 072,88</b>

Source: Issuer

## STATEMENT OF CHANGES IN EQUITY

**Table 8.** Individual selected financial data of the statement of changes in equity after the fourth quarter of 2018 together with comparative data [PLN]

Lp.	Title	01.01.2018 - 31.12.2018	01.01.2017 - 31.12.2017
I.	<b>Equity (fund) at the beginning of period (BO)</b>	<b>43 573 835,43</b>	<b>11 693 493,39</b>
-	Corrections of fundamental errors and changes in accounting policy	0,00	0,00
		0,00	0,00
I.a.	<b>Equity (fund) at the beginning of period (BO), after provisions</b>	<b>43 573 835,43</b>	<b>11 693 493,39</b>
1	<b>Change in the balance of products (increase – positive value, decrease – negative value)</b>	<b>7 801 915,00</b>	<b>7 801 915,00</b>
1.1.	Changes in share capital (fund)	0,00	0,00
a	Increase	0,00	0,00
-	Issue of shares		
-	Contribution in-kind		
b	Decrease		
-	Redemption of shares		
	.....		
1.2.	<b>Share capital (fund) at the end of period</b>	<b>7 801 915,00</b>	<b>7 801 915,00</b>
2	<b>Capital (fundusz) reserve at the beginning of period</b>	<b>3 504 854,16</b>	<b>1 750 968,18</b>
2.1.	Changes in capital reserve (fund)	3 299 044,80	1 753 885,98
a	Increase	3 299 044,80	1 753 885,98
-	Issue of shares over nominal value		
-	Distribution of shares (by law)	3 299 044,80	1 753 885,98
-	Distribution of shares (over required by law minimum value)		
b	Decrease	0,00	0,00
-	Loss compensation		
-	.....		
2.2.	<b>Capital reserve (fund) balance at the end of period</b>	<b>6 803 898,96</b>	<b>3 504 854,16</b>
3	<b>Equity (fund) of revaluation at the beginning of period – changes in accounting policy</b>	<b>28 581 297,24</b>	<b>0,00</b>
3.1.	Changes in capital (fund) of revaluation	0,00	28 581 297,24
a	Increase		28 581 297,24
b	Decrease	0,00	0,00
3.2.	<b>Equity (fund) of revaluation at the end of period</b>	<b>28 581 297,24</b>	<b>28 581 297,24</b>
4	<b>Other shares reserve (fund) at the beginning of period</b>	<b>0,00</b>	<b>0,00</b>
4.1.	Changes in other capital reserve (fund)	0,00	0,00
a	Increase		
-	.....		
b	Decrease	0,00	0,00
-	.....		
4.2.	<b>Other capital reserve (fund) at the end of period</b>	<b>0,00</b>	<b>0,00</b>
5	<b>Profit (loss) from previous years at the beginning of period</b>	<b>(499 270,56)</b>	<b>386 724,23</b>
5.1.	<b>Profit from previous years at the beginning of period</b>	<b>(499 270,56)</b>	<b>386 724,23</b>
-	Changes in accounting policy		
-	Correction of fundamental errors		(885 994,79)

<b>5.2. Profit from previous years at the beginning of period after provisions</b>	<b>(499 270,56)</b>	<b>(499 270,56)</b>
a Increase	4 185 039,59	1 753 885,98
- Distribution of profit from previous years	4 185 039,59	1 753 885,98
b Decrease	3 299 044,80	1 753 885,98
- Loss compensation	0,00	(885 994,79)
- Transfer to capital reserve	3 299 044,80	1 753 885,98
<b>5.3. Profit from previous years at the beginning of period</b>	<b>386 724,23</b>	<b>(499 270,56)</b>
<b>5.4 Loss from previous years at the beginning of period (-)</b>	<b>0,00</b>	<b>0,00</b>
- Changes in accounting policy		
- Correction of fundamental errors		
<b>5.5. Loss from previous years at the beginning of period, after provisions</b>	<b>0,00</b>	<b>0,00</b>
a Increase	0,00	0,00
- Loss carry-over from previous years to cover	0,00	0,00
b Decrease	0,00	0,00
- Profit carry-over from previous years to cover	0,00	0,00
<b>5.6. Loss from previous years at the end of period</b>	<b>0,00</b>	<b>0,00</b>
<b>5.7 Profit (loss) from previous years at the end of period</b>	<b>386 724,23</b>	<b>(499 270,56)</b>
<b>6. Net Result</b>	<b>13 507 854,64</b>	<b>4 185 039,59</b>
a Net profit	13 507 854,64	4 185 039,59
b Net loss (negative value)		
c Profit copy (negative value)		
<b>II Equity (fund) at the end of period (BZ)</b>	<b>57 081 690,07</b>	<b>43 573 835,43</b>
<b>III Equity (fund) after taking into account the proposed distribution of profit (loss coverage)</b>	<b>57 081 690,07</b>	<b>43 573 835,43</b>

Source: Issuer

# 4

The fundamental principles  
for the preparation of financial report  
including changes in accounting policy

This report shall cover the data of the fourth quarter of 2018 and was not audited or reviewed by an auditor or by an entity authorized to audit financial statements. The report presents a separate financial statement including the balance sheet, profit and loss account, cash flow statement and changes in the equity statement covering the fourth quarter of 2018 and cumulative data for the period from the beginning of the year 2018 until December 31, 2018, including comparable periods analogical to the year 2017.

The Company shall not amend principles in the accounting policy. The principles of the accounting policy adopted to the condensed financial statement from the IV quarter of 2018 are compatible with the Accounting Law dated on September 29, 1994. The accounting entries shall be carried out according to historic cost principle, with the exclusion of fixed assets under periodic revaluation in accordance to the principles described in the Accounting Law and separate legislations whereas impact of inflation shall not be taken into account. Aforti Holding S.A. shall prepare the profit and loss account in the comparative option.

#### **4.1 Tangible fixed assets, intangible fixed assets**

Intangible assets and fixed assets shall be measured at depreciated cost. Depreciation charges on tangible and intangible fixed assets constituting acquired rights are made on the basis of a depreciation plan, including rates and amounts of annual depreciation copies.

The components of fixed assets with an initial value not exceeding PLN100 shall charge operating costs once in a month putting them into use. Depreciation is carried out using the straight-line method. When determining the depreciation period and the annual depreciation rate, the period of economic utility of the fixed asset and the components of intangible assets shall be taken into account.

The purchase price or production cost of a fixed asset increases its cost of improvement.

Foreign fixed assets or intangible assets accepted for use under a leasing agreement are classified as fixed assets if the contract shall comply with the conditions specified in the legislation.

Fixed assets under the construction are measured at the total amount of costs directly related to their acquisition or production, reduced by the impairment losses.

In the case of changes in the production technology, liquidation, withdrawal from service or other reasons causing a permanent impairment of a fixed asset or intangible asset, an impairment shall be made to the other operating costs.

#### **4.2. Long-term and short-term liabilities**

Long-term receivables, short-term receivables and claims are reported in net value (gross value reduced by impairment allowances). Impairment losses on receivables are made on the basis of



individual assessment of receivables from individual debtors as well as on the basis of the general assessment of receivables (without identification of the debtor).

Individual write-offs revaluating receivables are made separately for each irrecoverable amount. Their value is determined on the basis of the risk of non-recoverability assigned to a specific debtor. Write-downs refer to specific receivables and have a strictly defined amount as revealed by the documents and analytical accounts of receivables. Receivables denominated in foreign currencies are valued at the balance sheet date at the average exchange rate of the National Bank of Poland on that day.

Receivables shall be revalued by provisioning up to amount not covered by a guarantee or other collateral. Provisions shall be created taking into account the degree of risk associated with a given receivable. Foreign exchange differences on receivables denominated in foreign currencies resulting on the valuation day and after payment refer to financial costs or revenues, and in justified cases to the cost of products production, services or price of goods, as well as the production of fixed assets or intangible assets (to increase or decrease these costs).

#### **4.3. Inventories**

Inventories shall be valued at actual purchase prices, not higher than the net sales prices. If the value of goods (materials) measured at the purchase price is higher than the net sale price, the difference of valuation is written off in other operating costs, reducing the value of inventories and the financial result.

#### **4.4. The money**

Cash shall be reported at the nominal value. Cash in foreign currencies shall be valued on the balance sheet date at the average exchange rate of the National Bank of Poland on that day.

#### **4.5. Prepaid expense**

Prepayments shall be made if the costs incurred in a given period relate to future reporting periods. Write-offs of prepayments are carried out according to the passage of time. The time and the method of settlement is justified by the nature of the settled costs, in accordance with the principle of prudent valuation.

#### **4.6. Share capital**

The share capital of the company shall be carried at amounts specified in the agreement or articles of association and entered into the court register. Declared but not paid capital contributions are recognized as independent contributions to capital.

#### 4.7. Provisions for liabilities

Provisions are created for certain or highly probable future liabilities and they are valued at the balance sheet date in a reliably estimated value. Provisions are classified as other operating costs, financial costs or extraordinary losses, depending on the circumstances related to the future liabilities.

#### 4.8. Long-term and short-term liabilities

Liabilities are disclosed in the nominal or demanding amount (liabilities in the instrument loans), including the interest to be paid as at the balance sheet date. Interest shall be recorded as a financial expense.

Liabilities denominated in foreign currencies are valued according to the balance sheet date at the average exchange rate of the National Bank of Poland on that day.

Exchange differences regarding liabilities denominated in foreign currency resulting from the measurement date are recognised as an expense or financial income, and in justified cases, the cost of manufacturing products, services or price of goods, as well as the production of fixed assets or intangible assets.

If the due date exceeds one year from the balance sheet date, the balance of these liabilities are shown as long-term, with the exception of trade liabilities. The remaining balances are shown as short-term liabilities.

#### 4.9. Accrued expenses

Passive accruals of costs are made in the amount of probable liabilities falling into the current reporting period, resulting in particular:

- from the services provided to the entity by the counterparties of the entity, when the amount of liability can be estimated reliably,
- from the obligation to provide future benefits related to the current operations to unknown persons, the amount of which can be estimated, although the date of the rise to a liability is not yet known, including warranty repairs and warranties for sold long-term products.

Write-offs of accrued expenses are applied until the passage of time. The time and the method of settlement is justified by the nature of the costs to be settled, in accordance with the precautionary principle.

#### 4.10. Deffered tax

Due to temporary differences between the value of assets and liabilities shown in the accounting books, their tax value and the tax loss possible to deduct in the future, a provision is recognized and deferred tax assets are determined.

Deferred income tax assets shall be determined in accordance with the amount provided for the future for tax deduction, related to deductible temporary differences, which shall reduce the tax base and the deductible tax loss determined by taking into account the precautionary principle.

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences. The measurement of deferred tax liabilities and deferred tax assets must be determined taking into account the rate of the corporation tax applicable in the year of tax liability.

The difference between the balance of provisions and deferred tax assets at the end and beginning of the reporting period affects the financial result, whereas deferred tax assets and liabilities related to operations settled by equity.

#### **4.11. Financial result statement**

The transfer of the net financial result follows after the approval of the financial report by the authorized body.

#### **4.12. Sales revenue**

Sales revenues are recognized when: the goods are delivered, the unit has transferred significant risks and the rewards of ownership of the goods, or service is provided.

Sales are carried out at net value, excluding tax of goods and service, after taking into account any discounts granted.

#### **4.13. Foreign currency transactions**

The business operations denominated in foreign currency are recognized in the accounting books at the time of their performance at the exchange rates:

- purchase or sale of currencies used by the Bank whose services are used by the entity - in the case of sales and purchases of currencies, receivables or liability payments,
- the average fixed rate for a given currency by the National Bank of Poland on this day, unless a different course has been established in the customs declaration or other binding document - for other operations.

As of the balance sheet date, it is valued in foreign currencies:

- asset components (excluding shares in subordinated entities valued using the equity method)
  - at the average exchange rate of the National Bank of Poland on that day,
- liability components - at the average exchange rate of the National Bank of Poland on that day.

Exchange-rate differences related to other assets and liabilities denominated in foreign currency, created on the date of their valuation and when paying receivables and liabilities in foreign currencies are included in financial revenues/costs, and in justified cases - to the cost of product production, price of goods, price or cost of producing fixed assets, fixed assets under construction or intangible assets.

#### **4.14. Taxation**

Accounting result is adjusted by:

- current liabilities due to income tax from legal entities,
- other mandatory reduction of profit (increase of loss).

#### **4.15. Separate financial statements**

The quarterly condensed financial statements of the Company, prepared in accordance with the accounting principles applicable to the Company, for the fourth quarter of 2018, including comparative data for the previous year (profit and loss account) and on December 31, 2018 including comparative data of the previous year (balance).

The financial statements have been prepared on the basis of the operating principle of the Company and is in accordance with the Accounting Act. During the period for which the report is prepared, there were no changes to the accounting policy. The financial data are given in PLN.

# 5

Characteristics of significant achievements or failures of the issuer in the period covered by the report with the description of the most important factors and events, in particular of unusual nature affecting achieved results

## 5.1. Comment on consolidated financial results of Aforti Group

In the fourth quarter of 2018, the Aforti Group generated above PLN 206.1 mln of sales revenue, which is an increase of 199.29% compared to 2017.

The increase in revenues was possible thanks to the gradual and consistent implementation of the Group's development strategy, in particular thanks to the increased share in the debt collection market and the currency exchange industry through the Aforti Exchange platform.

The net profit of the entire Capital Group in the indicated period amounted to PLN about 391.4 thousand and was higher than in the previous year by 306.26 percent. The obtained result is related to the increase in the level of effectiveness of operations of all companies from the Aforti Group and the increase in their competitiveness level.

Cumulatively, after the four quarters of 2018, the Aforti Group generated about PLN 572 mln of sales revenues, reaching an increase of 200.07% in relation to the same period of 2017. At the end of December 2018, the consolidated net profit reached PLN 1.63 mln, that is by 34.38% more compared to the same period in the previous year.

### *Balance Sheet*

The value of the Aforti Group's assets at the end of December of 2018 amounted to above PLN 157.5 mln and was higher by 76.64% year-on-year. The increase in the value of assets was related to the dynamic development of the Group, growing operating and sales results as well as the expansion of current and new channels of reaching the customer.

Long-term liability of the Group reached the level of about PLN 328.1 mln and increased by 418.19% in comparison to the previous year. The value of equity in the Aforti Group increased by 40.09% up to PLN 6.13 mln.

### **Selected business activities of individual holding companies:**

#### **1) Aforti Finance Inc**

The most important event of the last quarter of 2018 was the acquisition by the subsidiary Aforti Finance S.A. a non-bank financial institution license issued by the National Bank of Romania. This license will allow the company's operations to be launched in Romania. (CR ESPI [35/2018](#))

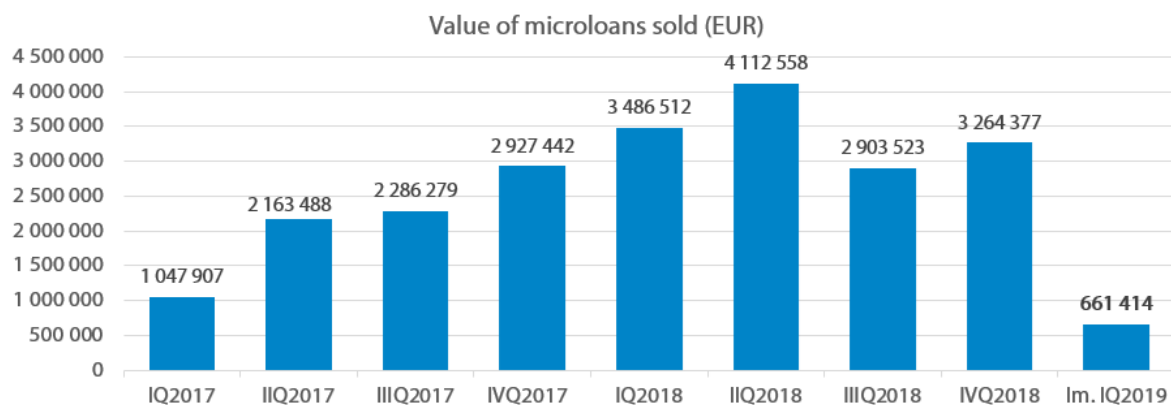
In October, the highest number of loans in the history of Aforti Finance was launched, which amounted to 57 (increase by 42.50% year-on-year). In addition, an on-line application system

has been implemented, which allows accelerating and streamlining the customer service process.

In connection with the acquisition of a license for operations in Romania, preparations for launching the company's operations on that market were started in November and continued through December and to the beginning of 2019.

The company also continued work on a dedicated, proprietary IT system to service the company's clients.

- In the fourth quarter of 2018, Aforti Finance S.A. granted 150 loans worth EUR 3,26 million, an increase of 11.51% compared to the previous year. At the same time, the value of submitted applications in this period amounted to over PLN 103.78 million (increase by 50.76% yoy).



Source: Issuer

## 2) Aforti Finance Romania IFN Inc

In the fourth quarter of 2018, Aforti Finance Romania IFN successfully finalized the process of obtaining a non-bank financial institution license. On 31.10.2018, the company obtained the above-mentioned license (current report ESPI 35/2018 dated 31/10/2018). Currently, the last stage is in progress to launch operations.

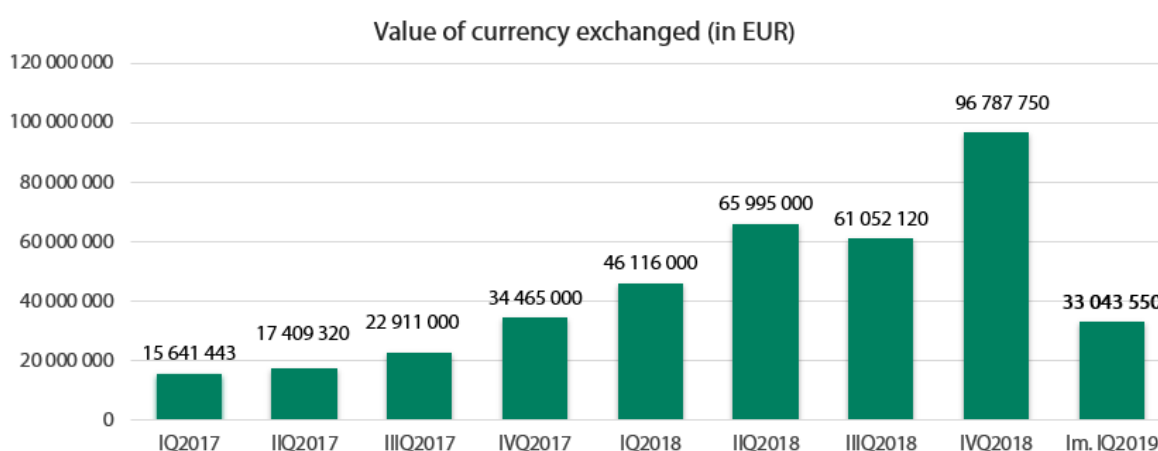
## 3) Aforti Exchange Inc

In the last quarter of 2018, the operations of the company's sales network were focused on acquiring new customers and further activation of Customers already acquired. These activities contributed to the highest monthly number of transactions recorded in October

2018, as well as a threefold increase in the number of Clients who carried out currency exchange operations.

In November, the operation to launch its own call center was finalized. Other activities were the participation of the company's Management Board in several conferences devoted to fintech, as well as in meetings for entrepreneurs (including Central European Digital Payments Conference - Warsaw 2018). Thanks to this type of activities, the company has the opportunity to build a strong brand, and thus acquire new customers.

- In the last quarter of 2018, the value of trading on the currency exchange platform reached the level of over EUR 96.78 mln, recording an increase of 180.83% year-on-year.

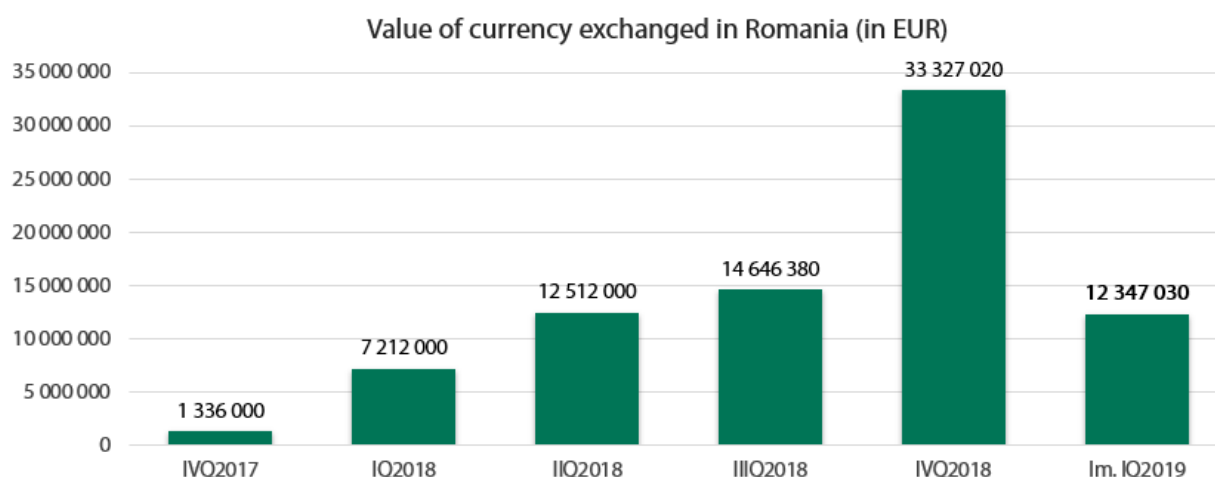


Source: Issuer

#### 4) Aforti Exchange Romania Inc

From October to December 2018, were continued the marketing activities related to the wider presentation of the Aforti and Aforti Exchange brands on the Romanian. These activities along with the activity of the sales network, resulted in a sharp increase in the number of customers acquired. This was reflected in the value of the currency exchange, which in the fourth quarter of 2018 reached the level of over EUR 33.32 million, which represents an increase of 2394.54% year-on-year.





Source: Issuer

#### 5) Aforti Ac LLC

The company provides accounting and personnel services for the purposes of servicing entities belonging to the AFORTI Group and operating in Poland.

#### 6) Aforti Collections Inc

In the fourth quarter of 2018, Aforti Collections S.A. finalized the acquisition of LifeBelt sp. z o.o. (RB ESPI [2/2019](#) from 02.01.2019), which began in August. During the operation, the companies rebuilt the structures including by strengthening their team with the director of the department of amicable debt collection. Its presence in the structure should improve the level of recovery efficiency.

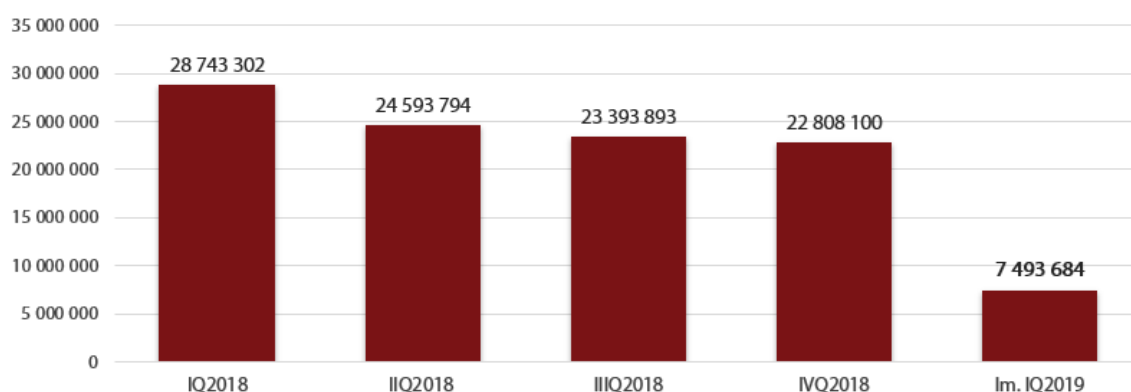
**It should be noted that in the Group's consolidated financial results presented in this Report, the LifeBelt sp. z o.o .. data are also included.**

November 2018 brought new contracts and purchase of debt portfolios from loan companies. It is worth adding here that the company has many years of experience in conducting such cases, as well as appropriate procedures implemented.

The Management of Aforti Collections S.A., like Aforti Exchange S.A., was present at several industry conferences, which resulted in an increase in inquiries about the company's services.

- In the fourth quarter of 2018, the nominal value of orders was at a comparable but slightly lower level than in previous quarters.

Nominal value of debt collection orders (in EUR)



Source: Issuer

### 7) Aforti Factor Inc

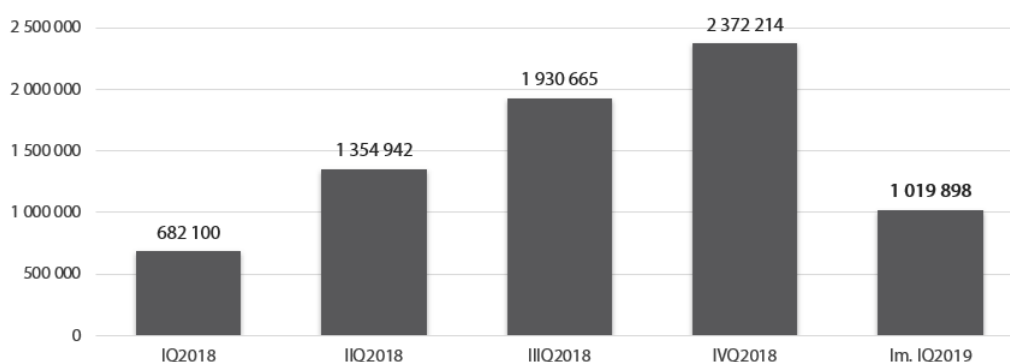
The last quarter of 2018 was the time of change for Aforti Factor. A one of them was the election of the new president of the management board, who has been taking over the business of the company since January 2019. His current activities are focused on gradually and consistently increasing the company's share in the factoring market. For this purpose, the company's offer was also enriched with a new debt-inducing debt service, which is becoming more and more popular - the first transactions in this service were carried out worth over PLN 400,000.

The own call center was also implemented and launched as one of the sales network channels.

- In the fourth quarter of 2018, Aforti Factor S.A. financed invoices with a total value over EUR 2.37 million.

### AFORTI Factor

The value of funded debt (EUR)



Source: Issuer

## 5.2. Comment on Individual financial results of Aforti Holding Inc

In the reporting period of the fourth quarter of 2018, Aforti Holding S.A. generated over PLN 5.33 million of sales revenue, which means an increase of 50.73 percent compared to the same period last year. Net profit amounted to PLN 6.61 mln and was higher by 84.46% than in the previous year. The operating expenses of the Issuer in the indicated period reached PLN 3.83 mln and were decreased by 20.25 percent from costs recorded in 2017.

In the growing trend after four quarters of 2018, the Issuer generated PLN 17.51 mln of sales revenue and about PLN 13.51 mln of net profit. In comparison to the same period of the previous year, the Company's turnover increased by 149.98 percent, and the net result by 222.77 percent.

It needs to be highlighted that the Issuer, being a holding company, does not conduct active operations. The Company's management focuses mainly on the construction of a group of companies providing financial services to entrepreneurs. The aim of the Issuer is to focus only on a few lines to rapidly develop the operating profitability of subsidiaries.

### ***Statistics on the stock quotes of Aforti Holding SA on the Alternative System Trading NewConnect market***

In the fourth quarter of 2018, the value of trading on the Issuer's shares reached the level of over PLN 117.01 thousand (EUR 27.10 thousand). The average volume per session was 314, which gave the Company 131st position for 398 listed companies. The minimum quotation rate in the indicated period was PLN 5.50, and the maximum PLN 6.88. The capitalization of the Company at the end of the fourth quarter of 2018 reached PLN 48.37 million (EUR 11.26 million), which placed the Issuer at 37 position. The book value was PLN 5.74 million. The C / Z (P / E) ratio has stopped at 36.1. At the same time, the C / WK (P / BV) ratio was 8.43.

In the whole 2018 the rate of return on the value of the Company's shares was 94.36 percent. This allowed the Company to be ranked on 23rd place on 387 listed entities. The value of trading in the Issuer's shares during the last 12 months of the previous year amounted to PLN 1 345.84 thousand (EUR 317.70 thousand). The average volume per session was 1 345, which gave the company a 90th position for 398 listed companies.

The minimum quotation rate in the indicated period was PLN 2.40, and the maximum PLN 7.02.

*The C / Z (P / E) indicators suggest the level at which a given market measures a given share at a given time. The C / WK (P / BV) indicators inform about the current valuation by the market of the book value,*

*i.e. the difference between balance sheet assets and total liabilities. It shows the effectiveness of the use of assets, not taking into account the source of capital. Companies with higher return on equity usually have a higher P / BV ratio as well. This indicator informs how many times the company's value on the market is higher (smaller) than its book value. Companies representing capital-intensive sectors of the economy may have a C / WK ratio lower than consulting or IT companies.*

# 6

The ability to implement published financial perspectives for a given year including the results presented in quarterly report

According to the current report ESPI [1/2018](#) dated on January 2, 2018, the Company has resigned from publishing the financial perspectives for 2018. In the opinion of the Board of Directors of the Company, the dynamically growing scale of the Issuer's operations and external factors related to its market environment limit the ability to precisely determine the financial perspective of the Issuer's financial result. Considering the above, the publication of financial forecasts would be too risky and could mislead the investors.

In 2019 the Management Board of the Company confirmed the attitude indicated above and were deciding that in the current year, the Issuer also will not publish the forecasts of financial results. The Company informed about its stance in the current report [ESPI 1/2019](#) dated on 2019, 2nd January.

# 7

The status of the issuer's activities and investments indicated in the Information Document and their schedule

Not apply



# 8

The activity of issuer during the period covered by the report  
in the area of business development through initiatives targeted  
innovation-related solutions in the Company

In the period covered by this Report, the Issuer undertook activities related to the day-to-day operations and development of its subsidiaries. The initiatives undertaken were not related with the introduction of innovative solutions.

# 9

Board of Directors statement

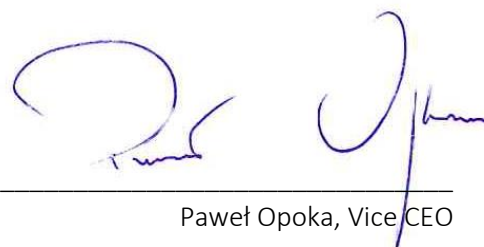
The Board of Directors of Aforti Holding SA declares that selected financial information for the fourth quarter of 2018 as well as comparable data were prepared in accordance with the provisions in force to the Company and the quarterly report contains a true overview of development and achievements of the Company.

Warsaw, February 14, 2019



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Klaudiusz Sytek, CEO



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Paweł Opoka, Vice CEO

# 10

The list of current reports of the issuer  
published in the IV quarter of 2018

Current reports published by the Issuer in the fourth quarter of 2018.

1) EBI System

<a href="#">2018-12-31 11:54:57</a>	Current   89/2018 <a href="#">Przydział Obligacji serii O26 / O26 Series Bonds Allocation</a>
<a href="#">2018-12-24 08:27:40</a>	Current   88/2018 <a href="#">Terminowy wykup obligacji serii M31 / Buy out of the M31 series bonds</a>
<a href="#">2018-12-19 13:20:38</a>	Current   87/2018 <a href="#">Informacja dot. pisma z Domu Maklerskiego BOŚ S.A. / Information about the letter from the brokerage house: Dom Maklerski BOŚ S.A.</a>
<a href="#">2018-12-17 15:52:47</a>	Current   86/2018 <a href="#">Przydział Obligacji serii O25 / O25 Series Bonds Allocation</a>
<a href="#">2018-12-13 17:02:43</a>	Current   85/2018 <a href="#">Terminowy wykup obligacji serii M30 / Buy out of the M30 series bonds</a>
<a href="#">2018-12-10 17:33:21</a>	Current   84/2018 <a href="#">Przydział Obligacji serii O24 / O24 Series Bonds Allocation</a>
<a href="#">2018-11-30 08:24:29</a>	Current   83/2018 <a href="#">Terminowy wykup obligacji serii M28 / Buy out of the M28 series bonds</a>
<a href="#">2018-11-26 17:02:50</a>	Current   82/2018 <a href="#">Przydział Obligacji serii O23 / O23 Series Bonds Allocation</a>
<a href="#">2018-11-21 08:14:56</a>	Current   81/2018 <a href="#">Terminowy wykup obligacji serii M27 / Buy out of the M27 series bonds</a>
<a href="#">2018-11-19 16:17:45</a>	Current   80/2018 <a href="#">Przydział Obligacji serii O21 / O21 Series Bonds Allocation</a>
<a href="#">2018-11-14 17:54:49</a>	Quarterly   79/2018 <a href="#">Jednostkowy i skonsolidowany raport kwartalny za III kwartał 2018 roku / Individual and Consolidated quarterly report for Q III 2018</a>
<a href="#">2018-11-07 16:01:04</a>	Current   78/2018 <a href="#">Przydział Obligacji serii O22 / O22 Series Bonds Allocation</a>
<a href="#">2018-11-07 08:02:41</a>	Current   77/2018 <a href="#">Terminowy wykup obligacji serii M25 / Buy out of the M25 series bonds</a>
<a href="#">2018-10-30 17:00:46</a>	Current   76/2018 <a href="#">Przydział Obligacji serii O19 / O19 Series Bonds Allocation</a>
<a href="#">2018-10-29 08:52:56</a>	Current   75/2018 <a href="#">Terminowy wykup obligacji serii N21 / Buy out of the N21 series bonds</a>
<a href="#">2018-10-24 08:08:37</a>	Current   74/2018 <a href="#">Terminowy wykup obligacji serii M24 / Buy out of the M24 series bonds</a>
<a href="#">2018-10-22 16:58:45</a>	Current   73/2018 <a href="#">Przydział Obligacji serii O20 / O20 Series Bonds Allocation</a>
<a href="#">2018-10-17 08:12:46</a>	Current   72/2018 <a href="#">Terminowy wykup obligacji serii M23 / Buy out of the M23 series bonds</a>

<a href="#">2018-10-15 12:36:32</a>	Current   71/2018 <a href="#">Przydział Obligacji serii O18 / O18 Series Bonds Allocation</a>
<a href="#">2018-10-10 08:05:20</a>	Current   70/2018 <a href="#">Terminowy wykup obligacji serii M22 / Buy out of the M22 series bonds</a>
<a href="#">2018-10-01 17:15:16</a>	Current   69/2018 <a href="#">Korekta raportu bieżącego nr 66/2018 / Correction of current report no. 66/2018</a>
<a href="#">2018-10-01 09:54:06</a>	Current   68/2018 <a href="#">Przydział Obligacji serii O16 / O16 Series Bonds Allocation</a>
2) ESPI System	
<a href="#">2018-12-12 08:26:11</a>	Current   42/2018 <a href="#">Terminowy wykup obligacji serii I4 przez spółkę zależną Aforti Finance S.A.</a>
<a href="#">2018-12-04 13:21:31</a>	Current   40/2018 <a href="#">Złożenie wniosku końcowego do sądu rejonowego o wpis połączenia spółek zależnych Aforti Collections S.A. i LifeBelt sp. z o.o.</a>
<a href="#">2018-12-04 08:50:56</a>	Current   39/2018 <a href="#">Szacunkowe dane operacyjne i sprzedażowe spółek zależnych Aforti Finance S.A., Aforti Exchange S.A., Aforti Exchange Romania S.A., Aforti Collections S.A. oraz Aforti Factor S.A. – listopad 2018 r.</a>
<a href="#">2018-11-27 14:38:15</a>	Current   38/2018 <a href="#">Wyrażenie zgody na Plan Połączenia spółek zależnych Aforti Collections S.A. i LifeBelt Sp. z o.o.</a>
<a href="#">2018-11-05 17:10:05</a>	Current   37/2018 <a href="#">Zawarcie umów cesji wierzytelności przez spółkę zależną Aforti Collections S.A.</a>
<a href="#">2018-11-05 08:53:56</a>	Current   36/2018 <a href="#">Szacunkowe dane operacyjne i sprzedażowe spółek zależnych Aforti Finance S.A., Aforti Exchange S.A., Aforti Exchange Romania S.A., Aforti Collections S.A. oraz Aforti Factor S.A. – październik 2018 r.</a>
<a href="#">2018-10-31 17:08:25</a>	Current   35/2018 <a href="#">Uzyskanie licencji niebankowej instytucji finansowej przez spółkę zależną Aforti Finance Romania IFN S.A.</a>
<a href="#">2018-10-24 11:57:54</a>	Current   34/2018 <a href="#">Informacja poufna dotycząca połączenia spółki zależnej Aforti Collections S.A. z podmiotem z branży windykacyjnej</a>
<a href="#">2018-10-02 08:59:39</a>	Current   33/2018 <a href="#">Szacunkowe dane operacyjne i sprzedażowe spółek zależnych Aforti Finance S.A., Aforti Exchange S.A., Aforti Exchange Romania S.A., Aforti Collections S.A. oraz Aforti Factor S.A. – wrzesień 2018 r</a>