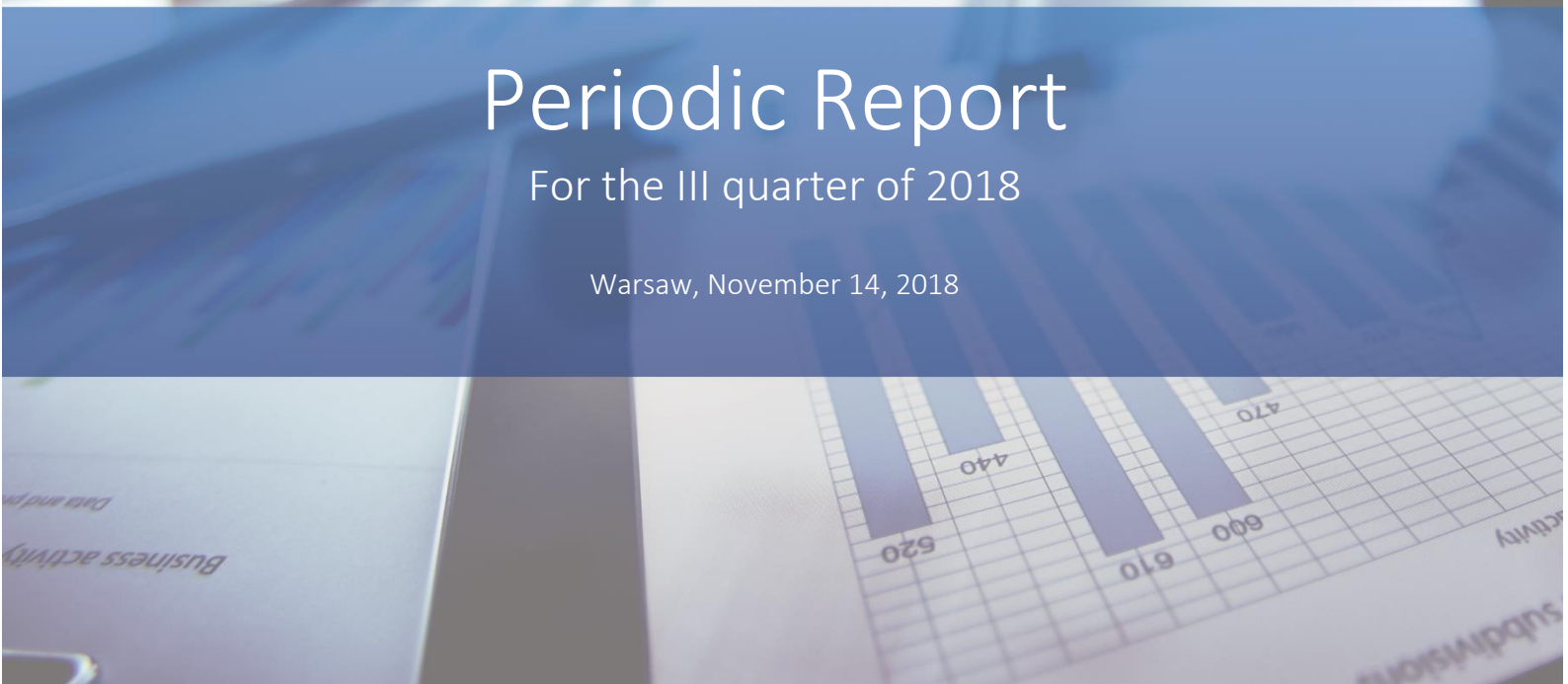




# Periodic Report

For the III quarter of 2018

Warsaw, November 14, 2018



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# 1

General Informations about the Capital Group  
and the Parent Company

## PARENT COMPANY

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<b>Name (Company):</b>	<b>Aforti Holding Inc</b>
<b>Country:</b>	Poland
<b>Address:</b>	00-613 Warsaw, 8 Chałubińskiego 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](#))

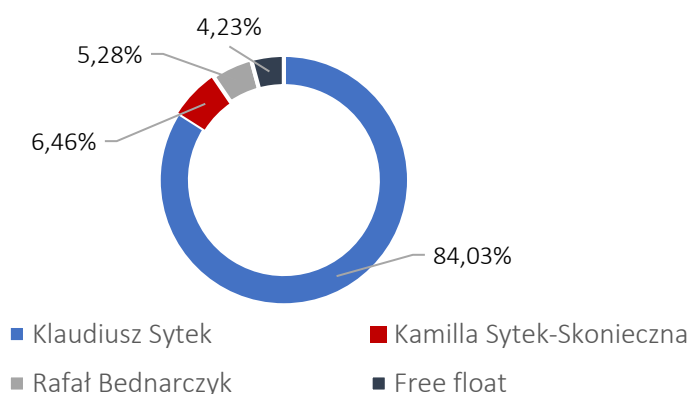
On July 2, 2018, the Supervisory Board of the Company based on §15 para. 4 of the Statutes of the Company, adopted a resolution on co-opting Mrs Olga Chojecka-Szymańska to the Supervisory Board. (EBI current report No. [49/2018](#))

## 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



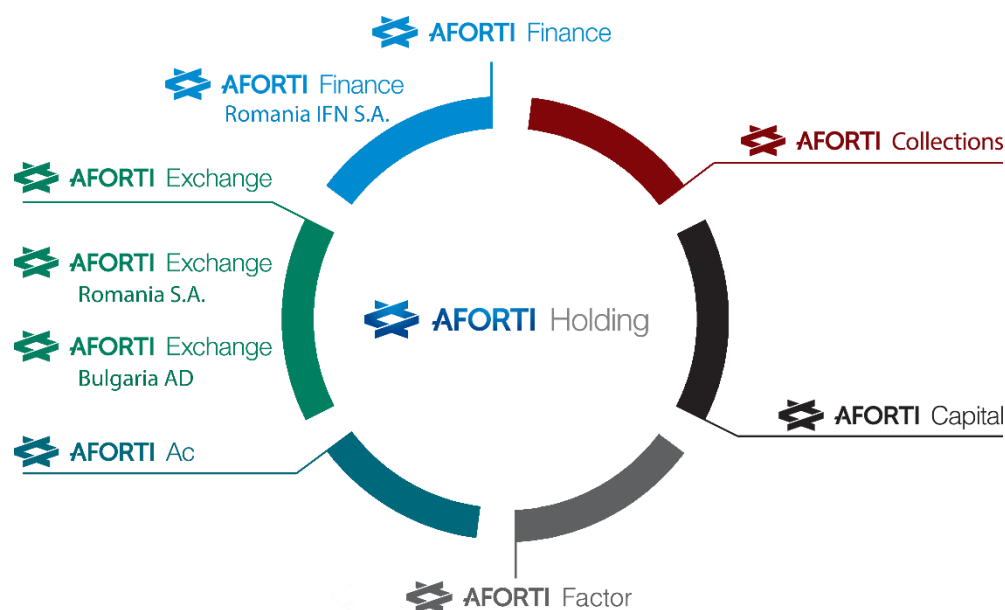
Source: Issuer

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 third quarter of 2018 Aforti Holding SA employed 14,57 people on full-time contracts and 56 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 75,77 people for full-time contracts and 159 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 30.09.2018 together with comparative and cumulative data [PLN]

**ASSETS**

Lp.	Title	Status 30.09.2018	Status 30.09.2017	Status 30.06.2018	Status 30.06.2017
<b>A</b>	<b>Fixed assets</b>	<b>29 376 960,13</b>	<b>20 263 437,39</b>	<b>32 225 513,98</b>	<b>19 017 185,07</b>
<b>I</b>	<b>Intangible assets</b>	<b>977 091,20</b>	<b>615 114,08</b>	<b>837 631,09</b>	<b>625 547,70</b>
1	Reasearch and development costs	0,00	0,00	0,00	0,00
2	Goodwill	0,00	0,00	0,00	0,00
3	Other intengible assets	829 814,65	613 195,28	591 631,89	597 346,00
4	Intangible assets advances	147 276,55	1 918,80	245 999,20	28 201,70
<b>II</b>	<b>Consolidated goodwill</b>	<b>11 589 413,26</b>	<b>13 701 177,85</b>	<b>11 987 008,26</b>	<b>13 865 845,79</b>
1	Concolitaded goodwill - subsidiaries	11 589 413,26	13 701 177,85	11 987 008,26	13 865 845,79
<b>III</b>	<b>Property, plant and equipment</b>	<b>2 651 437,05</b>	<b>1 407 322,65</b>	<b>2 794 292,04</b>	<b>835 070,32</b>
<b>1</b>	<b>Capital assets</b>	<b>2 582 630,42</b>	<b>1 067 206,50</b>	<b>2 622 529,33</b>	<b>391 914,92</b>
a	Land (perpetual usufrut of the land)	0,00	0,00	0,00	0,00
b	Buildings, premisses, civil engineering	8 530,92	9 631,20	9 027,24	1 130,02
c	Equipment and machinery	365 107,63	490 380,14	636 758,13	23 432,11
d	Means of transport	1 933 473,57	346 819,09	1 706 793,71	265 434,37
e	Fixed assets	275 518,30	220 376,07	269 950,25	101 918,42
<b>2</b>	<b>Fixed assets in course of consrtruction</b>	<b>68 806,63</b>	<b>340 116,15</b>	<b>171 762,71</b>	<b>443 155,40</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>274 199,76</b>	<b>76 240,28</b>	<b>162 849,28</b>	<b>40 275,15</b>
1	From related parties	18 475,00	0,00	6 000,00	2 812,00
2	Froim other capital entities	0,00	0,00	0,00	0,00
3	From otherentities	255 724,76	76 240,28	156 849,28	37 463,15
<b>V</b>	<b>Long-term investments</b>	<b>8 323 401,37</b>	<b>1 117 445,86</b>	<b>12 380 712,59</b>	<b>967 119,06</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>8 323 401,37</b>	<b>1 117 445,86</b>	<b>12 380 712,59</b>	<b>967 119,06</b>
a	Affiliated undetakings	8 323 401,37	1 067 029,18	5 371 058,69	967 119,06
	- stocks or shares	6 123 401,37	297 295,12	5 086 466,87	210 775,00
	- other securities	2 200 000,00	734 856,34	200 000,00	734 856,34
	- loans	0,00	34 877,72	84 591,82	21 487,72
	- 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	0,00	50 416,68	7 009 653,90	0,00
	- stocks and shares	0,00	0,00	0,00	0,00
	- other securities	0,00	0,00	0,00	0,00
	- loans	0,00	50 416,68	7 009 653,90	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>VI</b>	<b>Long-term accrued settlements</b>	<b>5 561 417,49</b>	<b>3 346 136,67</b>	<b>4 063 020,72</b>	<b>2 683 327,05</b>
<b>1</b>	<b>Deffered tax assets</b>	<b>2 283 979,04</b>	<b>445 257,73</b>	<b>1 133 710,38</b>	<b>445 257,73</b>
<b>2</b>	<b>Other accrued settlements</b>	<b>3 277 438,45</b>	<b>2 900 878,94</b>	<b>2 929 310,34</b>	<b>2 238 069,32</b>
<b>B</b>	<b>Current assets</b>	<b>110 994 168,28</b>	<b>53 971 736,61</b>	<b>85 668 472,46</b>	<b>37 868 636,29</b>

<b>I</b>	<b>Supplies</b>	<b>0,00</b>	<b>0,00</b>	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	Supply advances	0,00	0,00	0,00	0,00
<b>II</b>	<b>Current assets</b>	<b>26 925 646,93</b>	<b>12 444 095,08</b>	<b>21 072 580,98</b>	<b>11 736 856,11</b>
<b>1</b>	<b>Amounts owed by affiliated undertakings</b>	<b>8 677 318,03</b>	<b>5 742 664,42</b>	<b>8 779 489,63</b>	<b>5 574 185,43</b>
a	Due to supply and service during the collection period:	1 300 522,33	4 182 199,84	4 177 128,14	4 047 666,78
	- until 12 months	1 300 522,33	4 182 199,84	4 177 128,14	4 047 666,78
	- over 12 months	0,00	0,00	0,00	0,00
b	Others	7 376 795,70	1 560 464,58	4 602 361,49	1 526 518,65
<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>18 248 328,90</b>	<b>6 701 430,66</b>	<b>12 293 091,35</b>	<b>6 162 670,68</b>
a	Due to supply and service during the collection period:	775 978,32	841 430,67	589 135,52	645 947,48
	- until 12 months	775 978,32	841 430,67	589 135,52	645 947,48
	- over 12 months	0,00	0,00	0,00	0,00
b	For taxes, grants, duties, social securities, health insurance and other benefits	1 818 954,51	678 665,29	1 254 735,56	424 712,77
c	Others	15 653 396,07	5 181 334,70	10 449 220,27	5 092 010,43
d	Claims in court	0,00	0,00	0,00	0,00
<b>III</b>	<b>Short-term investments</b>	<b>80 307 348,70</b>	<b>35 981 846,84</b>	<b>63 877 214,75</b>	<b>24 451 028,55</b>
<b>1</b>	<b>Short-term financial asstes</b>	<b>80 307 348,70</b>	<b>35 981 846,84</b>	<b>63 877 214,75</b>	<b>24 451 028,55</b>
a	Related parties	3 248 717,73	2 496 600,00	(550 607,80)	2 496 600,00
	- stocks or shares	3 248 717,73	2 496 600,00	(550 607,80)	2 496 600,00
	- Other intengible 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	72 779 972,46	30 583 891,82	62 921 223,07	21 228 832,28
	- shares or stocks	68 000,00	1 649 996,43	1 667 996,43	1 574 996,43
	- Other intengible assets	6 394 020,65	3 582 000,00	6 359 870,73	2 989 000,00
	- loans	66 317 951,81	25 350 490,46	54 893 355,91	16 663 430,92
	- other short-term financial assets	0,00	1 404,93	0,00	1 404,93
c	Money and monetary assets	4 278 658,51	2 901 355,02	1 506 599,48	725 596,27
	- cash in hand and on the accounts	3 562 575,28	2 858 165,95	1 501 443,63	722 419,69
	- other money	716 083,23	43 189,07	5 155,85	3 176,58
	- 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>3 761 172,65</b>	<b>5 545 794,69</b>	<b>718 676,73</b>	<b>1 680 751,63</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>140 371 128,41</b>	<b>74 235 173,99</b>	<b>102 574 031,83</b>	<b>117 893 986,44</b>

Source: Issuer

**LIABILITIES**

Lp.	Title	Status 30.09.2018	Status 30.09.2017	Status 30.06.2018	Status 30.06.2017
<b>A</b>	<b>Own Capital (fund)</b>	<b>5 740 234,46</b>	<b>5 576 855,35</b>	<b>5 508 296,67</b>	<b>5 253 710,11</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)	(6 850 912,59)	(10 110 001,77)	(6 850 912,59)
VI	Net Profit (loss)	1 244 422,26	1 120 998,78	1 012 484,47	797 853,54
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>2 989 576,03</b>	<b>1 095 952,75</b>	<b>3 302 442,93</b>	<b>838 291,62</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>131 641 317,92</b>	<b>67 562 365,89</b>	<b>109 083 246,85</b>	<b>50 793 819,62</b>
I	Provisions for liabilities	5 000,00	14 774,01	5 000,00	14 774,01
1	Deffered tax liabilities	0,00	5 805,39	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	5 000,00	8 968,62	5 000,00	8 968,62
	- long-term	0,00	0,00	0,00	0,00
	- short-term	5 000,00	8 968,62	5 000,00	8 968,62
II	Long-term liabilities	73 830 682,69	51 099 591,76	70 464 841,99	38 888 833,20
1	To affiliated undertakings	1 170 621,05	199 738,30	1 267 440,05	24 124,34
2	To other capital entities	0,00	0,00	0,00	0,00
3	To other entities	72 660 061,64	50 899 853,46	69 197 401,94	38 864 708,86
a	Loans	0,00	26 333,33	4 333,33	18 972,73
b	Debt securities issued	71 784 000,00	50 667 000,04	68 317 006,97	38 628 000,00
c	Other financial liabilities	876 061,64	206 520,09	876 061,64	217 736,13
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	54 037 300,52	14 899 217,23	34 832 865,23	11 890 212,41
1	To affiliated undertakings	394 411,05	624 430,99	404 061,20	888 136,60
a	Due to supplies and services during the collection period:	369 742,43	570 624,23	383 309,78	761 909,92
	- until 12 months	369 742,43	570 624,23	383 309,78	761 909,92
	- over 12 months	0,00	0,00	0,00	0,00
b	Others	24 668,62	53 806,76	20 751,42	126 226,68
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	53 642 889,47	14 274 786,24	34 428 804,03	11 002 075,81
a	Loans	9 743,13	22 007,41	18 359,03	18 546,33
b	Debt security issues	16 561 504,81	420 000,00	11 277 504,81	1 005 000,00
c	Other financial liabilities	31 647 323,66	10 519 890,59	18 197 113,20	6 682 329,56
d	Due to supplies and services during the collection period:	1 621 538,44	1 472 846,18	1 344 541,81	1 085 024,84
	- until 12 months	1 621 538,44	1 472 846,18	1 344 541,81	1 085 024,84
	- over 12 months	0,00	0,00	0,00	0,00
e	Supplies advances	0,00	73,20	0,00	73,20
f	Marker liabilities	0,00	0,00	0,00	0,00
g	Tax, duties, insurances and others	3 260 230,91	1 089 899,83	2 876 729,83	1 372 773,76
h	Salaries	319 070,36	411 034,87	402 117,42	341 945,02
i	Others	223 478,16	339 034,16	312 437,93	496 383,10
3	Special funds	0,00	0,00	0,00	0,00
<b>IV</b>	<b>Accruals</b>	<b>3 768 334,71</b>	<b>1 548 782,89</b>	<b>3 780 539,63</b>	<b>0,00</b>
1	Negative goodwill	0,00	0,00	0,00	0,00
2	Other accruals	3 768 334,71	1 548 782,89	3 780 539,63	0,00
	- long-term	0,00	0,00	0,00	0,00
	- short-term	3 768 334,71	1 548 782,89	3 780 539,63	0,00
<b>Total Liabilities</b>		<b>140 371 128,41</b>	<b>74 235 173,99</b>	<b>117 893 986,44</b>	<b>56 885 821,35</b>

Source: Issuer

## INCOME STATEMENT – COMPARATIVER OPTION

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

Lp.	Title	01.07.2018 – 30.09.2018	01.07.2017 – 30.09.2017	01.01.2018 – 30.09.2018	01.01.2017 – 30.09.2017
<b>A</b>	<b>Net turnover</b>	<b>121 982 214,86</b>	<b>46 534 131,87</b>	<b>365 729 171,52</b>	<b>121 701 109,16</b>
-	Related parties	0,00	0,00	0,00	0,00
I	Net revenues from sales of products	5 630 817,62	3 825 544,80	19 395 485,45	9 543 646,07
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	116 351 397,24	42 708 587,07	346 333 686,07	112 157 463,09
<b>B</b>	<b>Operational costs</b>	<b>123 784 193,05</b>	<b>45 619 279,42</b>	<b>365 763 720,22</b>	<b>119 652 185,11</b>
I	Depreciation	266 934,21	125 737,43	668 552,72	337 974,24
II	Materials and Energy consumption	179 338,21	128 076,39	485 473,22	361 127,18
III	External services	2 795 977,37	1 271 116,74	7 780 670,58	2 626 412,04
IV	Tax and fees, including:	765 744,86	416 360,00	1 766 631,72	924 461,02
-	excise duty	0,00	0,00	3 417,57	0,00
V	Salaries	1 324 256,51	733 579,92	3 978 074,05	1 904 072,91
VI	Social Securities and other benefits	230 337,68	126 284,11	688 863,29	310 570,51
-	pensions	95 072,33	50 801,68	284 717,95	117 393,22
VII	Other costs	1 959 487,08	111 284,59	4 240 057,33	1 054 770,56
VIII	Value of the goods and materials sold	116 262 117,13	42 706 840,24	346 155 397,31	112 132 796,65
<b>C</b>	<b>Profit (loss) on sales (A-B)</b>	<b>(1 801 978,19)</b>	<b>914 852,45</b>	<b>(34 548,70)</b>	<b>2 048 924,05</b>
<b>D</b>	<b>Other operational profits</b>	<b>185 409,11</b>	<b>30 773,27</b>	<b>689 918,37</b>	<b>68 162,56</b>
I	Profit of disbursement of fixed assets	27 130,16	(1 088,25)	27 130,16	34 795,64
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	158 278,95	31 861,52	662 788,21	33 366,92
<b>E</b>	<b>Other operating costs</b>	<b>4 532 842,17</b>	<b>256 341,61</b>	<b>4 793 204,02</b>	<b>429 413,63</b>
I	Loss from disposal of fixed assets	0,00	0,00	0,00	(100,00)
II	Update on the value non-financial assets	0,00	0,00	0,00	0,00
III	Other operational costs	4 532 842,17	256 341,61	4 793 204,02	429 513,63
<b>F</b>	<b>Profit (loss) on operational activity (C+D-E)</b>	<b>(6 149 411,25)</b>	<b>689 284,11</b>	<b>(4 137 834,35)</b>	<b>1 687 672,98</b>
<b>G</b>	<b>Financial income</b>	<b>5 258 134,13</b>	<b>1 694 025,86</b>	<b>18 324 596,81</b>	<b>4 338 429,07</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	156 260,11	39 999,02	191 048,57	59 104,53
-	from related parties	0,00	0,00	0,00	0,00
III	Profit from disposal of investment	2 524 325,92	0,00	8 565 267,99	1 203 248,93
-	related parties	0,00	0,00	0,00	0,00
IV	Update on the investment value	0,00	0,00	0,00	0,00
V	Others	2 577 548,10	1 654 026,84	9 568 280,25	3 076 075,61
<b>H</b>	<b>Financial expenses</b>	<b>(556 053,68)</b>	<b>1 571 404,66</b>	<b>9 221 652,70</b>	<b>2 980 669,57</b>

I	Interest	1 356 089,41	1 506 847,74	4 931 280,96	2 764 845,11
-	for related parties	0,00	0,00	0,00	0,00
II	Loss from disbursement of financial assets	0,00	0,00	0,00	0,30
-	in related parties	0,00	0,00	0,00	0,00
III	Value of financial assets update	(2 602 881,24)	0,00	3 037 900,66	0,00
IV	Others	690 738,15	64 556,92	1 252 471,08	215 824,16
<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>(335 223,44)</b>	<b>811 905,31</b>	<b>4 965 109,76</b>	<b>3 045 432,48</b>
<b>K</b>	<b>An impairment of the company</b>	<b>397 595,00</b>	<b>209 650,94</b>	<b>1 192 785,01</b>	<b>628 952,82</b>
I	An impairment — subsidiaries	397 595,00	209 650,94	1 192 785,01	628 952,82
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>(732 818,44)</b>	<b>602 254,37</b>	<b>3 772 324,75</b>	<b>2 416 479,66</b>
<b>O</b>	<b>Income tax</b>	<b>(322 420,66)</b>	<b>0,00</b>	<b>845 336,34</b>	<b>0,00</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>(642 335,57)</b>	<b>279 109,13</b>	<b>1 682 566,15</b>	<b>1 295 480,88</b>
<b>R</b>	<b>Profit (loss) net (N-O-P+/-Q)</b>	<b>231 937,79</b>	<b>323 145,24</b>	<b>1 244 422,26</b>	<b>1 120 998,78</b>

Source: Issuer

## CASH FLOW STATEMENT

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

Lp.	Title	01.01.2018 – 30.09.2018	01.01.2017 – 30.09.2017
<b>A.</b>	<b>Cash flow net from operations</b>		
<b>I</b>	<b>Profit (loss) net</b>	<b>1 244 422,26</b>	<b>1 120 998,78</b>
<b>II</b>	<b>Total adjustment</b>	<b>(33 493 335,96)</b>	<b>(21 683 138,64)</b>
1	Profits (minority losses)	1 682 566,15	1 295 480,88
2	Profits (loss) from shares of entities priced by equity method	0,00	0,00
3	Depreciation	668 552,72	337 974,24
4	An impairment of goodwill of the company	1 192 785,01	628 952,82
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)	4 740 232,39	2 705 740,58
8	Profits (loss) from investment activity	(8 565 267,99)	(34 795,64)
9	Change in the provision	(22 000,00)	(79 440,46)
10	Change in stocks	0,00	0,00
11	Change in financial claims	(34 085 460,94)	(16 175 807,38)
12	Change in short-term financial liabilities, excluding loans	4 692 372,71	(1 967 232,59)
13	Change in accrued settlements	(3 084 460,28)	(3 736 080,09)
14	Other provisions	(712 655,73)	(4 657 931,00)
<b>III</b>	<b>Cash flow net from operations (I ± II)</b>	<b>(32 248 913,70)</b>	<b>(20 562 139,86)</b>
<b>B.</b>	<b>Cash flow from investment activity</b>		
<b>I</b>	<b>Profits</b>	<b>8 826 601,65</b>	<b>68 270,00</b>
1	Disposal of legal, intangible and tangible assets	0,00	48 270,00
2	Disposal of real estate investments and legal, intangible assets	0,00	0,00
3	Financial assets	8 826 601,65	20 000,00
a)	In related parties	8 755 604,10	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
<b>II</b>	<b>Expenses</b>	<b>5 380 758,02</b>	<b>1 494 971,78</b>
1	Aquisition of tangible and intangible fixed assets	1 433 682,57	1 065 678,98
2	Investments in real estate and intangible assets	0,00	0,00
3	Financial assets	3 947 075,45	429 292,80
a)	In related parties	3 947 075,45	297 295,12
b)	In other equities	0,00	131 997,68
-	Aquisition of financial assets	0,00	75 000,00
-	Long-term loans	0,00	56 997,68
4	Dividends and other shares on profit paid to minority shareholders	0,00	0,00
5	Other investment expenses	0,00	0,00
<b>III</b>	<b>Cash flow net from investment activity (I-II)</b>	<b>3 445 843,63</b>	<b>(1 426 701,78)</b>



<b>C</b>		<b>Cash flow from financial activity</b>	
<b>I</b>	<b>Profits</b>	<b>77 695 533,97</b>	<b>44 474 552,01</b>
1	Net receipts from issuance of shares and other equity instruments and equity infusion	0,00	0,00
2	Loans	18 105 916,02	4 548 705,62
3	Debt securities issuance	40 800 000,00	30 825 000,04
4	Other financial income	18 789 617,95	9 100 846,35
<b>II</b>	<b>Expenses</b>	<b>48 471 337,39</b>	<b>20 111 922,45</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	777 343,71
5	Debt securities buyout	17 270 460,49	2 425 000,00
6	Other financial liabilities	0,00	0,00
7	Payments from financial leasing	206 712,71	245 733,63
8	Interest	4 931 280,96	2 764 845,11
9	Other financial expenses	26 058 549,90	13 899 000,00
<b>III</b>	<b>Net cash flow from financial activity (I-II)</b>	<b>29 224 196,58</b>	<b>24 362 629,56</b>
<b>D</b>	<b>Tolat net cash flow (A.III ± B.III ± CIII)</b>	<b>421 126,51</b>	<b>2 373 787,92</b>
<b>E</b>	<b>Balance change in cash assets</b>	<b>421 126,51</b>	<b>2 373 787,92</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>4 278 658,51</b>	<b>2 901 355,02</b>
-	Restricted possibility of dispatch		0,00

Source: Issuer

## THE STATEMENT OF CHANGES IN EQUITY

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

Lp.	Title	01.01.2018 - 30.09.2018	01.01.2017 - 30.09.2017
I.	<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	0,00
I.a.	<b>Equity (fund) at the beginning of period (BO), after adjustments</b>	<b>4 377 023,62</b>	<b>4 455 856,57</b>
1	<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	0,00
-	Contribution in-kind	0,00	0,00
b	Decrease related to:	0,00	0,00
-	Redemption of shares	0,00	0,00
-	.....	0,00	0,00
1.2.	<b>Equity (fund) at the beginning of period</b>	<b>7 801 915,00</b>	<b>7 801 915,00</b>
2	<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	0,00
-	Appropriation of the profit (by law)	3 299 044,80	0,00
-	Appropriation of the profit (over required by law nominal value)	0,00	1 753 885,98
-	Issuing of the new shares	0,00	0,00
b	Decrease (for the transfer of capital reserve)	0,00	0,00
-	Cover the deficit	0,00	0,00
-	Transfer to the share capital (registration of shares D series)	0,00	0,00
2.2.	<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>
3	<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
3.2.	<b>Equity (fund) of revaluation at the end of period</b>	<b>0,00</b>	<b>0,00</b>
4	<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	0,00
-	Increase of capital reserve (transfer)	0,00	0,00
b	Decrease	0,00	0,00
-	Divident payment	0,00	0,00
4.2.	<b>Other equity reserve (fund) at the end of period</b>	<b>0,00</b>	<b>0,00</b>
5	<b>Profit (loss) from the previous years at the beginning of period</b>	<b>0,00</b>	<b>0,00</b>
5.1.	<b>Profit from the previous years at the beginning of period</b>	<b>0,00</b>	<b>0,00</b>
-	Changes in the accounting policy	0,00	0,00
-	Correction of fundamental errors	0,00	0,00

<b>5.2.</b>	<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	0,00
b	Decrease	1 336 122,83	0,00
-	Loss compensation	1 336 122,83	0,00
-	Transfer of capital reserve	0,00	0,00
<b>5.3.</b>	<b>Profit from the previous years at the end of period</b>	<b>0,00</b>	<b>0,00</b>
<b>5.4</b>	<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	0,00
-	Correction of fundamental errors	0,00	0,00
<b>5.5.</b>	<b>Losses from previous years at the beginning of period, after corrections</b>	<b>(8 147 079,80)</b>	<b>(5 620 238,40)</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)
<b>5.6.</b>	<b>Losses from previous years at the end of period</b>	<b>(10 110 001,77)</b>	<b>(6 850 912,59)</b>
<b>5.7</b>	<b>Profit (loss) from previous years at the end of period</b>	<b>(10 110 001,77)</b>	<b>(6 850 912,59)</b>
<b>6.</b>	<b>Net income</b>	<b>1 244 422,26</b>	<b>1 120 998,78</b>
a	Net profit	1 244 422,26	1 120 998,78
b	Net loss (negative)	0,00	0,00
c	Profit copy (negative)	0,00	0,00
<b>II</b>	<b>Equity (fund) at the end of period (BZ)</b>	<b>5 740 234,46</b>	<b>5 576 855,36</b>
<b>III</b>	<b>Equity (fund) after taking into account proposed profit (cover loss)</b>	<b>5 740 234,46</b>	<b>5 576 855,36</b>

Source: Issuer

# 3

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



**Table 5.** Individual selected financial data of the balance dated on 30.09.2018 together with comparative and cumulative data [PLN]

**ASSETS**

Lp.	Title	Status 30.09.2018	Status 30.09.2017	Status 30.06.2018	Status 30.06.2017
<b>A</b>	<b>FIXED ASSETS</b>	<b>111 263 978,00</b>	<b>36 536 082,79</b>	<b>111 833 340,37</b>	<b>31 555 099,99</b>
<b>I</b>	<b>Intangible fixed assets</b>	<b>29 550,87</b>	<b>38 000,13</b>	<b>36 961,02</b>	<b>19 150,32</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	29 550,87	38 000,13	36 961,02	2 892,62
4	Intangible fixed assets advance	0,00	0,00	0,00	16 257,70
<b>II</b>	<b>Tangible assets</b>	<b>1 297 080,31</b>	<b>524 843,58</b>	<b>1 433 950,88</b>	<b>476 621,91</b>
<b>1</b>	<b>Fixed assets</b>	<b>1 297 080,31</b>	<b>524 843,58</b>	<b>1 414 914,28</b>	<b>311 095,28</b>
a	Land (perpetual usufruct)	0,00	0,00	0,00	0,00
b	Buildings, premises i civil engineering facilities	7 670,00	8 555,00	8 112,50	0,00
c	Equipment and machinery	127 477,19	123 764,07	143 290,61	1 306,83
d	Means of transport	932 003,03	188 178,73	1 040 429,13	211 096,03
e	Other fixed assets	229 930,09	204 345,78	223 082,04	98 692,42
<b>2</b>	<b>Fixed assets under construction</b>	<b>0,00</b>	<b>0,00</b>	<b>19 036,60</b>	<b>165 526,63</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>196 072,71</b>	<b>34 833,71</b>	<b>104 751,71</b>	<b>23 438,01</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	196 072,71	34 833,71	104 751,71	23 438,01
<b>IV</b>	<b>Long-term investments</b>	<b>106 365 857,93</b>	<b>33 665 503,84</b>	<b>107 241 614,30</b>	<b>29 425 797,84</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>106 365 857,93</b>	<b>33 665 503,84</b>	<b>107 241 614,30</b>	<b>29 425 797,84</b>
a	In affiliates	106 365 857,93	33 665 503,84	107 241 614,30	29 425 797,84
	- stocks or shares	89 265 857,93	28 040 225,50	83 424 795,30	24 314 777,50
	- other securities	17 100 000,00	734 856,34	22 200 000,00	734 856,34
	- loans	0,00	4 890 422,00	1 616 819,00	4 376 164,00
	- 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>3 375 416,18</b>	<b>2 272 901,53</b>	<b>3 016 062,46</b>	<b>1 610 091,91</b>
<b>1</b>	<b>Deffered tax assets</b>	<b>146 622,54</b>	<b>0,00</b>	<b>146 622,54</b>	<b>0,00</b>

2	Other accruals	3 228 793,64	2 272 901,53	2 869 439,92	1 610 091,91
<b>B</b>	<b>CURRENT ASSETS</b>	<b>18 251 392,68</b>	<b>16 730 996,52</b>	<b>8 670 692,53</b>	<b>12 815 326,70</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	8 859 610,54	4 970 525,71	4 961 678,02	6 523 174,09
1	Related parties receivables	8 443 779,66	4 477 593,01	4 757 676,95	4 592 805,08
a	Due to supplies and services during the collection period:	3 156 131,04	2 879 601,71	3 194 557,61	2 994 813,78
	- until 12 months	3 156 131,04	2 879 601,71	3 194 557,61	2 994 813,78
	- over 12 months	0,00	0,00	0,00	0,00
b	Other	5 287 648,62	1 597 991,30	1 563 119,34	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	415 830,88	492 932,70	204 001,07	1 930 369,01
a	Due to supplies and services during the collection period:	216 724,54	80 960,06	85 822,27	90 128,04
	- until 12 months	216 724,54	80 960,06	85 822,27	90 128,04
	- over 12 months	0,00	0,00	0,00	0,00
	Due to taxes, grands, duties, social securities, health insurance and other benefits	1 140,54	379 430,45	21 867,22	214 623,56
c	Other	197 965,80	32 542,19	96 311,58	1 625 617,41
d	Claimed at court	0,00	0,00	0,00	0,00
III	Short-term investemnts	6 198 993,40	6 902 560,94	3 244 482,79	5 202 077,35
1	Short-term financial assets	6 198 993,40	6 902 560,94	3 244 482,79	5 202 077,35
a	In related parties	4 941 104,61	3 140 000,00	800 000,00	3 140 000,00
	- stocks or shares	4 941 104,61	3 140 000,00	800 000,00	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	792 460,65	1 639 000,00	1 983 310,73	1 639 000,00
	- stocks and shares	0,00	1 200 000,00	1 200 000,00	1 200 000,00
	- other securities	792 460,65	439 000,00	783 310,73	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	465 428,14	2 123 560,94	461 172,06	423 077,35
	- cash in hand and in the account	465 428,14	2 123 560,94	461 172,06	423 077,35
	- 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	3 192 788,74	4 857 909,87	464 531,72	1 090 075,26
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>129 515 370,68</b>	<b>53 267 079,31</b>	<b>120 504 032,90</b>	<b>44 370 426,69</b>

Source: Issuer

**LIABILITIES**

Lp.	Title	Status 30.09.2018	Status 30.09.2017	Status 30.06.2018	Status 30.06.2017
A	Equity (fund)	50 467 375,01	12 292 816,94	43 787 489,95	11 919 574,56
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	0,00	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	386 724,23	386 724,23	386 724,23
VI	Net profit (loss)	6 893 539,58	599 323,55	213 654,52	226 081,17
VII	Net profit copies during the financial year (negative value)	0,00	0,00	0,00	0,00
B	<b>LIABILITIES AND PROVISIONS ON LIABILITIES</b>	<b>79 047 995,67</b>	<b>40 974 262,37</b>	<b>76 716 542,95</b>	<b>32 450 852,13</b>
I	Provisions on liabilities	0,00	0,00	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	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
II	<b>Long-term liabilities</b>	<b>68 994 753,07</b>	<b>38 604 105,37</b>	<b>58 071 579,04</b>	<b>29 046 945,31</b>
1	To affiliated undertakings	473 473,61	706 403,61	570 292,61	1 085 865,61
2	To other capital entities	0,00	0,00	0,00	0,00
3	To other entities	68 521 279,46	37 897 701,76	57 501 286,43	27 961 079,70
a	Loans	0,00	0,00	0,00	0,00
b	Due to debt securities issues	67 670 000,00	37 616 000,04	56 650 006,97	27 673 000,00
c	Other financial liabilities	851 279,46	156 951,72	851 279,46	163 329,70
d	Marker liabilities	0,00	0,00	0,00	0,00
e	Other	0,00	124 750,00	0,00	124 750,00
III	<b>Short-term liabilities</b>	<b>10 053 242,60</b>	<b>2 370 157,00</b>	<b>18 644 963,91</b>	<b>3 403 906,82</b>
1	To related parties	4 353 313,59	499 544,73	7 762 529,39	546 990,29
a	Due to supplies and services, with the maturity:	47 218,00	250,00	49 749,07	47 695,56
	- until 12 months	47 218,00	250,00	49 749,07	47 695,56
	- over 12 months	0,00	0,00	0,00	0,00
b	Other	4 306 095,59	499 294,73	7 712 780,32	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	5 699 929,01	1 870 612,27	10 882 434,52	2 856 916,53
a	Loans	9 600,00	9 600,00	9 600,00	9 600,00

b	Due to debt securities issues	4 472 000,00	420 000,00	8 901 000,00	1 005 000,00
c	Other financial liabilities	58 874,87	7 647,97	71 644,18	18 612,01
d	Due to supplies and services, with the maturity:	381 861,76	737 442,46	635 928,20	924 883,72
	- until 12 months	381 861,76	737 442,46	635 928,20	924 883,72
	- 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	729 722,87	283 749,53	1 067 958,60	449 462,41
h	Payroll	35 719,67	181 472,84	121 379,59	130 115,09
i	Other	12 149,84	230 699,47	74 923,95	319 243,30
4	Special funds	0,00	0,00	0,00	0,00
<b>IV</b>	<b>Accruals</b>	<b>0,00</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	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
<b>TOTAL LIABILITIES</b>		<b>129 515 370,68</b>	<b>53 267 079,31</b>	<b>120 504 032,90</b>	<b>44 370 426,69</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 third quarter and cumulatively after nine months 2018 together with comparative data [PLN]

Lp.	Title	01.07.2018 – 30.09.2018	01.07.2017 – 30.09.2017	01.01.2018 – 30.09.2018	01.01.2017 – 30.09.2017
<b>A</b>	<b>Net revenues from sales and equivalent, including revenues:</b>	<b>5 441 336,53</b>	<b>1 868 136,06</b>	<b>12 176 440,86</b>	<b>3 465 749,95</b>
-	Related parties	0,00	0,00	0,00	0,00
I	Net revenues from sales of products	5 441 336,53	1 868 136,06	12 176 440,86	3 465 749,95
II	Change in the balance of products (increase - positive value, decrease - negative value)	0,00	0,00	0,00	0,00
III	Manufacturing cost of products for internal purposes	0,00	0,00	0,00	0,00
IV	Net revenues from sales of goods and materials	0,00	0,00	0,00	0,00
<b>B</b>	<b>Operating expenses</b>	<b>3 102 685,62</b>	<b>922 105,25</b>	<b>8 566 653,15</b>	<b>2 577 501,08</b>
I	Amortisation and depreciation	108 893,04	43 908,98	258 030,31	120 913,76
II	Consumption of materials and energy	76 246,43	62 573,72	216 634,27	188 160,13
III	External services	1 118 134,71	575 239,16	2 969 968,54	1 573 009,96
IV	Taxes and charges, including:	24 077,75	7 995,98	40 919,66	17 824,15
	- excise duty	0,00	0,00	0,00	0,00
V	Payroll	530 942,56	138 579,84	1 495 979,82	437 009,96
VI	Social security and other benefits	77 556,54	19 243,09	211 375,94	42 470,00
	- pensions	29 138,92	8 209,79	81 102,32	18 019,73
VII	Other costs by type	1 166 834,59	74 564,48	3 373 744,61	198 113,12
VIII	Value of goods and materials sold	0,00	0,00	0,00	0,00
<b>C</b>	<b>Profit (loss) on sales (A-B)</b>	<b>2 338 650,91</b>	<b>946 030,81</b>	<b>3 609 787,71</b>	<b>888 248,87</b>
<b>D</b>	<b>Other operating revenues</b>	<b>36 038,66</b>	<b>9 626,55</b>	<b>422 649,74</b>	<b>45 510,44</b>
I	Profit on disposal of non-financial fixed assets	27 130,16	(1 088,25)	27 130,16	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	8 908,50	10 714,80	395 519,58	10 714,80
<b>E</b>	<b>Other operating expenses</b>	<b>9 994,31</b>	<b>9 899,43</b>	<b>203 923,58</b>	<b>10 286,94</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	9 994,31	9 899,43	203 923,58	10 286,94
<b>F</b>	<b>Profit (loss) on operating activities (C+D-E)</b>	<b>2 364 695,26</b>	<b>945 757,93</b>	<b>3 828 513,87</b>	<b>923 472,37</b>
<b>G</b>	<b>Financial revenues</b>	<b>2 894 999,26</b>	<b>87 324,02</b>	<b>9 312 590,41</b>	<b>1 517 471,33</b>
I	Dividends and profit sharing, including:	0,00	0,00	0,00	0,00
a)	from related parties:	0,00	0,00	0,00	0,00
	- capital entity	0,00	0,00	0,00	0,00
b)	From other entities:	0,00	0,00	0,00	0,00
	- capital entity	0,00	0,00	0,00	0,00
II	Interest, including::	398 294,34	86 536,04	1 357 157,83	293 692,99
-	From related parties	377 930,56	85 969,47	1 333 904,74	292 784,99
III	Profit on disposal of financial assets	2 516 631,92	0,00	7 955 341,49	1 202 700,00

- in related parties	0,00	0,00	0,00	0,00
IV Revaluation of financial assets	0,00	0,00	0,00	0,00
V Other	(19 927,00)	787,98	91,09	21 078,34
<b>H Financial expenses</b>	<b>(1 420 190,54)</b>	<b>659 839,57</b>	<b>6 247 564,70</b>	<b>1 841 620,15</b>
I Interest	1 181 510,31	659 399,00	3 208 404,29	1 840 169,98
- for related parties	203 219,60	15 638,94	283 757,97	199 122,81
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	(2 602 881,24)	0,00	3 037 900,66	0,00
IV Other	1 180,39	440,57	1 259,75	1 450,17
<b>I Gross profit (loss) (F+G-H)</b>	<b>6 679 885,06</b>	<b>373 242,38</b>	<b>6 893 539,58</b>	<b>599 323,55</b>
J Income tax	0,00	0,00	0,00	0,00
K Other statutory reductions in profit (increases in loss)	0,00	0,00	0,00	0,00
<b>L Net profit (loss) (I-J-K)</b>	<b>6 679 885,06</b>	<b>373 242,38</b>	<b>6 893 539,58</b>	<b>599 323,55</b>

Source: Issuer

## CASH-FLOW STATEMENT

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

Lp.	Title	01.01.2018 – 30.09.2018	01.01.2017 – 30.09.2017
<b>A.</b>	<b>Net cash flows from operating activities</b>		
<b>I</b>	<b>Net profit (loss)</b>	<b>6 893 539,58</b>	<b>599 323,55</b>
<b>II</b>	<b>Total provisions</b>	<b>(5 080 053,73)</b>	<b>(5 958 539,00)</b>
3	Amortisation and depreciation	258 030,31	120 913,76
6	Foreign exchange gains (loss)	0,00	0,00
7	Interest and gain-share (dividends)	1 851 246,46	1 546 476,99
8	Profit (loss) on investment activity	(7 117 966,32)	(34 795,64)
9	Changes of provisions	(22 000,00)	(13 222,57)
10	Change in stocks	0,00	0,00
11	Change in receivables	202 484,33	784 393,16
12	Change in short-term liabilities excluding credits and loans	(95 916,89)	(3 128 827,24)
13	Change in prepayments and accruals	(2 094 930,39)	(5 233 477,46)
14	Other adjustments	1 938 998,77	0,00
<b>III</b>	<b>Net cash flows from operating activities (I ± II)</b>	<b>1 813 485,85</b>	<b>(5 359 215,45)</b>
<b>B.</b>	<b>Net cash flows from investment activities</b>		
<b>I</b>	<b>Inflows</b>	<b>21 694 638,79</b>	<b>2 992 857,00</b>
1	Disposal of intangible and tangible fixed assets	0,00	48 270,00
2	Disposal of investments in real property and in intangible assets	0,00	0,00
3	From financial assets, including:	21 694 638,79	2 944 587,00
a)	in related parties	11 946 330,40	0,00
b)	in other entities	9 748 308,39	2 944 587,00
-	Disposal of financial assets	0,00	0,00
-	Dividends and gain-share	0,00	0,00
-	Repayment of long-term loans	9 748 308,39	2 944 587,00
-	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>47 688 904,62</b>	<b>10 897 779,65</b>
1	Aquisition of intangible fixed and tangible assets	208 295,62	307 099,15
2	Investments on real estate and intangible fixed assets	0,00	0,00
3	Financial assets:	47 480 609,00	10 590 680,50
a)	In related parties	25 603 390,00	4 915 145,50
b)	In other equities	21 877 219,00	5 675 535,00
-	Aquisition of financial assets	0,00	0,00
-	Long-term loans	21 877 219,00	5 675 535,00
4	Other investment expenses	0,00	0,00
<b>III</b>	<b>Net cash flows from investment activities (I-II)</b>	<b>(25 994 265,83)</b>	<b>(7 904 922,65)</b>
<b>C.</b>	<b>Net cash flows from financial activities</b>		

<b>I Inflows</b>	<b>38 780 157,83</b>	<b>26 446 973,03</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	4 833 280,00
3 Issuance of debt securities	37 423 000,00	21 320 000,04
4 Other inflows from financial activities	1 357 157,83	293 692,99
<b>II Outflows</b>	<b>15 884 238,97</b>	<b>11 354 230,45</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	6 905 981,00
5 Redemption of debt securities	12 515 460,49	2 425 000,00
6 Payment of other financial liabilities	0,00	0,00
7 Payment of liabilities arising from financial leases	160 374,19	183 079,47
8 Interest	3 208 404,29	1 840 169,98
9 Other financial expenses	0,00	0,00
<b>III Net cash flows from financial activities (I-II)</b>	<b>22 895 918,86</b>	<b>15 092 742,58</b>
<b>D Total net cash flows (A.III ± B.III ± C.III)</b>	<b>(1 284 861,12)</b>	<b>1 828 604,48</b>
<b>E Balance sheet change in cash:</b>	<b>(1 284 861,12)</b>	<b>1 828 604,48</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>465 428,14</b>	<b>2 123 560,94</b>
- Limited possibility of disposition		

Source: Issuer

## STATEMENT OF CHANGES IN EQUITY

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

Lp.	Title	01.01.2018 - 30.07.2018	01.01.2017 - 30.07.2017
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	0,00	0,00
-	Contribution in-kind	0,00	0,00
b	Decrease	0,00	0,00
-	Redemption of shares	0,00	0,00
	.....	0,00	0,00
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	0,00	0,00
-	Distribution of shares (by law)	3 299 044,80	1 753 885,98
-	Distribution of shares (over required by law minimum value)	0,00	0,00
b	Decrease	0,00	0,00
-	Loss compensation	0,00	0,00
-	.....	0,00	0,00
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	0,00
a	Increase		0,00
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>0,00</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	0,00	0,00
-	.....	0,00	0,00
b	Decrease	0,00	0,00
-	.....	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		

<b>5.2. Profit from previous years at the beginning of period after provisions</b>	<b>(499 270,56)</b>	<b>386 724,23</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	0,00
- 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>386 724,23</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	0,00	0,00
- Correction of fundamental errors	0,00	0,00
<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>386 724,23</b>
<b>6. Net Result</b>	<b>6 893 539,58</b>	<b>599 323,55</b>
a Net profit	6 893 539,58	599 323,55
b Net loss (negative value)	0,00	0,00
c Profit copy (negative value)	0,00	0,00
<b>II Equity (fund) at the end of period (BZ)</b>	<b>50 467 375,01</b>	<b>12 292 816,94</b>
<b>III Equity (fund) after taking into account the proposed distribution of profit (loss coverage)</b>	<b>50 467 375,01</b>	<b>12 292 816,94</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 third 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 third quarter of 2018 and cumulative data for the period from the beginning of the year 2018 until September 30, 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 III 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 third quarter of 2018, including comparative data for the previous year (profit and loss account) and on September 30, 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 third quarter of 2018, the Aforti Group generated PLN 121 982 214.86 of sales revenue, which is an increase of 162.13% compared to 2017. The increase in revenues results from the consistently implemented development strategy of the Aforti Group for the years 2018-2020 and is related, among others, to with activities aimed at entering the Group on foreign markets, as well as continuously increasing the share of its companies in the domestic market.

The net profit of the entire Group in the indicated period amounted to PLN 231 937.79 and was lower than in the previous year by 28.22 percent. This result was influenced by investments activity from the dynamic development of the Group, including the need to incur relevant financial expenses. It should be noted that despite ongoing investments, the Group generates a positive net result in the long-term.

Cumulatively, after the three quarters of 2018, the Aforti Group generated PLN 365 729 171.52 of sales revenues, reaching an increase of 200.51% in relation to the same period of 2017. At the end of Septmeber this year, the consolidated net profit reached PLN 1 244 422,26, that is by 11.01% more compared to the same period in the previous year.

It is worth noting that recently the Aforti Group has placed great emphasis on constantly increasing the level of customer service quality and minimizing the risks associated with the operating activities of individual subsidiaries of the Issuer, which should be reflected in the future financial results.

#### *Balance Sheet*

The value of the Aforti Group's assets after the nine months of 2018 amounted to PLN 140 371 128.41 and was higher by 89.09% 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.

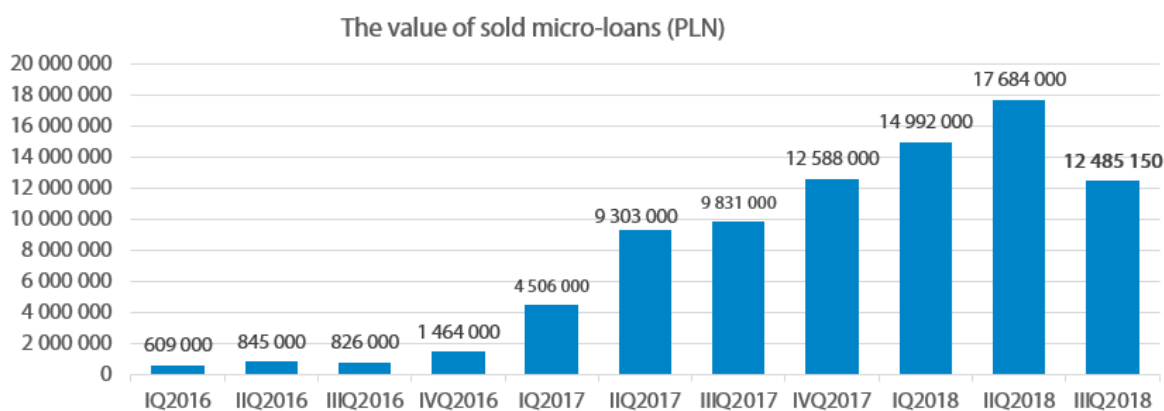
Long-term liability of the Group reached the level of PLN 274 199.76 and increased by 259.65% in comparison to the previous year. The value of equity in the Aforti Group increased by 94.84% up to PLN 131 641 317.92.

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

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

- Procedures related to the validity of the AML (Anti-Money Laundering and Terrorism Financing Act) were prepared and implemented.
- Work began on a dedicated, proprietary IT system to service the company's clients.
- In July, was launched the TV advertising campaign of the company. Also, company began work on another TV campaign for the autumn and winter season.

- A new website was designed and launched, which, thanks to its transparency, will allow the company's clients to learn more quickly and easily about the Aforti Finance product offer.
- In the third quarter, personnel changes were also made: a new member of the management board was appointed for the position of the Vice-President, who is responsible for the area of development of the company's operations. The verification and recovery department has gained a new, experienced director. Due to both changes, the internal structure of the company has been remodeled. Thanks to that, in September the best-ever ratio of accepted loan applications was achieved. In addition, in the case of overdue repayment of loans, the recoverability ratio of these receivables increases.
- Cumulatively, at the end of September 2018, Aforti Finance S.A. granted 437 loans
- (by 28.91% more year-on-year) with a total value of PLN 45,116.03. PLN and this result is an increase of 91.03% compared to 2017.
- In the third quarter this year the company implemented new systems for monitoring, analysis and verification of new clients, which will have an impact on the further increase in the quality of the loan portfolio held.
- In the indicated period, new processes were also tested to increase the number of received loan applications, corresponding to the quality criteria adopted by the company. From January to the end of September this year. 2936 loan applications were submitted for a total amount of PLN 373,902.00. PLN. The number of applications submitted increased by 81.01%, and their total value by 204.61% in relation to the same period in the previous year.



Source: Issuer

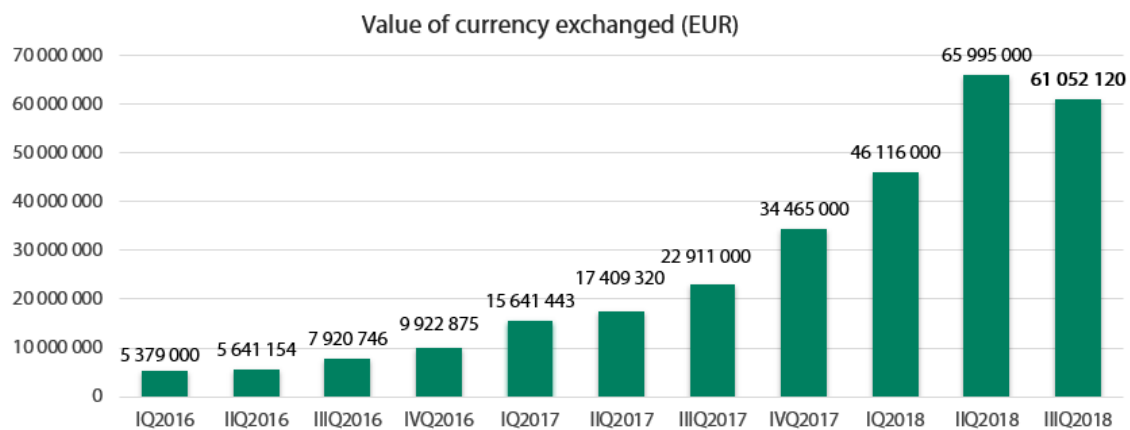
## 2) *Aforti Finance Romania IFN Inc*

- In the third quarter of 2018, Aforti Finance Romania IFN conducted activities aimed at finalizing the process of obtaining a non-bank financial institution license. This activity was completed successfully, on 31/10/2018 the company obtained the aforementioned license (current report ESPI 35/2018 dated 31/10/2018). Thus, in the fourth quarter of the year, the company started to run its operating activity.

## 3) *Aforti Exchange Inc*

- Work was started to launch its own call center in 2018. Recruitment ended at the turn of October and November this year, while the call center was launched at the beginning of November.
- The company, thanks to negotiations with banks, obtained attractive terms of cooperation for its clients. This resulted in an increase in the level of margin achieved and, consequently, in the improvement of the company's profitability.
- In August this year the composition of the company's board has been enlarged. The position of the Vice-President of the Management Board was taken up by Mr. Marcin Chmielewski, who is responsible for the effective development of foreign companies and the implementation of modern solutions to optimize the customer service process.
- Successful activities have been carried out to activate clients who have been registered so far but have few exchange transactions. A campaign was also carried out to attract new clients, thanks to which the company broke the record of new registrations in the third quarter.
- The team of regional sales directors has also been enlarged, thanks to which the effectiveness of gaining new clients has been increased.
- Procedures related to the binding of the Act were prepared and implemented on counteracting money laundering and terrorism financing (AML).
- The company joined the group taking part in the work on the PolishAPI project run by the Polish Bank Association. This will allow Aforti Exchange to obtain and then implement knowledge in the field of implementing the requirements of the PSD2 (together with other accompanying legal acts) for payment institutions and third parties. Ultimately, this will improve customer service when the PSD2 directive starts.
- The dynamics of this year-to-year currency (Q3 2018 to Q3 2017) on the Polish platform was 166,48 per cent.
- At the end of September this year. the turnover value reached the level of 173,163.34 thous. EUR, an increase of 209.4% year-on-year.

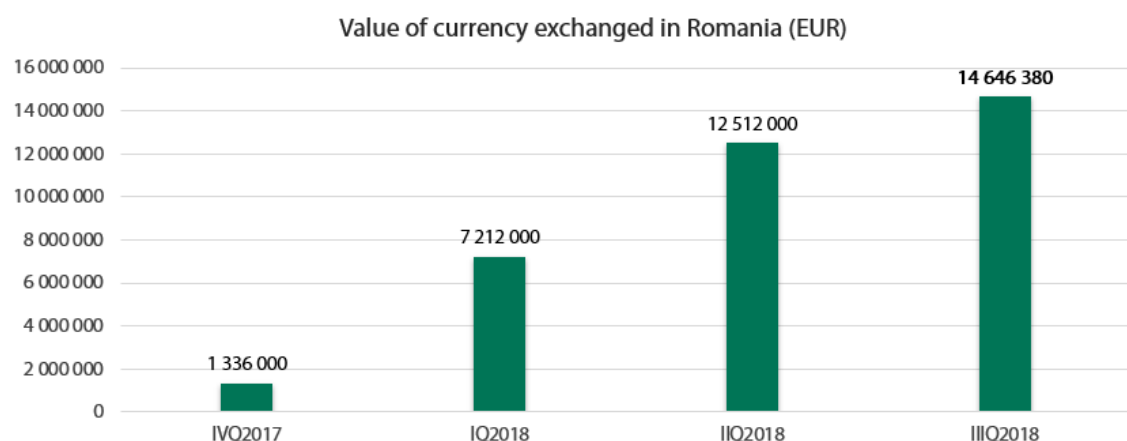


Source: Issuer

#### 4) Aforti Exchange Romania Inc

- A communication and marketing campaign was launched in Romania. The first articles and TV interviews with the company's management appeared in order to promote the Aforti Exchange brand on the local entrepreneurs' market.
- External service providers have been changed to optimize costs.
- A new customer service procedure has been implemented to reduce the risk of money laundering and terrorist financing.
- Renovation work has begun in the new office of the company.

Source: Issuer

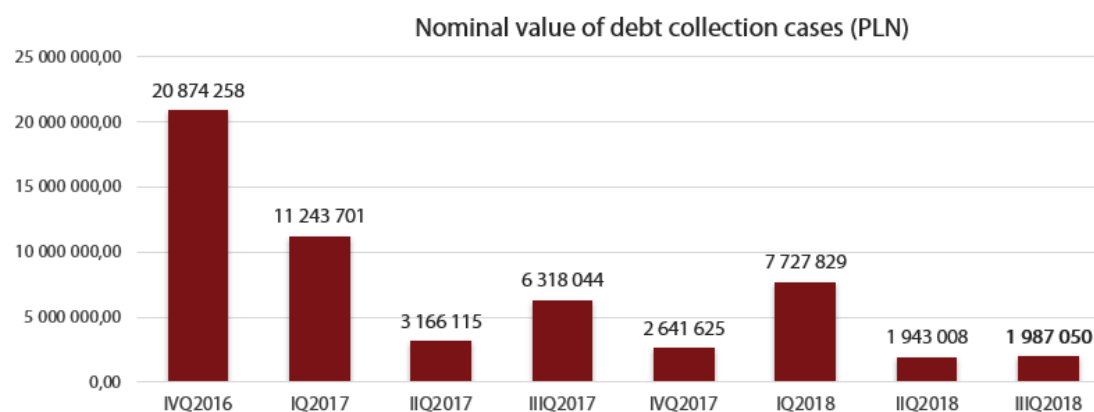
#### 5) Aforti Ac LLC

- full range of accounting, payroll and HR services for all of the Group members.

## 6) Aforti Collections Inc

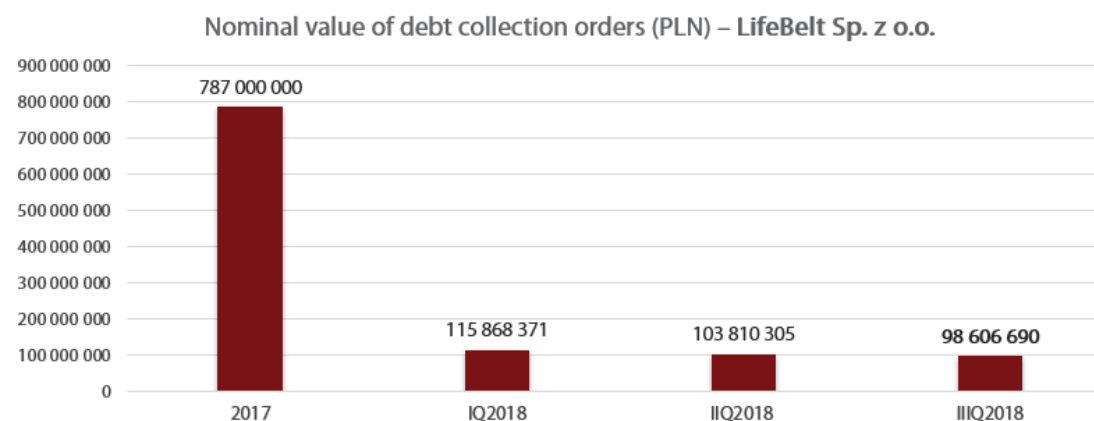
- In August 2018, the company acquired a majority stake in LifeBelt Sp. z o.o., operating in the debt collection industry. The companies have already submitted a merger plan to the district court. Combination of the above entities is aimed at strengthening the position of Aforti Collections on the debt collection market. LifeBelt will complement the structures of Aforti Collections by including an experienced team of managers, as well as by providing an innovative, proprietary IT system that allows effective service for both large companies and entrepreneurs from the SME sector, offering B2B services. Aforti Collections will also develop a common commercial strategy that will take into account the know-how and experience of both entities in the debt collection industry.
- Procedures related to the validity of the AML (Anti-Money Laundering and Terrorism Financing Act) were prepared and implemented.
- In connection with the Aforti Collections with LifeBelt connection, new procedures are being tested related to acquiring new customers as well as optimization of quality management processes in relation to the construction of the portfolio of receivables.

### AFORTI Collections



Source: Issuer

### AFORTI Collections

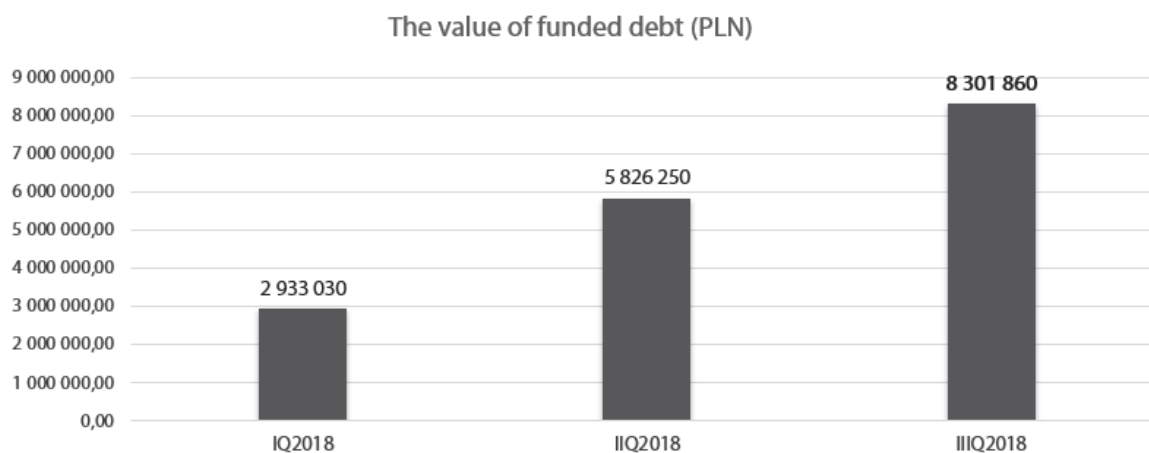


Source: Issuer

## 7) Aforti Factor Inc

- Procedures related to verification of new clients have been improved.
- The verification and recovery department began its full operational activity.
- The next stage of the process related to the launch of a dedicated IT system for automated analysis of factoring applications was implemented.
- The company conducted promotional campaigns to increase the awareness of the Aforti Factor brand.
- Procedures related to the binding of the Act were prepared and implemented on counteracting money laundering and terrorism financing (AML).
- In September 2018, the value of the receivables financed by Aforti Factor S.A. amounted to PLN 2,678.69 thousand PLN. At the same time cumulatively, at the end of September this year. this value reached 17 086,16 thousand. Golden. Due to the fact that the company started operating activity in January 2018, comparative data are not available.
- In the third quarter of this year the company continued carrying out communication and educational activities aimed at building a credible image.
- Sales activities were also carried out, which will contribute to the expansion and increase of the quality level of the debt portfolio in the next reporting periods.

## AFORTI Factor



Source: Issuer

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

In the reporting period of the third quarter of 2018, Aforti Holding S.A. generated PLN 5,441,336.53 of sales revenue, which means an increase of 191,27 percent compared to the same period last year. Net profit amounted to PLN 6,679,855.06 and was higher by 1,689.69%. than in the previous year. The operating expenses of the Issuer in the indicated period reached PLN 3,105,685.53 and were higher by 236.48 percent. from costs recorded in 2017.

In the growing trend after three quarters of 2018, the Issuer generated PLN 12,176,740.86 of sales revenue and PLN 6,893,539.58 of net profit. In comparison to the same period of the previous year, the Company's turnover increased by 251.34 percent, and the net result by 1.050,22 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 third quarter of 2018, the value of trading on the Issuer's shares reached the level of over PLN 265.45 thousand (EUR 61.33 thousand). The average volume per session was 934, which gave the Company 91 positions for 405 listed companies. The minimum quotation rate in the indicated period was PLN 2.40, and the maximum PLN 7.02. The capitalization of the Company at the end of the third quarter of 2018 reached PLN 52.74 million (EUR 12.35 million), which placed the Issuer at 39 position. The book value was PLN 5.51 million. The C / Z (P / E) ratio has stopped at 36.8. At the same time, the C / WK (P / BV) ratio was 9.57.

*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.

# 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

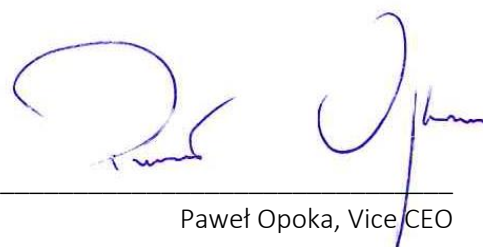
The Board of Directors of Aforti Holding SA declares that selected financial information for the third quarter of 2018 as well as comparable data were prepared in accordance with the provisions in force to the Company and the quarterly report contains a true overview of development and achievements of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

Warsaw, November 14, 2018



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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 third quarter of 2018

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

1) EBI System

2018-09-28 09:27:20	Current   67/2018 <a href="#">Przydział Obligacji serii O17 / O17 Series Bonds Allocation</a>
2018-09-28 09:24:33	Current   66/2018 <a href="#">Przydział Obligacji serii O15 / O15 Series Bonds Allocation</a>
2018-09-26 08:59:55	Current   65/2018 <a href="#">Terminowy wykup obligacji serii M21 / Buy out of the M21 series bonds</a>
2018-09-24 09:01:05	Current   64/2018 <a href="#">Terminowy wykup obligacji serii M20 / Buy out of the M20 series bonds</a>
2018-09-17 17:02:45	Current   63/2018 <a href="#">Przydział Obligacji serii O14 / O14 Series Bonds Allocation</a>
2018-09-12 08:18:22	Current   62/2018 <a href="#">Terminowy wykup obligacji serii M19 / Buy out of the M19 series bonds</a>
2018-08-29 08:39:36	Current   61/2018 <a href="#">Terminowy wykup obligacji serii M18/Buy out of the M18 series bonds</a>
2018-08-28 17:30:19	Current   60/2018 <a href="#">Przydział Obligacji serii O12/O12 Series Bonds Allocation</a>
2018-08-17 17:04:08	Current   59/2018 <a href="#">Przydział Obligacji serii O11 / O11 Series Bonds Allocation</a>
2018-08-16 08:59:04	Current   58/2018 <a href="#">Terminowy wykup obligacji serii M17 / Buy out of the M17 series bonds</a>
2018-08-14 17:13:52	Quarterly   57/2018 <a href="#">Jednostkowy i skonsolidowany raport kwartalny za II kwartał 2018 roku / Individual and Consolidated quarterly report for Q II 2018</a>
2018-08-07 17:07:16	Current   56/2018 <a href="#">Przydział Obligacji serii O10 / O10 Series Bonds Allocation</a>
2018-08-01 08:31:05	Current   55/2018 <a href="#">Terminowy wykup obligacji serii M16 / Buy out of the M16 series bonds</a>
2018-07-23 17:31:29	Current   54/2018 <a href="#">Przydział Obligacji serii O9 / O9 Series Bonds Allocation</a>
2018-07-18 17:05:35	Current   53/2018 <a href="#">Terminowy wykup obligacji serii M14/Buy out of the M14 series bonds</a>
2018-07-09 17:09:33	Current   52/2018 <a href="#">Przydział Obligacji serii O8 / O8 Series Bonds Allocation</a>
2018-07-04 08:44:36	Current   51/2018 <a href="#">Terminowy wykup obligacji serii M13 / Buy out of the M13 series bonds</a>

2018-07-02 19:06:26	Current   50/2018 <a href="#">Korekta raportów Currentch nr 46/2018 i 47/2018 – dotyczących rezygnacji Członków Rady Nadzorczej / Correction of current reports no. 46/2018 and 47/2018</a>
2018-07-02 17:16:27	Current   49/2018 <a href="#">Powołanie Członka Rady Nadzorczej / Appointment of a new Supervisory Board Member</a>
2018-07-02 17:12:53	Current   48/2018 <a href="#">Powołanie Członka Rady Nadzorczej / Appointment of a new Supervisory Board Member</a>
2018-07-02 17:09:12	Current   47/2018 <a href="#">Rezygnacja Członka Rady Nadzorczej / Resignation of a Supervisory Board Member</a>
2018-07-02 17:05:59	Current   46/2018 <a href="#">Rezygnacja Członka Rady Nadzorczej / Resignation of a Supervisory Board Member</a>

## 2) ESPI System

2018-09-18 17:06:22	Current   32/2018 <a href="#">Podpisanie przez spółkę zależną Aforti Finance umowy celowej</a>
2018-09-13 11:16:30	Current   31/2018 <a href="#">Rejestracja spółki zależnej Aforti Limited LLC</a>
2018-09-04 08:54:35	Current   30/2018 <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. – sierpień 2018 r.</a>
2018-08-13 17:06:53	Current   29/2018 <a href="#">Połączenie spółki zależnej Aforti Collections S.A. z podmiotem z branży windykacyjnej</a>
2018-08-02 08:56:09	Current   28/2018 <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. – lipiec 2018 r.</a>
2018-07-11 16:03:59	Current   27/2018 <a href="#">Informacja dotycząca zmiany struktury akcjonariatu Emitenta</a>
2018-07-09 17:19:24	Current   26/2018 <a href="#">Zawiadomienie o transakcjach osoby pełniącej obowiązki zarządcze</a>
2018-07-03 09:07:54	Current   25/2018 <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. – czerwiec 2018 r.</a>

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2018-07-03 09:01:09	Current   24/2018 <a href="#">Informacja uzupełniająca do Raportu nr 23/2018 dot. objęcia obligacji Spółki Zależnej</a>
2018-07-02 17:23:34	Current   23/2018 <a href="#">Objęcie obligacji Spółki Zależnej Aforti Finance S.A.</a>

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