



# **ATLANTIS SE**

## **CONDENSED INTERIM FINANCIAL STATEMENTS**

**as at September 30, 2019 and for the nine months ended September 30, 2019**

**Tallinn, 29/11/2019**



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**REPORT FOR THE THIRD QUARTER OF 2019 PRESENTED IN ACCORDANCE WITH INTERNATIONAL STANDARDS FINANCIAL REPORTING WITH ADDITIONAL INFORMATION**

**I. QUARTERLY CONDENSED FINANCIAL STATEMENTS**

These condensed financial statements of ATLANTIS SE for the third quarter of 2019, together with comparable data, have been prepared in accordance with the International Financial Reporting Standards and related interpretations published in the form of European Commission regulations.

The financial statements have been approved for publication by the Company's Management Board on 29/11/2019 in EUR thousands.

**1.1. Condensed interim financial statement.**

| <b>INTERIM CONDENSED FINANCIAL POSITION</b> | <b>As at<br/>30/09/2019<br/>unaudited</b> | <b>31/12/2018<br/>audited</b> |
|---|---|-------------------------------|
| <b>A s s e t s</b>                          |   |                               |
| <b>Fixed assets</b>                         | <b>3249</b>                               | <b>3802</b>                   |
| Property, plant and equipment               | 0   | 0                             |
| Investment properties                       | 0   | 0                             |
| Long-term financial assets                  | 3249                                      | 3515                          |
| Long-term accruals                          | 0   | 8                             |
| Long-term assets to be disposal             | 0   | 279                           |
| <b>Current assets</b>                       | <b>8590</b>                               | <b>8483</b>                   |
| Short-term receivables                      | 313                                       | 224                           |
| Short-term financial assets                 | 8277                                      | 8253                          |
| Cash and cash equivalents                   | 0   | 2                             |
| Short-term accruals                         | 0   | 4                             |
| <b>T o t a l a s s e t s</b>                | <b>11839</b>                              | <b>12285</b>                  |

|  |              |              |
|--|--------------|--------------|
| <b>L i a b i l i t i e s</b>                               |              |              |
| <b>I. Equity</b>   | <b>11622</b> | <b>11604</b> |
| Share capital  | 2750         | 2750         |
| Exchange differences                                       | -673         | -481         |
| Supplementary capital                                      | 32594        | 32594        |
| Revaluation reserve  | -11812       | -11812       |
| Capital from combination of entities                       | -4           | -4           |
| Other reserve capital                                      | 473          | 473          |
| Retained earnings / Unallocated financial result           | -11706       | -11916       |
| <b>II. Long-term liabilities</b>                           | <b>0</b>     | <b>41</b>    |
| Deferred income tax  | 0            | 8            |
| Long-term liabilities                                      | 0            | 33           |
| <b>III. Short-term liabilities</b>                         | <b>217</b>   | <b>640</b>   |
| Financial liabilities arising from the issue of securities | 0            | 0            |
| Credits and loans  | 5            | 52           |
| Trade liabilities  | 17           | 45           |
| Other liabilities  | 195          | 540          |
| Other reserves   | 0            | 3            |
| <b>T o t a l l i a b i l i t i e s</b>                     | <b>11839</b> | <b>12285</b> |

|  |          |          |
|--|----------|----------|
| <b>Book value</b>                            | 11622    | 12113    |
| <b>Number of shares</b>                      | 25000000 | 25000000 |
| <b>Book value per one share (in EUR)</b>     | 0,46     | 0,5      |
| <b>Diluted number of shares</b>              | 25000000 | 25000000 |
| <b>Diluted book value per share (in EUR)</b> | 0,46     | 0,5      |



Condensed interim financial statements as at 30/09/2019 (prepared in EUR thousand)

## 1.2. Condensed interim profit and loss account

| <b>CONDENSED INTERIM PROFIT AND LOSS ACCOUNT</b>                      | <b>III quarter this year since 01/07/2019 to 30/09/2019 unaudited</b> | <b>Nine months ended 30/09/2019 unaudited</b> | <b>III quarter previous year since 01/07/2018 to 30/09/2018 unaudited</b> | <b>Nine months ended 30/09/2018 unaudited</b> |
|---|---|---|---|---|
| <b>I. Net revenues from the sale of products, goods and materials</b> | <b>0</b>  | <b>145</b>                                    | <b>151</b>  | <b>439</b>                                    |
| <b>II. Cost of products, goods and materials sold</b>                 | <b>0</b>  | <b>5</b>                                      | <b>67</b>   | <b>229</b>                                    |
| <b>III. Gross profit (loss) on sales (I-II)</b>                       |   | <b>140</b>                                    | <b>84</b>   | <b>211</b>                                    |
| IV. Selling costs   | <b>0</b>  | <b>0</b>                                      | <b>0</b>  | <b>0</b>                                      |
| V. General and administrative expenses                                | <b>2</b>  | <b>47</b>                                     | <b>63</b>   | <b>180</b>                                    |
| VI. Other operating revenue   | <b>0</b>  | <b>19</b>                                     | <b>6</b>  | <b>7</b>                                      |
| VII. Other operating expenses   | <b>164</b>  | <b>166</b>                                    | <b>2</b>  | <b>499</b>                                    |
| <b>VIII. Profit (loss) from operating activity</b>                    | <b>-166</b>   | <b>-54</b>                                    | <b>25</b>   | <b>-460</b>                                   |
| IX. Financial revenue   | <b>315</b>  | <b>306</b>                                    | <b>0</b>  | <b>159</b>                                    |
| X. Financial costs  | <b>0</b>  | <b>41</b>                                     | <b>22</b>   | <b>67</b>                                     |
| <b>XI. Profit before tax</b>  | <b>149</b>  | <b>211</b>                                    | <b>3</b>  | <b>-368</b>                                   |
| XII. Income tax   | <b>-39</b>  | <b>0</b>                                      | <b>0</b>  | <b>0</b>                                      |
| current part  | <b>0</b>  | <b>0</b>                                      | <b>0</b>  | <b>0</b>                                      |
| deferred part   | <b>-39</b>  | <b>0</b>                                      | <b>0</b>  | <b>0</b>                                      |
| <b>XIII. Net profit (loss)</b>  | <b>188</b>  | <b>211</b>                                    | <b>3</b>  | <b>-368</b>                                   |
| <b>Net profit (loss)</b>  |   | <b>211</b>                                    |   | <b>-368</b>                                   |
| <b>Weighted average number of ordinary shares</b>                     |   | <b>25000000</b>                               |   | <b>25000000</b>                               |
| <b>Profit (loss) per ordinary share (in EUR)</b>                      |   | <b>0,01</b>                                   |   | <b>-0,014</b>                                 |
| <b>Weighted average diluted number of ordinary shares</b>             |   | <b>25000000</b>                               |   | <b>25000000</b>                               |
| <b>Diluted profit (loss) per ordinary share (in EUR)</b>              |   | <b>0,01</b>                                   |   | <b>-0,014</b>                                 |

| <b>INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME</b>                              | <b>III quarter this year since 01/07/2019 to 30/09/2019 unaudited</b> | <b>Nine months ended 30/09/2019 unaudited</b> | <b>III quarter previous year since 01/07/2018 to 30/09/2018 unaudited</b> | <b>Nine months ended 30/09/2018 unaudited</b> |
|---|---|---|---|---|
| <b>Net profit / loss for the period</b>   | <b>188</b>  | <b>211</b>                                    | <b>3</b>  | <b>-368</b>                                   |
| <b>Other comprehensive income, including:</b>   | <b>0</b>  | <b>0</b>                                      | <b>-280</b>   | <b>-1814</b>                                  |
| Components that will not be carried forward to the income statement in later periods    | <b>0</b>  | <b>0</b>                                      | <b>0</b>  | <b>-4</b>                                     |
| - business combination accounting   | <b>0</b>  | <b>0</b>                                      | <b>0</b>  | <b>-4</b>                                     |
| Components that may be carried forward to the profit and loss account at later periods: | <b>0</b>  | <b>0</b>                                      | <b>-280</b>   | <b>-1810</b>                                  |
| - settlement from revaluation capital, including:                                       | <b>0</b>  | <b>0</b>                                      | <b>-280</b>   | <b>-1810</b>                                  |
| - valuation of available-for-sale financial assets                                      | <b>0</b>  | <b>0</b>                                      | <b>-280</b>   | <b>-1810</b>                                  |
| <b>Total income for the period</b>  | <b>188</b>  | <b>211</b>                                    | <b>-277</b>   | <b>-2182</b>                                  |

### 1.3. Condensed interim statement of changes in equity.

| <b>INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY</b>  | <b>Nine months ended<br/>30/09/2019<br/>unaudited</b> | <b>Nine months<br/>ended<br/>30/09/2018<br/>unaudited</b> |
|--|---|---|
| <b>Equity at the beginning of the period (BO)</b>  | 11604   | 17842   |
| <b>Equity at the beginning of the period (BO), after reconciliation with comparable data</b>   | 11604   | 17842   |
| <b>Share capital at the beginning of the period</b>  | <b>2750</b>   | <b>2992</b>   |
| Changes of share capital   | 0   | -242  |
| decreases (due to)   | 0   | -242  |
| Decrease of the nominal value  | 0   | -242  |
| <b>Share capital at the end of the period</b>  | <b>2750</b>   | <b>2750</b>   |
| <b>Own shares at the beginning of the period</b>   | <b>0</b>  | <b>0</b>  |
| <b>Own shares at the end of the period</b>   | <b>0</b>  | <b>0</b>  |
| <b>Supplementary capital at the beginning of the period</b>                                    | <b>32594</b>  | <b>32954</b>  |
| <b>Supplementary capital at the end of the period</b>  | <b>32594</b>  | <b>32954</b>  |
| <b>Revaluation reserve at the beginning of the period</b>                                      | -11812  | -8517   |
| Changes in revaluation reserve   | 0   | -1818   |
| decreases (due to)   | 0   | -1818   |
| - valuation of financial assets  | 0   | -1818   |
| <b>Revaluation reserve at the end of the period</b>  | <b>-11812</b>   | <b>-10335</b>   |
| <b>Capital from business of entities at the beginning of the period</b>                        | -4  |   |
| increases (due to)   | 0   | -4  |
| - combination of entities  | 0   | -4  |
| <b>Capital from business of entities at the end of the period</b>                              | -4  | -4  |
| <b>Other reserve capitals at the beginning of the period</b>                                   | <b>473</b>  | <b>229</b>  |
| Changes in other reserve capitals  | 0   | 242   |
| increases (due to)   | 0   | 242   |
| - reduction of share capital   | 0   | 242   |
| <b>Other reserve capitals at the end of the period</b>   | <b>473</b>  | <b>471</b>  |
| <b>Retained earnings / Unsettled losses from previous years at the beginning of the period</b> | -11916  | -8816   |
| increases (due to)   | <b>210</b>  | -370  |
| profit / loss for the period   | 210   | -370  |
| adjustment of settlement of the division of the company  |   |   |
| <b>Retained earnings / Unsettled losses from previous years at the end of the period</b>       | <b>-11706</b>   | <b>-9186</b>  |
| <b>Exchange differences</b>  | <b>-673</b>   | <b>-639</b>   |
| <b>Equity at the end of the period (BZ)</b>  | <b>11622</b>  | <b>15651</b>  |

#### 1.4. Condensed interim cash flow statement.

| INTERIM CONDENSED CASH FLOW STATEMENT                           | Nine months ended<br>30/09/2019<br>unaudited | Nine months<br>ended<br>30/09/2018<br>unaudited |
|---|--|---|
| <b>Operating activities</b>                                     |  |   |
| <b>I. Net profit (loss)</b>                                     | 211  | -370  |
| <b>II. Total adjustments</b>                                    | 294  | 378   |
| Depreciation  | 0  | 5   |
| (Gains) exchange losses   | 0  | -2  |
| Interest and share in profits (dividends)                       | -306   | 6   |
| (Profit) loss on investing activities                           | 41   | 338   |
| Change in reserves  | -8   | -2  |
| Change in receivables   | -89  | -168  |
| Change in liabilities   | 443  | 124   |
| Change in accruals  | 8  | -1  |
| Other adjustments   | 205  | 78  |
| <b>I. Net cash flow from operating activities</b>               | <b>505</b>                                   | <b>8</b>  |
| <b>Investment activities</b>                                    |  |   |
| <b>I. Inflows from investment activities</b>                    | <b>543</b>                                   | <b>5229</b>                                     |
| Sale of intangible assets and property, plant and equipment     | 0  | 4   |
| Disposal of financial assets                                    | 0  | 395   |
| Loan repayments received  | 538  | 4810  |
| Interest received   | 5  | 20  |
| <b>II. Outflows from investment activities</b>                  | <b>2252</b>                                  | <b>5272</b>                                     |
| Purchase of intangible assets and property, plant and equipment | 0  | 0   |
| Investments in properties and intangible assets                 | 0  | 490   |
| Loans granted   | 2252   | 4782  |
| Other expenses  | 0  | 0   |
| <b>II. Net cash flow from investing activities</b>              | <b>-1709</b>                                 | <b>-43</b>                                      |
| <b>Financial activities</b>                                     |  |   |
| <b>I. Inflows</b>   | <b>1200</b>                                  | <b>4702</b>                                     |
| Credits and loans   | 1200   | 0   |
| Issue of debt securities  | 0  | 4702  |
| <b>II. Outflows from financial activities</b>                   | <b>0</b>                                     | <b>4702</b>                                     |
| Repayment of loans and credits                                  | 0  | 0   |
| Repurchase of debt securities                                   | 0  | 4702  |
| Interest  | 0  | 0   |
| <b>III. Net cash flow from financial activities</b>             | <b>1200</b>                                  | <b>0</b>  |
| <b>Total net cash flow (I+/-II+/-III)</b>                       | <b>-4</b>                                    | <b>-35</b>                                      |
| <b>Balance sheet change in cash</b>                             | <b>-4</b>                                    | <b>-35</b>                                      |
| <b>Cash at the beginning of the period</b>                      | <b>4</b>                                     | <b>97</b>                                       |
| <b>Cash at the end of the period</b>                            | <b>0</b>                                     | <b>62</b>                                       |



## I. ADDITIONAL EXPLANATORY NOTES.

### 1.1. Ogólne informacje o emitencie.

|                        |   |
|------------------------|---|
| Name of Company:       | ATLANTIS S.E.   |
| Headquarter:           | Tallinn, Estonia  |
| Address:               | Harju maakond Tallinn 10145.<br>Kesklinna linnaosa, Tornimäe tn 5 |
| Ariregister:           | 14633855  |
| Share capital paid up: | 2.750.000,00 EUR  |

On 02/01/2019 the register of commercial companies (Ariregister) competent for the law of Estonia registered the transfer of the Issuer's registered office to Estonia in accordance with the provisions of the Transfer Plan of 24/04/2018 by number 14633855. The Company's business according to the classification adopted by the Warsaw Stock Exchange is the sector of other financial activities.

The duration of the company is unlimited.

#### **Bodies of the Company:**

##### **Supervisory Board – composition of the Supervisory Board as at 30/09/2019**

- **Wojciech Hetkowski**
- **Martyna Patrowicz**
- **Małgorzata Patrowicz**
- **Jacek Koralewski**

#### **Management Board:**

Damian Patrowicz – Chairman since 16/01/2019

Anna Kajkowska – until 11/01/2019

**As at the date of publication of this report, the composition of the Supervisory Board and the Management Board has not changed.**

### 1.2. Functional currency and reporting currency

The company's functional and reporting currency is EURO. Reports were prepared in thousands of EURO, unless in specific situations they were given with greater accuracy.

### 1.3. Accounting principles applied (accounting policy)

#### **Basis for preparation of the financial statements**

The presented condensed interim financial statements have been prepared as at 30/09/2019 and for the nine months ended 30/09/2019.

These condensed interim financial statements comply with the International Financial Reporting Standards as adopted by the European Union, issued and binding as at the date of these financial statements, including the International Accounting Standard 34 "Interim Financial Reporting".

The financial statements have been prepared on the assumption that the Company will continue as a going concern in the unpredictable future, and also in accordance with the principles described in the ATLANTIS SE financial statements prepared for the year ended 31/12/2018, excluding accounting policies and measurement resulting from the application of IFRS 9 and IFRS 15.

The condensed interim financial statements should be read together with the financial statements for the year ended 31/12/2018. Accounting policies have been applied consistently. The report has been prepared on the assumption that the Company will continue as a going concern in the foreseeable future. These interim condensed separate financial statements were approved for publication on 29/11/2019.

#### 1.4. Changes in used accounting policies used

The financial statements contained in this report have been prepared using the same accounting principles used in the annual financial statements prepared as at 31/12/2018.

Standards, amendments to standards and interpretations applied for the first time in 2019

- IFRS 16 "Leasing",
- Amendments to IFRS 9 "Financial Instruments" - "Early repayments with negative compensation",
- Amendments to various standards "Amendments to IFRS (cycle 2015-2017)",
- Amendments to IAS 19 'Employee Benefits' - Change of plan, reduction or settlement,
- Amendments to IAS 28 "Investments in associates and joint ventures"  
Long-term shares in associates and joint ventures,
- IFRIC Interpretation 23 "Uncertainty about Income Tax Recognition".

IFRS 16 replaces IAS 17 Leases and interpretations related to this standard.

For lessees, the new standard eliminates the current distinction between financial and operational leasing. In accordance with IFRS 16, the contract is or is concluded

in itself, leasing if in exchange for consideration it delegates the right to control the use of an identified asset for a given period. Including operating lease in the balance sheet will recognize a new asset - the right to use the leased asset - and a new liability - the obligation to make the lease payment. The rights to use the leased assets will be depreciated, while interest will be charged on the liability. The recognition of lease contracts with the lessor will in most cases remain unchanged in relation to the maintenance of division of operating and financial leases. Based on the analysis, the Company estimates that the change in IFRS 16 has no impact on the company's financial reports.

Standards and amendments to standards adopted by the IASB, but not yet approved by the EU IFRS as approved by the EU do not currently differ significantly from regulations adopted by the International Accounting Standards Board (IASB), with the exception of the following standards and amendments to standards which, as at the date of this report, have not yet been adopted for use:

- IFRS 14 "Regulatory accruals" - in accordance with the decision of the European Commission, the process of approving the standard in the initial version will not be initiated before the final version of the standard appears (applicable to annual periods beginning on or after 1 January 2016),
- IFRS 17 'Insurance contracts' (effective for annual periods beginning on or after January 1, 2021),
- Amendments to IFRS 3 "Business Combinations" (effective for annual periods beginning on or after January 1, 2020),
- Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in associates and joint ventures" - Sale or asset transfer between an investor and its associate or joint venture - work leading to the approval of these amendments has been postponed by the EU for an indefinite period - the entry into force has been postponed by the IASB for an indefinite period,
- Amendments to IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies (Policy), Changes in Estimates and Correcting Errors" - Definition of material (effective for annual periods beginning on or after 1 January 2020),
- Amendments to the IFRS Conceptual Framework References (effective for annual periods beginning on or after 1 January 2020). The above-mentioned standards and amendments to standards would not have a material impact on the financial statements if they were applied by the Company as at the balance sheet date.

#### Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") adopted by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements have been prepared in accordance with the requirements set out in the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information published by issuers of securities and conditions for recognizing as equivalent information required by the law of a non-member state (Journal of Laws of 2018 757).

#### Functional currency and reporting currency

These financial statements have been prepared in EURO (EUR). EURO is the Company's functional and reporting currency. Data in the financial statements were presented in thousands of Euro, unless in specific situations they were given with greater accuracy.



## **Accounting principles applied (accounting policy)**

### **Basis for preparation of the financial statements**

The report has been prepared on the assumption that the Company will continue as a going concern in the foreseeable future.

The Company applies overriding valuation principles based on the historical purchase or production price, except for a portion of financial assets, which were measured at fair value in accordance with IFRS.

### **Changes in accounting policies used**

When preparing these separate financial statements, the Company did not voluntarily change any previously applied accounting principles in relation to previous periods.

### **Information on operating segments**

The operating segment is a component of the entity:

- a) which engages in business activities in connection with which it may generate revenues and incur costs (including revenues and costs related to transactions with other components of the same entity),
- b) whose results of operations are regularly reviewed by the main body responsible for making operational decisions in the entity and using those results when deciding on the allocation of resources to the segment and when assessing the results of segment operations, and
- b) for which separate financial information is available.

In accordance with the requirements of IFRS 8, operating segments should be identified based on internal reports on those elements of the Group that are regularly verified by persons deciding on the allocation of resources to a given segment and assessing its financial results.

## **Impact of new and changed standards and interpretations**

The International Accounting Standards Board approved for use after January 1, 2018, new standards:  
- IFRS 9 „Financial Instruments” which replaced IAS 39 „Financial Instruments: Recognition and pricing”  
- IFRS 15 "Revenue from Contracts with Customers" and Amendments to IFRS 15 explaining some of the requirements of the standard that replaced IAS 11 and 18 and interpretations: IFRIC 13, 15 and 18 and SIC 31.

### **Impact of applying the above standards on the Company's accounting policy and on the financial statements.**

#### **IFRS 9 Financial instruments**

The Company has not previously implemented IFRS 9 and applied the requirements of IFRS 9 retrospectively for periods beginning after January 1, 2018. In accordance with the option allowed by the standard, the Company abandoned the transformation of comparative data. The implementation of IFRS 9 resulted in a change in accounting policy regarding the recognition, classification and measurement of financial assets and measurement of liabilities.

#### **Standards published and approved by the EU that have not yet entered into force**

In this quarterly report, the Company has not applied standards, amendments to standards and interpretations that have been published and approved for use in the EU, but have not yet entered into force. The Company does not expect a significant impact of the above standards on the Company's financial reports.

### **Selected accounting policy**

#### **Valuation of financial assets and liabilities**

From January 1, 2018, the Company classifies financial assets into the following categories:

- measured at amortized cost,
- measured at fair value through other comprehensive income,
- measured at fair value through profit or loss,

The classification is made at the time of initial recognition of assets. The classification of debt financial assets depends on the business model of managing financial assets and the characteristics of contractual cash flows (SPPI-Solely Payment of Principal and Interest test) for a given financial asset.

To the category of assets measured at amortized cost, the Company classifies trade receivables, loans granted which have passed the SPPI test, other receivables and cash and cash equivalents. Financial assets measured at amortized cost are measured at amortized cost using the effective interest method, including impairment losses. Trade receivables with a maturity of less than 12 months from the date of



In the case of financial assets purchased or arising, impaired, at initial recognition these assets are measured at amortized cost using the effective interest rate adjusted for credit risk. The following categories of assets measured at fair value through other comprehensive income are:

1. a debt financial asset if the following conditions are met:

- it is maintained in a business model that aims to achieve both contractual cash flows from its financial assets and the sale of financial assets, and
- the contractual terms give the right to receive on a given date cash flows that are only capital and interest on the capital (i.e. passed the SPPI test),

2. An equity instrument which, at the time of initial recognition has been irreversibly selected for classification in this category. The option of choosing fair value through other comprehensive income is not available for instruments held for trading.

Gains and losses, both on valuation and realization, arising on these assets are recognized in other comprehensive income, except for dividend income. The Company classifies loans granted to the category of **assets measured at fair value through profit or loss** that have not passed the contractual cash flow test. Gains and losses **on a financial asset classified at fair value through profit or loss are recognized in profit or loss in the period in which they arise (including interest income and dividends).**

From January 1, 2018, the Company classifies financial liabilities as:

- measured at amortized cost,
- measured at fair value through profit or loss,
- hedging financial instruments.

Liabilities measured at amortized cost include liabilities other than liabilities measured at fair value through profit or loss (including liabilities for supplies and services, credits and loans), except for:

- financial liabilities that arise when a financial asset is transferred that does not qualify for derecognition,
- financial guarantee contracts, which are valued at the higher of the following amounts:
  - the value of the allowance for expected credit losses determined in accordance with IFRS 9
  - the value initially recognized (i.e. at fair value plus transaction costs that can be directly attributed to the financial liability component), less for the cumulative amount of income recognized in accordance with IFRS 15 Revenue from contracts with customers.

Liabilities based on derivatives not designated for hedge accounting are classified as liabilities measured at fair value through profit or loss.

#### **Impairment of financial assets**

IFRS 9 introduces a new approach to estimating losses in relation to financial assets measured at amortized cost. This approach is based on determining expected losses, regardless of whether the prerequisites have occurred or not.

The Company uses the following models for determining impairment losses:

- general (basic) model,
- simplified model.

In the general model, the Company monitors changes in the level of associated credit risk with the given financial asset. In the simplified model, the Company does not monitor the changes in the level of credit risk during the life of the instrument, it estimates the expected credit loss in the horizon to the maturity of the instrument. For the purposes of estimating the expected credit loss, the Company uses:

- in the general model - levels of probability of default,
- in the simplified model - historical levels of payment of receivables from contractors.

The Company considers the event of insolvency of the counterparty after 90 days from the due date to become insolvent.

The Company includes information about the future in the parameters of the expected loss model used, by adjusting the base default probability ratios (for receivables) or by calculating the default probability parameters based on current market quotations (for other financial assets).

The company uses a simplified model for calculating impairment losses for trade receivables.

The general model is used for other types of financial assets, including debt financial assets at fair value through other comprehensive income. Impairment losses on valued debt instruments at amortized cost (as at the moment of initial recognition and calculated for each subsequent day ending the reporting period) is recognized in other operating costs. Gains (reversals of write-downs) due to the decrease in the expected value loss are recognized in other operating revenues.

For purchased and arising impaired financial assets due to credit risk, at the time of initial recognition, favorable changes in expected credit losses are recognized as an impairment loss in other operating income. Impairment losses on valued debt instruments at fair value through other comprehensive income is recognized in other operating expenses in correspondence with other comprehensive income. Gains (reversal of write-downs) due to the decrease in the expected value of the credit loss are recognized in other operating income.

**Indication of average PLN exchange rates in the periods covered by the historical financial information, set by the National Bank of Poland.**

The basic items of the statement of financial position and total income were converted into EURO at the average exchange rates set by the National Bank of Poland in accordance with the indicated applicable conversion principle:

a) statement of financial position at the rate applicable on the last day of the relevant period:

as at September 30, 2019, the average exchange rate was: 4.3736;

as at September 30, 2018, the average exchange rate was: 4.2714;

b) statement of comprehensive income at the average exchange rates in the relevant period calculated as the arithmetic average of the exchange rates in force on the last day of each month in a given period:

arithmetic average in the period from July 1 to September 30 2019: 4.3497;

arithmetic average in the period from July 1 to September 30, 2018: 4.2815;

arithmetic average in the period from January 1 to September 30, 2019: 4.3086;

arithmetic average in the period from January 1 to September 30, 2018: 4.2535;

As at 31/12/2018 the balance-sheet items are converted according to the average rate – 1 EUR 4,3014 PLN.

Items of the income statement and cash flow statement are converted according to the average rate 1 EUR 4,22570 PLN.



Condensed interim financial statements as at 30/09/2019 (prepared in EUR thousand)

**Selected financial data containing basic items of the separate financial statement (also converted into EURO).**

| SELECTED FINANCIAL DATA                                 | in EUR thous.   |   |
|---|---|---|
|   | 3 quarters subsequent ly /2018 period since 2018-01-01 till 2018-09-30/ | 3 quarters subsequentl y /2019 period since 2019-01-01 till 2019-09-30/ |
| Net revenues from sale of products, goods and materials | 441   | 145   |
| Profit (loss) from operating activity                   | -462  | -54   |
| Gross profit (loss)                                     | -370  | 211   |
| Met cash flow from operating activity                   | 8   | 505   |
| Met cash flow from investment activity                  | -43   | -1709   |
| Met cash flow from financial activity                   | 0   | 1200  |
| Net cash flow, total                                    | -35   | 41  |
| Assets total *  | 16 551  | 11839   |
| Short-term liabilities *                                | 566   | 217   |
| Equity *  | 15 585  | 11 622  |
| Share capital *   | 2 685   | 2750  |
| Number of shares (pcs.)                                 | 25 000 000  | 25 000 000  |
| Net profit (loss) per one ordinary share (EUR)          | -0,01   | 0,01  |
| Diluted net profit (loss) per one ordinary share (EUR)  | -0,01   | 0,01  |
| Book value per share (EUR)*                             | 0,62  | 0,46  |
| Declared or paid out dividend per share (EUR)           | 0   | 0   |

**1.5. Information on discontinued operations in the reporting or plannes period to be discontinued in the next period**

In the third quarter of 2019, the Company did not discontinue any type of activity. No further activity is planned for the next period.

**1.5. Areas of estimates**

Changes in estimated values are described in point 1.17 of this report.

**1.7. Equity**

**As at 30/09/2019**

| <b>SHARE CAPITAL (STRUCTURE)</b> |                |                       |  |                   |   |  |                      |
|----------------------------------|----------------|-----------------------|--|-------------------|---|--|----------------------|
| Series / issue                   | Type of shares | Share preference type | Type of limitation of rights to shares | Number of shares  | Series / issue value by nominal value   | Equity coverage method                         | Date of registration |
| A                                | Bearer shares  | -                     | -                                      | 25.000.000        | 0,11 EUR wartość nominalna jednej akcji | shares of a limited liability company and cash | 19/04/2018           |
| <b>Total number of shares</b>    |                |                       |  | <b>25.000.000</b> |   |  |                      |
| <b>Total share capital</b>       |                |                       |  |                   | <b>2.750.000,00 EUR</b>                 |  |                      |

The share capital is fully paid up.

The number of shares in the third half of 2019 has not changed.

**As at 30/09/2018**

| <b>SHARE CAPITAL(STRUCTURE)</b>              |                |                       |  |                   |                                       |  |                      |
|--|----------------|-----------------------|--|-------------------|---------------------------------------|--|----------------------|
| Series / issue                               | Type of shares | Share preference type | Type of limitation of rights to shares | Number of shares  | Series / issue value by nominal value | Equity coverage method                         | Date of registration |
| A  | Bearer shares  | -                     | -                                      | 25.000.000        | 0,11 EUR nominal value of one share   | shares of a limited liability company and cash | 19/04/2018           |
| <b>Total number of shares</b>                |                |                       |  | <b>25.000.000</b> |                                       |  |                      |
| <b>Total share capital</b>                   |                |                       |  |                   | <b>2.750.000,00 EUR</b>               |  |                      |
| <b>Nominal value of one share = 0,11 EUR</b> |                |                       |  |                   |                                       |  |                      |

Shareholders holding over 5% of votes at the General Meeting as of September 30, 2019 and as at the date of publication of this report, i.e. on November 29, 2019:

**As of 30/09/2019 and 29/11/2019.**

| No. | SHAREHOLDER     | NUMBER OF SHARES  | % SHARES   | NUMBER OF VOTES   | % VOTES    | DATE       |
|-----|-----------------|-------------------|------------|-------------------|------------|------------|
| 1   | Patro Invest OU | 15 671 639        | 62,69%     | 15 671 639        | 62,69%     | 30/09/2019 |
| 2   | Other           | 9 328 361         | 37,31%     | 9 328 361         | 37,31%     | 30/09/2019 |
|     | <b>Total</b>    | <b>25 000 000</b> | <b>100</b> | <b>25 000 000</b> | <b>100</b> | <b>-</b>   |

As at 30/06/2019.

| No. | SHAREHOLDER            | NUMBER OF SHARES  | % SHARES   | NUMBER OF VOTES   | % VOTES    | DATE of transaction |
|-----|------------------------|-------------------|------------|-------------------|------------|---------------------|
| 1   | Patro Invest Sp.z o.o. | 15.035.832        | 60,14 %    | 15.035.832        | 60,14%     | 11.12.2018          |
| 2   | Other                  | 9.964.168         | 39,86%     | 9.964.168         | 39,86%     | 11.12.2018          |
|     | <b>Total</b>           | <b>25 000 000</b> | <b>100</b> | <b>25 000 000</b> | <b>100</b> | -                   |

As at of 30/09/2018.

| No. | SHAREHOLDER     | NUMBER OF SHARES  | % SHARES   | NUMBER OF VOTES   | % VOTES    | DATE of transaction |
|-----|-----------------|-------------------|------------|-------------------|------------|---------------------|
| 1   | Patro Invest OU | 14 775 406        | 59,10%     | 14 775 406        | 59,10%     | 30/09/2018          |
| 2   | Other           | 10 224 594        | 40,90%     | 10 224 594        | 40,90%     | 30/09/2018          |
|     | <b>Total</b>    | <b>25 000 000</b> | <b>100</b> | <b>25 000 000</b> | <b>100</b> | -                   |

**Direct ownership of shares as at 30/09/2019**

| No. | Surname and first name / name / | Number of shares | Number of votes | % share of votes in the total number of votes |
|-----|---------------------------------|------------------|-----------------|---|
| 1.  | Patro Invest OU                 | 15 671 639       | 15 671 639      | 62,68%  |

**Indirect ownership of shares as at 30/09/2019**

| No. | Surname and first name / name / | Number of shares | Number of votes | % share of votes in the total number of votes |
|-----|---------------------------------|------------------|-----------------|---|
| 1.  | Damian Patrowicz                | 15 671 639       | 15 671 639      | 62,68%  |

Mr. Damian Patrowicz holds indirectly as a Member of the Management Board and the sole Shareholder of Patro Invest OU with headquarters in Tallinn 15.671.639 shares constituting 62,68% in the Issuer's share capital and votes at the General Meeting of Shareholders.

### 1.8. Seasonality of activity

There is no seasonality in the revenues generated in the entity.

### 1.9. Information on business segments.

The operating segment is a component of the entity:

- a) which engages in an economic activities in connection with which it may generate revenues and costs (including revenues and expenses related to transactions with other components of the same entity),
- b) whose operating results are regularly reviewed by the main body responsible for making operational decisions in the entity and using those results in making decisions on the allocation of resources to the segment and when assessing the results of segment operations, as well as
- c) for which separate financial information is available.

In accordance with the requirements of IFRS 8, operating segments should be identified based on internal reports on those elements of the Group that are regularly verified by persons deciding on the allocation of resources to a given segment and assessing its financial results.

**The Company does not separate operating segments in the presented period.**

As at 30/09/2018, the Company had the following operating segments:

- financial activity
- rent
- other, including unallocated revenues and expenses

| SEGMENTS DATA<br>for the period 2018/01/01 to<br>2018/09/30 |  | Financial<br>activity | Rent | Other including<br>unallocated<br>revenues and<br>expenses | Total       |
|---|--|-----------------------|------|--|-------------|
| I.  | Segment revenue                                  | 57                    | 309  | 73   | 439         |
| II.   | Segment costs                                    | 0                     | 228  | 0  | 228         |
| III   | Segment's gross result on<br>business activities | 57                    | 81   | 73   | 211         |
| I   | Management costs                                 |                       |      |  | 180         |
| II  | Other operating revenue                          |                       |      |  | 7           |
| III   | Other operating expenses                         |                       |      |  | 499         |
| IV  | Financial revenue                                |                       |      |  | 159         |
| V   | Financial costs                                  |                       |      |  | 67          |
|   | <b>PROFIT BEFORE TAXATION</b>                    |                       |      |  | <b>-368</b> |

The above revenues were revenues from external customers. There were no sales transactions between segments. Segment profit is the profit generated by individual segments without the allocation of administrative costs and management fees as well as financial revenues and costs

**Segment assets and liabilities****Segment assets as at 30/09/2018**

|  |              |
|--|--------------|
| Financial services                                 | 251          |
| Rent   | 11 126       |
| Other, including unallocated revenues and expenses | 321          |
| Unallocated assets                                 | 4853         |
| <b>Total assets</b>                                | <b>16551</b> |

**Segment liabilities as at 30/09/2018**

|  |            |
|--|------------|
| Financial services                                 | 4          |
| Rent   | 19         |
| Other, including unallocated revenues and expenses | 4          |
| Unallocated liabilities                            | 939        |
| <b>Total liabilities</b>                           | <b>966</b> |

- All assets, except current and deferred tax assets, other financial assets, and short-term financial assets are allocated to reporting segments. Assets used jointly by reporting segments have been assigned to a given segment based on rational premises.
- All liabilities are allocated to reporting segments, except for loans, other financial liabilities, current and deferred tax liabilities. Liabilities assigned to various reporting segments were allocated in proportion to the value of segment assets.

**Other information about segments as at 30/09/2018**

|  | <b>Depreciation</b> | <b>Increases in property, plant and equipment</b> |
|--|---------------------|---|
| Financial services                                 | 1                   | 0   |
| Rent   | 4                   | 0   |
| Other, including unallocated revenues and expenses | 1                   | 0   |
| <b>Total</b>                                       | <b>6</b>            | <b>0</b>  |

**Geographical information**

The Company does not separate geographical areas within its operating segments.

**Information about major customers**

In the period 01/01/2019-30/09/2019 the Company obtained revenue from transactions with a single/related entities/ customer over 10% of the total revenue of the entity:





- Customer no. 1 – 49,71% from total revenues
- Customer no. 2 – 30,13% from total revenues
- Customer no. 2 – 15,85% from total revenues

In the period 01/01/2018-30/09/2018 the Company obtained revenue from transactions with an external single customer over 10% of the total revenue of the entity:

- Customer no. 1 – 15,43% from total revenues
- Customer no. 2 – 12,22% from total revenues
- Customer no. 3 – 10,14% from total revenues

### 1.10. Property, plant and equipment

During the nine months ended September 30, 2019, ATLANTIS SE did not incur expenditure on property, plant and equipment. There were no transactions regarding the sale of property, plant and equipment.

### 1.11. Investment properties

As at 30/09/2019 and as at the date of publication of the report, the Company has no investment properties.

### 1.12. Long-term financial assets

| <b>LONG-TERM FINANCIAL ASSETS</b>                            | <b>30/09/2019</b> | <b>31/12/2018</b> |
|--|-------------------|-------------------|
| a) in subsidiaries   | 0                 | 0                 |
| - shares in foreign companies not listed on an active market | 14323             | 0                 |
| b) shares in associates                                      | 0                 | 14564             |
| - revaluation write-off of shares in IFEA Sp. z o.o.         | -11370            | -11561            |
| - carrying amount  | 2953              | 3003              |
| c) shares of other units                                     |                   |                   |
| - share revaluation write-off                                |                   |                   |
| - carrying amount  |                   |                   |
| d) borrowed shares   |                   |                   |
| e) loans granted   | 296               | 512               |
| <b>Total long-term financial assets</b>                      | <b>3249</b>       | <b>3515</b>       |

As at 30/09/2019, ATLANTIS SE in long-term financial assets it shows: 12.529 shares of IFEA Sp. z o.o. in Płock with a nominal value of PLN 5.000,00 each, the total nominal value of the shares held by the Issuer is PLN 62.645.000,00. The value of the shares of IFEA Sp. z o.o. after the change in fair value in the Issuer's books as at the balance sheet date is PLN 12.915.000,00.



### 1.13. Short-term receivables

| SHORT-TERM RECEIVABLES  | 30/09/2019 | 31/12/2018 |
|---|------------|------------|
| Receivables from related parties  | 0          | 28         |
| - for deliveries and services, about the repayment period                       | 0          | 23         |
| - up to 12 months   | 0          | 23         |
| - other   | 0          | 6          |
| Receivables from other entities   | 312        | 196        |
| - for deliveries and services, about the repayment period                       | 8          | 58         |
| - up to 12 months   | 8          | 58         |
| - from taxes, subsidies, customs, social security and health and other benefits |            | 80         |
| - other   |            | 224        |
| Total net short-term receivables  | 312        | 224        |
| - write-downs on receivables  | 0          | 2          |
| <b>Total gross short-term receivables</b>                                       | <b>312</b> | <b>226</b> |

| CHANGE OF THE STATE OF WRITE-OFFS UPDATING THE VALUE OF SHORT-TERM RECEIVABLES | 30/09/2019 | 31/12/2018 |
|--|------------|------------|
| State at the beginning of the period   | 0          | 380        |
| Exchange differences   | 0          | -11        |
| a) increases (due to)  |            | 0          |
| - creating write-offs for receivables  | 0          | 0          |
| b) decreases (due to)  | 0          | 367        |
| - liquidation of the Company   |            | 367        |
| <b>Impairment losses on current receivables at the end of the period</b>       | <b>0</b>   | <b>2</b>   |

As at 30/09/2019, the value of write-downs on receivables compared to 31/12/2018 was changed about EUR 2 thous.

### 1.14. Short-term investments

| SHARES AND OTHER SHORT-TERM INVESTMENTS          | 30/09/2019  | 31/12/2018  |
|--|-------------|-------------|
| <b>1) in related entities</b>                    |             | <b>8222</b> |
| <b>in related entities</b>                       |             | <b>8222</b> |
| <b>a) Shares (carrying amount)</b>               |             | <b>7</b>    |
| - value adjustments (+/-)                        |             | -6          |
| - value at purchase price                        |             | 13          |
| <b>b) Loans granted</b>                          |             | <b>8215</b> |
| - value adjustments (+/-)                        |             | 20          |
| - value at purchase price                        |             | 8195        |
| <b>2) in other entities</b>                      |             | <b>31</b>   |
| a) akcje (wartość bilansowa):                    |             | <b>0</b>    |
| - value adjustments (+/-)                        |             | 0           |
| - value at purchase price                        |             | 0           |
| <b>3) loans granted including:</b>               | <b>8576</b> | <b>31</b>   |
| - value adjustments (+/-)                        | -299        | -115        |
| - value according to the value of granting loans | 0           | 146         |
| Total value at purchase price                    | 8576        | 0           |
| Total value adjustments                          | -299        | 0           |

|                              |             |             |
|------------------------------|-------------|-------------|
| <b>Total carrying amount</b> | <b>8277</b> | <b>8253</b> |
|------------------------------|-------------|-------------|

As at 30/09/2019 the Company does not hold any shares classified as current financial assets.

As at 30/09/2019 the Company discloses as short-term financial assets the following short-term loans:

1. Loan agreement concluded on 22/07/2013 with a natural person. The subject of this agreement is a cash loan in the amount of PLN 500.000,00. The interest rate is equal to the variable WIBOR rate for 3-month deposits, increased by 12%. Interest is calculated in 1-month periods. The borrower agreed to return the abovementioned amounts up to 30/12/2014. The loan is secured with a promissory note, mortgage and a Declaration submitted under Art. 777 of the Code of Civil Procedure. The Company recognized a loan with interest with a full write-down. Following the precautionary principle, the Management Board decided to write down an impairment loss of 100%, taking into account the period during which enforcement proceedings will be conducted and potential difficulties that may arise during the performance of the collateral.
2. Loan agreement concluded on 14/12/2018 with IFEA Sp. z o.o. based in Płock. The value of the loan granted amounted to PLN 35.083.000,00. The interest rate is WIBOR6M + 3%. The deadline for returning the loan was set on 29/12/2018. On 31/12/2018 the Issuer concluded an Annex to the Loan Agreement indicating the new loan repayment date by the Borrower. The parties extended the loan repayment date by 30/06/2019, leaving the remaining terms of the loan agreement of 14/12/2018 unchanged.
3. On 10/01/2019 ATLANTIS SE concluded a cash loan agreement with Office Center Sp.z o.o. in the amount of PLN 316.000,00. Repayment term of the loan is 30/06/2020, interest rate is 4% per year, paid along with the loan.
4. On 08/01/2019 ATLANTIS SE concluded a cash loan agreement with Office Center Sp.z o.o. in the amount of PLN 380.000,00. Repayment term of the loan is 30/06/2020, interest rate is 4% per year, paid along with the loan's repayment.

#### 1.15. Cash and cash equivalents

| <b>CASH AND CASH EQUIVALENTS</b>        | <b>September 30, 2019</b> | <b>December 31, 2018</b> |
|---|---------------------------|--------------------------|
| Cash on hand                            | 0                         |                          |
| Cash on the bank accounts               | 0                         | 2                        |
| Other cash - deposits                   | 0                         |                          |
| <b>Cash and cash equivalents, total</b> | <b>0</b>                  | <b>2</b>                 |

#### 1.16. Trade and other liabilities

| <b>SHORT-TERM LIABILITIES</b>                        | <b>September 30, 2019</b> | <b>December 31, 2018</b> |
|--|---------------------------|--------------------------|
| a) liabilities toward related parties                | <b>0</b>                  | <b>595</b>               |
| - due to loans                                       | 0                         | 52                       |
| - liabilities due to debt securities                 |                           | 0                        |
| - due to deliveries and services                     | 0                         | 15                       |
| - other  | 0                         | 528                      |
| b) liabilities toward other entities                 | <b>217</b>                | <b>45</b>                |
| - due to deliveries and services                     | 17                        | 32                       |
| - credits and loans                                  | 5                         | 0                        |
| - due to taxes, duties, insurance and other benefits |                           | 0                        |
| - due to remunerations                               | 0                         | 0                        |
| - other  | 195                       | 9                        |
| - due to purchase of shares and bonds                |                           | 0                        |
| Short-term accruals and prepayments                  | <b>0</b>                  | <b>0</b>                 |
| <b>Short-term liabilities, total</b>                 | <b>217</b>                | <b>640</b>               |

| LONG-TERM LIABILITIES   | September 30,<br>2019 | December 31,<br>2018 |
|---|-----------------------|----------------------|
| a) Liabilities toward related parties   | 0                     | 0                    |
| b) Liabilities toward other entities  | 0                     | 33                   |
| - deposit   | 0                     | 1                    |
| - other liabilities (change of perpetual usufruct rights into ownership right - final repayment term is March 2023) | 0                     | 32                   |
| Closing balance of other long-term liabilities, total   | <b>0</b>              | <b>33</b>            |

### 1.17. Provision and valuation of assets

#### Balance as at 30/09/2019

##### Deferred tax provision:

|                            |              |
|----------------------------|--------------|
| - balance as at 1/01/2019  | 8 EUR thous. |
| increasing of provision    | 0 EUR thous. |
| decreasing                 | 8 EUR thous. |
| - balance as at 30/09/2019 | 0 EUR thous. |

##### Deferred tax assets:

|                            |              |
|----------------------------|--------------|
| - balance as at 1/01/2019  | 8 EUR thous. |
| increasing of assets       | 0 EUR thous. |
| decreasing                 | 8 EUR thous. |
| - balance as at 30/09/2019 | 0 EUR thous. |

In 2019 the Issuer, because of uncertainty regarding possibility of realization of an asset due to deferred tax (prudent approach) recognizes assets due to deferred tax in the value up to amount of provisions for the deferred tax.

#### Valuation of financial assets – valuation via revaluation capital

|                            |                    |
|----------------------------|--------------------|
| - balance as at 1/01/2019  | -11 812 EUR thous. |
| increase of a write-off    | 0 EUR thous.       |
| decreases                  | 0 EUR thous.       |
| - balance as at 30/09/2019 | -11812 EUR thous.  |

#### Valuation of financial assets – valuation via result

|                            |                |
|----------------------------|----------------|
| - balance as at 1/01/2019  | 53 EUR thous.  |
| increase of a write-off    | 305 EUR thous. |
| decreases                  | 13 EUR thous.  |
| - balance as at 30/09/2019 | 345 EUR thous. |

#### Revaluation write-offs of receivables

|                            |                |
|----------------------------|----------------|
| - balance as at 1/01/2019  | 136 EUR thous. |
| increase of a write-off    | 163 EUR thous. |
| Decreases                  | 0 EUR thous.   |
| - balance as at 30/09/2019 | 299 EUR thous. |

Income tax provision:

|                            |                |
|----------------------------|----------------|
| - balance as at 1/01/2018  | 322 EUR thous. |
| provision increasing       | 14 EUR thous.  |
| decreasing                 | 48 EUR thous.  |
| - balance as at 30/09/2018 | 288 EUR thous. |

Deferred income tax assets:

|                            |                |
|----------------------------|----------------|
| - balance as at 1/01/2018  | 322 EUR thous. |
| assets increasing          | 862 EUR thous. |
| decreasing                 | 896 EUR thous. |
| - balance as at 30/09/2018 | 288 EUR thous. |

In 2019 and 2018 the Issuer, because of uncertainty regarding possibility of realization of an asset due to deferred tax (prudent approach) recognizes assets due to deferred tax in the value up to amount of provisions for the deferred tax.

Valuation of financial assets – valuation via revaluation capital

|                            |                    |
|----------------------------|--------------------|
| - balance as at 1/01/2018  | -8481 EUR thous.   |
| increasing                 | -1810 EUR thous.   |
| decreasing                 | 0 EUR thous.       |
| - balance as at 30/09/2018 | - 10291 EUR thous. |

Valuation of financial assets – valuation via result

|                            |                  |
|----------------------------|------------------|
| - balance as at 1/01/2018  | -1924 EUR thous. |
| increasing of a write-off  | 0 EUR thous.     |
| decreasing                 | 1918 EUR thous.  |
| - balance as at 30/09/2018 | -6 EUR thous.    |

Revaluation write-offs of receivables

|                            |                |
|----------------------------|----------------|
| -balance as at 1/01/2018   | 372 EUR thous. |
| increasing                 | 0 EUR thous.   |
| decreasing                 | 0 EUR thous.   |
| - balance as at 30/09/2018 | 372 EUR thous. |

**1.18. Summary and explanation of differences between data disclosed in the financial statements and comparable data and previously prepared and published financial statements.**

Condensed interim financial statement prepared for the 3 quarters of 2019 and disclosed comparable data for the 3 quarters of 2018 do not include differences

**1.19. Contingent liabilities and assets**

As at 30/09/2019 contingent assets do not exist. As at 31/12/2018 the Company disclosed contingent assets due to: Agreement on transfer of 20.000 bonds of IFEA Sp. z o.o. as a security of the total nominal value PLN 22.200 thous. A collateral of an agreement in the form of deposit on shares of companies listed on WSE. On 19/01/2019 the agreement under which these assets were established



Condensed interim financial statements as at 30/09/2019 (prepared in EUR thousand)  
expired.

As at 30/09/2019 and as at 31/12/2018 contingent liabilities do not exist.

#### **1.20. Merger of business entities and acquisition of non-controlling shares.**

In the presented period a merger of business entities and non-controlling shares did not occur.

#### **1.21. Changes in organisational structure of the Company.**

In the period covered by this report any changes in organisational structure of the Company did not occur.

#### **1.22. Losing control over subsidiaries and long-term investments.**

In the period covered by this report aforementioned event did not occur in the Company.

#### **1.23. Investment liabilities**

As at September 30, 2019 the Company has not got any investment liabilities.

#### **1.24. Indications of corrections of mistakes of previous periods.**

Not applicable.

#### **1.25. Risk management**

Informations published in the last published annual report have not changed.

#### **1.26. Description of significant achievements or failures of the Issuer in the period covered by this report along with a list of the most important events related.**

- On 02/01/2019 the register of commercial companies (Ariregister) applicable to the law of Estonia registered the transfer of the Issuer's registered office to Estonia pursuant to the provisions of the Transfer Plan of 24/04/2018 published in current report no. 19/2018 of 24/04/2018, 35/2018 of 04/07/2018, 36/2018 of 17/07/2018 and 41/2018 of 28/09/2018 published in current report no. 35/2018 of 04/07/2018 and the Extraordinary General Meeting's resolutions of 19/11/2018 published in current report no. 48/2018 of 19/11/2018. Therefore, the Issuer informed that the current seat of the Company is Tallinn, Estonia. The Company's registered office address is: Narva mnt 5, 10117, Tallinn, Estonia. The website address remains unchanged, e-mail: [biuro@atlantis-sa.pl](mailto:biuro@atlantis-sa.pl), <http://www.atlantis-sa.pl/> In the view of the above, the Issuer also informs that the Company's delivery address is the address of the registered office, i.e. Narva mnt 5, 10117, Tallinn, Estonia. At the same time, along with the registration of the change of the Company's registered office, the relevant Estonian law Register registered changes in the Company's Article of Association.
- On 11/01/2019 at the end of the 11/01/2019 the President of the Management Board Ms Anna Kajowska resigned from the position, because of the personal reasons.
- On January 15, 2019 the Company received a written resignation of Mr. Damian Patrowicz from performing the function on the Company's Supervisory Board on January 15, 2019. The reason for resignation was not indicated.
- On 16/01/2019 the Company's Supervisory Board adopted a resolution on the election of Mr. Damian Patrowicz to perform the function of the President of the Management Board for a 3-years term.
- ATLANTIS SE informed, that being obligated pursuant to (i) art. 2 of Directive 2004/109/EC of



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the European Parliament and the Council of December 15, 2004 (in accordance with the amendments to Directive 2013/50/EU European Parliament and Council of October 22, 2013) and (ii) § 1844 para. 1 of the Estonian Securities Market Act that it has chosen a Contracting as the Home State of the Republic of Estonia. Accordingly, the Republic of Poland is a host Contracting State.

ATLANTIS SE was registered in the Estonian Commercial Register on January 2nd 2019 under the registration number: 14633855 with official address of Harju county, Tallinn, City Centre district, Narva Road 5, 10117, Estonia.

- On 05.03.2019 the Management Board decided to make as at 31/12/2018 the revaluation of the Company's financial assets. Following assets were revaluated in the amount of PLN 5.770 thousand: - shares of IFEA Sp. z o.o. in Płock. The Issuer informs that as at 31/12/2018. and as at the day of publishing the report, it holds 12,529 shares of IFEA Sp. z o.o., which number constitutes 43.33% of the share capital and entitles to cast 12,529 votes constituting 43.33% of the total number of votes of IFEA Sp. z o.o. The Issuer informs, that it has decided to revalue the financial assets of the Issuer due to the change in the value of shares of IFEA Sp. z o.o. for PLN 5.770 thousand. Because of the asset valuation described above, the Issuer's capital from the revaluation will be burden with PLN 5.770 thousand. The presented value of 12.529 shares of IFEA Sp. z o.o. in the Issuer's financial statement as at 30/09/2018 amounted to PLN 18.685 thousand, and the value of shares of IFEA Sp. z o.o. after adjusting the write-offs as at 31/12/2018 it amounted to PLN 12.915 thousand. The base for making write-offs was conducting by the Issuer's Management Board financial analyses and tests, including based on the obtained financial data.
- On 29/03/2019 the Agreement of auditing the Company's statements for 2018 and 2019 and of review of the report for the first half of 2018 and the first half of 2019 concluded by the Issuer with Auditing Company INTERFIN Sp. z o.o. with registered office in Kraków at. Radzikowskiego 27/03 Street entered into the list of entities authorized to audit financial statements under no. 529, which was founded in 1990 and entered into the National Court Register of the District Court for Kraków – Downtown in Kraków XI Commercial Department under number 0000145852 was terminated.  
The terminated Agreement with the auditor was concluded for a period of two years and was the first agreement of auditing the financial statement concluded by the Issuer with Auditing Company INTERFIN Sp. z o.o. with registered office in Kraków. During the term of the Agreement, the auditor reviewed the statement for the first half of 2018, issuing the relevant report published by the Company with the half-year report for the first half of 2018. The Issuer informed the selection of the audit company in current report no. 34/2018 of 02/07/2018. The reason for terminating the Agreement is the inability of the auditor to provide services due to the change of the Issuer's country of residence during the term of the Agreement.
- On 08/04/2019, the Company's Supervisory Board adopted resolutions regarding the dissolution of the Company's Audit Committee and dismissal of its members on 08/04/2019.
- Resolution of the Extraordinary General Meeting of Shareholders of 19/04/2019 regarding the change of the financial year and related amendment of the Articles. The purpose of changing the financial year of 2018 by extending it by six months and related amendment of the Company's Statute. In the view of the above, it was proposed to change the Articles in point 7.1 by approving its new form " 7.1 The Company's financial year starts on July 1 and ends on June 30."
- On 26/04/2019 the register of commercial companies (Ariregister) applicable to the law of Estonia registered the change of the financial year pursuant to Resolution No. 3 of the Extraordinary General Meeting of Shareholder of 19/04/2019. Therefore, the Company's financial year starts on July 1 and ends on June 30.
- Adoption of Resolution No. 386/2019 by the Management Board of the Warsaw Stock Exchange of May 7, 2019, regarding the termless suspension of trading on the Main Market of the Warsaw Stock Exchange with shares of the Company ATLANTIS SE. The content of the resolution is attached to the report.  
The reason for suspension of trading is the assessment of the Warsaw Stock Exchange





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Management Board as the lack of legality of the Issuer's change in the financial year. The WSE's decision contradicts the position of the Ministry of Finance of Estonia, Ariregister -Estonian Registry Department of Tartu County Court, which registered the above changes as well as the content of the independent legal opinion of the International Chancellery made at the request of the WSE, the content of which is attached to the report by the Issuer.

The Issuer's Management Board also informs that the term referred to in the resolution of the Warsaw Stock Exchange is impossible to comply with, due to the current financial year in the Company is financial year beginning on January 1, 2018 and ending on June 30, 2019. Remembering about the safety and interest of participants in trading on the Issuer's shares, the Management Board will take all measures to resume trading in the Issuer's shares as soon as possible.

- On 05/06/2019 the register of commercial companies (Ariregister) applicable for the law of Estonia registered the change of the Issuer's address. In view of the above, the Issuer informs that the address of the Company's registered office is: Harju maakond, Tallinn, Kesklinna linnaosa, Tornimäe tn 5, 10145.  
The website address and e-mail address remain unchanged: <http://atlantis-sa.pl/> , [biuro@atlantis-sa.pl](mailto:biuro@atlantis-sa.pl) In the view of the above, the Issuer informs that the Company's delivery address is the address of the registered office i.e: Harju maakond, Tallinn, Kesklinna linnaosa, Tornimäe tn 5, 10145.
- Endorsement by the Extraordinary General Meeting of Shareholders of 17/06/2019 of the audit company selected to audit the company's financial statements for 2018, 2019 and assessment of the company's annual reports for 2018, 2019. It was decided to choose the Company Hansa Audit osaühing with registered office in Pärnu mnt. 377, 10919, Tallinn, company registration number 10616667, as an auditing company that will audit the Company's financial statements for 2018 and 2019 and will assess the annual reports for 2018 and 2019. The auditor's remuneration will be paid accordingly with the Agreement concluded between ATLANTIS SE and Hansa Audit osaühing, on the market terms.
- On 21/06/2019 the Issuer as a loaner concluded with IFEA Sp. z o.o. in Płock (KRS 0000512607) as the borrower, the Annex No. 2 to Money Loan Agreement of 14/12/2018, about conclusion of which the Issuer informed in the current report no. 56/2018 of 14/12/2018 and no. 61/2018 of 31/12/2018. In virtue of Annex of 21/06/2019 the Parties changed the content of the loan agreement of 14/12/2018 and Annex of 31/12/2018 in such way, that the current repayment date of the loan determined for 30/06/2019 was extended to 31/12/2019.
- The Management Board of the Warsaw Stock Exchange announced on 23/07/2019, that in accordance with the provisions of the Exchange Management Board Resolution no. 386/2019 of May 7, 2019, in connection with publication by ATLANTIS SE of the annual report for 2018, starting from July 24, 2019 it will be resumption of trading company's shares marked with the code "EE3100143090".
- Held on 02/09/2019 the Extraordinary General Meeting of Shareholders regarding: Endorsement of the Company's Financial Statements for 2018, i.e. for the period from 01/01/2018 to 31/12/2018 the Extraordinary General Meeting endorse the Financial Statement of ATLANTIS SE for the period since 01/01/2018 to 31/12/2018 which consist of:
  - Separate statement of financial situation prepared as at 31/12/2018, with assets and liabilities ended in amount of EUR 12.285 thousand (twelve million, two hundred and eighty-five thousand euros);
  - Separate profit and loss account for the financial year from 01/01/2018 to 31/12/2018 showing net loss in amount of EUR 2.921 thousand (two million nine hundred and twenty-one thousand euros);
  - Separate statement of changes in equity for the financial year from 01/01/2018 to 31/12/2018 showing a decrease in equity of PLN 6.566 thousand (six million, five hundred and sixty-six thousand)
  - Separate statement of cash flows for the financial year from 01/01/2018 to 31/12/2018, showing a decrease in cash by EUR 97 thousand (ninety-seven thousand)
  - corporate governance report
  - management Board report
  - auditor's report





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- The Extraordinary General Meeting determines that the company's net loss for the period from 01/01/2018 to 31/12/2018 in the amount of EUR 2.921 thousand (two million nine hundred and twenty-one thousand euros) will be covered from future years' profit.
- Endorsement of the Company's Supervisory Board Report for 2018. The Extraordinary General Meeting endorses the Company's Supervisory Board Report on its activity in 2018 and the Company's Supervisory Board's written report endorsing financial statement for 2018 prepared by the Management Board of the Company.

**1.27. Information on issuance, redemption and repayment of debt and capital securities.**

**Liabilities due to issued bonds:**

|                            | September 30,<br>2019 | December 31,<br>2018 |
|----------------------------|-----------------------|----------------------|
| <b>Value of the issues</b> | <b>0</b>              | <b>0</b>             |

**1.28. Information regarding paid out (or declared) dividend total and per share with division into ordinary and preference shares.**

The Company did not pay out and did not declare paying out of a dividend.

**1.29. Statement of the Management Board regarding possibility of realization of previously published financial forecast for a particular year, in comparison with results presented in the quarterly report against anticipated result.**

ATLANTIS SE did not publish financial forecasts.

**1.30. Indication of shareholders owning directly or indirectly by the subsidiaries at least 5% of the total number of votes at the general meeting of the Issuer as at the date of publication of the quarterly report along with indication of number of owned by these entities shares, their percentage contribution in the share capital, number of votes resulting from them and their percentage contribution in the total number of votes at the general meeting and indication of changes in the ownership structure of the qualifying holding of the Issuer in the period since publication of the previous quarterly report.**

Shareholders owning over 5% of votes at the General Meeting as at November 29, 2019.

| No. | SHAREHOLDER     | NO. OF SHARES     | % OF SHARES | NO.OF VOTES       | % OF VOTES | DATE OF TRANSACTION |
|-----|-----------------|-------------------|-------------|-------------------|------------|---------------------|
| 1   | Patro Invest OU | 15 671 639        | 62,69 %     | 15 671 639        | 62,69%     | 29/11/2019          |
| 2   | Others          | 9.328.361         | 37,31%      | 9.328.361         | 37,31%     | 29/11/2019          |
|     | <b>Total</b>    | <b>25 000 000</b> | <b>100</b>  | <b>25 000 000</b> | <b>100</b> | -                   |

According to the knowledge of the Management Board of ATLANTIS SE, the following managing and supervising people of the Issuer, owns the Company's shares:



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Damian Patrowicz – Chairman of the Issuer's Management Board, owns indirectly, as the only Member of the Management Board and the only Shareholder of Patro Invest OU headquartered in Tallinn 15.671.639 shares consisting of 62,69% of the Issuer's share capital and number of votes at the GM.

**1.31. Information on the Issuer's shares ownership or rights to these shares (options) by the managing and supervising persons as at the date of publication of this report, along with indication of changes in the ownership in the period since publication of the previous quarterly report, separately for each person.**

As at 29/11/2019 – according to the best knowledge of the Management Board of ATLANTIS SE:

Managers:

Damian Patrowicz - Chairman of the Management Board has not owned and does not own directly shares of the Issuer.

Supervising people:

1. Wojciech Hetkowski
2. Małgorzata Patrowicz
3. Jacek Koralewski
4. Martyna Patrowicz

Have not owned and do not own directly the Issuer's shares.

**1.32. Indication of proceedings pending before a court, arbitration body or public administration authority indicating information concerning proceeding regarding liabilities or receivables of an Issuer or its subsidiary, including indication of their subjects, value of the dispute, the date of initiation of proceeding, the parties of the proceeding and the Issuer's statement on it.**

As at September 30, 2019 the Company had not been a party of a significant proceedings.

**1.34. Information on entering by the issuer into one or more transactions with related parties, if they are significant separately or altogether and if they were concluded on other than market conditions, along with disclosure of their value and information about the other party of the transaction, information about connections between the Issuer and the other party of the transaction, information about the transaction's subject, relevant terms of the transaction, especially financial conditions as well as indication of specific conditions established by the parties of the transaction which are characteristic for an agreement and are different than widely applicable for this kind of agreements, other information regarding these transactions if they are essential for understanding the property and financial condition and financial result of the issuer, any changes of transaction with related parties which could have significant influence on property and financial situation and financial result of the issuer.**

Within 3 quarters of 2019 ATLANTIS SE has not made any transactions with related entities on different than market conditions.



**1.34. Information on the issuer or their subsidiary warranting a credit or loan or giving guarantee – jointly to one entity or a unit dependent on it, if total value of the warranties or guarantees is significant, including:**

- a) name of the company for which these warranties or guarantees were granted,
- b) total amount of credits or loans which were wholly or partially warranted or guaranteed,
- c) period the warranties or guarantees were granted for,
- d) financial terms and conditions under which the warranties or guarantees were granted, including specification of the issuer’s or subsidiary’s remuneration for granting such warranties or guarantees,
- e) the nature of links existing between the Issuer and the entity that incurred the credit or loan.

Within 3 quarters of 2019 ATLANTIS SE has not granted any sureties of a credit or a loan and has not granted any guarantees.

**1.35. Other information which are significant in the Issuer’s opinion, to assess its HR, property, financial situation and financial result and their changes, as well as information which are significant to assess ability to fulfil the Issuer’s obligations.**

Apart from those indicated in this report, in the Issuer’s opinion, there is no more information having influence on the Issuer’s financial situation.

**1.36. Indication of factors which, in the Issuer’s opinion, will influence obtained by the Issuer results in the perspective of the next quarter at least.**

In the Management Board’s opinion a significant factor having influence on obtained financial results is timely handling of loans granted by the Issuer.

**1.37. Remunerations paid out for the Management Board and Supervisory Board.**

| Remuneration of the managing and supervising people   | 01/01/2019- 30/09/2019 | 01/01/2018 - 30/09/2018 |
|---|------------------------|-------------------------|
| Supervising people – members of the Supervisory Board | 0                      | 6                       |
| Managing people                                       | 0                      | 29                      |

Managing and supervising people of the Issuer have not received any advances, loans, guarantees and sureties.

**1.33. Risks related to the business activities conducted by the Issuer.**

**Risk of shares price’s fluctuations and limited liquidity**

Immanent feature of market trading is the shares’ price fluctuations and short-term fluctuations of turnover. It might result in possible sale or purchase of the qualifying holding of the Issuer’s shares will be connected with a necessity to accept significantly less favourable price than the reference price. The Issuer can not also exclude significant, temporary limitations of liquidity which may significantly hamper sales or purchase of the Issuer’s shares.

**Risk of instability of the legal system**

Frequent amendments, inconsistency and lack of uniform interpretation of the law, in particular tax law may cause a significant risk related to the legal environment in which the Issuer operates. Future changes in the law may have a direct or indirect impact on the Issuer’s operations and financial results.

**Risk related to the Issuer’s dependence on recipients**

There is a risk of impact on the results achieved by the Issuer from entities related to the Issuer by rental contracts. Unpunctual repayment of receivables in virtue of concluded contracts has an impact on the



current financial liquidity. In this case, loan agreements should be treated as permanent contractual dependence on recipients.

### Aims and rules of financial risk management

The main financial instruments used by the Company are trade receivables and liabilities, which are made directly in the course of its business activity. The Company does not enter into transactions involving financial derivatives.

The main types of risk arising from the Company's financial instruments include: interest rate risk, credit risk and risk of financial collateral. The Management Board is responsible for establishing risk management rules in the Company and supervising compliance with them. The Company's risk management policies are aimed at identifying and analyzing the risk to which the Company is exposed, determining appropriate limits and controls as well as monitoring risk and the extent to which the limits are matched to it.

### Credit risk

The Company's exposure to credit risk is mainly due to the individual characteristics of each client. The company monitors its receivables on an ongoing basis. Due to the reduction in construction and assembly operations, the level of credit risk has fallen significantly in recent months. The Company creates impairment losses that correspond to the estimated value of losses incurred on trade and other receivables and on investments. The purpose of the Company's credit policy is to maintain financial liquidity ratios at a safe high level, timely payment of liabilities to suppliers and minimization of costs associated with servicing bank liabilities. The policy of managing liabilities and receivables from suppliers and customers is also used to minimize the use of bank loans and related financial costs. Its purpose is to agree the terms of mutual payments in such a way that, while complying with the principle of timely fulfillment of own obligations, also use a trade credit.

### Liquidity risk.

The liquidity risk management process consists in monitoring projected cash flows and then adjusting the maturity of assets and liabilities, working capital analysis and maintaining access to various sources of financing.

The Company's goal is to maintain a balance between continuity and flexibility of financing, by using financing sources such as loans, overdraft facilities, and financial leasing contracts.

### Risk of instability of the Polish legal system

Frequent amendments, inconsistency and lack of uniform interpretation of law, in particular tax law, and legal regulations to which the Issuer is subject as a public company carry significant risk related to the legal environment in which the Issuer operates, e.g. Risk associated with recognizing the company as an Alternative Investment Fund in meaning of the Act on Investment Funds and management of alternative investment funds of May 27, 2004 (i.e. of October 19, 2016; Journal of Laws of 2016, item 1896).

An analysis of applicable laws and economic activity shows that the Company does not meet the statutory criteria necessary to qualify it as Alternative Investment Fund within the meaning of the Act on investment funds. However, considering the position of the Polish Financial Supervision Authority, it cannot be ruled out that the Company will be recognized by the Polish Financial Supervision Authority as Alternative Investment Fund. It should be noted that if it is considered that the Company has Alternative Investment Fund status under the Act on Investment Funds, failure to obtain the appropriate permit or registration raises the risk of incurring criminal and financial liability. Amendments to legal regulations may have a direct or indirect impact on the Issuer's operations and financial results.

### Risk related to ties between members of the Issuer's bodies

There are interpretations indicating the possibility of risk arising from the negative impact of links between members of the Issuer's bodies on their decisions. This applies in particular to the impact of these ties on the Issuer's Supervisory Board in the scope of ongoing supervision over the Company's



operations. When assessing the likelihood of such risk, it should be taken into account that the supervisory bodies are subject to the control of another body - the General Meeting, and it is in the interest of the members of the Supervisory Board to perform their duties in a reliable and lawful manner. Otherwise, members of the Supervisory Board are at risk of liability before the Ordinary General Meeting of the Company consisting in not obtaining discharge from the performance of their duties or criminal liability for acting to the detriment of the Company.

**Risk related to changing the registered office of the Issuer and the Company's Statute.**

As a result of the change of the company's registered office to Tallinn in the Republic of Estonia and the amendment of the Company's Articles of Association, after the transfer of the registered office to Estonia, there is a risk related to the efficient adjustment of the Issuer's operations, both in organizational and legal terms, to the applicable laws in Estonia. The above changes may temporarily affect the Issuer's organizational efficiency and there may be a risk of potential mistakes and errors in the interpretation of local law, obligations incumbent on economic entities operating in Estonia, information obligations both local and related to further listing of shares on Warsaw Stock Exchange and their proper implementation by the Issuer.

**Risk related to the shareholding structure**

As at the date of this report, 60,14% of the share capital and 60,14% of votes at the Issuer's General Meeting belong directly to Patro Invest OU, as a result of which the above Shareholder has a significant impact on the resolutions adopted at the Issuer's General Meeting.

**Risk related to the economic situation in Poland and Estonia.**

The situation and economic situation in Poland has a significant impact on the financial results achieved by all entities, including the Issuer, because the success of the development of companies investing in financial instruments and conducting financial service activities largely depends, inter alia, on the conditions of conducting business activity

**1.34. Valuation methods at fair value of financial instruments presented at fair value (value hierarchy)**

The company uses the following hierarchy for the purpose of disclosing information about financial instruments measured at fair value - divided into valuation methods:

Level 1: prices listed on an active market (uncorrected) for identical assets or liabilities;

Level 2: valuation methods in which all data having a significant impact on the estimated fair value are observable, directly or indirectly, market data;

Level 3: valuation methods in which inputs having a significant impact on the estimated fair value are not based on observable market data.

The table below presents financial instruments at fair value as at 30/09/2019:

|   | <b>September 30, 2019</b> | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> |
|---|---------------------------|----------------|----------------|----------------|
| Short-term shares listed on the WSE and NC  | 0                         | 0              | 0              | 0              |
| Short-term shares unlisted                  | 0                         | 0              | 0              | 0              |
| Long-term shares not listed                 | 2953                      | 0              | 0              | 2953           |
| <b>Total financial assets at fair value</b> | 2953                      | 2953           | 0              | 2953           |
| <b>Financial liabilities at fair value</b>  | -                         | -              | -              | -              |

|   | December 31, 2018 | Level 1     | Level 2  | Level 3     |
|---|-------------------|-------------|----------|-------------|
| Short-term shares listed on the WSE and NC  | 0                 | 0           | 0        | 0           |
| Short-term shares unlisted                  | 6                 | 0           | 0        | 6           |
| Long-term shares not listed                 | 3003              | 0           | 0        | 3003        |
| <b>Total financial assets at fair value</b> | <b>3009</b>       | <b>3009</b> | <b>0</b> | <b>3009</b> |
| <b>Financial liabilities at fair value</b>  | <b>-</b>          | <b>-</b>    | <b>-</b> | <b>-</b>    |

In the reporting period, there were no movements in the valuation of instruments between the levels of the fair value hierarchy. As a part of market risk management, the Management Board controls the degree of exposure of the company to market risk within the limits of the parameters adopted, while at the same time striving to optimize the rate of return.

**Description of the method of valuation of available-for-sale assets assigned to the valuation under level 3 of the fair value hierarchy as at 30/09/2019.**

At the end of the III quarter of 2019 there was no changes in the calculation method of the fair value in comparison with 2018. The fair value of the owned shares of IFEA Sp. z o. o. was established on the basis of comparison of this investment value with % contribution of ATLANTIS SE of IFEA's equity. As at 30/09/2019 in the Management Board's opinion there are not premises of impairment loss indicated in IAS 39 referring to owned shares of IFEA Sp.z o.o. Value of other investments classified as held for sale reflect the fair value of these investments as at 30/06/2019.

**Determination of the level 3 fair value with the valuation of financial assets as at September 30, 2019.**

|  | Unlisted shares/stocks in EUR thous. | Other In EUR thous. | Total       |
|--|--------------------------------------|---------------------|-------------|
| <b>As at the beginning of the period 01/01/2019</b>                                      | <b>3003</b>                          | <b>0</b>            | <b>3003</b> |
| The sum of profits or losses<br>- in financial result<br>- in other comprehensive income | <b>0</b>                             | <b>0</b>            | <b>0</b>    |
| Short-term shares listed on the WSE and NC   | 0                                    | 0                   | 0           |
| Long-term not listed shares  | <b>3003</b>                          | <b>0</b>            | <b>3003</b> |
| Purchases / taking up shares   | 0                                    | 0                   | 0           |
| Issuance   | 0                                    | 0                   | 0           |
| Disposals / settlements  | 0                                    | 0                   | 0           |
| Transfers to assets intended for sale  | 0                                    | 0                   | 0           |
| <b>Exchange differences</b>  | <b>-50</b>                           | <b>0</b>            | <b>-50</b>  |
| <b>As at the end of the period 30/09/2019</b>  | <b>2953</b>                          | <b>0</b>            | <b>2953</b> |

**Determination of the fair value of the level 3 with the valuation of financial assets as at December 31, 2018.**

|  | <b>Unlisted shares/stocks in EUR thous.</b> | <b>Other In EUR thous.</b> | <b>Total</b> |
|--|---|----------------------------|--------------|
| <b>Opening balance as at 01/01/2018</b>    | <b>6334</b>                                 | <b>0</b>                   | <b>6334</b>  |
| The sum of profits or losses               | <b>0</b>                                    | <b>0</b>                   | <b>0</b>     |
| - in financial result                      |   |                            |              |
| - in other comprehensive income            |   |                            |              |
| Short-term shares listed on the WSE and NC | 0   | 0                          | 0            |
| Long-term not listed shares                | <b>-3238</b>                                | <b>0</b>                   | <b>-3238</b> |
| Purchases / taking up shares               | 0   | 0                          | 0            |
| Issuance                                   | 0   | 0                          | 0            |
| Disposals / settlements                    | 0   | 0                          | 0            |
| Transfers to assets intended for sale      | 0   | 0                          | 0            |
| <b>Closing balance as at 31/12/2018</b>    | <b>3003</b>                                 | <b>0</b>                   | <b>3003</b>  |

**Information on financial instruments**

**September 30, 2019**

| <b>Classes of financial instruments</b>           | <b>Fair value through comprehensive income</b> | <b>Fair value through financial result</b> | <b>Amortised cost</b> | <b>Total</b> |
|---|--|--|-----------------------|--------------|
| <b>Financial assets, total</b>                    | <b>55</b>                                      | <b>55</b>                                  |                       | <b>110</b>   |
| Shares and stocks balance value                   | 14   | 14   |                       | 28           |
| - Valuation recognized in the income statement    | 0  | 0  |                       | 0            |
| - Valuation recognized in the revaluation capital | 0  | 0  |                       | 0            |
| - Value at purchase price                         | 0  | 0  |                       | 0            |
| Debt securities                                   | 0  | 0  |                       | 0            |
| Loans granted                                     | 39   | 39   |                       | 78           |
| Trade and other receivables                       | 2  | 2  |                       | 4            |
| Cash and cash equivalents                         | 0  | 0  |                       | 0            |
| Other financial assets                            | 0  | 0  |                       | 0            |

### September 30, 2018

| Classes of financial instruments                  | Fair value through comprehensive income | Fair value through financial result | Amortised cost | Total       |
|---|---|-------------------------------------|----------------|-------------|
| <b>Financial assets, total</b>                    | <b>4374</b>                             | <b>6</b>                            | <b>363</b>     | <b>4743</b> |
| Shares and stocks balance value                   | 4374                                    | 6                                   | 0              | 4380        |
| - Valuation recognized in the income statement    | 0                                       | -6                                  | 0              | -6          |
| - Valuation recognized in the revaluation capital | -10292                                  | 0                                   | 0              | -10292      |
| - Value at purchase price                         | 14666                                   | 13                                  | 0              | 14666       |
| Debt securities                                   | 0                                       | 0                                   | 0              | 0           |
| Loans granted                                     | 0                                       | 0                                   | 177            | 177         |
| Trade and other receivables                       | 0                                       | 0                                   | 124            | 530         |
| Cash and cash equivalents                         | 0                                       | 0                                   | 62             | 264         |
| Other financial assets                            | 0                                       | 0                                   | 0              | 0           |

### 1.37. Profit per share

Data regarding profit and number of shares which were used for calculation of the basic and diluted profit per share:

in EUR thous.

|  | since 01/01/2019<br>till 30/09/2019<br>(unaudited) | since 01/01/2018<br>till 30/09/2018<br>(unaudited) |
|--|--|--|
| Net profit   | 211  | -368   |
| Weighted average number of ordinary shares used for calculation of profit per one ordinary share         | 25000000   | 25000000   |
| Weighted average number of ordinary shares used for calculation of diluted profit per one ordinary share | 25000000   | 25000000   |
| Basic profit per one share   | 0,01   | -0,01  |
| Diluted profit per share   | 0,01   | -0,01  |

### 1.35. Transactions with related parties:

According to the knowledge of the Management Board the personal links are as follows:

#### I Personal links of the Management Board:

Damian Patrowicz - since 16/01/2019 – Chairman of the Management Board of Atlantis SE , until 11/01/2019 Member of the Supervisory Board: Atlantis SE, Elkop SE, Damf Inwestycje S.A., Investment Friends Capital SE, Investment Friends SE, performing function of the Chairman of the MB of FON SE, Member of the Supervisory Board of IFERIA S.A.

#### II Personal links of the Supervisory Board:





Condensed interim financial statements as at 30/09/2019 (prepared in EUR thousand)

1. Wojciech Hetkowski - Member of the Supervisory Board – Elkop SE, Damf Inwestycje S.A , FON SE, ATLANTIS SE, Investment Friends SE., Investment Friends Capital SE.
2. Małgorzata Patrowicz - Member of the Supervisory Board: Atlantis SE, Investment Friends Capital SE, Elkop SE, Damf Inwestycje S.A., FON SE, Investment Friends SE, Chairman of the Management Board of Patro Invest Sp.z o.o.
3. Jacek Koralewski – Member of the Supervisory Board: Damf Inwestycje S.A., FON SE, Atlantis SE, Investment Friends Capital SE, Investment Friends SE, Chairman of the Management Board – Elkop SE
4. Martyna Patrowicz- Atlantis SE, Elkop SE, Damf Inwestycje S.A., FON SE, Investment Friends Capital SE.

Data regarding transactions with related parties are presented below.

| TRANSACTIONS WITH RELATED PARTIES FOR THE PERIOD ENDED ON 30/09/2019 | Sale of products, goods and materials for related parties | Revenues due to interest from related parties | Purchase from related parties | Costs due to interest for related parties | Receivables due to deliveries and services at the end of the period from related parties | Other receivables at the end of the period from related parties | Receivables due to loans and interest from related parties | Liabilities due to deliveries and services and other liabilities at the end of the period toward related parties | In-kind contribution to related parties |
|--|---|---|-------------------------------|---|--|---|--|--|---|
| IFEA SP. Z O.O.  | 0   | 287   | 0                             | 0   | 0  | 0   | 8277   | 0  | 0                                       |
| ELKOP S.A.   | 0   | 0   | 3                             | 0   | 0  | 0   | 0  | 0  | 0                                       |
| FON SE   | 0   | 0   | 0                             | 0   | 0  | 0   | 0  | 0  | 0                                       |
| RESBUD SE  | 0   | 0   | 0                             | 0   | 0  | 0   | 0  | 0  | 0                                       |
| Investment Friends SE  | 0   | 0   | 0                             | 0   | 0  | 0   | 0  | 0  | 0                                       |
| Investment Friends Capital SE  | 0   | 0   | 0                             | 0   | 0  | 0   | 0  | 0  | 0                                       |
| Office Center Sp. z o.o.   | 0   | 4   | 0                             | 0   | 0  | 1   | 163  | 1  | 0                                       |
| Patro Invest sp. z o.o.  | 0   | 13  | 0                             | 0   | 0  | 0   | 297  | 0  | 0                                       |
| Platynowe Inwestycje SE  | 0   | 0   | 0                             | 0   | 0  | 0   | 0  | 0  | 0                                       |
| Kopanina Administracja sp. z o.o. spółka komandytowa                 | 0   | 0   | 0                             | 0   | 0  | 0   | 0  | 0  | 0                                       |
| Patro Invest OU  | 0   | 0   | 0                             | 0   | 0  | 0   | 0  | 192  | 0                                       |
| <b>total</b>   | <b>0</b>  | <b>304</b>                                    | <b>3</b>                      | <b>0</b>                                  | <b>0</b>   | <b>1</b>  | <b>8737</b>  | <b>193</b>   | <b>0</b>                                |



Condensed interim financial statements as at 30/09/2019 (prepared in EUR thousand)

| TRANSACTIONS WITH RELATED PARTIES FOR THE PERIOD ENDED ON 30/09/2018 | Sale of products, goods and materials for related parties | Revenues due to interest from related parties | Purchase from related parties | Costs due to interest for related parties | Receivables due to deliveries and services at the end of the period from related parties | Other receivables at the end of the period from related parties | Receivables due to loans and interest from related parties | Liabilities due to deliveries and services and other liabilities at the end of the period toward related parties | In-kind contribution to related parties |
|--|---|---|-------------------------------|---|--|---|--|--|---|
| DAMF KSIĘGOWOŚĆ SP. Z O.O.   | 8   | 0   | 0                             | 18  | 2  | 0   | 0  | 471  | 0                                       |
| ELKOP S.A.   | 7   | 0   | 1                             | 0   | 0  | 0   | 0  | 0  | 0                                       |
| FON SE   | 0   | 0   | 0                             | 0   | 0  | 0   | 0  | 0  | 0                                       |
| RESBUD SE  | 0   | 0   | 16                            | 2   | 0  | 0   | 0  | 56   | 0                                       |
| Investment Friends SE  | 10  | 0   | 0                             | 0   | 2  | 0   | 0  | 0  | 0                                       |
| Investment Friends Capital SE  | 6   | 0   | 11                            | 0   | 0  | 1   | 0  | 0  | 0                                       |
| Office Center Sp. z o.o.   | 40  | 2   | 0                             | 0   | 21   | 13  | 70   | 0  | 0                                       |
| Patro Invest sp. z o.o.  | 0   | 0   | 0                             | 0   | 0  | 0   | 0  | 0  | 0                                       |
| Platynowe Inwestycje SE  | 1   | 0   | 0                             | 0   | 0  | 19  | 0  | 0  | 0                                       |
| Kopanina Administracja sp. z o.o. spółka komandytowa                 | 0   | 24  | 0                             | 14  | 0  | 0   | 0  | 0  | 0                                       |
| Kopanina Administracja sp. z o.o.                                    | 0   | 24  | 0                             | 14  | 0  | 0   | 0  | 0  | 0                                       |
| <b>total</b>   | <b>72</b>   | <b>50</b>                                     | <b>28</b>                     | <b>48</b>                                 | <b>25</b>  | <b>33</b>   | <b>70</b>  | <b>527</b>   | <b>0</b>                                |

**1.44. Events which have occurred after the date of this condensed quarterly report preparation, do not included in this report but which may have a significant influence on the Issuer's financial result in the future.**

On 18/11/2019 the Issuer has concluded with the company NOWY Wiatr Sp. z o.o. with its registered office in Płock at Marszałka Józefa Piłsudskiego Street 35 (KRS 0000636582) a trust deed, the subject of which is the Issuer's entrustment to the Trustee of the ownership right to the Company's 12.529 (twelve thousand five hundred and twenty-nine) shares of IFEA Sp. o.o. with its registered office in Płock (09-402) at Padlewskiego Street 18C (KRS 0000512607). The purpose of this trust deed is for the Trustee to seek a buyer and for the Trustee to conduct a transaction to sell the shares of IFEA Sp. z o.o. for a price not lower than PLN 1.000,00 (one thousand zlotys) for each share, i.e. for a total price not lower than PLN 12.529.000,00 (twelve million five hundred twenty nine thousand zlotys). The Trustee is obliged to sell the shares that are the subject of the Agreement by 31/12/2020 and in the absence of disposal of shares for their re-transfer to the Issuer. If the Trustee sells its shares, the Trustee will be required to immediately transfer the proceeds from the sale to the Issuer. The Trustee will be entitled to receive a remuneration of PLN 100 for each sold share of IFEA Sp. o.o. The Issuer informs that as the collateral the Trustee issued the Issuer a blank promissory note. The Issuer informs that there are personal ties between the Issuer and the Trustee, the person representing the Trustee is a member of the Issuer's Management Board.

Other significant events including those which have occurred after the date of this condensed quarterly report are included in this report

29/11/2019

**Management Board of ATLANTIS SE**

Damian Patrowicz- Chairman of the Management Board