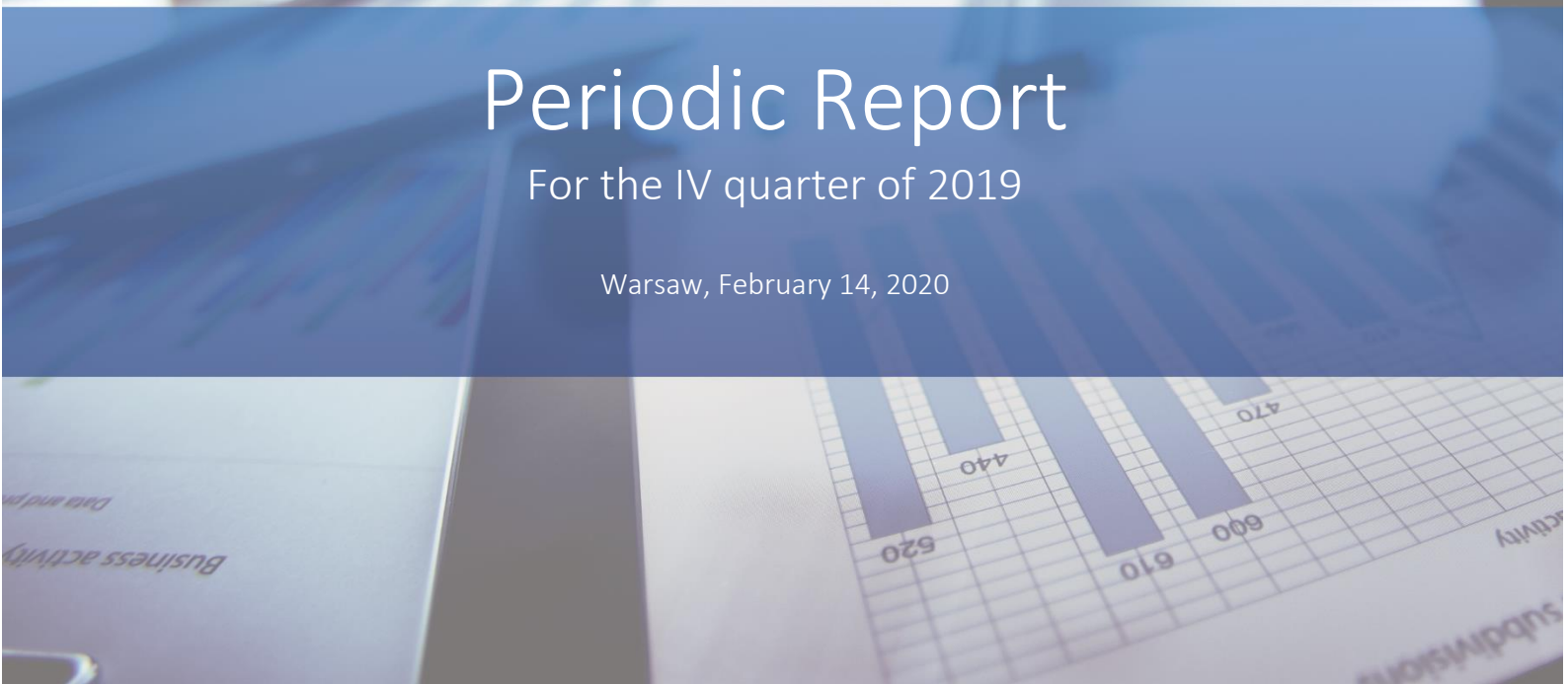




Periodic Report

For the IV quarter of 2019

Warsaw, February 14, 2020



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General Informations about the Capital Group
and the Parent Company

PARENT COMPANY

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

Source: Issuer

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

The Aforti Group shall be composed of:

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

AFORTI Capital Sp. z o.o. – originally a company managing a FIZAN fund, currently conducting activities related to the foreign expansion of the AFORTI Group on selected markets.

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

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

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

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

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

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

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

AFORTI, UAB – is a company registered in Lithuania. Its objective is to obtain a license of the E-Money Institution institution (EMI) which allow to handle electronic money transactions, including transfers to third party accounts and handling cards and payment accounts.

AUTHORITIES OF PARENT COMPANY

BOARD OF DIRECTORS

Name	Function	Term of office	
		From	To
Klaudiusz Sytek	Chairman of the Board	29.06.2017	29.06.2020
Paweł Opoka	Vice-Chairman of the Board	15.05.2018	15.05.2021
Mateusz Niemczyk	Vice-Chairman of the Board	08.05.2019	08.05.2022

Source: Issuer

On May 8, 2019, the Supervisory Board of the Company adopted a resolution on appointing Mr Mateusz Niemczyk to the Management Board and entrusting him the function of the Vice-President of the Management Board. (EBI Current Report No. [30/2019](#))

SUPERVISORY BOARD

Name	Function	Term of office	
		From	To
Kamilla Sytek - Skonieczna	President of the Supervisory Board	29.06.2017	29.06.2020
Dawid Pawłowski	Supervisory Board	29.06.2017	29.06.2020
Olga Chojecka-Szymańska	Supervisory Board	02.07.2018	29.06.2020
Ludwik Sobolewski	Supervisory Board	02.07.2018	29.06.2020
Krzysztof Rabański	CPLNonek Rady Nadzorczej	22.10.2019	22.10.2021

Source: Issuer

On October 22, 2019, the Extraordinary General Meeting of Shareholders of the Company appointed Mr. Krzysztof Rabański to the Supervisory Board (EBI Current Report No. [59/2019](#)).

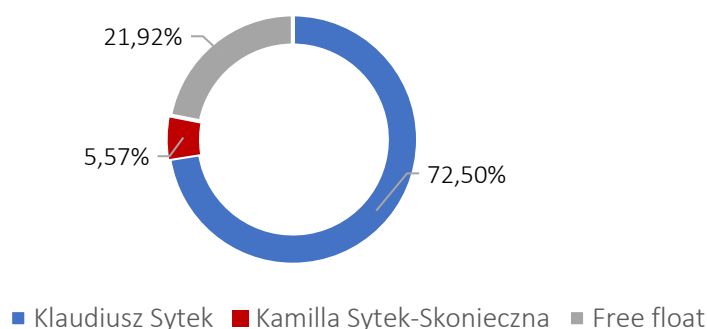
At the same time, on August 16, 2019, Mr. Maciej Stańczuk submitted the resignation from the position of a member of the Company's Supervisory Board (current report of the EIB No. [45/2019](#)).

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

Shareholder	Number of shares	Number of votes GM	Interest on Share Capital	The percentage of voting rights at GM
Klaudiusz Sytek	6 556 216	6 556 216	72,50%	72,50%
Kamilla Sytek - Skonieczna	503 907	503 907	5,57%	5,57%
Free float	1 982 391	1 982 391	21,92%	21,92%
Total	9 042 514	9 042 514	100,0%	100,0%

Source: Issuer

Interest on Share Capital and general number of votes at GM



Source: Issuer

The Extraordinary General Meeting of Shareholders of Aforti Holding S.A., which took place on October 22, 2019, decided to issue series I bearer shares. The increase in the share capital related to the private subscription was registered on 24 January 2020 in the National Court Register ([CR EBI 10/2020](#)). The capital was increased by 1,240,599 (in words: one million two hundred forty thousand five hundred and ninety nine) series I shares with a nominal value of PLN 1.00 (in words: one zloty) per one share. As at the date of publication of the periodic Report, the Issuer's share capital amounts to PLN 9,042,514.00 (in words: nine million forty two thousand five hundred and fourteen zlotys) and is divided into 9,042,514 (in words: nine million forty two thousand five hundred and fourteen) shares with nominal value PLN 1.00 (in words: one zloty) each, including:

- 100,000 (in words: one hundred thousand) A series bearer shares,
- 170,000 (in words: one hundred and seventy thousand) B series bearer shares,
- 30,000 (in words : thirty thousand) C series bearer shares,
- 49,450 (in words: forty nine thousand four hundred fifty) D series bearer shares,

- 2,394,630 (in words: two million three hundred ninety four thousand six hundred and thirty) E series bearer shares,
- 271,000 (in words: two hundred seventy-one thousand) F series bearer shares,
- 3,026,835 (in words: three million twenty six thousand eight hundred and thirty five) G series bearer shares,
- 1,760,000 (in words: one million seven hundred and sixty thousand) H series bearer shares,
- 1,240,599 (in words: one million two hundred forty thousand five hundred ninety nine) I series bearer shares.

The total number of votes resulting from all issued shares disclosed in the National Court Register is 9,042,514 (in words: nine million forty two thousand five hundred and fourteen) votes at the General Meeting of Shareholders of the Company.

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

The structure of the Capital Group on the day of publication of the report includes the entities listed below.

I. Entities covered by consolidation

- Aforti Holding S.A. – parent company
- Aforti Finance S.A. – 83.86% shares and indirectly 9.42% of shares through: Aforti Collections S.A., Aforti Exchange S.A., Aforti Factor S.A., Aforti AC sp. z o.o.,
 - Aforti Finance Romania IFN S.A. – 99.99% shares indirectly through Aforti Finance S.A., the remaining 0.01% shares has Mr. Klaudiusz Sytek
- Aforti Collections S.A. – 93,56% shares and indirectly 3.23% of shares through Aforti Exchange S.A.,
- Aforti Capital Sp. z o.o. – 98.50% shares and indirectly 1.50% of shares through Aforti Exchange S.A.,
- Aforti Factor S.A. (Aforti Corporate Finance S.A.) – 83.10% shares and indirectly 4.18% of shares through Aforti Exchange S.A.,
- Aforti Ac Sp. z o.o. – 100% shares
- Aforti Exchange S.A. – 100% shares
 - Aforti Exchange Romania S.A. – 30.57% of shares and indirectly through Aforti Exchange S.A. the 69.43% of shares

From the fourth quarter of 2019, consolidated financial data also includes the results generated by Aforti Exchange Romania S.A. and Aforti Finance Romania IFN S.A. due to full operational capability.

II. Entities not included in consolidation

- Aforti Exchange Bulgaria S.A. – 90% shares and indirectly through Aforti Exchange S.A. the 10% of shares
- Aforti, UAB – 100% shares

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

At the end of the IV quarter of 2019 Aforti Holding SA employed 17 people on full-time contracts and 32 people based on civil law and managerial contracts (also appointing board members).

The Aforti Capital Group in Poland and abroad (Romania and Bulagaria) has employed 71 people for full-time contracts and 132 people based on civil law and managerial contracts (also appointing board members).

2

Quarterly condensed CONSOLIDATED financial statements
of the AFORTI Capital Group



Table 1. Consolidated selected financial data from the balance sheet dated on 31.12.2019 together with comparative and cumulative data [PLN]

Lp.	Title	Status 31.12.2019	Status 31.12.2018	Status 30.09.2019	Status 30.09.2018
A	Fixed assets	41 584 582,48	30 134 526,67	41 096 920,60	29 376 960,13
I	Intangible assets	2 061 944,64	1 806 646,23	2 159 105,31	977 091,20
1	Research and development costs	0,00	0,00	0,00	0,00
2	Goodwill	445 303,49	545 269,62	463 479,15	0,00
3	Other intangible assets	1 428 391,15	808 046,47	420 745,76	829 814,65
4	Intangible assets advances	188 250,00	453 330,14	1 274 880,40	147 276,55
II	Consolidated goodwill	12 819 040,62	11 186 918,26	13 215 913,25	11 589 413,26
1	Consolidated goodwill - subsidiaries	12 819 040,62	11 186 918,26	13 215 913,25	11 589 413,26
III	Property, plant and equipment	2 518 398,35	2 540 024,06	2 335 654,61	2 651 437,05
1	Capital assets	2 515 855,35	2 537 481,06	2 333 111,61	2 582 630,42
a	Land (perpetual usufruct of the land)	0,00	0,00	0,00	0,00
b	Buildings, premises, civil engineering	374 659,01	7 227,50	384 929,61	8 530,92
c	Equipment and machinery	879 030,87	396 483,98	425 684,56	365 107,63
d	Means of transport	1 191 158,28	1 875 373,53	1 437 765,95	1 933 473,57
e	Fixed assets	71 007,19	258 396,05	84 731,49	275 518,30
2	Fixed assets in course of construction	2 543,00	2 543,00	2 543,00	68 806,63
3	Advances on fixed assets in course of construction	0,00	0,00	0,00	0,00
IV	Long-term assets	267 847,29	328 075,32	316 632,62	274 199,76
1	From related parties	0,00	12 475,00	0,00	18 475,00
2	From other capital entities	0,00	0,00	0,00	0,00
3	From other entities	267 847,29	315 600,32	316 632,62	255 724,76
V	Long-term investments	10 280 762,15	5 901 037,07	12 516 410,30	8 323 401,37
1	Real estate	0,00	0,00	0,00	0,00
2	Intangible assets	0,00	0,00	0,00	0,00
3	Long-term financial assets	10 280 762,15	5 901 037,07	12 516 410,30	8 323 401,37
a	Affiliated undertakings	5 166 677,60	5 356 431,70	10 799 319,61	8 323 401,37
	- stocks or shares	1 849 231,73	5 156 431,70	7 599 648,36	6 123 401,37
	- other securities	3 317 445,87	200 000,00	3 199 671,25	2 200 000,00
	- loans	0,00	0,00	0,00	0,00
	- other long-term financial assets	0,00	0,00	0,00	0,00
b	Other capital entities	0,00	0,00	0,00	0,00
	- stocks or shares	0,00	0,00	0,00	0,00
	- other securities	0,00	0,00	0,00	0,00
	- loans	0,00	0,00	0,00	0,00
	- other long-term financial assets	0,00	0,00	0,00	0,00
c	Other entities	5 114 084,55	544 605,37	1 717 090,69	0,00
	- stocks and shares	3 668 110,69	544 605,37	718 090,69	0,00
	- other securities	1 089 445,20	0,00	999 000,00	0,00
	- loans	623 183,93	0,00	0,00	0,00
	- other long-term financial assets	(266 655,27)	0,00	0,00	0,00
4	Other long-term investments	0,00	0,00	0,00	0,00
VI	Long-term accrued settlements	13 636 589,43	8 371 825,73	10 553 204,51	5 561 417,49
1	Deferred tax assets	6 285 996,69	4 352 270,12	4 352 270,12	2 283 979,04
2	Other accrued settlements	7 350 592,74	4 019 555,61	6 200 934,39	3 277 438,45
B	Current assets	173 839 292,20	124 911 124,14	150 336 090,05	110 994 168,28
I	Supplies	2 050,95	1 800,00	217,01	0,00

1	Materials	0,00	0,00	0,00	0,00
2	Semi-finished products and products in progress	0,00	0,00	0,00	0,00
3	Finished products	0,00	0,00	0,00	0,00
4	Goods	0,00	0,00	0,00	0,00
5	Supply advances	2 050,95	1 800,00	217,01	0,00
II	Current assets	62 066 536,40	31 225 047,94	47 320 641,61	26 925 646,93
1	Amounts owed by affiliated undertakings	20 839 631,72	8 594 886,58	18 003 418,67	8 677 318,03
a	Due to supply and service during the collection period:	1 981 022,76	855 165,83	859 261,73	1 300 522,33
	- until 12 months	1 981 022,76	855 165,83	859 261,73	1 300 522,33
	- over 12 months	0,00	0,00	0,00	0,00
b	Others	18 858 608,96	7 739 720,75	17 144 156,94	7 376 795,70
2	Amounts owed by other capital entities	0,00	0,00	0,00	0,00
a	Due to supply and service during the collection period:	0,00	0,00	0,00	0,00
	- until 12 months	0,00	0,00	0,00	0,00
	- over 12 months	0,00	0,00	0,00	0,00
b	Others	0,00	0,00	0,00	0,00
2	Amounts owed by other entities	41 226 904,68	22 630 161,36	29 317 222,94	18 248 328,90
a	Due to supply and service during the collection period:	1 221 086,77	1 299 167,66	1 587 681,35	775 978,32
	- until 12 months	1 221 086,77	1 299 167,66	1 587 681,35	775 978,32
	- over 12 months	0,00	0,00	0,00	0,00
b	For taxes, grants, duties, social securities, health insurance and other benefits	4 559 290,73	2 337 062,50	3 255 141,52	1 818 954,51
c	Others	35 446 527,18	18 993 931,20	24 474 400,07	15 653 396,07
d	Claims in court	0,00	0,00	0,00	0,00
III	Short-term investments	104 873 338,21	88 887 383,46	94 362 036,65	80 307 348,70
1	Short-term financial assets	104 873 338,21	88 887 383,46	94 362 036,65	80 307 348,70
a	Related parties	22 130 945,29	10 770 449,63	16 404 278,09	3 248 717,73
	- stocks or shares	22 130 945,29	10 770 449,63	16 378 170,29	3 248 717,73
	- Other intangible assets	0,00	0,00	0,00	0,00
	- loans	0,00	0,00	26 107,80	0,00
	- short-term financial assets	0,00	0,00	0,00	0,00
b	In other entities	82 147 241,75	76 274 324,44	77 190 153,95	72 779 972,46
	- shares or stocks	0,00	68 000,00	0,00	68 000,00
	- Other intangible assets	8 036 210,96	6 423 563,30	8 249 210,96	6 394 020,65
	- loans	74 111 030,79	69 782 761,14	68 940 942,99	66 317 951,81
	- other short-term financial assets	0,00	0,00	0,00	0,00
c	Money and monetary assets	595 151,17	1 842 609,39	767 604,61	4 278 658,51
	- cash in hand and on the accounts	594 938,09	1 831 581,08	767 391,53	3 562 575,28
	- other money	213,08	11 028,31	213,08	716 083,23
	- other monetary assets	0,00	0,00	0,00	0,00
2	Other short-term investments	0,00	0,00	0,00	0,00
IV	Short-term accrued settlements	6 897 366,64	4 796 892,74	8 653 194,78	3 761 172,65
C	Unpaid capital	0,00	0,00	0,00	0,00
D	Own shares	20 583 495,00	0,00	0,00	0,00
	Total Assets	236 007 369,68	155 045 650,81	191 433 010,65	140 371 128,41

Source: Issuer

Lp.	Title	Status 31.12.2019	Status 31.12.2018	Status 30.09.2019	Status 30.09.2018
A	Own Capital (fund)	58 220 010,85	4 816 282,12	4 692 686,54	5 740 234,46
I	Share Capital (fund)	7 801 915,00	7 801 915,00	7 801 915,00	7 801 915,00
II	Capital reserve (fund)	76 571 754,18	6 803 898,96	20 744 799,18	6 803 898,96
	- sales value surplus (issuance value) over nominal value of shares	55 871 302,80	1 284 946,80	1 284 946,80	1 284 946,80
III	Revaluation capital (fund)	0,00	0,00	0,00	0,00
	- hourly revaluation	0,00	0,00	0,00	0,00
IV	Other capital reserves (fund)	0,00	0,00	0,00	0,00
	- in accordance with the agreement/ Articles of Asociacion	0,00	0,00	0,00	0,00
	- to own shares	0,00	0,00	0,00	0,00
V	Profit (loss) from previous years	(28 194 137,99)	(10 110 001,77)	(24 712 139,26)	(10 110 001,77)
VI	Net Profit (loss)	1 974 122,35	320 469,93	858 111,62	1 244 422,26
X	Net Profit copies during financial year (negative rate)	66 357,30	0,00	0,00	0,00
B	Minority capital	(5 946 710,32)	2 211 192,54	3 584 057,61	2 989 576,03
C	Negative goodwill of entities	0,00	0,00	0,00	0,00
I	Negative goodwill — subsidiary	0,00	0,00	0,00	0,00
II	Negative goodwill — interdependent entities	0,00	0,00	0,00	0,00
D	FINANCIAL LIABILITIES AND PROVISIONS FOR LIABILITIES	183 734 069,15	148 018 176,15	183 156 266,50	131 641 317,92
I	Provisions for liabilities	66 943,16	66 943,16	66 943,16	5 000,00
1	Deffered tax liabilities	0,00	0,00	0,00	0,00
2	Provisions for pensions	0,00	0,00	0,00	0,00
	- long-term	0,00	0,00	0,00	0,00
	- short-term	0,00	0,00	0,00	0,00
3	Other provisions	66 943,16	66 943,16	66 943,16	5 000,00
	- long-term	0,00	0,00	0,00	0,00
	- short-term	66 943,16	66 943,16	66 943,16	5 000,00
II	Long-term liabilities	121 171 371,02	57 529 652,11	119 695 272,04	73 830 682,69
1	To affiliated undertakings	7 025 450,00	450,00	0,00	1 170 621,05
2	To other capital entities	0,00	0,00	0,00	0,00
3	To other entities	114 145 921,02	57 529 202,11	119 695 272,04	72 660 061,64
a	Loans	119 768,30	0,00	0,00	0,00
b	Debt securities issued	97 463 520,08	56 959 000,00	108 334 494,43	71 784 000,00
c	Other financial liabilities	422 961,48	570 202,11	422 961,48	876 061,64
d	Marker liabilities	0,00	0,00	0,00	0,00
e	Others	16 139 671,16	0,00	10 937 816,13	0,00
III	Short-term liabilities	48 918 345,14	84 670 927,36	56 612 706,14	54 037 300,52
1	To affiliated undertakings	10 738 322,49	348 459,75	4 594 548,07	394 411,05
a	Due to supplies and services during the collection period:	998 571,88	126 791,13	225 251,61	369 742,43
	- until 12 months	679 517,76	126 791,13	225 251,61	369 742,43
	- over 12 months	319 054,12	0,00	0,00	0,00
b	Others	9 739 750,61	221 668,62	4 369 296,46	24 668,62
2	Liabilities to other capital entities	0,00	0,00	0,00	0,00
a	Due to supplies and services during the collection period:	0,00	0,00	0,00	0,00
	- until 12 months	0,00	0,00	0,00	0,00
	- over 12 months	0,00	0,00	0,00	0,00

b	Others	0,00	0,00	0,00	0,00
2	To other entities	38 180 022,66	84 322 467,61	52 018 158,07	53 642 889,47
a	Loans	2 931,98	78,13	2 977,97	9 743,13
b	Debt security issues	3 607 336,00	36 627 000,00	11 899 966,00	16 561 504,81
c	Other financial liabilities	13 203 906,69	33 476 813,56	14 276 353,86	31 647 323,66
d	Due to supplies and services during the collection period:	10 522 873,60	6 407 539,33	10 066 487,09	1 621 538,44
	- until 12 months	10 522 873,60	6 407 539,33	10 066 487,09	1 621 538,44
	- over 12 months	0,00	0,00	0,00	0,00
e	Supplies advances	0,00	0,00	0,00	0,00
f	Marker liabilities	0,00	0,00	0,00	0,00
g	Tax, duties, insurances and others	6 309 440,44	7 022 677,93	2 903 598,26	3 260 230,91
h	Salaries	290 255,54	505 186,63	474 193,38	319 070,36
i	Others	4 243 278,40	283 172,03	12 394 581,51	223 478,16
3	Special funds	0,00	0,00	0,00	0,00
IV	Accruals	13 577 409,83	5 750 653,52	6 781 345,16	3 768 334,71
1	Negative goodwill	0,00	0,00	0,00	0,00
2	Other accruals	13 577 409,83	5 750 653,52	6 781 345,16	3 768 334,71
	- long-term	165 548,81	0,00	1 421 345,49	0,00
	- short-term	13 411 861,02	5 750 653,52	5 359 999,67	3 768 334,71
	Total Liabilities	236 007 369,68	155 045 650,81	191 433 010,65	140 371 128,41

Source: Issuer

INCOME STATEMENT – COMPARATIVER OPTION

Table 2. Consolidated selected financial data of the profit and loss for the fourth quarter 2019 and cumulatively with comparative data [PLN]

Lp.	Title	01.10.2019 – 31.12.2019	01.10.2018 – 31.12.2018	01.01.2019 - 31.12.2019	01.01.2018 - 31.12.2018
A	Net turnover	364 096 701,16	206 282 859,87	1 036 282 009,84	572 012 031,39
-	Related parties	0,00	0,00	0,00	0,00
I	Net revenues from sales of products	1 998 996,46	6 893 023,60	9 431 837,78	26 288 509,05
II	Changes in the state of products (increase – positive value, decrease – negative value)	(271 193,47)	0,00	(271 193,47)	0,00
III	Costs of product development	0,00	0,00	0,00	0,00
IV	Net revenues from sales of products, goods and materials	362 368 898,17	199 389 836,27	1 027 121 365,53	545 723 522,34
B	Operational costs	374 396 018,07	210 830 102,15	1 063 419 910,86	576 593 822,37
I	Depreciation	754 885,30	321 061,11	1 766 663,66	989 613,83
II	Materials and Energy consumption	184 816,75	308 503,28	607 805,37	793 976,50
III	External services	5 789 490,19	4 733 461,85	16 179 565,20	12 514 132,43
IV	Tax and fees, including:	1 129 518,34	1 154 172,70	3 677 029,40	2 920 804,42
	- excise duty	2 172,60	(3 417,57)	2 172,60	0,00
V	Salaries	2 249 503,71	2 381 892,04	6 960 558,90	6 359 966,09
VI	Social Securities and other benefits	270 021,28	500 694,59	1 354 529,19	1 189 557,88
	- pensions	55 147,95	129 012,90	420 865,67	413 730,85
VII	Other costs	2 153 504,39	2 133 424,12	6 664 487,91	6 373 481,45
VIII	Value of the goods and materials sold	361 864 278,11	199 296 892,46	1 026 209 271,23	545 452 289,77
C	Profit (loss) on sales (A-B)	(10 299 316,91)	(4 547 242,28)	(27 137 901,02)	(4 581 790,98)
D	Other operational profits	(7 499,60)	350 857,11	423 138,95	1 040 775,48
I	Profit of disbursement of fixed assets	118 933,50	(750,00)	154 110,43	26 380,16
II	Grants	0,00	0,00	0,00	0,00
III	Update on the value of non-financial assets	0,00	0,00	0,00	0,00
IV	Other operating income	(126 433,10)	351 607,11	269 028,52	1 014 395,32
E	Other operating costs	2 141 555,78	5 823 509,29	3 143 994,27	10 616 713,31
I	Loss from disposal of fixed assets	141 668,42	0,00	139 635,87	0,00
II	Update on the value non-financial assets	0,00	9 844,06	0,00	9 844,06
III	Other operational costs	1 999 887,36	5 813 665,23	3 004 358,40	10 606 869,25
F	Profit (loss) on operational activity (C+D-E)	(12 448 372,29)	(10 019 894,46)	(29 858 756,34)	(14 157 728,81)
G	Financial income	8 008 816,79	9 107 308,50	35 800 246,73	27 431 905,31
I	Dividends and shares of profits	0,00	0,00	0,00	0,00
a)	From related parties	0,00	0,00	0,00	0,00
	- capital involved	0,00	0,00	0,00	0,00
b)	From other entities	0,00	0,00	0,00	0,00

	- capital involved	0,00	0,00	0,00	0,00
II	Interest	118 509,81	289 463,72	483 799,33	480 512,29
	- from related parties	0,00	0,00	0,00	0,00
III	Profit from disposal of investemnt	0,00	765 173,61	13 803 290,86	9 330 441,60
	- related parties	0,00	0,00	0,00	0,00
IV	Update on the investment value	5 752 775,00	4 565 403,27	11 237 643,33	4 565 403,27
V	Others	2 137 531,98	3 487 267,90	10 275 513,21	13 055 548,15
H	Financial expenses	3 125 373,64	104 354,95	12 350 644,97	9 326 007,65
I	Interest	2 179 885,26	2 080 186,66	9 142 116,59	7 011 467,62
-	- for related parties	0,00	0,00	0,00	0,00
II	Loss from disbursement of financial assets	0,00	0,00	0,00	0,00
	- in related parties	0,00	0,00	0,00	0,00
III	Value of financial assets update	12 707,40	(3 037 900,66)	12 707,40	0,00
IV	Others	932 780,98	1 062 068,95	3 195 820,98	2 314 540,03
I	Profit (loss) on sale of whole or part of unit shares	0,00	0,00	0,00	0,00
J	Profit (loss) on business activity (F+G-H+/-I)	(7 564 929,14)	(1 016 940,91)	(6 409 154,58)	3 948 168,85
K	An impairment of the company	396 872,63	397 595,00	1 585 564,19	1 590 380,01
I	An impairment — subsidiaries	396 872,63	397 595,00	1 585 564,19	1 590 380,01
II	An impairment — interdependent entities	0,00	0,00	0,00	0,00
L	An impairment negative value of the company	0,00	0,00	0,00	0,00
I	An impairment negative value of the company — subsidiaries	0,00	0,00	0,00	0,00
II	An impairment negative value of the company — interdependent entities	0,00	0,00	0,00	0,00
M	Profit (loss) from shares of subsidiaries priced by equity method	0,00	0,00	0,00	0,00
N	Profit (loss) gross (J-K+L+/-M)	(7 961 801,77)	(1 414 535,91)	(7 994 718,77)	2 357 788,84
O	Income tax	452 955,43	527 799,92	560 457,43	1 373 136,26
P	Other obligatory profit reduction (loss increase)	0,00	0,00	0,00	0,00
Q	Profit (loss) of minority	(9 530 767,93)	(1 018 383,49)	(10 529 298,55)	664 182,66
R	Profit (loss) net (N-O-P+/-Q)	1 116 010,73	(923 952,34)	1 974 122,35	320 469,93

Source: Issuer



Table 3. Consolidated selected financial data of the cash flow statement after twelve months of 2019 together with comparative data [PLN]

Lp.	Title	01.10.2019 – 31.12.2019	01.01.2019 - 31.12.2019	01.01.2018 - 31.12.2018
A	Cash flow net from operations			
I	Profit (loss) net	1 116 010,73	1 974 122,35	320 469,93
II	Total adjustment	(6 837 447,44)	(26 122 724,60)	(46 348 424,80)
1	Profits (minority losses)	(9 530 767,93)	(10 529 298,55)	664 182,66
2	Profits (loss) from shares of entities priced by equity method	0,00	0,00	0,00
3	Depreciation	764 885,30	1 776 663,66	989 613,83
4	An impairment of goodwill of the company	396 872,63	1 585 564,19	1 590 380,01
5	An impairment of negative goodwill of the company	0,00	0,00	0,00
6	Profit (loss) due to exchange differences	0,00	0,00	0,00
7	Interest and shares on profit (dividends)	2 061 375,45	7 676 610,06	6 530 955,33
8	Profits (loss) from investment activity	136 941,01	(13 669 819,35)	(9 350 581,89)
9	Change in the provision	0,00	0,00	39 943,16
10	Change in stocks	(1 833,94)	(250,95)	(1 800,00)
11	Change in financial claims	(2 658 201,16)	(13 901 960,45)	(44 813 943,77)
12	Change in short-term financial liabilities, excluding loans	8 918 282,21	23 011 067,18	8 841 102,60
13	Change in accrued settlements	5 468 507,89	461 518,71	(4 948 269,80)
14	Other provisions	(12 393 508,90)	(22 532 819,10)	(5 890 006,92)
III	Cash flow net from operations (I ± II)	(5 721 436,71)	(24 148 602,25)	(46 027 954,87)
B	Cash flow from investment activity			
I	Profits	0,00	74 943,12	11 841 283,65
1	Disposal of legal, intangible and tangible assets	0,00	74 943,12	0,00
2	Disposal of real estate investments and legal, intangible assets	0,00	0,00	0,00
3	Financial assets	0,00	0,00	11 841 283,65
a)	In related parties	0,00	0,00	11 770 286,10
b)	In other entities	0,00	0,00	70 997,55
-	Disposal of financial assets	0,00	0,00	0,00
-	Dividends and shares of profit	0,00	0,00	0,00
-	Repayment of long-term loans	0,00	0,00	70 997,55
-	Interest	0,00	0,00	0,00
-	Other profits from financial shares	0,00	0,00	0,00
4	Other investment profits	0,00	0,00	0,00
II	Expenses	2 080 133,64	9 997 258,94	5 452 327,25
1	Aquisition of tangible and intangible fixed assets	1 008 581,81	2 310 333,88	1 927 616,10
2	Investments in real estate and intangible assets	0,00	0,00	0,00
3	Financial assets	1 071 551,82	7 686 925,05	3 524 711,15
a)	In related parties	(2 325 442,04)	3 117 445,87	3 524 711,15
b)	In other equities	3 396 993,86	4 569 479,18	0,00
-	Aquisition of financial assets	3 040 465,20	4 212 950,52	0,00
-	Long-term loans	356 528,66	356 528,66	0,00

4	Dividends and other shares on profit paid to minority shareholders	0,00	0,00	0,00
5	Other investment expenses	0,00	0,00	0,00
III	Cash flow net from investment activity (I-II)	(2 080 133,64)	(9 922 315,82)	6 388 956,40
C	Cash flow from financial activity			
I	Profits	23 721 247,22	124 875 000,81	104 813 986,59
	Net receipts from issuance of shares and other equity instruments and equity infusion	13 078 215,00	13 078 215,00	0,00
2	Loans	4 989 094,36	27 914 259,67	26 760 638,65
3	Debt securities issuance	(7 552 586,97)	59 372 895,66	57 144 776,37
4	Other financial income	13 206 524,84	24 509 630,49	20 908 571,57
II	Expenses	16 092 130,32	92 051 540,97	67 189 910,73
1	Aquisition of treasury shares	0,00	0,00	0,00
2	Dividends and other distributions to owners	0,00	0,00	0,00
3	Other expenses than distribution to owners, expenses related to sharing of the capital gain	0,00	0,00	0,00
4	Repayment of loans	0,00	0,00	4 333,33
5	Debt securities buyout	11 611 017,38	51 888 039,58	25 178 281,18
6	Other financial liabilities	0,00	0,00	0,00
7	Payments from financial leasing	9 070,05	140 820,67	279 626,92
8	Interest	2 179 885,26	9 142 116,59	7 011 467,62
9	Other financial expenses	2 292 157,63	30 880 564,13	34 716 201,68
III	Net cash flow from financial activity (I-II)	7 629 116,90	32 823 459,84	37 624 075,86
D	Tolat net cash flow (A.III ± B.III ± C.III)	(172 453,44)	(1 247 458,22)	(2 014 922,61)
E	Balance change in cash assets	(172 453,44)	(1 247 458,22)	(2 014 922,61)
-	Profit (loss) due to exchange differences	0,00	0,00	0,00
F	Cash at the beggining of period	767 604,61	1 842 609,39	3 857 532,00
G	Cash at the end of period (F±E)	595 151,17	595 151,17	1 842 609,39
-	Restricted possibility of dispatch	0,00	0,00	0,00

Source: Issuer

The Company presents a cash flow statement for the fourth quarter of 2019 without comparative data for this period due to the limited technical capabilities of the accounting program. The Company is working on entering comparative data in future periodic reports.

THE STATEMENT OF CHANGES IN EQUITY

Table 4. Consolidated selected financial data from the statement showing changes in equity after twelve months 2019 together with comparative data [PLN]

Lp.	Title	01.10.2019 – 31.12.2019	01.01.2019 - 31.12.2019	01.01.2018 - 31.12.2018
I.	Equity (fund) at the beginning of period (BO)	4 692 686,54	4 816 282,12	4 377 023,62
-	Changes in accounting policy	0,00	0,00	0,00
-	Correction of fundamental errors		0,00	0,00
I.a.	Equity (fund) at the beginning of period (BO), after adjustments	4 692 686,54	4 816 282,12	4 377 023,62
1	Share capital (fund) at the beginning of period	7 801 915,00	7 801 915,00	7 801 915,00
1.1.	Share capital changes (fund)	0,00	0,00	0,00
a	Increase related to:	0,00	0,00	0,00
-	Issuance of shares	0,00	0,00	0,00
-	Contribution in-kind	0,00	0,00	0,00
b	Decrease related to:	0,00	0,00	0,00
-	Redemption of shares	0,00	0,00	0,00
	.....	0,00	0,00	0,00
1.2.	Equity (fund) at the beginning of period	7 801 915,00	7 801 915,00	7 801 915,00
2	Equity (fund) reserve at the beginning of period	20 744 799,18	6 803 898,96	3 504 854,16
2.1.	Equity (fund) reserve change	55 826 955,00	69 767 855,22	3 299 044,80
a	Increase related to:	55 826 955,00	69 767 855,22	3 299 044,80
-	Share issue over nominal value	54 586 356,00	54 586 356,00	0,00
-	Appropriation of the profit (by law)	0,00	13 940 900,22	3 299 044,80
-	Appropriation of the profit (over required by law nominal value)	0,00	0,00	0,00
-	Issuing of the new shares	1 240 599,00	1 240 599,00	0,00
b	Decrease (for the transfer of capital reserve)	0,00	0,00	0,00
-	Cover the deficit	0,00	0,00	0,00
-	Transfer to the share capital (registration of shares D series)	0,00	0,00	0,00
2.2.	Capital reserve status (fund) at the end of the beginning of period	76 571 754,18	76 571 754,18	6 803 898,96
3	Equity (fund) of revaluation at the beginning of period – changes in accounting policy	0,00	0,00	0,00
3.1.	Changes in the share capital (fund) of revaluation	0,00	0,00	0,00
a	Increase	0,00	0,00	0,00
b	Decrease	0,00	0,00	0,00
3.2.	Equity (fund) of revaluation at the end of period	0,00	0,00	0,00
4	Other reserves (fund) at the beginning of period	0,00	0,00	0,00
4.1.	Changes in other reserves (fund)	0,00	0,00	0,00
a	Increase (copy of the profit)	0,00	0,00	0,00
-	Increase of capital reserve (transfer)	0,00	0,00	0,00
b	Decrease	0,00	0,00	0,00

-	Divident payment	0,00	0,00	0,00
4.2.	Other equity reserve (fund) at the end of period	0,00	0,00	0,00
5	Profit (loss) from the previous years at the beginning of period	(23 730 432,06)	(10 110 001,77)	(8 147 079,80)
5.1.	Profit from the previous years at the beginning of period	(981 707,20)	0,00	0,00
-	Changes in the accounting policy		0,00	0,00
-	Correction of fundamental errors		0,00	0,00
5.2.	Profit from the previous years at the beginning of period, after corrections	(981 707,20)	0,00	0,00
a	Increase	0,00	320 469,93	1 336 122,83
-	The appropriation of the profit from the previous years	0,00	320 469,93	1 336 122,83
b	Decrease	0,00	1 302 177,13	1 336 122,83
-	Loss compensation	0,00	320 469,93	1 336 122,83
-	Transfer of capital reserve	0,00	981 707,20	0,00
5.3.	Profit from the previous years at the end of period	(981 707,20)	(981 707,20)	0,00
5.4	Losses from previous years at the beginning of period (-)	(23 730 432,06)	(10 110 001,77)	(8 147 079,80)
-	Changes in accounting policy	0,00	0,00	0,00
-	Correction of fundamental errors	0,00	0,00	0,00
5.5.	Losses from previous years at the beginning of period, after corrections	(23 730 432,06)	(10 110 001,77)	(8 147 079,80)
a	Increase	0,00	13 940 900,22	3 299 044,80
-	Loss carry-forward from the previous years to cover	0,00	13 940 900,22	3 299 044,80
b	Decrease	3 481 998,72	3 161 528,80	(1 336 122,83)
-	....	3 481 998,72	3 161 528,80	(1 336 122,83)
5.6.	Losses from previous years at the end of period	(27 212 430,79)	(27 212 430,79)	(10 110 001,77)
5.7	Profit (loss) from previous years at the end of period	(28 194 137,99)	(28 194 137,99)	(10 110 001,77)
6.	Net income	1 182 368,03	2 040 479,65	320 469,93
a	Net profit	1 116 010,73	1 974 122,35	320 469,93
b	Net loss (negative)	0,00	0,00	0,00
c	Profit copy (negative)	66 357,30	66 357,30	0,00
II	Equity (fund) at the end of period (BZ)	58 220 010,85	58 220 010,85	4 816 282,12
III	Equity (fund) after taking into account proposed profit (cover loss)	58 220 010,85	58 220 010,85	4 816 282,12

Source: Issuer

The Company presents a statement of changes in consolidated equity for the fourth quarter of 2019 without comparative data for this period due to the limited technical capabilities of the accounting program. The Company is working on entering comparative data in future periodic reports.

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

BALANCE SHEET

Table 5. Individual selected financial data of the balance dated on 31.12.2019 together with comparative and cumulative data [PLN]

ASSETS

Lp.	Title	Status 31.12.2019	Status 31.12.2018	Status 30.09.2019	Status 30.09.2018
A	FIXED ASSETS	171 230 880,06	113 229 912,68	139 450 413,74	111 263 978,00
I	Intangible fixed assets	445,00	22 140,67	2 590,05	29 550,87
1	Costs of the completed, development activities	0,00	0,00	0,00	0,00
2	Change in the balance of products (increase – positive value, decrease – negative value)	0,00	0,00	0,00	0,00
3	Other intangible fixed assets	445,00	22 140,67	2 590,05	29 550,87
4	Intangible fixed assets advance	0,00	0,00	0,00	0,00
II	Tangible assets	1 250 004,92	1 253 392,99	1 339 071,23	1 297 080,31
1	Fixed assets	1 250 004,92	1 253 392,99	1 339 071,23	1 297 080,31
a	Land (perpetual usufruct)	0,00	0,00	0,00	0,00
b	Buildings, premises i civil engineering facilities	374 659,01	7 227,50	384 929,61	7 670,00
c	Equipment and machinery	233 132,11	159 767,19	250 550,19	127 477,19
d	Means of transport	603 692,79	870 963,99	653 804,76	932 003,03
e	Other fixed assets	38 521,01	215 434,31	49 786,67	229 930,09
2	Fixed assets under construction	0,00	0,00	0,00	0,00
3	Fixed assets under construction advances	0,00	0,00	0,00	0,00
III	Long-term receivables	172 374,40	202 544,31	172 374,40	196 072,71
1	From affiliates	0,00	0,00	0,00	0,00
2	From other capital equities	0,00	0,00	0,00	0,00
3	From other equities	172 374,40	202 544,31	172 374,40	196 072,71
IV	Long-term investments	165 050 509,26	107 572 157,93	132 608 494,26	106 365 857,93
1	Real estate	0,00	0,00	0,00	0,00
2	Intangible assets	0,00	0,00	0,00	0,00
3	Long-term financial assets	165 050 509,26	107 572 157,93	132 608 494,26	106 365 857,93
a	In affiliates	165 050 509,26	107 572 157,93	132 608 494,26	106 365 857,93
	- stocks or shares	153 702 424,26	90 472 157,93	130 894 494,26	89 265 857,93
	- other securities	10 993 085,00	17 100 000,00	1 714 000,00	17 100 000,00
	- loans	355 000,00	0,00	0,00	0,00
	- other long-term financial assets	0,00	0,00	0,00	0,00
b	In other capital entities	0,00	0,00	0,00	0,00
	- stocks or shares	0,00	0,00	0,00	0,00
	- other securities	0,00	0,00	0,00	0,00
	- loans	0,00	0,00	0,00	0,00
	- other long-term financial assets	0,00	0,00	0,00	0,00
c	In other equities	0,00	0,00	0,00	0,00
	- stocks or shares	0,00	0,00	0,00	0,00
	- other securities	0,00	0,00	0,00	0,00
	- loans	0,00	0,00	0,00	0,00
	- other long-term financial assets	0,00	0,00	0,00	0,00
4	Other long-term investments	0,00	0,00	0,00	0,00
V	Long term accruals	4 757 546,48	4 179 676,78	5 327 883,80	3 375 416,18
1	Deferred tax assets	160 121,17	160 121,17	160 121,17	146 622,54

2	Other accruals	4 597 425,31	4 019 555,61	5 167 762,63	3 228 793,64
B	CURRENT ASSETS	65 488 068,75	30 861 897,47	60 330 420,49	18 251 392,68
I	Supplies	0,00	0,00	0,00	0,00
1	Materials	0,00	0,00	0,00	0,00
2	Semi-finished products and products in progress	0,00	0,00	0,00	0,00
3	Finished products	0,00	0,00	0,00	0,00
4	Goods	0,00	0,00	0,00	0,00
5	Advances on supplies	0,00	0,00	0,00	0,00
II	Short-term receivables	38 478 443,55	13 377 701,75	31 147 059,82	8 859 610,54
1	Related parties receivables	24 596 178,48	13 065 721,86	30 291 663,38	8 443 779,66
a	Due to supplies and services during the collection period:	4 206 206,99	3 454 590,88	3 471 237,39	3 156 131,04
	- until 12 months	4 206 206,99	3 454 590,88	3 471 237,39	3 156 131,04
	- over 12 months	0,00	0,00	0,00	0,00
b	Other	20 389 971,49	9 611 130,98	26 820 425,99	5 287 648,62
2	Receivables from other capital entities	0,00	0,00	0,00	0,00
a	Due to supplies and services during the collection period:	0,00	0,00	0,00	0,00
	- until 12 months	0,00	0,00	0,00	0,00
	- over 12 months	0,00	0,00	0,00	0,00
b	Other	0,00	0,00	0,00	0,00
3	Receivables from other entities	13 882 265,07	311 979,89	855 396,44	415 830,88
a	Due to supplies and services during the collection period:	91 139,09	171 288,98	107 503,45	216 724,54
	- until 12 months	91 139,09	171 288,98	107 503,45	216 724,54
	- over 12 months	0,00	0,00	0,00	0,00
	Due to taxes, grands, duties, social securities, health insurance and other benefits	1 713 080,12	59 029,90	615 468,77	1 140,54
c	Other	12 078 045,86	81 661,01	132 424,22	197 965,80
d	Claimed at court	0,00	0,00	0,00	0,00
III	Short-term investemnts	22 375 354,67	14 562 077,82	22 466 926,56	6 198 993,40
1	Short-term financial assets	22 375 354,67	14 562 077,82	22 466 926,56	6 198 993,40
a	In related parties	20 547 290,91	13 747 290,91	20 547 290,91	4 941 104,61
	- stocks or shares	20 547 290,91	13 747 290,91	20 547 290,91	4 941 104,61
	- other securities	0,00	0,00	0,00	0,00
	- loans	0,00	0,00	0,00	0,00
	- other short-term financial assets	0,00	0,00	0,00	0,00
b	In other entities	1 702 650,96	802 003,30	1 702 650,96	792 460,65
	- stocks and shares	0,00	0,00	0,00	0,00
	- other securities	1 702 650,96	802 003,30	1 702 650,96	792 460,65
	- loans	0,00	0,00	0,00	0,00
	- other short-term financial assets	0,00	0,00	0,00	0,00
c	Money and monetary assets	125 412,80	12 783,61	216 984,69	465 428,14
	- cash in hand and in the account	125 412,80	12 783,61	216 984,69	465 428,14
	- other money	0,00	0,00	0,00	0,00
	- other monetary assets	0,00	0,00	0,00	0,00
2	Other short-term investemnts	0,00	0,00	0,00	0,00
IV	Short term accruals	4 634 270,53	2 922 117,90	6 716 434,11	3 192 788,74
C	Unpaid share capital (fund)	0,00	0,00	0,00	0,00
D	Own shares	0,00	0,00	0,00	0,00
TOTAL ASSETS		236 718 948,81	144 091 810,15	199 780 834,23	129 515 370,68

Source: Issuer

LIABILITIES

Lp.	Title	Status 31.12.2019	Status 31.12.2018	Status 30.09.2019	Status 30.09.2018
A	Equity (fund)	127 765 238,09	57 514 735,65	77 573 351,07	50 467 375,01
I	Share capital (fund)	7 801 915,00	7 801 915,00	7 801 915,00	7 801 915,00
II	Capital reserve (fund):	76 571 754,18	6 803 898,96	20 744 799,18	6 803 898,96
	- Excess of the sale value (issued value) over the nominal value of shares	55 871 302,80	1 284 946,80	1 284 946,80	1 284 946,80
III	Capital (fund) of revaluation	28 581 297,24	28 581 297,24	28 581 297,24	28 581 297,24
	- due to hourly update	0,00	0,00	0,00	0,00
IV	Other capital reserve (fund)	0,00	0,00	0,00	0,00
	- carried out in accordance of the agreement of the Group (articles of asociacion)	0,00	0,00	0,00	0,00
	- to own shares	0,00	0,00	0,00	0,00
V	Profit (loss) from previous years	386 724,23	386 724,23	386 724,23	386 724,23
VI	Net profit (loss)	14 423 547,44	13 940 900,22	20 058 615,42	6 893 539,58
VII	Net profit copies during the financial year (negative value)	0,00	0,00	0,00	0,00
B	LIABILITIES AND PROVISIONS ON LIABILITIES	108 953 710,72	86 577 074,50	122 207 483,16	79 047 995,67
I	Provisions on liabilities	0,00	0,00	0,00	0,00
1	Deffered tax liability	0,00	0,00	0,00	0,00
2	Provisions and pensions	0,00	0,00	0,00	0,00
	- long-term	0,00	0,00	0,00	0,00
	- short-term	0,00	0,00	0,00	0,00
3	Other reserves	0,00	0,00	0,00	0,00
	- long-term	0,00	0,00	0,00	0,00
	- short-term	0,00	0,00	0,00	0,00
II	Long-term liabilities	88 903 663,27	60 123 863,72	105 907 689,57	68 994 753,07
1	To affiliated undertakings	2 626 473,19	470 661,61	12 005 824,18	473 473,61
2	To other capital entities	0,00	0,00	0,00	0,00
3	To other entities	86 277 190,08	59 653 202,11	93 901 865,39	68 521 279,46
a	Loans	0,00	0,00	0,00	0,00
b	Due to debt securities issues	69 714 557,44	59 083 000,00	82 541 087,78	67 670 000,00
c	Other financial liabilities	422 961,48	570 202,11	422 961,48	851 279,46
d	Marker liabilities	0,00	0,00	0,00	0,00
e	Other	16 139 671,16	0,00	10 937 816,13	0,00
III	Short-term liabilities	19 833 050,39	26 230 202,84	16 297 562,38	10 053 242,60
1	To related parties	9 734 837,98	1 143 430,97	8 144 602,16	4 353 313,59
a	Due to supplies and services, with the maturity:	593 168,85	56 103,31	2 041 480,58	47 218,00
	- until 12 months	593 168,85	56 103,31	2 041 480,58	47 218,00
	- over 12 months	0,00	0,00	0,00	0,00
b	Other	9 141 669,13	1 087 327,66	6 103 121,58	4 306 095,59
2	Liabilities to other capital entities	0,00	0,00	0,00	0,00
a	Due to supplies and services, with the maturity:	0,00	0,00	0,00	0,00
	- until 12 months	0,00	0,00	0,00	0,00
	- over 12 months	0,00	0,00	0,00	0,00
b	Other	0,00	0,00	0,00	0,00
3	To other entities	10 098 212,41	25 086 771,87	8 152 960,22	5 699 929,01
a	Loans	2 736,46	0,00	2 779,94	9 600,00

b	Due to debt securities issues	215 000,00	19 709 000,00	955 000,00	4 472 000,00
c	Other financial liabilities	82 451,76	188 925,16	109 852,06	58 874,87
d	Due to supplies and services, with the maturity:	5 139 342,78	1 413 606,37	4 960 218,53	381 861,76
	- until 12 months	5 139 342,78	1 413 606,37	4 960 218,53	381 861,76
	- over 12 months	0,00	0,00	0,00	0,00
e	Advances on supplies	0,00	0,00	0,00	0,00
f	Marker liabilities	0,00	0,00	0,00	0,00
g	Due to tax, duties, social securities, insurances and other benefits	4 483 366,68	3 659 312,10	1 443 506,02	729 722,87
h	Payroll	2 317,20	109 442,45	125 941,27	35 719,67
i	Other	172 997,53	6 485,79	555 662,40	12 149,84
4	Special funds	0,00	0,00	0,00	0,00
IV	Accruals	216 997,06	223 007,94	2 231,21	0,00
1	Negative goodwill	0,00	0,00	0,00	0,00
2	Other accruals	216 997,06	223 007,94	2 231,21	0,00
	- long-term	0,00	0,00	0,00	0,00
	- short-term	216 997,06	223 007,94	2 231,21	0,00
TOTAL LIABILITIES		236 718 948,81	144 091 810,15	199 780 834,23	129 515 370,68

Source: Issuer

PROFIT AND LOSS ACCOUNT – by nature of expense

Table 6. Individual selected financial data of the profit and loss account after the fourth quarter 2019 together with comparative data [PLN]

Lp.	Title	01.10.2019 – 31.12.2019	01.10.2018 – 31.12.2018	01.01.2019 - 31.12.2019	01.01.2018 - 31.12.2018
A	Net revenues from sales and equivalent, including revenues:	5 051 246,76	5 344 598,20	17 724 122,80	17 521 039,06
-	Related parties	0,00	0,00	0,00	0,00
I	Net revenues from sales of products	5 051 246,76	5 344 598,20	17 724 122,80	17 521 039,06
II	Change in the balance of products (increase - positive value, decrease - negative value)	0,00	0,00		
III	Manufacturing cost of products for internal purposes	0,00	0,00		
IV	Net revenues from sales of goods and materials	0,00	0,00		
B	Operating expenses	5 365 778,01	3 870 642,34	16 667 654,37	12 437 295,49
I	Amortisation and depreciation	91 286,36	100 225,00	387 286,78	358 255,31
II	Consumption of materials and energy	44 603,68	123 185,25	189 553,87	339 819,52
III	External services	3 102 749,15	1 686 213,74	8 613 658,27	4 656 182,28
IV	Taxes and charges, including:	357 698,58	13 738,26	470 481,41	54 657,92
-	- excise duty	0,00	0,00	0,00	0,00
V	Payroll	351 321,84	535 825,67	1 945 787,06	2 031 805,49
VI	Social security and other benefits	62 848,86	87 416,44	334 631,94	298 792,38
-	- pensions	21 692,18	30 641,20	121 887,84	111 743,52
VII	Other costs by type	1 355 269,54	1 324 037,98	4 726 255,04	4 697 782,59
VIII	Value of goods and materials sold	0,00	0,00		
C	Profit (loss) on sales (A-B)	(314 531,25)	1 473 955,86	1 056 468,43	5 083 743,57
D	Other operating revenues	770,10	15 639,24	130 657,16	438 288,98
I	Profit on disposal of non-financial fixed assets	0,00	(750,00)	32 840,91	26 380,16
II	Subsidies	0,00	0,00	0,00	0,00
III	Revaluation of non-financial assets	0,00	0,00	0,00	0,00
IV	Other operating revenues	770,10	16 389,24	97 816,25	411 908,82
E	Other operating expenses	1 278 665,49	14 497,04	1 824 454,94	218 420,62
I	Loss on disposal of non-financial fixed assets	0,00	0,00	0,00	0,00
II	Revaluation of non-financial assets	0,00	0,00	0,00	0,00
III	Other operating expenses	1 278 665,49	14 497,04	1 824 454,94	218 420,62
F	Profit (loss) on operating activities (C+D-E)	(1 592 426,64)	1 475 098,06	(637 329,35)	5 303 611,93
G	Financial revenues	130 954,44	6 012 395,78	24 404 106,41	15 324 986,19
I	Dividends and profit sharing, including:	3 983 904,01	0,00	3 983 904,01	
a)	from related parties:	3 983 904,01	0,00	3 983 904,01	
-	- capital entity	3 983 904,01	0,00	3 983 904,01	
b)	From other entities:	0,00	0,00	0,00	
-	- capital entity	0,00	0,00	0,00	
II	Interest, including::	130 643,59	773 567,25	1 127 014,36	2 130 725,08
-	- From related parties	130 557,62	567 437,50	1 126 305,07	1 901 342,24
III	Profit on disposal of financial assets	0,00	715 982,30	13 803 290,86	8 671 323,79
-	- in related parties	0,00	0,00	0,00	0,00

IV	Revaluation of financial assets	0,00	4 522 841,99	5 484 868,33	4 522 841,99
V	Other	(3 983 593,16)	4,24	5 028,85	95,33
H	Financial expenses	1 786 913,78	(1 584 922,17)	6 956 547,62	4 662 642,53
I	Interest	1 560 877,82	1 452 978,49	6 701 120,60	4 661 382,78
	- for related parties	407 070,47	270 626,90	1 547 333,39	554 384,87
II	Loss on disposal of financial assets	0,00	0,00	0,00	0,00
	- in relations parties	0,00	0,00	0,00	0,00
III	Revaluation of financial assets	0,00	(3 037 900,66)	0,00	0,00
IV	Other	226 035,96	0,00	255 427,02	1 259,75
I	Gross profit (loss) (F+G-H)	(3 248 385,98)	9 072 416,01	16 810 229,44	15 965 955,59
J	Income tax	2 386 682,00	2 025 055,37	2 386 682,00	2 025 055,37
K	Other statutory reductions in profit (increases in loss)	0,00	0,00		
L	Net profit (loss) (I-J-K)	(5 635 067,98)	7 047 360,64	14 423 547,44	13 940 900,22

Source: Issuer

CASH-FLOW STATEMENT

Table 7. Individual selected financial data of the cash flow statement after the fourth quarter of 2019 together with comparative data [PLN]

Lp.	Title	01.10.2019 – 31.12.2019	01.01.2019 - 31.12.2019	01.01.2018 - 31.12.2018
A	Net cash flows from operating activities			
I	Net profit (loss)	(5 635 067,98)	14 423 547,44	13 940 900,22
II	Total provisions	(16 769 378,36)	(22 258 385,01)	(13 216 089,94)
3	Amortisation and depreciation	91 286,36	387 286,78	358 255,31
6	Foreign exchange gains (loss)	0,00	0,00	0,00
7	Interest and gain-share (dividends)	1 430 234,23	5 574 106,24	2 530 657,70
8	Profit (loss) on investment activity	0,00	(13 838 284,06)	(8 671 323,79)
9	Changes of provisions	0,00	0,00	(22 000,00)
10	Change in stocks	0,00	0,00	0,00
11	Change in receivables	(7 310 298,73)	(7 490 486,89)	(3 484 357,86)
12	Change in short-term liabilities excluding credits and loans	(13 847 791,97)	788 393,77	4 100 280,24
13	Change in prepayments and accruals	2 867 266,75	(2 296 033,21)	(2 405 512,21)
14	Other adjustments	(75,00)	(5 383 367,64)	(5 622 089,34)
III	Net cash flows from operating activities (I ± II)	(22 404 446,34)	(7 834 837,57)	724 810,28
B	Net cash flows from investment activities			
I	Inflows	5 000 000,00	22 488 821,17	24 591 146,79
1	Disposal of intangible and tangible fixed assets	0,00	38 821,17	0,00
2	Disposal of investments in real property and in intangible assets	0,00	0,00	0,00
3	From financial assets, including:	5 000 000,00	22 450 000,00	24 591 146,79
a)	in related parties	5 000 000,00	22 450 000,00	14 840 026,40
b)	in other entities	0,00	0,00	9 751 120,39
-	Disposal of financial assets	0,00	0,00	0,00
-	Dividends and gain-share	0,00	0,00	0,00
-	Repayment of long-term loans	0,00	0,00	9 751 120,39
-	Interest	0,00	0,00	0,00
-	Other inflows from financial assets	0,00	0,00	0,00
4	Other investments inflows	0,00	0,00	0,00
II	Outflows	600 520,00	44 023 876,50	55 874 844,10
1	Aquisition of intangible fixed and tangible assets	0,00	467 531,70	257 423,10
2	Investments on real estate and intangible fixed assets	0,00	0,00	0,00
3	Financial assets:	600 520,00	43 556 344,80	55 617 421,00
a)	In related parties	600 520,00	43 556 344,80	33 737 390,00
b)	In other equities	0,00	0,00	21 880 031,00
-	Aquisition of financial assets	0,00	0,00	0,00
-	Long-term loans	0,00	0,00	21 880 031,00
4	Other investment expenses	0,00	0,00	0,00

III	Net cash flows from investment activities (I-II)	4 399 480,00	(21 535 055,33)	(31 283 697,31)
C	Net cash flows from financial activities			
I	Inflows	26 511 873,62	62 082 060,52	52 517 725,08
	Net inflows from issuance of shares and other capital instruments and from capital			
1		13 078 215,00	13 078 215,00	0,00
2	Credits and loans	0,00	0,00	0,00
3	Issuance of debt securities	215 000,00	23 851 000,00	50 387 000,00
4	Other inflows from financial activities	13 218 658,62	25 152 845,52	2 130 725,08
II	Outflows	8 598 479,17	32 599 538,43	23 696 343,70
1	Purchase of own shares	0,00	0,00	0,00
2	Dividends and other payments to shareholders	0,00	0,00	0,00
	Profit distribution liabilities other than profit distribution payments to shareholders			
3		0,00	0,00	0,00
4	Repayment of credits and loans	0,00	0,00	0,00
5	Redemption of debt securities	7 037 601,35	25 781 527,00	18 831 795,33
6	Payment of other financial liabilities	0,00	0,00	0,00
7	Payment of liabilities arising from financial leases	0,00	116 890,83	203 165,59
8	Interest	1 560 877,82	6 701 120,60	4 661 382,78
9	Other financial expenses	0,00	0,00	0,00
III	Net cash flows from financial activities (I-II)	17 913 394,45	29 482 522,09	28 821 381,38
D	Total net cash flows (A.III ± B.III ± C.III)	(91 571,89)	112 629,19	(1 737 505,65)
E	Balance sheet change in cash:	(91 571,89)	112 629,19	(1 737 505,65)
-	Change in cash due to exchange differences	0,00	0,00	0,00
F	Opening balance of cash	216 984,69	12 783,61	1 750 289,26
G	Closing balance of cash (F±E):	125 412,80	125 412,80	12 783,61
-	Limited possibility of disposition			

Source: Issuer

The Company presents a cash flow statement for the fourth quarter of 2019 without comparative data due for this period due to the limited technical capabilities of the accounting program. The Company is working on entering comparative data in future periodic reports.

STATEMENT OF CHANGES IN EQUITY

Table 8. Individual selected financial data of the statement of changes in equity after the fourth quarter of 2019 together with comparative data [PLN]

Lp.	Title	01.10.2019 – 31.12.2019	01.01.2019 - 31.12.2019	01.01.2018 - 31.12.2018
I.	Equity (fund) at the beginning of period (BO)	77 573 351,07	57 514 735,65	43 573 835,43
-	Corrections of fundamental errors and changes in accounting policy	0,00	0,00	0,00
		0,00	0,00	0,00
I.a.	Equity (fund) at the beginning of period (BO), after provisions	77 573 351,07	57 514 735,65	43 573 835,43
1	Change in the balance of products (increase – positive value, decrease – negative value)	7 801 915,00	7 801 915,00	7 801 915,00
1.1.	Changes in share capital (fund)	0,00	0,00	0,00
a	Increase	0,00	0,00	0,00
-	Issue of shares	0,00	0,00	0,00
-	Contribution in-kind	0,00	0,00	0,00
b	Decrease	0,00	0,00	0,00
-	Redemption of shares	0,00	0,00	0,00
	.....	0,00	0,00	0,00
1.2.	Share capital (fund) at the end of period	7 801 915,00	7 801 915,00	7 801 915,00
2	Capital (fundusz) reserve at the beginning of period	20 744 799,18	6 803 898,96	3 504 854,16
2.1.	Changes in capital reserve (fund)	55 826 955,00	69 767 855,22	3 299 044,80
a	Increase	55 826 955,00	69 767 855,22	3 299 044,80
-	Issue of shares over nominal value	54 586 356,00	54 586 356,00	
-	Distribution of shares (by law)	0,00	13 940 900,22	3 299 044,80
-	Distribution of shares (over required by law minimum value)	1 240 599,00	1 240 599,00	
b	Decrease	0,00	0,00	0,00
-	Loss compensation	0,00	0,00	0,00
-			
2.2.	Capital reserve (fund) balance at the end of period	76 571 754,18	76 571 754,18	6 803 898,96
3	Equity (fund) of revaluation at the beginning of period – changes in accounting policy	28 581 297,24	28 581 297,24	28 581 297,24
3.1.	Changes in capital (fund) of revaluation	0,00	0,00	0,00
a	Increase	0,00	0,00	0,00
b	Decrease	0,00	0,00	0,00
3.2.	Equity (fund) of revaluation at the end of period	28 581 297,24	28 581 297,24	28 581 297,24
4	Other shares reserve (fund) at the beginning of period	0,00	0,00	0,00
4.1.	Changes in other capital reserve (fund)	0,00	0,00	0,00
a	Increase	0,00	0,00	0,00
-			
b	Decrease	0,00	0,00	0,00
-	.....	0,00	0,00	0,00
4.2.	Other capital reserve (fund) at the end of period	0,00	0,00	0,00

5	Profit (loss) from previous years at the beginning of period	386 724,23	386 724,23	(499 270,56)
5.1.	Profit from previous years at the beginning of period	386 724,23	386 724,23	(499 270,56)
-	Changes in accounting policy	0,00	0,00	0,00
-	Correction of fundamental errors	0,00	0,00	0,00
5.2.	Profit from previous years at the beginning of period after provisions	386 724,23	386 724,23	(499 270,56)
a	Increase	0,00	13 940 900,22	4 185 039,59
-	Distribution of profit from previous years	0,00	13 940 900,22	4 185 039,59
b	Decrease	0,00	13 940 900,22	3 299 044,80
-	Loss compensation	0,00	0,00	0,00
-	Transfer to capital reserve	0,00	13 940 900,22	3 299 044,80
5.3.	Profit from previous years at the beginning of period	386 724,23	386 724,23	386 724,23
5.4	Loss from previous years at the beginning of period (-)	0,00	0,00	0,00
-	Changes in accounting policy	0,00	0,00	0,00
-	Correction of fundamental errors	0,00	0,00	0,00
5.5.	Loss from previous years at the beginning of period, after provisions	0,00	0,00	0,00
a	Increase	0,00	0,00	0,00
-	Loss carry-over from previous years to cover	0,00	0,00	0,00
b	Decrease	0,00	0,00	0,00
-	Profit carry-over from previous years to cover	0,00	0,00	0,00
5.6.	Loss from previous years at the end of period	0,00	0,00	0,00
5.7	Profit (loss) from previous years at the end of period	386 724,23	386 724,23	386 724,23
6.	Net Result	(5 635 067,98)	14 423 547,44	13 940 900,22
a	Net profit	(5 635 067,98)	14 423 547,44	13 940 900,22
b	Net loss (negative value)	0,00	0,00	0,00
c	Profit copy (negative value)	0,00	0,00	0,00
II	Equity (fund) at the end of period (BZ)	127 765 238,09	127 765 238,09	57 514 735,65
III	Equity (fund) after taking into account the proposed distribution of profit (loss coverage)	127 765 238,09	127 765 238,09	57 514 735,65

Source: Issuer

The Company presents a statement of changes in consolidated equity for the fourth quarter of 2019 without comparative data for this period due to the limited technical capabilities of the accounting program. The company is working on entering comparative data in future periodic reports.

4

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

This report shall cover the data of the fourth quarter of 2019 and was not audited or reviewed by an auditor or by an entity authorized to audit financial statements. The report presents a separate financial statement including the balance sheet, profit and loss account, cash flow statement and changes in the equity statement covering the fourth quarter of 2019 and cumulative data for the period from the beginning of the year 2019 until December 31, 2019, including comparable periods analogical to the year 2018.

The Company shall not amend principles in the accounting policy. The principles of the accounting policy adopted to the condensed financial statement from the IV quarter of 2019 are compatible with the Accounting Law dated on September 29, 1994. The accounting entries shall be carried out according to historic cost principle, with the exclusion of fixed assets under periodic revaluation in accordance to the principles described in the Accounting Law and separate legislations whereas impact of inflation shall not be taken into account. Aforti Holding S.A. shall prepare the profit and loss account in the comparative option.

4.1 Tangible fixed assets, intangible fixed assets

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

The components of fixed assets with an initial value not exceeding PLN 100 shall charge operating costs once in a month putting them into use. Depreciation is carried out using the straight-line method. When determining the depreciation period and the annual depreciation rate, the period of economic utility of the fixed asset and the components of intangible assets shall be taken into account.

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

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

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

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

4.2. Long-term and short-term liabilities

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

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

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

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

4.3. Inventories

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

4.4. The money

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

4.5. Prepaid expense

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

4.6. Share capital

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

4.7. Provisions for liabilities

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

4.8. Long-term and short-term liabilities

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

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

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

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

4.9. Accrued expenses

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

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

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

4.10. Deferred tax

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

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

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

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

4.11. Financial result statement

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

4.12. Sales revenue

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

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

4.13. Foreign currency transactions

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

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

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

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

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

4.14. Taxation

Accounting result is adjusted by:

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

4.15. Separate financial statements

The quarterly condensed financial statements of the Company, prepared in accordance with the accounting principles applicable to the Company, for the fourth quarter of 2019, including comparative data for the previous year (profit and loss account) and on December 31, 2019 including comparative data of the previous year (balance).

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

5

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

5.1. Comment on consolidated financial results of Aforti Group

In the fourth quarter of 2019, the Aforti Capital Group generated over PLN 364 million of sales revenue, which is an increase of 76.50 percent compared to 2018.

The net profit of the entire Group in the reporting period amounted to over PLN 1.11 million against a loss of PLN 923 thousand. PLN recorded in the fourth quarter of 2018.

Increasingly, at the end of 2019, consolidated net sales revenues of the Aforti Group reached over PLN 1.03 billion and were higher by 81.16 percent. than last year. The Group's net profit increased to PLN 1.97 million (+ 516.01%). The increase in the Group's sales revenues results from the consolidation inclusion of the Issuer's subsidiaries operating in Romania: Aforti Finance Romania IFN SA and Aforti Exchange Romania SA. It should also be noted that the Group recorded an operating cost increase of 84.43% year-on-year, which is also related to the inclusion in the consolidated account of costs generated by Romanian companies.

The decrease in the operating result of the Group both in the fourth quarter and at the end of 2019 is also associated with a deliberate reduction in the business of lending to entrepreneurs due to the adoption of a more conservative lending policy to reduce the cost of risk.

In the fourth quarter of 2019, the Issuer informed (CR ESPI 28/2019) that its subsidiaries have concluded contracts for the assignment of overdue receivables under loans granted and financed invoices of small and medium enterprises between Aforti Collections S.A. (buyer) a Aforti Finance S.A. and Aforti Factor S.A. (The transferor). Due to the fact that the above the transaction took place between related entities, it was excluded as part of the mandatory consolidation exclusions.

Balance Sheet

The value of the Aforti Group's non-current assets at the end of December 2019 amounted to over PLN 41.5 million and was higher by 38.00 percent year-on-year. The increase in the value of non-current assets was associated with an increase in long-term financial assets in related parties, other entities, as well as an increase in long-term prepayments.

An increase in current assets by 39.17% was associated with an increase in receivables from non-consolidated related entities, other entities (increase in the value of factoring and debt collection portfolio) and an increase in the value of financial assets in related entities. The Group's consolidated balance sheet, in accordance with the Accounting Act, also includes the value of the Issuer's shares taken up by its subsidiaries on the assets side.

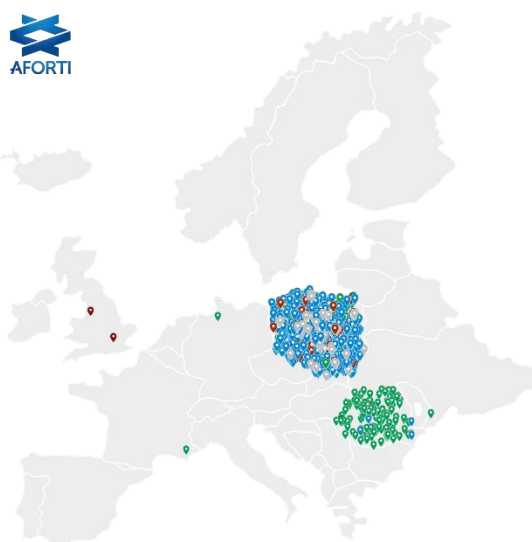
At the end of 2019, the Aforti Group recorded an increase in equity of over PLN 70 million, which was related to the issue of new shares of the Issuer, which as at December 31, 2019 were not yet registered, but resulted in an increase in the value of the sale of the issue over the nominal value these shares. The registration of these shares was carried out on January 24, 2020.

Long-term liabilities in yoy-to-y terms increased by 110.62%. This result was influenced by an increase in the value of long-term debt instruments (+57 million PLN), as well as an increase in liabilities towards related entities. Short-term liabilities decreased by 42.23% in yoy terms and by 13.59% compared to the third quarter of 2019. This was related to a decrease in the value of issues of short-term financial instruments, as well as other liabilities (in particular, this concerns gradual termination of the Group's cooperation with peer-to-peer platforms for financing loan operations and factoring) with a simultaneous increase in liabilities towards related entities (+ PLN 10 million) and short-term prepayments (+ PLN 8 million). Thanks to these activities, it is possible to intentionally convert short-term liabilities into long-term liabilities, which will stabilize the balance sheet structure.

Summary of AFORTI Group activity in the fourth quarter of 2019.

The AFORTI Group has been operating on the Polish market for over 10 years. During this period, nearly 5,500 were acquired and serviced. Customers throughout Poland and Europe. The Aforti brand has become more recognizable in the financial services industry dedicated to the small and medium-sized enterprises (SME) sector.

Rysunek 1 The map presents the geographical dispersion of the clients of the Aforti Group companies



source: the Issuer

The constant development of the Group's structures, actively and consciously anticipating market trends, as well as the ability to see new perspectives have generated impressive results:

COMPANY	DATA	STAUTS ON 31.12.2019*
Aforti Collections SA	Nominal value of orders	512 849 228 PLN
Aforti Exchange SA (Poland)	Value of the currency exchanged	1 751 989 000 EUR

Aforti Exchange Romania IFN SA (Romania)	Value of the currency exchanged	228 499 000 EUR
Aforti Factor SA	Value of purchased invoices	68 016 000 PLN
Aforti Finance SA	Value of micro-loans sold	121 983 000 PLN
	Value of loan applications submitted	905 890 000 PLN
Aforti Finance Romania IFN SA	Value of micro-loans sold	1 800 000 RON
	Value of loan applications submitted	15 095 000 RON

***Data cumulatively from the beginning of activity of each of the companies listed in the table above.**

source: Issuer

In the fourth quarter of 2019, the AFORTI Group mainly continued its activities in obtaining the EMI license (E-Money Institution) by Aforti, UAB. The company, being the subject of this process, was in constant contact with the financial market supervision authority in Lithuania. It should be emphasized that the project of obtaining the abovementioned license is currently the last new foreign investment in the Aforti Group and until it will be finalized, the Issuer will not start new investments on foreign markets.

One of the most important events in the last quarter of last year was the Extraordinary General Meeting of Shareholders of Aforti Holding S.A., which decided to increase the Company's share capital through private issue of series I and series J as part of the Incentive Program for the years 2020 - 2022 for key employees of the Aforti Group ([CR EBI 58/2019](#)).

The private subscription was issued by the Company from October 29 to November 29, 2019. Within the private subscription, investors acquired 1,240,599 shares at the issue price of PLN 45 per share ([CR EBI 64/2019](#)). The registration of the share capital increase in the National Court Register took place on January 24, 2020 ([CR EBI 10/2020](#)). Currently, the Issuer has started preparations to list the abovementioned series of shares to the Alternative Trading System on the NewConnect market.

When it comes to Incentive Program, the Management Board plans to implement it through A series subscription warrants, which will be offered to key employees and associates of the Aforti Group ([CR ESPI 20/2019](#)). Introduction of the above Program is designed to create mechanisms in the Company and the Capital Group to motivate key personnel and associates to work and activities for the Company and the Capital Group. Inclusion of managerial staff in the ownership structure will ensure fuller identification with the Company, more efficient work and will have a stabilizing effect on employment. The Warrants will be taken up free of charge in the amount indicated in the relevant resolutions of the Issuer's Management Board and Supervisory Board, after meeting the criteria set out in the relevant Warrants subscription regulations. One Warrant will authorize, with the exclusion of pre-emptive rights of the current shareholders, one J series bearer share in the Issuer's share capital with a nominal value of PLN 1.00 each, issued as part of the conditional increase in the share capital. Selected Persons will obtain the right to subscribe for Warrants, provided that the criteria and conditions specified in the Program regulations are met. The list of selected Persons will be

determined by the Issuer's Management Board specifying at the same time the maximum number of Warrants granted for each selected Person. With regard to the members of the Company's Management Board, the list of selected Persons will be prepared by the Supervisory Board together with an indication of the maximum number of Warrants available to these persons. The issue price of the J series conditional issue of shares under the exercise of subscription warrants will be PLN 1.00 per share and will be equal to their nominal value. The condition for launching the adopted Program is that the Aforti Capital Group achieves a consolidated gross result in the following financial years:

- PLN 4,000,000.00 for 2020;
- PLN 15,000,000.00 for 2021;
- PLN 35,000,000.00 for 2022.

At the same time, in order to effectively implement the adopted development strategy, the Aforti Group focused its activities, including looking for an institutional investor. In the fourth quarter, Aforti continued talks in this regard. In addition, in October 2019, the Issuer's Management Board adopted a resolution regarding the commencement of efforts to change the market of the Issuer's shares quotation from the NewConnect Alternative Trading System to the regulated market GPW. Changing the market is a long-term process and the Issuer plans step by step to implement the stages necessary for this purpose. The first of these will be the start of the preparation of the Issuer's financial statements and the consolidated financial statements of the Issuer's Group in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) from January 1, 2021. In order to maintain transparency and increase comparability with similar domestic and foreign entities, the Company's Management Board also plans to publish periodic financial reports of the Issuer and its Capital Group for the years 2019 - 2020 in accordance with the Polish Accounting Standard applied so far. At the same time, selected financial data generated in 2020 will be provided in accordance with IFRS / IAS ([CR ESPI 24/2019](#)).

In November 2019, the 11th edition of the Investor's Day meeting series was held, in which about 250 guests participated.

Selected business activities of individual Holding's Companies

Aforti Finance S.A.

In the fourth quarter of 2019, the company implemented a new simplified application for financing, which also enabled the possibility of applying for a factoring service.

In the indicated period, the company's internal structure was also remodeled in order to achieve higher efficiency, as well as modernized the process of acquiring and servicing clients..

Aforti Exchange S.A. AFORTI Exchange

In the last quarter of last year Aforti Exchange S.A. continued its activity of increasing the number of new customers. To this end, another series of FX Business Meetings was organized, not only to present the company's services offer, but also to exchange participants' business experience.

An important event after the end of 2019 was the company obtaining on 30/01/2020 an entry in the Register of Small Payment Institutions kept by the Polish Financial Supervision Authority ([CR ESPI 5/2020](#)). According to the Register kept by the Polish Financial Supervision Authority, the company's entry is numbered MIP50 / 2020.

The obtained license of a Small Payment Institution will allow Aforti Exchange to increase the scale of operations and thus the level of competitiveness through the possibility of providing a money transfer service in Poland. It is worth adding that in March 2018 Aforti Exchange also obtained the Payment Services Office license and was entered in the register also kept by the Polish Financial Supervision Authority.

Aforti Collections S.A. AFORTI Collections

In November 2019, the company purchased portfolios of past due receivables due to loans granted and financed invoices of small and medium enterprises (RB ESPI 28/2019) for a total price of PLN 5.1 million. Assignment agreements of the above the claims were concluded with the companies Aforti Finance S.A. and Aforti Factor S.A ..

Aforti Factor S.A. AFORTI Factor

In the fourth quarter of 2019, the company modified the offer, thanks to which the current range of its services is more suited to the expectations of customers.

As mentioned above, Aforti Factor together with Aforti Finance have simplified the application procedure for their clients.

5.2. Comment on Individual financial results of Aforti Holding Inc

In the reported period of the fourth quarter of 2019, Aforti Holding S.A. generated over PLN 5.05 million in sales revenue, which, compared to the same period last year, means a slight decrease of 5.49 percent. At the same time, the net result amounted to -5.63 million PLN, compared to 7.04 million PLN recorded in the previous year. It should be noted that this result does not include revaluation of financial assets having an impact on the net result achieved in the comparable period of the previous year.

In a growing perspective at the end of 2019 this year. net sales revenues of Aforti Holding SA amounted to PLN 17.72 million and were higher by 1.16% compared to the previous year. The company's net profit reached PLN 14.42 million, an increase of 3.46% year-on-year.

In 2019 - in particular in the last two quarters, the Company incurred higher costs of external services related to the increased scale of operations, conducting the EMI license project in Lithuania, as well as necessary image activities.

In the case of the balance sheet, there is a noticeable increase in non-current assets (+ 51.22%), which was the result of an increase in the value of long-term financial assets in related entities as a result of their recapitalization by the Issuer. Current assets increased by 112.20% primarily as a result of an increase in the level of receivables from related entities.

The value of the Issuer's share capital increased by 122.14%, which was associated with the issue of new shares of the Company (series I) and contributed to the increase in the balance of the sale value of the issue over the nominal value of shares and the transfer of profit from the previous year to supplementary capital.

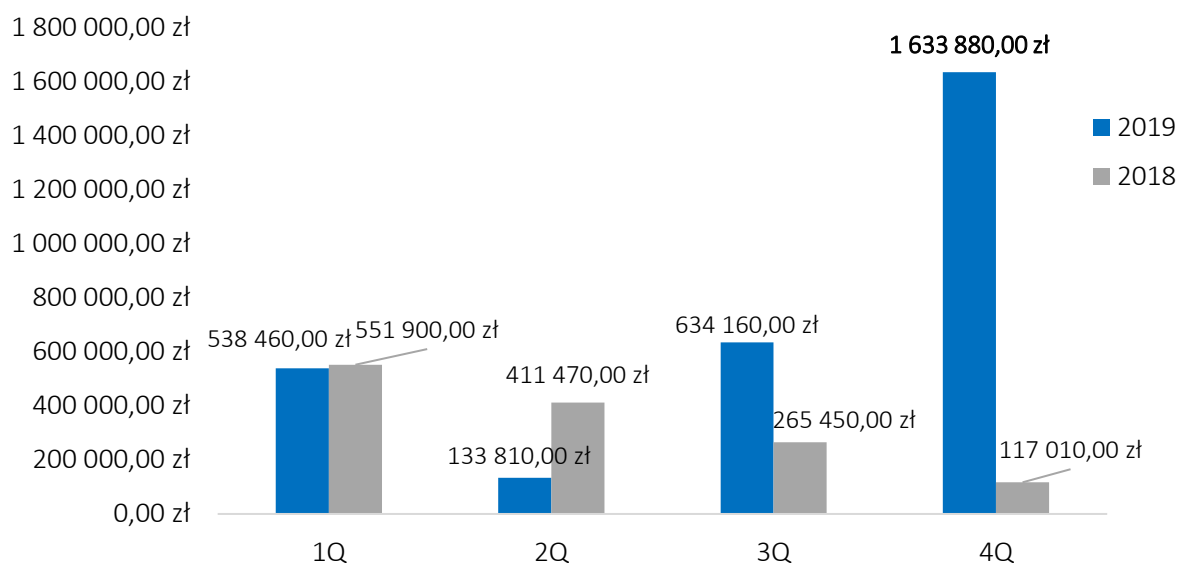
Long-term liabilities were increased by 47.87% compared to 2018, while at the same time short-term liabilities were reduced by 24.39%. The change in this structure was related to the adopted policy of the Company aimed at converting short-term liabilities into long-term liabilities. The value of issue of financial instruments was reduced by almost PLN 19 million, while the liabilities towards related entities increased by PLN 8 million. It is worth noting that at the end of the fourth quarter of 2019 compared to the third quarter of 2019 there was a decrease by 10.85% of the total liabilities of the Company, which, together with an increase in equity, significantly improved the balance sheet structure.

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

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

In the fourth quarter of 2019, the value of trading in the Issuer's shares reached PLN 1,633,88 thousand (379.53 thousand EUR). The average session volume was 1203, which gave the Company 35th position in 374 listed companies

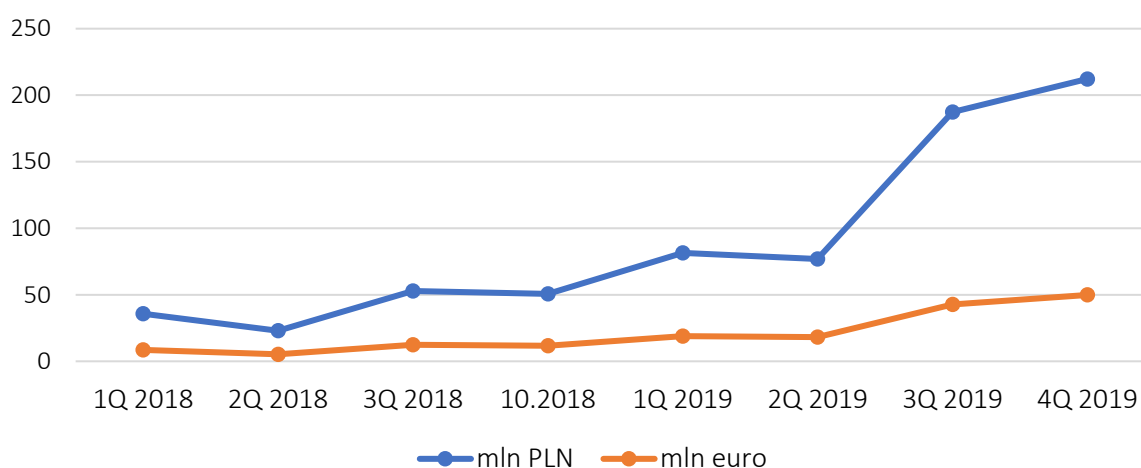
Value of trading of shares of Aforti Holding SA [PLN]



source: GPW newconnect.pl

The minimum exchange rate in the indicated period was PLN 16.00 and the maximum price PLN 30.60. The Company's capitalization at the end of the fourth quarter of 2019 reached PLN 212.21 million (EUR 49.83 million), which placed the Issuer in 8th position. It is worth noting that the Issuer's capitalization increased by 318.4% yoy. Book value amounted to PLN 4.69 million. The C / WK (P / BV) ratio was 45.22.

Capitalization of Aforti Holding S.A.



source: GPW newconnect.pl

The C/WK (P/BV) indicators inform about the current valuation by the market of the book value, i.e. the difference between balance sheet assets and total liabilities. It shows the effectiveness of the use of assets, not taking into account the source of capital. Companies with higher return on equity usually

have a higher P/BV ratio as well. This indicator informs how many times the company's value on the market is higher (smaller) than its book value. Companies representing capital-intensive sectors of the economy may have a C / WK ratio lower than consulting or IT companies.

5.3. Summary of the Aforti Group's activities in the field of sports sponsorship

For several years the Aforti Group has been running a Sponsoring Sport Project, for which a special program #AfortiSupPORT was launched last year. As part of this program, the Aforti Group invests in the development of talented, hard-working and promising athletes.

The first team that was sponsored by Aforti was the football club KKS Lech Poznań, whose Group is currently a strategic sponsor.

The first team that has been sponsored by Aforti is the football club KKS Lech Poznań, which the Group is now a strategic sponsor. In addition, the Aforti Group also supports the GTM Start Gniezno speedway team (holds the title of the strategic sponsor of the club's first team and is the title sponsor of the juniors) along with its speedway school, club television and the lead team.

Under the wings of AFORTI is also Mr. Kacper Majchrzak - a Polish swimmer specializing in freestyle, bronze medalist of the European championships, participant in the Summer Olympic Games 2012 and Summer Olympic Games 2016. Polish record holder at a distance of 100 and 200 m freestyle

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

According to the current report ESPI [ESPI 1/2019](#) dated on 2019, 2nd January, the Company has resigned from publishing the financial perspectives for 2019. In the opinion of the Board of Directors of the Company, the dynamically growing scale of the Issuer's operations and external factors related to its market environment limit the ability to precisely determine the financial perspective of the Issuer's financial result. Considering the above, the publication of financial forecasts would be too risky and could mislead the investors.

7

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

Not apply

8

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

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

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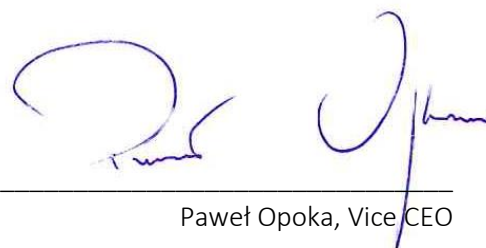
Board of Directors statement

The Board of Directors of Aforti Holding SA declares that selected financial information for the fourth quarter of 2019 as well as comparable data were prepared in accordance with the provisions in force to the Company and the quarterly report contains a true overview of development and achievements of the Company.

Warsaw, February 14, 2020



Klaudiusz Sytek, CEO



Paweł Opoka, Vice CEO



Mateusz Niemczyk, Vice CEO

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The list of current reports of the issuer
published in the IV quarter of 2019

Current reports published by the Issuer in the IV quarter of 2019.

1) EBI System

2019-12-30 17:08:08	Current | 72/2019 Przedterminowy wykup obligacji serii O26 / Premature buyback of O26 series bonds
2019-12-30 17:05:46	Current | 71/2019 Przedterminowy wykup obligacji serii O16 / Premature buyback of O16 series bonds
2019-12-27 16:58:17	Current | 70/2019 Przedterminowy wykup obligacji serii P12 / Premature buyback of P12 series bonds
2019-12-27 16:54:54	Current | 69/2019 Przedterminowy wykup obligacji serii P7 / Premature buyback of P7 series bonds
2019-12-27 16:52:25	Current | 68/2019 Przedterminowy wykup obligacji serii P6 / Premature buyback of P6 series bonds
2019-12-27 16:48:43	Current | 67/2019 Przedterminowy wykup obligacji serii P3 / Premature buyback of P3 series bonds
2019-12-23 17:11:32	Current | 66/2019 Wybór podmiotu uprawnionego do przeprowadzenia badania skonsolidowanego sprawozdania finansowego Grupy Kapitałowej Aforti Holding za lata 2019 i 2020
2019-12-23 17:08:14	Current | 65/2019 Wybór podmiotu uprawnionego do przeprowadzenia badania jednostkowego sprawozdania finansowego Spółki za lata 2019 i 2020
2019-12-10 17:10:31	Current | 64/2019 Zakończenie subskrypcji prywatnej akcji serii I Emitenta oraz ich przydział / Termination of private subscription of the Issuer's series I shares
2019-12-06 11:29:11	Current | 63/2019 Przedterminowy wykup obligacji serii O22 / Premature buyback of O22 series bonds
2019-12-05 11:30:53	Current | 62/2019 Przedterminowy wykup obligacji serii O6 / Premature buyback of O6 series bonds

2019-11-15 17:09:10	Current | 61/2019 Przedterminowy wykup obligacji serii O6 / Premature buyback of O6 series bonds
2019-11-14 17:41:35	Quarterly | 60/2019 Jednostkowy i skonsolidowany raport Quarterly za III kwartał 2019 roku / Individual and Consolidated quarterly report for Q III 2019
2019-10-22 16:40:20	Current | 59/2019 Powołanie Członka Rady Nadzorczej / Appointment of a new Supervisory Board Member
2019-10-22 16:34:43	Current | 58/2019 Treść uchwał podjętych przez NWZ Spółki Aforti Holding w dniu 22.10.2019 r. / The content of the resolutions adopted by the EGM of Aforti Holding
2019-10-14 16:28:40	Current | 57/2019 Wykup obligacji serii N43 / Buy out of the N43 series bonds
2019-10-07 16:52:01	Current | 56/2019 Wykup obligacji serii N42 / Buy out of the N42 series bonds

2) ESPI System

2019-12-03 08:53:38	Current | 29/2019 Szacunkowe dane operacyjne i sprzedażowe spółek zależnych Aforti Finance S.A., Aforti Finance Romania IFN S.A., Aforti Exchange S.A., Aforti Exchange Romania S.A., Aforti Collections S.A. oraz Aforti Factor S.A. – listopad 2019 r.
2019-11-15 17:06:27	Current | 28/2019 Informacja dotycząca sprzedaży wierzytelności w Grupie Aforti
2019-11-05 08:41:22	Current | 27/2019 Szacunkowe dane operacyjne i sprzedażowe spółek zależnych Aforti Finance S.A., Aforti Finance Romania IFN S.A., Aforti Exchange S.A., Aforti Exchange Romania S.A., Aforti Collections S.A. oraz Aforti Factor S.A. – październik 2019 r.
2019-10-22 17:03:04	Current | 26/2019 Wykaz akcjonariuszy posiadających co najmniej 5% głosów Zwyczajnym Walnym Zgromadzeniu spółki Aforti Holding S.A. w dniu 22 października 2019 r.
2019-10-17 17:10:39	Current | 25/2019 Informacja Zarządu Spółki w odpowiedzi na pytania Inwestorów dotyczące projektu uzyskania licencji instytucji pieniądza elektronicznego EMI

Current | 24/2019

[2019-10-16 11:36:59](#) [Uchwała Zarządu w sprawie planowanej zmiany polityki rachunkowości Spółki na MSSF/MSR](#)

Current | 22/2019

[2019-10-02 08:20:09](#) [Szacunkowe dane operacyjne i sprzedażowe spółek zależnych Aforti Finance S.A., Aforti Finance Romania IFN S.A., Aforti Exchange S.A., Aforti Exchange Romania S.A., Aforti Collections S.A. oraz Aforti Factor S.A. – wrzesień 2019 r.](#)