



**CONSOLIDATED
FINANCIAL STATEMENT**

OF THE CAPITAL GROUP

**ul. Chałubińskiego 8
00-613 WARSZAWA**

**FOR THE FINANCIAL YEAR
from 1 JANUARY to 31 DECEMBER 2019**

**SUMMA LINGUAE
TECHNOLOGIES S.A.**

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Table of contents

I. INTRODUCTION TO THE CONSOLIDATED FINANCIAL STATEMENT	1
II. CONSOLIDATED BALANCE	7
III. CONSOLIDATED PROFIT AND LOSS ACCOUNT	11
IV. CONSOLIDATED STATEMENT OF CASH FLOWS.....	13
V. STATEMENT OF CHANGES IN CONSOLIDATED EQUITY	15
VI. ADDITIONAL INFORMATION AND EXPLANATIONS	17

I. INTRODUCTION TO THE CONSOLIDATED FINANCIAL STATEMENT

General information.

1. The consolidated statement includes:

a) Parent company:

Aforti Holding S.A. with its registered office at the address: 00-613 Warszawa ul. Chałubińskiego 8, conducts business activities in the field of business and management consulting. It has been entered into the National Court Register on 22.05.2009 under the number 0000330108 in the District Court for the Capital City of Warsaw, 12th Economic Division, under the name Advicone S.A.

b) Subsidiaries

- **Aforti Finance S.A.** - subsidiary - established on 4 September 2012 Its registered office is situated in Warsaw at the address: ul. Chałubińskiego 8, 00-613 Warszawa. Aforti Holding obtained control over the subsidiary on 23 April 2013.
- **Aforti Exchange S.A.** - subsidiary - established on 12 October 2012. Its registered office is situated in Warsaw. Address: ul. Chałubińskiego 8, 00-613 Warszawa.
- **Aforti Ac Sp. z o.o.** - subsidiary - established on 29 August 2008. Its registered office is situated in Warsaw at the address: 00-613 Warszawa, ul. Chałubińskiego 8. It was entered into the National Court Register under the number 0000313339 in the District Court for the Capital City of Warsaw, 13th Commercial Division of the National Court Register in Warsaw for an indefinite period.
- **Aforti Capital Sp. z .o.o.** - established on 5 August 2011 under the name Verso 24 Sp.z o.o.. It has been entered into the National Court Register under the number 0000396193 in the District Court for the Capital City of Warsaw, 13th Commercial Division of the National Court Register in Warsaw for an indefinite period. Its registered office is situated in Warsaw at the address: ul. Chałubińskiego 8, 00-613 Warszawa.
- **Aforti Collections S.A.** - subsidiary - established on 5 September 2016. Its registered office is situated in Warsaw at the address: ul. Chałubińskiego 8, 00-613 Warszawa.
- **Aforti Factor S.A.** - subsidiary - established on 25 January 2007. Its registered office is situated in Warsaw at the address: ul. Chałubińskiego 8, 00-613 Warszawa. Aforti Holding obtained control over the subsidiary on 28 December 2016.
- **Aforti Exchange Romania S.A.** – its registered office is situated in Bucharest. Address: District 1 Bulevard Magheru, nr 1-3, Bucharest, Romania.
- **AFORTI Finance Romania IFN S.A.** – its registered office is situated in Bucharest. Adress: District 1 Bulevard Magheru, nr 1-3, Bukareszt, Romania.

2. The consolidated financial statement has been prepared for the period:
from 01-01-2019 to 31-12-2019.
3. The consolidated financial statement has been prepared with the assumption that the companies from the Aforti Holding group will continue to operate in the foreseeable future. The Management Board declares that there are no circumstances indicating a threat to the continuation of operations.
4. The adopted financial and tax year match a calendar year and last for 12 consecutive, full months.
5. Consolidated statements for 2018 are included as comparable data herein. Figures ensure the comparability of the data in the financial statement for the preceding year with the statement for the financial year.
6. The consolidated financial statement of the Company is subject to the obligation of audit pursuant to Article 64 (1) of the Polish Accounting Act.

Description of procedure used for preparing the consolidated financial statement and comparable data

1. The consolidated financial statement includes the statement of the parent company Aforti Holding SA and the statements of its subsidiaries controlled thereby. The statements were prepared as of 31 December 2019 according to the same accounting principles. The comparable date were presented in the consolidated statement for 2019, obtained from the consolidated financial statement of the Aforti Holding Capital Group as of 31 December 2018.
2. **Subsidiaries**
Subsidiaries mean entities that are commercial companies and partnerships, in relation to which the parent entity has the power to govern their financial and operating policies in order to obtain economic benefits from their activities. Subsidiaries are subject to full consolidation from the date of taking over the control by the parent company. They stop being consolidated until the date of control cessation.
As of the date of taking over the control, the surplus of the shares value measured at acquisition cost over the value of acquired net assets constitutes goodwill and is disclosed in the Consolidated Assets Balance Sheet as "Goodwill of subsidiaries".
The surplus of the acquired net assets value over the value of shares measured at the acquisition cost is disclosed in the Liabilities of the Consolidated Balance Sheet as "Negative goodwill of subsidiaries".
3. **Exclusion of mutual transactions**
The consolidated financial statements exclude any mutual operations between the parent company and the subsidiary, in particular:
 - mutual receivables and liabilities and other similar settlements,
 - revenues and costs of business transactions made between units,
 - profits or losses arising from business transactions made between entities, included in the value of assets subjected to consolidation,
 - dividends accrued or paid by subsidiaries to the parent company.
4. **Method of capital consolidation**
The share capital in the consolidated financial statement is the share capital of the parent company.

Equity in the consolidated financial statements includes only those parts of the relevant components of the subsidiary's equity, which arose from the date of taking control over it by the parent company.

5. Overview of changes in the accounting principles (policy) effective from the first day of the financial year, in particular, the principles of grouping business operations, methods of valuation of assets and liabilities, making depreciation write-offs, determining the financial result and preparing individual financial statements.

This statement has been prepared in line with the comparability of data from the previous year. The accounting principles adopted by the Group have been applied continuously and are consistent with the accounting principles applied in the previous financial year.

Overview of the accounting principles (policy)

1. The basis for the preparation of the consolidated financial statement.

The consolidated financial statement has been prepared in accordance with the practice applied by entities operating in Poland, based on the accounting principles resulting from the provisions of the Accounting Act of 29 September 1994 (Dz.U. of 2017, item 2342, as amended, in particular in accordance with the Art. 45 of the Act – Dz.U. of 2018, item 395) and issued on its basis, implementing regulations and the Regulation of the Minister of Finance of 25 September 2009 on detailed principles for preparation by entities other than banks, insurance companies and companies reinsurance of Consolidated Financial statements of Capital Groups (Dz.U. of 2009, No. 169, item 1327).

The accounting principles adopted by the Companies have been applied continuously and are consistent with the accounting principles applied in the previous financial year. The parent company and the subsidiary apply the same accounting principles.

2. Revenue and costs.

Revenue and costs are recognised on an accrual basis. i.e. in the financial year to which they relate, regardless of the date of receipt or payment.

The Companies keep records of costs by type and prepare individual and consolidated profit and loss accounts in the comparative variant.

Revenue from the sale of products, goods and materials is recognised in the profit and loss account, when the benefits arising from the ownership rights to products, goods and materials are transferred to the buyer.

3. Interest.

Interest revenue is recognised when it accrues (using the effective interest rate).

4. Consolidated statement of cash flows.

The consolidated statement of cash flows has been prepared using an indirect method.

5. Intangible assets.

Intangible assets are entered in the books according to their purchase price or the costs incurred for their production and are amortised using a straight-line method with appropriate depreciation rates.

6. Goodwill on consolidation

Consolidation goodwill is determined as the surplus of the value of shares measured at cost over the fair value of the acquired net assets. Goodwill is written off for 5 years in equal monthly amounts, starting from the month in which the parent company took control over the subsidiary.

7. Tangible assets.

The initial value of tangible assets is entered into books according to acquisition cost or production costs, less depreciation write-offs, as well write-offs due to the asset impairment.

The purchase price and production cost of a tangible asset and a tangible asset under construction includes all the costs incurred by the entity for the period of construction, assembly, adaptation and improvement until the date of their acceptance for use, including the costs of servicing of the liabilities incurred to finance them and related exchange rate differences, less the revenue therefrom.

The initial value constituting a purchase price or production cost of a tangible asset is increased by the costs of its improvement, consisting of its reconstruction, extension or modernisation which results, after the improvement is finished, in the increase of the use value of such asset compared to its value at the time of acceptance for use.

Tangible assets are depreciated on a straight-line basis. Depreciation starts in the month following the acceptance for use.

Assets with an initial value below PLN 100 are recognised directly in the costs of materials consumption. Assets with an initial value of PLN 100 or above are recognised as tangible assets or intangible assets and entered into the balance sheet. The Company makes depreciation write-offs on such assets.

8. Receivables, claims and liabilities, other than those classified as assets and financial liabilities.

Receivables are included in the amount of the payment due, in accordance with a prudent valuation principle. The value of receivables is revalued taking into consideration the probability of their payment by making a write-down, recognised as, respectively, other operating costs or financial costs; depending on the type of receivables to which the write-down relates.

Liabilities are entered in the books in the amount due.

Receivables and liabilities expressed in foreign currencies are recognised as of the date in which they arise at the average exchange rate of the National Bank of Poland announced for a given currency on the day preceding that date.

At the balance sheet date, receivables and liabilities expressed in foreign currencies are calculated at the average exchange rate announced for a given currency by the National Bank of Poland on that date.

9. Accruals and prepayments

Accruals and prepayments are made if they relate to future accounting periods. As part of accruals and prepayments, Capital Group companies also settle significant costs related to the development of new types of business - they are settled over the expected period of obtaining economic benefits, in accordance with the principle of matching revenues and costs for the financial statements.

Accruals are made in the amount of probable liabilities due within a current accounting period.

10. Minority interest

Minority interest is the portion of the share capital of the subsidiaries, in part corresponding to the share held by shareholders other than the capital group entities included in the consolidated financial statements in the share capital of these entities.

They are recognised in:

- the consolidated balance sheet — minority interest;
- the consolidated profit and loss account — minority profits (losses);
- the consolidated cash flow statement prepared using the indirect method — minority profits (losses).

11. Provisions for liabilities

Provisions are liabilities whose maturity or amount are not certain.

12. Classification of financial instruments

Financial instruments are recognised and valued in accordance with the Regulation of the Minister of Finance on detailed principles governing the recognition, valuation methods, the scope of disclosure and the method of presentation of financial instruments of 12 December 2001. The principles of valuation and disclosure of financial assets described in the following note do not apply to financial instruments excluded from the Regulation, including in particular shares in subsidiaries, rights and obligations under leasing and insurance agreements, receivables and liabilities resulting from deliveries and services, and financial instruments issued by the Company constituting its capital instruments.

The division of financial instruments

Financial assets are divided into:

- marketable financial assets,
- loans granted and own receivables,
- financial assets held to maturity,
- financial assets available for sale.

Financial liabilities are divided into:

- marketable financial liabilities,

- other financial liabilities.

13. Loans granted and own receivables.

Loans granted and own receivables include, regardless of their maturity date (payment), financial assets arising from the fact of giving cash to other party of the contract. Loans granted and own receivables also include other debt financial instruments acquired in exchange for cash directly paid to the other party of the contract, if it is clear from the concluded contract that the seller has not lost control over the financial instruments issued.

Loans granted and own receivables which the Company allocates for sale in the short term are classified as marketable financial assets.

Loans granted and own receivables do not include acquired loans or receivables, as well as payments made by the Company in order to acquire capital instruments of new issues, also when the acquisition is made in an initial public offer or primary trading, and in the case of rights for shares - also in secondary trading.

Loans granted and own receivables are valued in the amount of the payment due, in accordance with a prudent valuation principle. Loans granted and own receivables intended for sale within a period up to 3 months are valued at market value or at fair value determined otherwise.

Warsaw, 28-05-2020.

.....
Kamilla Sytek-Skonieczna
Person responsible
for keeping the books

.....
Klaudiusz Sytek
President of the Management Board

.....
Mateusz Niemczyk
Vice President of the Management Board

.....
Paweł Opoka
Vice President of the Management Board

II. CONSOLIDATED BALANCE

N.	Title	2019	2018
A	FIXED ASSETS	38 971 157.42	30 134 526.67
I	Intangible assets	2 133 358.05	1 806 646.23
1	R&D expenses	1 335 637.14	0.00
2	Goodwill	436 215.70	545 269.62
3	Other intangible assets	311 618.33	808 046.47
4	Advances for intangible assets	49 886.88	453 330.14
II	Goodwill on consolidation	13 486 291.26	11 186 918.26
1	Goodwill on consolidation - subsidiaries	13 486 291.26	11 186 918.26
III	Tangible fixed assets	2 518 394.85	2 540 024.06
1	Tangible assets	2 515 851.85	2 537 481.06
a	land (including right to perpetual usufruct)	0.00	0.00
b	buildings, premises, civil and water engineering structures	374 659.01	7 227.50
c	technical equipment and machines	778 127.80	396 483.98
d	vehicles	1 191 158.28	1 875 373.53
e	other tangible assets	171 906.76	258 396.05
2	Tangible assets under construction	2 543.00	2 543.00
3	Advances for tangible assets under construction	0.00	0.00
IV	Long-term receivables	267 847.28	328 075.32
1	From related entities	0.00	12 475.00
2	From other entities in which the entity has a share in the capital	0.00	0.00
3	From other entities	267 847.28	315 600.32
V	Long-term investments	4 524 434.55	5 901 037.07
1	Real property	0.00	0.00
2	Intangible assets	0.00	0.00
3	Long-term financial assets	4 524 434.55	5 901 037.07
a	in related entities	3 004 870.00	5 356 431.70
	- stocks or shares	2 804 860.00	5 156 431.70
	- other securities	200 010.00	200 000.00
	- granted loans	0.00	0.00
	- other long-term financial assets	0.00	0.00
b	in other entities in which the entity has a share in the capital	0.00	0.00
	- stocks or shares	0.00	0.00
	- other securities	0.00	0.00
	- granted loans	0.00	0.00
	- other long-term financial assets	0.00	0.00
c	in other entities	1 519 564.55	544 605.37
	- stocks or shares	718 090.69	544 605.37
	- other securities	444 945.20	0.00
	- granted loans	356 528.66	0.00
	- other long-term financial assets	0.00	0.00
4	Other long-term investments	0.00	0.00
VI	Long-term prepayments	16 040 831.43	8 371 825.73

1	Deferred tax assets	8 690 238.69	4 352 270.12
2	Other prepayments	7 350 592.74	4 019 555.61
B	CURRENT ASSETS	150 517 902.08	124 911 124.14
I	Inventory	2 050.95	1 800.00
1	Materials	0.00	0.00
2	Semi-finished products and work-in-progress	0.00	0.00
3	Finished products	0.00	0.00
4	Goods	0.00	0.00
5	Advances for deliveries	2 050.95	1 800.00
II	Short-term receivables	43 069 358.81	31 225 047.94
1	Receivables from related entities	19 181 808.04	8 594 886.58
a	trade receivables, maturing:	2 141 177.12	855 165.83
	- up to 12 months	2 141 177.12	855 165.83
	- above 12 months	0.00	0.00
b	other	17 040 630.92	7 739 720.75
2	Receivables from other entities in which the entity has a share in the capital		
		0.00	0.00
a	trade receivables, maturing:	0.00	0.00
	- up to 12 months	0.00	0.00
	- above 12 months	0.00	0.00
b	other	0.00	0.00
2	Receivables from other entities	23 887 550.77	22 630 161.36
a	trade receivables, maturing:	1 217 656.86	1 299 167.66
	- up to 12 months	1 217 656.86	1 299 167.66
	- above 12 months	0.00	0.00
b	receivables from tax, subsidy, customs, social security and other benefits	3 229 105.07	2 337 062.50
c	other	19 440 788.84	18 993 931.20
d	claimed at court	0.00	0.00
III	Short-term investments	100 739 941.33	88 887 383.46
1	Short-term financial assets	100 739 941.33	88 887 383.46
a	in related entities	22 007 444.69	10 770 449.63
	- stocks or shares	22 007 444.69	10 770 449.63
	- other securities	0.00	0.00
	- granted loans	0.00	0.00
	- other short-term financial assets	0.00	0.00
b	in other entities	78 137 345.47	76 274 324.44
	- stocks or shares	0.00	68 000.00
	- other securities	4 358 710.96	6 423 563.30
	- granted loans	73 778 634.51	69 782 761.14
	- other short-term financial assets	0.00	0.00
c	cash and other pecuniary assets	595 151.17	1 842 609.39
	- cash in hand and at bank	594 938.09	1 831 581.08
	- other cash	213.08	11 028.31
	- other pecuniary assets	0.00	0.00
2	Other short-term investments	0.00	0.00
IV	Short-term prepayments	6 706 550.99	4 796 892.74
C	Called up share capital (fund) not paid	0.00	0.00
D	Own shares (stocks)	20 583 495.00	0.00
	TOTAL ASSETS	210 072 554.50	155 045 650.81

N.	Title	2019	2018
A	EQUITY	56 383 775.56	4 816 282.12
I	Share capital (fund)	7 801 915.00	7 801 915.00
II	Supplementary capital (fund)	76 571 754.18	6 803 898.96
	- surplus of the sale value (issue value) over the nominal value of shares (stocks)	55 871 302.80	1 284 946.80
III	Revaluation reserve	0.00	0.00
	- for revaluation of the fair value	0.00	0.00
IV	Other supplementary capitals (funds)	0.00	0.00
	- created in accordance with the articles of association of the company	0.00	0.00
	- for own shares (stocks)	0.00	0.00
V	Profit (loss) from previous years	-28 250 690.31	-10 110 001.77
VI	Net profit (loss)	242 005.20	320 469.93
VII	Write-off on net profit during the financial year (negative value)	18 791.49	0.00
B	Minority interest	-11 163 027.07	2 211 192.54
C	Negative goodwill of controlled entities	0.00	0.00
I	Negative goodwill — subsidiaries	0.00	0.00
II	Negative goodwill — joint subsidiaries	0.00	0.00
D	LIABILITIES AND PROVISIONS FOR LIABILITIES	164 851 806.01	148 018 176.15
I	Provisions for liabilities	0.00	66 943.16
1	Deferred tax provision	0.00	0.00
2	Provision for retirement and similar benefits	0.00	0.00
	- long-term	0.00	0.00
	- short-term	0.00	0.00
3	Other provisions	0.00	66 943.16
	- long-term	0.00	0.00
	- short-term	0.00	66 943.16
II	Long-term liabilities	93 482 855.29	57 529 652.11
1	To related entities	100.00	450.00
2	To other entities in which the entity has a share in the capital	0.00	0.00
3	To other entities	93 482 755.29	57 529 202.11
a	credits and loans	119 768.30	0.00
b	arising from issuance of debt securities	61 890 227.00	56 959 000.00
c	other financial liabilities	5 928 959.48	570 202.11
d	liabilities on bills of exchange	7 932 683.25	0.00
e	other	17 611 117.26	0.00
III	Short-term liabilities	57 797 201.08	84 670 927.36
1	To related entities	1 864 948.42	348 459.75
a	trade receivables, maturing:	614 930.62	126 791.13
	- up to 12 months	575 876.50	126 791.13
	- above 12 months	39 054.12	0.00
b	other	1 250 017.80	221 668.62
2	Liabilities to other entities in which the entity has a share in the capital	0.00	0.00
a	trade receivables, maturing:	0.00	0.00
	- up to 12 months	0.00	0.00
	- above 12 months	0.00	0.00
b	other	0.00	0.00

3	To other entities	55 932 252.67	84 322 467.61
a	credits and loans	739.21	78.13
b	arising from issuance of debt securities	21 866 878.98	36 627 000.00
c	other financial liabilities	7 805 637.87	33 476 813.56
d	trade receivables, maturing:	10 432 079.22	6 407 539.33
	- up to 12 months	10 432 079.22	6 407 539.33
	- above 12 months	0.00	0.00
e	advances received for deliveries	9 788.62	0.00
f	liabilities on bills of exchange	8 698 998.00	0.00
g	tax, customs, insurance and other liabilities	5 170 718.83	7 022 677.93
h	payroll liabilities	415 246.15	505 186.63
i	other	1 532 165.78	283 172.03
4	Special funds	0.00	0.00
IV	Accruals and prepayments	13 571 749.64	5 750 653.52
1	Negative goodwill	0.00	0.00
2	Other prepayments	13 571 749.64	5 750 653.52
	- long-term	165 548.81	0.00
	- short-term	13 406 200.83	5 750 653.52
TOTAL LIABILITIES		210 072 554.50	155 045 650.81

Warsaw, 28-05-2020.

.....
Kamilla Sytek-Skonieczna
 Person responsible
 for keeping the books

.....
Klaudiusz Sytek
 President of the Management Board

.....
Mateusz Niemczyk
 Vice President of the Management Board

.....
Paweł Opoka
 Vice President of the Management Board

III. CONSOLIDATED PROFIT AND LOSS ACCOUNT

N.	Title	2019	2018
A	Net revenues from sales and equivalent, including revenues:	1 036 527 508.46	572 012 031.39
-	from related entities	0.00	0.00
I	Net revenues from sales of products	9 406 142.93	26 288 509.05
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 sale revenue	1 027 121 365.53	545 723 522.34
B	Operating expenses	1 063 925 484.68	576 593 822.37
I	Amortisation and depreciation	1 745 140.63	989 613.83
II	Consumption of materials and energy	608 936.76	793 976.50
III	External services	16 231 821.47	12 514 132.43
IV	Taxes and charges, including:	3 936 524.63	2 920 804.42
-	- excise duty	0.00	0.00
V	Remuneration	7 136 116.63	6 359 966.09
VI	Social security and other benefits	1 378 049.77	1 189 557.88
0.00	- pensions	561 032.77	413 730.85
VII	Other costs by type	6 679 623.56	6 373 481.45
VIII	Value of goods and materials sold	1 026 209 271.23	545 452 289.77
C	Profit (loss) on sales (A-B)	-27 397 976.22	-4 581 790.98
D	Other operating revenues	503 387.10	1 040 775.48
I	Profit on the disposal of non-financial fixed assets	154 110.43	26 380.16
II	Subsidies	0.00	0.00
III	Revaluation of non-financial assets	0.00	0.00
IV	Other operating revenues	349 276.67	1 014 395.32
E	Other operating costs	3 765 400.64	10 616 713.31
I	Loss on the disposal of non-financial fixed assets	139 635.87	0.00
II	Revaluation of non-financial assets	533 230.54	9 844.06
III	Other operating costs	3 092 534.23	10 606 869.25
F	Operating profit (loss) (C+D-E)	-30 659 989.76	-14 157 728.81
G	Financial revenues	35 458 731.73	27 431 905.31
I	Dividends and profit sharing, including:	0.00	0.00
a)	from related entities, including:	0.00	0.00
-	- in which the entity has a share in the capital	0.00	0.00
b)	from other entities, including:	0.00	0.00
-	- in which the entity has a share in the capital	0.00	0.00
II	Interest, including:	491 445.74	480 512.29
-	from related entities	0.00	0.00
III	Profit on disposal of investments	13 803 290.86	9 330 441.60
-	- in related entities	0.00	0.00
IV	Revaluation of investments	11 237 643.33	4 565 403.27
V	Other	9 926 351.80	13 055 548.15
H	Financial expenses	16 100 140.10	9 326 007.65
I	Interest, including:	8 919 883.32	7 011 467.62
-	for related entities	0.00	0.00
II	Loss on the disposal of financial assets, including:	0.00	0.00

	- in related entities	0.00	0.00
III	Revaluation of financial assets	687 707.40	0.00
IV	Other	6 492 549.38	2 314 540.03
I	Profit (loss) on sales of all or part of shares in controlled entities	0.00	0.00
J	Profit (loss) on business activities (F+G-H+/-I)	-11 301 398.13	3 948 168.85
K	Goodwill write-off	1 585 564.19	1 590 380.01
I	Goodwill write-off — subsidiaries	1 585 564.19	1 590 380.01
II	Goodwill write-off — joint subsidiaries	0.00	0.00
L	Negative goodwill write-off	0.00	0.00
I	Negative goodwill write-off — subsidiaries	0.00	0.00
II	Negative goodwill write-off — joint subsidiaries	0.00	0.00
M	Profit (loss) on shares in controlled entities measured by the equity method	0.00	0.00
N	Gross profit (loss) (J-K+L+/-M)	-12 886 962.32	2 357 788.84
O	Income tax	-2 727 979.57	1 373 136.26
P	Other statutory decrease in profit (increase in loss)	0.00	0.00
Q	Minority profits (losses)	-10 400 987.95	664 182.66
R	Net profit (loss) (N-O-P+/-Q)	242 005.20	320 469.93

Warsaw, 28-05-2020.

.....
Kamilla Sytek-Skonieczna
 Person responsible
 for keeping the books

.....
Klaudiusz Sytek
 President of the Management Board

.....
Mateusz Niemczyk
 Vice President of the Management Board

.....
Paweł Opoka
 Vice President of the Management Board

IV. CONSOLIDATED STATEMENT OF CASH FLOWS

N.	Title	2019	2018
A	Cash flows from operating activities		
I	Net profit (loss)	242 005.20	320 469.93
II	Total adjustments	(25 335 577.43)	(46 348 424.80)
1	Minority profits (losses)	(10 400 987.95)	664 182.66
2	Profit (loss) on shares (stocks) in entities measured by the equity method	0.00	0.00
3	Amortisation and depreciation	1 745 140.63	989 613.83
4	Goodwill write-offs	1 585 564.19	1 590 380.01
5	Negative goodwill write-offs	0.00	0.00
6	Foreign exchange profits (losses)	0.00	0.00
7	Interest and profit sharing (dividends)	8 428 437.58	6 530 955.33
8	Profit (loss) on investment activities	(13 823 929.78)	(9 350 581.89)
9	Change in provisions	(66 943.16)	39 943.16
10	Change in inventory	(250.95)	(1 800.00)
11	Change in receivables	(10 437 030.44)	(44 813 943.77)
12	Change in short-term liabilities, excluding loans and credits	25 044 932.98	8 841 102.60
13	Change in prepayments and accruals	(1 757 567.83)	(4 948 269.80)
14	Other adjustments	(25 652 942.71)	(5 890 006.92)
III	Net cash flows from operating activities (I ± II)	(25 093 572.24)	(46 027 954.87)
B	Cash flows from investment activities		
I	Inflows	74 943.12	11 841 283.65
1	Disposal of intangible and tangible assets	74 943.12	0.00
2	Disposal of investment in real property and intangible assets	0.00	0.00
3	From financial assets, including:	0.00	11 841 283.65
a)	in related entities	0.00	11 770 286.10
b)	in other entities	0.00	70 997.55
-	disposal of financial assets	0.00	0.00
-	dividends and profit sharing	0.00	0.00
-	repayment of the granted long-term loans	0.00	70 997.55
-	interest	0.00	0.00
-	other inflows from financial assets	0.00	0.00
4	Other investment inflows	0.00	0.00
II	Outflows	8 528 536.60	5 452 327.25
1	Acquisition of intangible assets and tangible assets	2 331 450.21	1 927 616.10
2	Investment in real property and intangible assets	0.00	0.00
3	For financial assets, including:	5 215 379.18	3 524 711.15
a)	in related entities	4 240 420.00	3 524 711.15
b)	in other entities	974 959.18	0.00
-	acquisition of financial assets	618 430.52	0.00
-	long-term loans granted	356 528.66	0.00
4	Dividends and other profit sharing paid to minority shareholders	981 707.20	
5	Other investment outflows	0.00	0.00

III	Net cash flows from investment activities (I-II)	(8 453 593.48)	6 388 956.40
C	Cash flows from financial activities		
I	Inflows	112 450 338.19	104 813 986.59
1	Net inflows from the issue of shares (stocks) and other capital instruments, and shareholder contributions	1 415 971.00	0.00
2	Credits and loans	27 912 122.95	26 760 638.65
3	Issue of debt securities	48 388 000.00	57 144 776.37
4	Other inflows from financial activities	34 734 244.25	20 908 571.57
II	Outflows	80 150 630.70	67 189 910.73
1	Purchase of own shares (stocks)	0.00	0.00
2	Dividends and other payments to holders	0.00	0.00
3	Profit sharing outflows other than payments to holders	0.00	0.00
4	Repayment of credits and loans	0.00	4 333.33
5	Redemption of debt securities	40 155 359.36	25 178 281.18
6	From other financial liabilities	0.00	0.00
7	Payment of liabilities arising from financial leases	371 796.42	279 626.92
8	Interest	8 919 883.32	7 011 467.62
9	Other financial outflows	30 703 591.60	34 716 201.68
III	Net cash flows from financial activities (I-II)	32 299 707.49	37 624 075.86
D	Total net cash flows (A.III ± B.III ± C.III)	(1 247 458.22)	(2 014 922.61)
E	Balance sheet change in cash, including:	(1 247 458.22)	(2 014 922.61)
-	change in cash due to exchange rate differences	0.00	0.00
F	Cash opening balance	1 842 609.39	3 857 532.00
G	Closing balance of cash (F±E), including:	595 151.17	1 842 609.39
-	of limited disposability	0.00	0.00

Warsaw, 28-05-2020.

.....
Kamilla Sytek-Skonieczna
 Person responsible
 for keeping the books

.....
Klaudiusz Sytek
 President of the Management Board

.....
Mateusz Niemczyk
 Vice President of the Management Board

.....
Paweł Opoka
 Vice President of the Management Board

V. STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

N.	Title	2019	2018
I.	Opening balance of equity	4 816 282.12	4 377 023.62
-	changes in the accounting principles (policy)	0.00	0.00
-	adjustments of fundamental errors	0.00	
I.a.	Opening balance of equity after adjustments	4 816 282.12	4 377 023.62
1	Opening balance of share capital	7 801 915.00	7 801 915.00
1.1.	Changes in the share capital (fund)	0.00	0.00
a	increase (due to)	0.00	0.00
-	issue of shares (stocks)	0.00	
-	contribution in kind	0.00	0.00
b	decrease (due to)	0.00	0.00
-	redemption of shares (stocks)	0.00	
0.00	0.00	
1.2.	Closing balance of share capital	7 801 915.00	7 801 915.00
2	Opening balance of supplementary capital	6 803 898.96	3 504 854.16
2.1.	Changes in the supplementary capital (fund)	69 767 855.22	3 299 044.80
a	increase (due to)	69 767 855.22	3 299 044.80
-	issue of shares above face value,	54 586 356.00	
-	from profit distribution (statutory)	13 940 900.22	3 299 044.80
-	from profit distribution (above the statutory minimum value)	0.00	
-	issue of shares (issue of stocks) - pending registration	1 240 599.00	
b	decrease (due to)	0.00	0.00
-	coverage of loss	0.00	
-	transfer to share capital (registration of shares of D series)	0.00	
2.2.	Balance of supplementary capital (fund) at the end of the period	76 571 754.18	6 803 898.96
3	Opening balance of revaluation reserve - changes in adopted accounting principles (policy)	0.00	0.00
3.1.	Changes in the revaluation reserve	0.00	0.00
a	increase (due to)	0.00	0.00
b	decrease (due to)	0.00	0.00
3.2.	Closing balance of revaluation reserve	0.00	0.00
4	Opening balance of other reserve capitals	0.00	0.00
4.1.	Changes in other reserve capitals (funds)	0.00	0.00
a	increase (due to profit write-offs)	0.00	
-	increase due to transfer from sup. capital	0.00	
b	decrease (due to)	0.00	0.00
-	dividend payment	0.00	
4.2.	Closing balance of other reserve capitals	0.00	0.00
5	Opening balance of previous years' profit (loss)	-10 110 001.77	-8 147 079.80
5.1.	Opening balance of previous years' profit	0.00	
-	changes in the accounting principles (policy)	0.00	
-	adjustments of fundamental errors	-56 552.32	
5.2.	Opening balance of previous years' profit, after adjustments	-56 552.32	0.00
a	increase (due to)	320 469.93	1 336 122.83

-	distribution of profit from previous years	320 469.93	1 336 122.83
b	decrease	1 302 177.13	1 336 122.83
-	coverage of loss	320 469.93	1 336 122.83
-	dividend payment	981 707.20	
5.3.	Closing balance of previous years' profit	-1 038 259.52	0.00
5.4	Opening balance of previous years' loss (-)	-10 110 001.77	-8 147 079.80
-	changes in the accounting principles (policy)	0.00	
-	adjustments of fundamental errors	0.00	
5.5.	Opening balance of previous years' loss, after adjustments	-10 110 001.77	-8 147 079.80
a	increase (due to)	13 940 900.22	3 299 044.80
-	transfer of profit of the parent company for the sup. capital	13 940 900.22	3 299 044.80
b	decrease (due to)	3 161 528.80	-1 336 122.83
-	3 161 528.80	-1 336 122.83
5.6.	Closing balance of previous years' loss	-27 212 430.79	-10 110 001.77
5.7	Closing balance of previous years' profit (loss)	-28 250 690.31	-10 110 001.77
6.	Net result	260 796.69	320 469.93
a	net profit	242 005.20	320 469.93
b	net loss (negative value)	0.00	
c	profit write-offs (negative value)	18 791.49	
II	Closing balance of equity	56 383 775.56	4 816 282.12
III	Equity including proposed profit distribution (loss coverage)	56 383 775.56	4 816 282.12

Warsaw, 28-05-2020.

.....
Kamilla Sytek-Skonieczna
 Person responsible
 for keeping the books

.....
Klaudiusz Sytek
 President of the Management Board

.....
Mateusz Niemczyk
 Vice President of the Management Board

.....
Paweł Opoka
 Vice President of the Management Board

VI. ADDITIONAL INFORMATION AND EXPLANATIONS

I.

1. Changes in tangible assets during the financial year:

Gross value	Land	Buildings, premises and engineering structures	Technical equipment and machines	Vehicles	Other	Tangible assets under construction	Advances for tangible assets under construction	Total
Balance at the beginning of the year	0.00	8 700.00	825 086.37	2 532 284.88	412 379.86	2 543.00	0.00	3 780 994.11
Total increase, including:	0.00	414 122.77	895 857.54	4 224.50	29 660.47	8 015.00	0.00	1 351 880.28
- from the purchase	0.00	414 122.77	887 842.54	4 224.50	29 660.47	8 015.00	0.00	1 343 865.28
- lease	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- transfer	0.00	0.00	8 015.00	0.00	0.00	0.00	0.00	8 015.00
- Balance in subsidiaries at the time of acquisition	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total decrease, including:	0.00	9 000.00	11 718.66	656 246.91	125 937.57	8 015.00	0.00	810 918.14
- sale	0.00	0.00	11 718.66	573 035.53	0.00	0.00	0.00	584 754.19
- liquidation	0.00	9 000.00	0.00	0.00	125 937.57	0.00	0.00	134 937.57
- transfer	0.00	0.00	0.00	83 211.38	0.00	8 015.00	0.00	91 226.38
Balance at the end of the year	0.00	413 822.77	1 709 225.25	1 880 262.47	316 102.76	2 543.00	0.00	4 321 956.25
Redemption								
Balance at the beginning of the year	0.00	1 472.50	428 602.40	656 911.35	153 983.81	0.00	0.00	1 240 970.06
Total increase, including:	0.00	42 866.26	494 976.81	457 967.06	90 962.26	0.00	0.00	1 086 772.39
- amortisation and depreciation for the financial year	0.00	42 866.26	494 976.81	457 967.06	90 934.26	0.00	0.00	1 086 744.39
- transfer	0.00	0.00	0.00	0.00	28.00	0.00	0.00	28.00
- Balance in subsidiaries at the time of acquisition	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total decrease, including:	0.00	5 175.00	-7 518.24	425 774.22	100 750.07	0.00	0.00	524 181.05
- sale	0.00	0.00	543.60	399 613.66	0.00	0.00	0.00	400 157.26
- liquidation	0.00	5 175.00	-8 089.84	26 160.56	100 750.07	0.00	0.00	123 995.79
Balance at the end of the year	0.00	39 163.76	931 097.45	689 104.19	144 196.00	0.00	0.00	1 803 561.40
Net value at the beginning of the year	0.00	7 227.50	396 483.97	1 875 373.53	258 396.05	2 543.00	0.00	2 540 024.05
Net value at the end of the year	0.00	374 659.01	778 127.80	1 191 158.28	171 906.76	2 543.00	0.00	2 518 394.85

2. Changes in intangible assets during the financial year:

<u>Gross value</u>	<u>R&D expenses</u>	<u>Goodwill</u>	<u>Software</u>	<u>Advances for intangible assets</u>	<u>Total</u>
Balance at the beginning of the year	0.00	545 269.62	1 550 535.27	453 330.14	2 549 135.03
Increase due to:	1 363 061.07	0.00	29 010.63	988 641.05	2 380 712.75
- purchase	188 250.00	0.00	0.00	988 641.05	1 176 891.05
- transfers	1 174 811.07	0.00	29 010.63	0.00	1 203 821.70
- Putting into service in subsidiaries at the time of acquisition	0.00	0.00	0.00	0.00	0.00
Decrease	0.00	0.00	0.00	1 392 084.31	1 392 084.31
- transfers	0.00	0.00	0.00	1 392 084.31	1 392 084.31
Balance at the end of the year	1 363 061.07	545 269.62	1 579 545.90	49 886.88	3 537 763.47
Redemption					
Balance at the beginning of the year	0.00	0.00	742 488.80	0.00	742 488.80
Increase due to:	27 423.93	109 053.92	525 438.77	0.00	661 916.62
- Amortisation and depreciation	27 423.93	109 053.92	525 438.77	0.00	661 916.62
- transfers	0.00	0.00	0.00	0.00	0.00
- Putting into service in subsidiaries at the time of acquisition	0.00	0.00	0.00	0.00	0.00
Decrease	0.00	0.00	0.00	0.00	0.00
Balance at the end of the year	27 423.93	109 053.92	1 267 927.57	0.00	1 404 405.42
Net value at the beginning of the year	0.00	545 269.62	808 046.47	453 330.14	1 806 646.23
Net value at the end of the year	1 335 637.14	436 215.70	311 618.33	49 886.88	2 133 358.05

3. Changes in long-term investments during the financial year:

N.	Changes in long-term financial assets (gross amount)	Long-term financial assets
1	Opening balance sheet	PLN 5 901 037.07
2	Increase	PLN 1 241 614.45
a	acquisition of shares/stocks	PLN 173 485.32
b	granted loans	PLN 623 183.93
c	acquisition of other securities	PLN 444 945.20
3	Decrease	PLN 2 618 216.97
a	companies' shares included in consolidation	PLN 2 351 571.70
b	Transfer – write-off	PLN 266 645.27
c	repayment of granted loans	
4	Closing balance sheet	PLN 4 524 434.55

4. the amount of write-offs revaluing fixed assets during the financial year, separately for long-term non-financial assets and long-term financial assets;

In 2019, long-term loans were written off in the amount of PLN 266 645.27.

5. amounts of costs of completed development works and the amount of goodwill, as well as the explanation of their writing-off period, referred to in Article 33(3) and 44b(1)

The companies of the Aforti Group are developing modern IT solutions. Part of the work has been completed. As of the balance sheet date, the value of the costs of completed development works amounts to PLN 1 335 637.14. The companies make write-offs within the period of 5 years in accordance with the Article 33(3).

On 31.12.2018, the merger of Aforti Collections SA and Lifebelt sp. z o.o. was registered in the National Court Register pursuant to article 492(1) point 1 of the Commercial Companies Code by transferring all assets of Lifebelt sp. z o.o. (Acquired Company) on Aforti Collections (Acquiring Company). The merger was made using the acquisition method, resulting in goodwill of PLN 545 269.62, which is written off over a period of 5 years.

As of the day of acquiring control by the parent company over the subsidiary, as well as on the days of strengthening control as a result of several significant transactions or transactions occurring at significant intervals of time, goodwill from consolidation was defined as the surplus of the value of shares valued according to the purchase price over the fair value of the acquired net assets. Goodwill write-offs are made for 5 years.

The amount of goodwill as at the balance sheet date for each entity covered by the consolidated financial statements is presented in the table below:

Aforti Ac Sp. z o.o.	PLN 194 028.02
Aforti Exchange S.A.	PLN 753 931.02
Aforti Finance S.A.	PLN 9 017 028.12
Aforti Factor S.A.	PLN 3 164 938.37
Aforti Capital Sp. z o.o.	PLN 356 365.73

6. values of land in perpetual usufruct:

There are none as of 31.12.2019

7. values of assets not amortised or not depreciated by the entity used under lease agreements and others,

There are none as of 31.12.2019

8. securities or rights held, including participation certificates, convertible debt securities, warrants and options

Other securities	PLN 813 650.96
Aforti FIZAN certificates	PLN 813 650.96

9. data on write-offs revaluating the receivables,

The value of the write-off created in 2019 on loans granted is PLN 309 040.17 and the write-off on receivables is PLN 283 517.60

10. Ownership structure of the share capital.

The share capital in the consolidated financial statement is the share capital of the parent company.

Ownership structure of the share capital of the Aforti Holding S.A. – as of 31.12.2019

Name	As of 01.01.2019	Increase	Decrease	As of 31.12.2019	number of shares [pcs]
Share capital, including:	PLN 7 801 915.00	PLN 0.00	PLN 0.00	PLN 7 801 915.00	7 801 915
Series A shares	PLN 100 000.00			PLN 100 000.00	100 000
Series B shares	PLN 170 000.00			PLN 170 000.00	170 000
Series C shares	PLN 30 000.00			PLN 30 000.00	30 000
Series D shares	PLN 49 450.00			PLN 49 450.00	49 450
Series E shares	PLN 2 394 630.00			PLN 2 394 630.00	2 394 630
Series F shares	PLN 271 000.00			PLN 271 000.00	271 000
Series G shares	PLN 3 026 835.00			PLN 3 026 835.00	3 026 835
Series H shares	PLN 1 760 000.00			PLN 1 760 000.00	1 760 000

Shares of all series have a nominal value of PLN 1. Shares are not preferred.

The supplementary capital is PLN 76 571 754.18, including the share premium of PLN 55 871 302.80.

On 22 October 2019, the Extraordinary General Meeting of Shareholders of Aforti Holding S.A. was held, during which it was decided to issue series I bearer shares. The increase of the share capital related to the private subscription was registered on 24 January 2020 in the National Court Register. The capital was increased by 1 240 599 (in words: one million two hundred and forty thousand five hundred and ninety-nine) series I shares with a nominal value of PLN 1,00 (in words: one zloty) per share. As of the balance sheet date, series I shares are presented in the value of the supplementary capital.

As of the day of this report, the share capital of Aforti Holding S.A. is PLN 9 042 514.00 (in words: nine million forty-two thousand five hundred and fourteen zloty) and is divided into 9 042 514 shares (in words: nine million forty-two thousand five hundred and fourteen) with a nominal value of PLN 1.00 (in words: one zloty).

Equity in the consolidated financial statements includes only those components of the subsidiaries' equity, which arose from the date of taking control over it by the parent company, in particular the financial result.

11. Data on the reserves by purpose of their creation

Name	As of 01.01.2019	Increase	Use	As of 31.12.2019
Reserves	PLN 66 943.16	PLN 0.00	PLN 66 943.16	PLN 0.00
other	PLN 66 943.16	PLN 0.00	PLN 66 943.16	PLN 0.00

12. Distributions of long-term liabilities by balance sheet item, with expected repayment period

Long-term liabilities:	PLN 93 482 855.29
To related entities	PLN 100.00
To other entities, including:	PLN 93 482 755.29
<i>credits and loans</i>	PLN 119 768.30
- above 1 to 3 years	PLN 119 768.30
<i>from the issue of debt securities</i>	PLN 61 890 227.00
- above 1 to 3 years	PLN 61 890 227.00
<i>from other financial liabilities - lease and the Peer - to - Peer platforms</i>	PLN 5 928 959.48
- above 1 to 3 years	PLN 5 928 959.48
<i>from the liabilities on bills of exchange</i>	PLN 7 932 683.25
- above 1 to 3 years	PLN 7 932 683.25
<i>from other</i>	PLN 17 611 117.26
- above 1 to 3 years	PLN 17 611 117.26

13. Liabilities secured on the entity's assets (with indication of their nature and form of security)

There are none as of 31.12.2019

14. list of significant accruals and prepayments, including the amount of accrued costs constituting a difference between the value of financial assets received and the obligation to pay for them

a/ prepayments:

Name	As of 1.01.2019	As of 31.12.2019
Prepayments:	PLN 8 816 448.35	PLN 14 057 143.73
costs of bond handling	PLN 4 019 555.61	PLN 4 597 425.31
Building a new sales division FA	PLN 93 291.75	PLN 0.00
Advertising and marketing services	PLN 2 917 860.60	PLN 2 143 645.64
API project	PLN 222 172.10	PLN 406 020.79
Other	PLN 1 563 568.29	PLN 6 910 051.99

b/ accruals:

Short-term accruals	As of 1.01.2019	Increase	Decrease	As of 31.12.2019
Deferred revenue - debt collection	5 527 645.58	7 979 125.62	2 821 235.15	10 685 536.05
other	223 007.94	2 663 205.65	0.00	2 886 213.59

c/ the amount of accrued costs constituting a difference between the value of financial assets received and the obligation to pay for them

There are none as of 31.12.2019

15. assets or liabilities shown in more than one balance sheet item, their correspondence between those items; in particular the division of receivables and liabilities into long-term and short-term portions

other financial liabilities - lease	PLN 505 413.24
<i>long-term liability</i>	<i>PLN 389 194.82</i>
<i>short-term liability</i>	<i>PLN 116 218.42</i>
Other financial liabilities -Peer - to - Peer	PLN 13 229 184.11
<i>long-term liability</i>	<i>PLN 5 539 764.66</i>
<i>short-term liability</i>	<i>PLN 7 689 419.45</i>
Liabilities from the issuance of debt securities	PLN 83 757 105.98
<i>long-term liability</i>	<i>PLN 61 890 227.00</i>
<i>short-term liability</i>	<i>PLN 21 866 878.98</i>

16. total amount of contingent liabilities, including guarantees and sureties granted by the entity, also bills of exchange, not shown in the balance sheet, with an indication of liabilities secured on the entity's assets, and the nature and form of those securities; contingent liabilities for pensions and similar benefits, and related and associated entities

Contingent liabilities and contingent liabilities for pensions and similar benefits do not exist as of the balance sheet date (31.12.2019)

17. Assets that are not financial instruments are valued according to their fair value

There are none as of 31.12.2019

II.

1. Material and territorial structure of net revenues from sales of goods and products.

Specification of revenue	2019	2018
Sales revenue:	1 036 527 508.46	572 012 031.39
- Net sales revenue	9 406 142.93	26 288 509.05
- Change in the balance of products (increase - positive value, decrease - negative value)	0.00	
- Net revenues from sales of goods and materials	1 027 121 365.53	545 723 522.34
Other operating revenue:	503 387.10	1 040 775.48
- Profit on the disposal of non-financial fixed assets	154 110.43	26 380.16
- Revaluation of non-financial assets	0.00	
- Other	349 276.67	1 014 395.32
Financial revenue:	35 458 731.73	27 431 905.31
- Interest	491 445.74	480 512.29
- Profit on disposal of investments	13 803 290.86	9 330 441.60
- Revaluation of investments	11 237 643.33	4 565 403.27
- Other	9 926 351.80	13 055 548.15
Profit (loss) on sales of all or part of shares in controlled entities	0.00	0.00
Total revenue:	1 072 489 627.30	600 484 712.18

Revenue distribution by country:

Specification of revenue	Poland	Romania
Sales revenue:	863 349 336.74	173 178 171.72
- Net sales revenue	9 122 639.08	283 503.85
- Change in the balance of products (increase - positive value, decrease - negative value)	0.00	0.00
- Net revenues from sales of goods and materials	854 226 697.66	172 894 667.87
Other operating revenue:	486 507.27	16 879.83
- Profit on the disposal of non-financial fixed assets	142 494.01	11 616.42
- Revaluation of non-financial assets	0.00	0.00
- Other	344 013.26	5 263.41
Financial revenue:	35 431 199.49	27 532.24
- Interest	463 913.50	27 532.24
- Profit on disposal of investments	13 803 290.86	0.00
- Revaluation of investments	11 237 643.33	0.00
- Other	9 926 351.80	0.00
Profit (loss) on sales of all or part of shares in controlled entities	0.00	0.00
Total revenue:	899 267 043.50	173 222 583.80

2. amount and explanation of the reasons for write-offs revaluating fixed assets

There are none in 2019

3. amount of write-offs revaluating inventory

There are none in 2019

4. information on revenues, costs and results of operations discontinued in the financial year or to be discontinued in the following year;

There are none in 2019

5. settlements of the differences between the income tax base and a gross financial result (profit, loss);

	total	capital profits	other
Balance sheet profit/loss	-12 886 962.32	11 133 352.11	-24 020 314.43
tax revenue from debt collection	0.00	0.00	4 652.59
free of charge usufruct	0.00	0.00	36 700.00
REVENUE+	41 352.59	0.00	41 352.59
dividend received	0.00	0.00	0.00
Release of provisions	0.00	0.00	-726 284.12
non-tax provisions released	0.00	0.00	16 112 798.12
revaluation of investments	0.00	0.00	5 484 868.33
Release of provisions for interest	0.00	0.00	0.00
accrued interest - not received	0.00	0.00	245 816.93
other	0.00	0.00	7 773.78
leasing costs	0.00	0.00	147 065.13
fixed asset value adjustment - furniture lease	0.00	0.00	53 894.21
recorded balances of terminated lease agreements	0.00	0.00	26 808.60
sale of debt portfolios	0.00	0.00	0.00
adjustment of costs from previous years	0.00	0.00	30 000.00
balance sheet revenue concerning debt collection	0.00	0.00	404 047.13
remuneration related to development works - technical account	0.00	0.00	183 848.69
exchange rate differences accrued	0.00	0.00	198 208.88
REVENUE -	22 168 845.68	0.00	22 168 845.68
Social insurance	0.00	0.00	71 804.86
Civil law contracts	0.00	0.00	100 793.90
Leasing instalment	0.00	0.00	15 509.94
tax depreciation of completed development works	0.00	0.00	97 900.92
COSTS from previous years +	286 009.62	0.00	286 009.62
collection costs	0.00	0.00	287 089.64
Depreciation - financial leasing	0.00	0.00	198 867.12
Leasing fees	0.00	0.00	28 545.16
representation costs	0.00	0.00	146 044.97
costs from previous years	0.00	0.00	137 072.42
accrued interest - not paid	0.00	0.00	204 564.21
budget interest	0.00	0.00	345 770.99
vehicle liquidation	0.00	0.00	0.00
Write-offs of receivables	0.00	0.00	588 271.99
Creation of revaluation write-offs for receivables	0.00	0.00	4 442 372.82
overdue receivables	0.00	0.00	81 970.98
costs - sale of debt portfolio	0.00	0.00	0.00
costs of the following year	0.00	0.00	9 420.05
External services - non-tax deductible costs (notarial for the tax on civil law transactions)	0.00	0.00	0.00
tax on civil law transactions, notary services, payments-non-tax deductible costs	0.00	0.00	395 145.81
non-deductible value added tax	0.00	0.00	90 144.72
salary overheads from previous years	0.00	0.00	0.00
costs related to the debt resulting from purchased debt portfolios	0.00	0.00	0.00
revaluation of financial assets	0.00	0.00	675 000.00
expenses not related with revenue	0.00	0.00	913 178.05

car expenses	0.00	0.00	180 569.67
over-limit holding services	0.00	0.00	0.00
surplus of debt financing	0.00	0.00	1 021 351.62
non-tax depreciation of completed development works	0.00	0.00	129 108.49
unrealised exchange rate differences	0.00	0.00	94 082.09
Other non-tax deductible costs	0.00	0.00	28 365.14
COSTS -	9 996 935.94	0.00	9 996 935.94
404-02 Civil law contracts	0.00	0.00	75 572.00
remuneration paid in previous years - prepayments	0.00	0.00	222 665.46
405-01 Social insurance	0.00	0.00	258 053.75
insurance premiums paid in previous years - prepayments	0.00	0.00	20 243.88
other	0.00	0.00	5 907.90
402-8 Holding invoice (Art. 15e) > 3.000.000	0.00	0.00	0.00
COSTS - transitional	582 442.99	0.00	582 442.99
OTHER	0.00	0.00	0.00
TAX PROFIT	-24 721 086.10	11 133 352.11	-35 854 438.21
loss from previous years = to be deducted	2 519 145.39	2 519 145.39	0.00
TAX PROFIT	-27 240 231.49	8 614 206.72	-35 854 438.21

6. costs of production of tangible assets under construction, including interest and exchange rate differences which increased the costs of production of tangible assets under construction in the financial year;

There are none in 2019

7. interest and exchange rate differences which increased the purchase price of goods or costs of manufacturing the products in the financial year;

There are none in 2019

8. expenditures on non-financial fixed assets made in the last year and planned for the following year; incurred and planned expenditures on environmental protection;

In 2019, the Group incurred expenses on fixed assets and intangible assets in the amount of PLN 2 331 450.21. The Group did not incur any expenses for environmental protection. In 2020, the Group plans to continue its IT development work.

9. amount and nature of individual items of revenue or costs of extraordinary value or which occurred incidentally

There are none in 2019

. III.

**Explanatory notes for the items in the financial statement expressed in foreign currencies;
rates adopted for their valuation**

As at the balance sheet date of 31.12.2019 the Capital Group companies valued the financial statements expressed in foreign currencies at the exchange rate:

1 EUR = PLN 4.2585, 1 USD = PLN 3.7977, 1 RON = PLN 0.8901, 1 BGN = PLN 2.1773, according to Table no. 251/A/NBP/2019 of 2019-12-31.

IV.

Explanatory notes to the cash flow statement

1. Cash included in the cash flow statement

At the beginning and at the end of the accounting period, cash recognised in the financial statement included only own cash. There is no restricted cash in the Capital Group.

2. Division of the Capital Group's activities for the purposes of the cash flow statement

a/ operations:

included the provision of business and management consulting services, internet currency sales, debt collection, financial intermediation services and factoring.

b/ investment activities

included acquisition and disposal of intangible assets and fixed assets, granting long-term loans, payment of dividends to minority shareholders and acquisition of financial assets

c/ financial activities:

included revenues from the issue of shares, issue of debt securities, loans and borrowings, other financial revenues including interest and expenses on payment of liabilities under lease agreements, repayment of loans and borrowings, payment of interest, redemption of debt securities, revenues on repayment of installments of loans granted together with interest, expenses on granting loans.

V

1. Agreements concluded by the entity which are not included in the balance sheet to the extent necessary to assess their impact on the property and financial situation, as well as financial results of the entity

There are none in 2019

2. Significant transactions made by the entity on other conditions other than market conditions with related parties

In 2019, there were transactions with related parties in the Aforti Holding Group; they were made on market conditions

3. Remuneration, including profit-based remuneration, paid or due to the members of management, supervisory or administration bodies of commercial companies (for each group separately) for the financial year

Remuneration	2019
Members of the Management Board	PLN 630 543.70
- including from the distribution of profits	PLN 0.00
Managing Directors	PLN 0.00
- including from the distribution of profits	PLN 0.00
Members of supervisory bodies	PLN 0.00
- including from the distribution of profits	PLN 0.00
Total remuneration	PLN 630 543.70

4. Loans and benefits of similar nature granted to members of management, supervisory or administration bodies of commercial companies (for each group

separately) with the indication of interest rates and repayment terms, as well as liabilities incurred on their behalf under guarantees and sureties of any type

In the accounting period the Company did not grant loans, credits, advances and guarantees to the members of the Management Board, Managing Directors and members of supervisory bodies.

5. Remuneration of a statutory auditor or an entity authorised to audit financial statements, paid or due for the financial year

On 18 December 2019 the Supervisory Board of the Company adopted a resolution on the appointment of a statutory auditor: "Eureka Auditing Sp. z o.o." al. Marcinkowskiego 22, 61-827 Poznań, KRS 0000183841, the entity authorised to audit financial statements, entered into the Polish National Chamber of Statutory Auditors list under the number 137, to audit the financial statement of Aforti Holding S.A. for the period of 12 months ending on 31 December 2019 and 31 December 2020, in order to prepare a written audit report containing the auditor's opinion on the audit, and the resolution to audit the consolidated financial statement of Aforti Holding Group for the period of 12 months ending on 31 December 2019 and 31 December 2020 in order to prepare a written audit report containing the auditor's opinion on the audit. The Company will pay respectively PLN 13 000 and PLN 13 000 net for the audit of individual statements, and PLN 10 000 net and PLN 10 000 net for the audit of consolidated statements plus VAT.

Aforti Holding S.A. has not entered into any other agreements with the entity authorised to audit financial statements and did not purchase any services from it, including other attestation services nor tax advisory services.

VI.

1. Information on revenues and costs related to errors made in previous years, recognised in the financial year as own capital (fund), specifying their amounts and types;

In 2019, the loan redeemed in previous years was written off at 56 552.32 PLN.

2. Information on significant events that occurred after the balance sheet date and were not included in the financial statement, as well as their impact on property and financial situation and financial result of the entity;

There were none in 2019

3. changes in accounting principles (policy) made in the financial year, including valuation methods, if they have a significant impact on property or financial situation and financial result of the entity, their causes and the amount of the financial result and changes in own capital (fund) caused by the changes, and the presentation of the change in the manner of preparation of the financial statement, together with its reasons;

the Companies in the Group has not made changes in the valuations methods adopted before, the accounting principles has been applied continuously and are consistent with the accounting principles applied in the previous financial year.

4. figures, together with an explanation, that ensure comparability of the data in the financial statement for the preceding year with the statement for the financial year

There were none in 2019

VII

1. Information on joint ventures that are not subject to consolidation

There were none in 2019

2. Name and registered office of the entity preparing consolidated financial statements at the highest level of capital group of which the Company is a subsidiary

Aforti Holding is an ultimate parent entity in the capital group.

Warsaw, 28-05-2020

.....
Kamilla Sytek-Skonieczna
Person responsible
for keeping the books

.....
Klaudiusz Sytek
President of the Management Board

.....
Mateusz Niemczyk
Vice President of the Management Board

.....
Paweł Opoka
Vice President of the Management Board