



AFORTI™ Holding

SPÓŁKA AKCYJNA

ul. Chałubińskiego 8
00-613 WARSAW

**FINANCIAL STATEMENT
FOR 2019**

**SUMMA LINGVAE
TECHNOLOGIES S.A.**

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I. INTRODUCTION TO THE FINANCIAL STATEMENT

Aforti Holding Spółka Akcyjna
with its registered office at the address: 00-613 Warsaw
ul. Chałubińskiego 8
for financial year 2019

I. General information.

1. Aforti Holding S.A. with its registered office at the address: 00-613 Warsaw 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, XII Economic Division, under the name Advicone S.A.
2. The financial statement has been prepared for the period:
from 01-01-2019 to 31-12-2019.
3. It has been prepared with the assumption that the Company 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. Statements for 2018 are included as comparable data in this statement. Figures ensure the comparability of the data in the financial statement for the preceding year with the statement for the financial year.
6. The financial statement of the Company is subject to the obligation of audit pursuant to Article 64 (1) of the Polish Accounting Act.

II. Overview of the accounting principles (policy)

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

The financial statement has been prepared in accordance with the best practice followed by entities operating in Poland, based on accounting principles arising from the provisions of the Polish Accounting Act of 29 September 1994 (Journal of Laws 2017. item 2342, as amended, particularly in accordance with Article 45 of the Act; Journal of Laws 2018. item 395) and executive regulations issued on its basis.

The accounting principles adopted by the Company has been applied continuously and are consistent with the accounting principles applied in the previous financial year.

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 Company keeps records of costs by type and prepares the profit and loss account 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 real interest rate).

4. Cash flow statement.

The cash flow statement has been prepared using an indirect method.

5. Intangible assets.

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

6. Fixed assets.

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

The purchase price and production cost of a fixed asset and a fixed 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 fixed 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.

Fixed 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 fixed assets or intangible assets and entered into the balance sheet. The company makes depreciation write-offs on such assets.

7. 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.

8. Accruals and prepayments

The Company makes prepayments if they relate to future accounting periods. Accruals are made in the amount of probable liabilities due within a current accounting period.

9. Provisions for liabilities

Provisions are liabilities whose maturity or amount are not certain.

10. 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.

11. 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.

Loan 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

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

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

II. BALANCE SHEET

N.	Title	2019	2018
A	FIXED ASSETS	173 514 182.06	113 229 912.68
I	Intangible assets	445.00	22 140.67
1	Costs of finished development works	0.00	0.00
2	Value of the Company	0.00	0.00
3	Other intangible assets	445.00	22 140.67
4	Advances for intangible assets	0.00	0.00
II	Tangible fixed assets	1 250 004.92	1 253 392.99
1	Fixed assets	1 250 004.92	1 253 392.99
a	land (including a perpetual usufruct right)	0.00	0.00
b	buildings, premises and civil engineering structures	374 659.01	7 227.50
c	technical equipment and machinery	132 382.04	159 767.19
d	means of transport	603 692.79	870 963.99
e	other tangible assets	139 271.08	215 434.31
2	Capital work in progress	0.00	0.00
3	Advances for the capital work in progress	0.00	0.00
III	Long-term receivables	172 374.40	202 544.31
1	From related entities	0.00	0.00
2	From other entities in which the entity has a share in the capital	0.00	0.00
3	From other entities	172 374.40	202 544.31
IV	Long-term investments	167 333 811.26	107 572 157.93
1	Immovable property	0.00	0.00
2	Intangible assets	0.00	0.00
3	Long-term financial assets	167 333 811.26	107 572 157.93
a	in related entities	167 333 811.26	107 572 157.93
	- stocks or shares	156 200 726.26	90 472 157.93
	- other securities	10 778 085.00	17 100 000.00
	- granted loans	355 000.00	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	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
4	Other long-term investments	0.00	0.00
V	Long-term accruals and prepayments	4 757 546.48	4 179 676.78
1	Deferred tax assets	160 121.17	160 121.17
2	Other accruals and prepayments	4 597 425.31	4 019 555.61
B	CURRENT ASSETS	62 363 686.01	30 861 897.47
I	Inventory	0.00	0.00
1	Materials	0.00	0.00

2	Semi-finished products and works-in-progress	0.00	0.00
3	Finished products	0.00	0.00
4	Goods	0.00	0.00
5	Advances on deliveries	0.00	0.00
II	Short-term receivables	36 220 992.10	13 377 701.75
1	Receivables from related entities	35 273 620.31	13 065 721.86
a	for supplies and services, with a repayment period:	4 387 154.40	3 454 590.88
	- up to 12 months	4 387 154.40	3 454 590.88
	- above 12 months	0.00	0.00
b	other	30 886 465.91	9 611 130.98
2	Receivables from other entities in which the entity has a share in the capital	0.00	0.00
a	for supplies and services, with a repayment period:	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	Receivables from other entities	947 371.79	311 979.89
a	for supplies and services, with a repayment period:	87 637.09	171 288.98
	- up to 12 months	87 637.09	171 288.98
	- above 12 months	0.00	0.00
b	for taxes, subsidies, customs, social and health insurance, and other benefits	792 602.44	59 029.90
c	other	67 132.26	81 661.01
d	claimed in court	0.00	0.00
III	Short-term investments	21 700 354.67	14 562 077.82
1	Short-term financial assets	21 700 354.67	14 562 077.82
a	in related entities	20 547 290.91	13 747 290.91
	- stocks or shares	20 547 290.91	13 747 290.91
	- 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	1 027 650.96	802 003.30
	- stocks or shares	0.00	0.00
	- other securities	1 027 650.96	802 003.30
	- granted loans	0.00	0.00
	- other short-term financial assets	0.00	0.00
c	cash and cash equivalents	125 412.80	12 783.61
	- cash in hand and on accounts	125 412.80	12 783.61
	- other types of cash	0.00	0.00
	- other cash equivalents	0.00	0.00
2	Other short-term investments	0.00	0.00
IV	Short-term accruals and prepayments	4 442 339.24	2 922 117.90
C	Called up share capital (fund)	0.00	0.00
D	Own shares (stocks)	0.00	0.00
TOTAL ASSETS		235 877 868.07	144 091 810.15

Balance sheet, continued

N.	Title	2019	2018
A	OWN CAPITAL (FUND)	127 565 706.38	57 514 735.65
I	Share capital (fund)	7 801 915.00	7 801 915.00
II	Supplementary capital (fund), including:	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 capital (fund)	28 581 297.24	28 581 297.24
	- 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	386 724.23	386 724.23
VI	Net profit (loss)	14 224 015.73	13 940 900.22
VII	Profit write-offs during the financial year (negative value)	0.00	0.00
B	LIABILITIES AND PROVISIONS FOR LIABILITIES	108 312 161.69	86 577 074.50
I	Provisions for liabilities	0.00	0.00
1	Deferred tax provision	0.00	0.00
2	Provision for pensions and similar benefits	0.00	0.00
	- long-term	0.00	0.00
	- short-term	0.00	0.00
3	Other provisions	0.00	0.00
	- long-term	0.00	0.00
	- short-term	0.00	0.00
II	Long-term liabilities	77 330 039.08	60 123 863.72
1	To related entities	2 265 212.00	470 661.61
2	To other entities in which the entity has a share in the capital	0.00	0.00
3	To other entities	75 064 827.08	59 653 202.11
a	credits and loans	0.00	0.00
b	from the issue of debt securities	57 064 515.00	59 083 000.00
c	other financial liabilities	389 194.82	570 202.11
d	bills of exchange	0.00	0.00
e	other	17 611 117.26	0.00
III	Short-term liabilities	30 764 147.12	26 230 202.84
1	To related entities	8 387 630.21	1 143 430.97
a	for supplies and services, with a maturity period	492 648.75	56 103.31
	- up to 12 months	492 648.75	56 103.31
	- above 12 months	0.00	0.00
b	other	7 894 981.46	1 087 327.66
2	Liabilities to other entities in which the entity has a share in the capital	0.00	0.00
a	for supplies and services, with a maturity period:	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	22 376 516.91	25 086 771.87
a	credits and loans	246.12	0.00

b	from the issue of debt securities	12 648 532.98	19 709 000.00
c	other financial liabilities	116 218.42	188 925.16
d	for supplies and services, with a maturity period	5 117 458.78	1 413 606.37
	- up to 12 months	5 117 458.78	1 413 606.37
	- above 12 months	0.00	0.00
e	advances received for deliveries	0.00	0.00
f	bills of exchange	0.00	0.00
g	for taxes, customs, insurance and others	3 630 173.27	3 659 312.10
h	for remuneration	137 085.41	109 442.45
i	other	726 801.93	6 485.79
4	Special funds	0.00	0.00
IV	Accruals and prepayments	217 975.49	223 007.94
1	Negative goodwill	0.00	0.00
2	Other accruals and prepayments	217 975.49	223 007.94
	- long-term	0.00	0.00
	- short-term	217 975.49	223 007.94
TOTAL LIABILITIES		235 877 868.07	144 091 810.15

Warsaw, 28-05-2020

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III. PROFIT AND LOSS ACCOUNT

N.	Title	2019	2018
A	Net revenues from sales and equalised with them, including:	17 724 122.80	17 521 039.06
-	<i>from related entities</i>	0.00	0.00
I	Net revenues from sales of products	17 724 122.80	17 521 039.06
II	Change in the condition of products (increase - positive value, decrease - negative value)		
III	Costs of manufacturing products for the entity's own needs		
IV	Net sale revenue from sales of goods and materials		
B	Operating expenses	16 913 151.85	12 437 295.49
I	Amortisation and depreciation	387 286.78	358 255.31
II	Material and energy consumption	189 538.84	339 819.52
III	Outsourced services	8 620 991.23	4 656 182.28
IV	Taxes and charges, including:	500 367.20	54 657.92
	- <i>excise duty</i>	0.00	0.00
V	Remuneration	2 115 568.79	2 031 805.49
VI	Social security and other benefits, including:	358 152.52	298 792.38
	- <i>pensions</i>	133 665.03	111 743.52
VII	Other costs by type	4 741 246.49	4 697 782.59
VIII	Value of sold goods and materials		
C	Profit (loss) on sales (A-B)	810 970.95	5 083 743.57
D	Other operating revenue	131 314.87	438 288.98
I	Profit on the disposal of non-financial fixed assets	32 840.91	26 380.16
II	Subsidies	0.00	0.00
III	Revaluation of non-financial assets	0.00	0.00
III	Other operating revenue	98 473.96	411 908.82
E	Other operating costs	1 895 279.47	218 420.62
I	Loss on the disposal of non-financial fixed assets	0.00	0.00
II	Revaluation of non-financial assets	0.00	0.00
III	Other operating costs	1 895 279.47	218 420.62
F	Operating profit (loss) (C+D-E)	(952 993.65)	5 303 611.93
G	Financial revenue	24 453 909.95	15 324 986.19
I	Dividends and shares in profits, including:	3 226 962.01	
a)	from related entities, including:	3 226 962.01	
	- <i>in which the entity has a share in the capital</i>	3 226 962.01	
b)	from other entities, including:	0.00	
	- <i>in which the entity has a share in the capital</i>	0.00	
II	Interest, including:	1 157 394.09	2 130 725.08
-	<i>from related entities</i>	1 156 684.80	1 901 342.24
III	Profit on the disposal of financial assets, including:	13 803 290.86	8 671 323.79
	- <i>in related entities</i>	0.00	0.00
IV	Revaluation of financial assets	5 484 868.33	4 522 841.99
V	Other	781 394.66	95.33
H	Financial costs	7 679 390.57	4 662 642.53
I	Interest, including:	6 748 963.55	4 661 382.78
-	<i>for related entities</i>	1 585 717.01	554 384.87
II	Loss on the disposal of financial assets, including:	0.00	0.00
	- <i>in related entities</i>	0.00	0.00
III	Revaluation of financial assets	675 000.00	0.00

IV	Other	255 427.02	1 259.75
I	Gross profit (loss) (F+G-H)	15 821 525.73	15 965 955.59
J	Income tax	1 597 510.00	2 025 055.37
K	Other mandatory profit reductions (increase of loss)		
L	Net profit (loss) (I-J-K)	14 224 015.73	13 940 900.22

Warsaw, 28-05-2020

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Vice President of the Management Board

IV. STATEMENT OF CHANGES IN EQUITY

N.	Title	2019	2018
I.	Capital (fund) at the beginning of the period (Opening Balance Sheet)	57 514 735.65	43 573 835.43
-	changes in the accounting principles (policy)	0.00	0.00
-	corrections of fundamental errors	0.00	0.00
I.a.	Capital (fund) at the beginning of the period (Opening Balance Sheet), after the corrections	57 514 735.65	43 573 835.43
1	Capital (fund) at the beginning of the period	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 (issue of stocks)		
-		
b	decrease (due to)		
-	redemption of shares (stocks)		
.....			
1.2.	Capital (fund) at the end of the period	7 801 915.00	7 801 915.00
2	Supplementary capital (fund) at the beginning of the period	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
-	issue of shares (issue of stocks) - pending registration	1 240 599.00	
b	decrease (due to)	0.00	0.00
-	coverage of losses		
-		
2.2.	Balance of supplementary capital (fund) at the end of the period	76 571 754.18	6 803 898.96
3	Revaluation capital (fund) at the beginning of the period - changes in adopted accounting principles (policy)	28 581 297.24	28 581 297.24
3.1.	Changes in the revaluation capital (fund)	0.00	0.00
a	increase (due to)		
b	decrease (due to)	0.00	0.00
3.2.	Revaluation capital (fund) at the end of the period	28 581 297.24	28 581 297.24
4	Other supplementary capitals (funds) at the beginning of the period	0.00	0.00
4.1.	Changes in other reserve capitals (funds)	0.00	0.00
a	increase (due to)		
-		
b	decrease (due to)	0.00	0.00
-		
4.2.	Other supplementary capitals (funds) at the end of the period	0.00	0.00
5	Profit (loss) from previous years at the beginning of the period	386 724.23	(499 270.56)
5.1.	Profit from previous years at the beginning of the period	386 724.23	(499 270.56)
-	changes in the accounting principles (policy)		
-	corrections of fundamental errors		
5.2.	Profit from previous years at the beginning of the period, after the corrections	386 724.23	(499 270.56)
a	increase (due to)	13 940 900.22	4 185 039.59
-	profit distribution from previous years	13 940 900.22	4 185 039.59
b	decrease	13 940 900.22	3 299 044.80

-	coverage of losses	0.00	0.00
-	transfer to the supplementary capital	13 940 900.22	3 299 044.80
5.3.	Profit from previous years at the end of the period	386 724.23	386 724.23
5.4	Loss from previous years at the beginning of the period (-)	0.00	0.00
-	changes in the accounting principles (policy)		
-	corrections of fundamental errors		
5.5.	Loss from previous years at the beginning of the period, after the corrections	0.00	0.00
a	increase (due to)	0.00	0.00
-	transfer of the loss from previous years to be covered	0.00	0.00
b	decrease (due to)	0.00	0.00
-	transfer of the profit from previous years to be covered	0.00	0.00
5.6.	Loss from previous years at the end of the period	0.00	0.00
5.7	Profit (loss) from previous years at the end of the period	386 724.23	386 724.23
6.	Net result	14 224 015.73	13 940 900.22
a	net profit	14 224 015.73	13 940 900.22
b	net loss (negative value)		
c	profit write-offs (negative value)		
II	Own capital (fund) at the end of the period (Closing Balance Sheet)	127 565 706.38	57 514 735.65
III	Own capital (fund), after taking into account the proposed profit distribution (coverage of loss)	127 565 706.38	57 514 735.65

Warsaw, 28-05-2020

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V CASH FLOWS

N.	Title	2019	2018
A	Operating cash flow		
I	Net profit (loss)	14 224 015.73	13 940 900.22
II	Total corrections	20 301 705.28	-13 216 089.94
1	Amortisation and depreciation	387 286.78	358 255.31
2	Foreign exchange profit (loss)	0.00	0.00
3	Interest and shares in profits (dividends)	2 364 607.45	2 530 657.70
4	Profit (loss) on investment activities	-13 836 131.77	-8 671 323.79
5	Change in reserves	0.00	-22 000.00
6	Change in inventory	0.00	0.00
7	Change in receivables	7 213 250.57	-3 484 357.86
8	Change in current liabilities, excluding loans and credits	30 986 335.67	4 100 280.24
9	Change in accruals and prepayments	-2 103 123.49	-2 405 512.21
10	Other corrections	-4 710 519.93	-5 622 089.34
III	Net operating cash flow (I ± II)	34 525 721.01	724 810.28
B	Investing cash flow		
I	Inflows	3 445 821.17	24 591 146.79
1	Disposal of intangible assets and tangible fixed assets	38 821.17	0.00
2	Disposal of investment in real estate and intangible assets	0.00	0.00
3	From financial assets, including:	3 407 000.00	24 591 146.79
a)	in related entities	3 407 000.00	14 840 026.40
b)	in other entities	0.00	9 751 120.39
-	disposal of financial assets	0.00	0.00
-	dividends and shares in profits	0.00	0.00
-	repayment of the granted long-term loans	0.00	9 751 120.39
-	interest	0.00	0.00
-	other inflows from financial assets	0.00	0.00
4	Other investment flows	0.00	0.00
II	Expenses	49 541 888.50	55 874 844.10
1	Acquisition of intangible assets and tangible fixed assets	467 531.70	257 423.10
2	Investment in real estate and intangible assets	0.00	0.00
3	For financial assets, including:	49 074 356.80	55 617 421.00
a)	in related entities	49 074 356.80	33 737 390.00
b)	in other entities	0.00	21 880 031.00
-	acquisition of financial assets	0.00	0.00
-	long-term loans granted	0.00	21 880 031.00
4	Other capital expenses	0.00	0.00
III	Net investment cash flow (I-II)	-46 096 067.33	-31 283 697.31
C	Financial activities cash flow		
I	Inflows	44 467 180.09	52 517 725.08
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	0.00	0.00
3	Issue of debt securities	23 851 000.00	50 387 000.00
4	Other financial inflows	19 200 209.09	2 130 725.08
II	Expenses	32 784 204.58	23 696 343.70
1	Purchase of own shares (stocks)	0.00	0.00

2	Dividends and other payments to owners	0.00	0.00
3	Other than payments to owners, expenses on profit distribution	0.00	0.00
4	Repayment of credits and loans	0.00	0.00
5	Redemption of debt securities	25 781 527.00	18 831 795.33
6	From other financial liabilities	0.00	0.00
7	Payments of liabilities from financial leasing agreements	253 714.03	203 165.59
8	Interest	6 748 963.55	4 661 382.78
9	Other financial expenses	0.00	0.00
III	Net financial cash flow (I-II)	11 682 975.51	28 821 381.38
D	Total net cash flow (A.III ± B.III ± C.III)	112 629.19	-1 737 505.65
E	Balance sheet change in cash, including:	112 629.19	-1 737 505.65
-	change in cash due to exchange rate differences	0.00	0.00
F	Cash at the beginning of the period	12 783.61	1 750 289.26
G	Cash at the end of the period (F±E), including:	125 412.80	12 783.61
-	restricted cash		

Warsaw, 28-05-2020

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

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

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

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

VI. ADDITIONAL INFORMATION AND EXPLANATIONS
I.
1. Changes in fixed assets during the financial year:

<u>Gross value</u>	Land	Buildings, premises and engineering structures	Technical equipment and machinery	Means of transport	Other	Capital work in progress	Total
Balance at the beginning of the year	-	8 700.00	296 366.45	1 220 776.63	322 004.76	0.00	1 847 847.84
Total increase, including:	-	414 122.77	23 748.46	0.00	29 660.47	0.00	467 531.70
- from the purchase	-	414 122.77	23 748.46	0.00	29 660.47	0.00	467 531.70
- lease	-	0.00	0.00	0.00	0.00	0.00	0.00
- transfer	-	0.00	0.00	0.00	0.00	0.00	0.00
Total decrease, including:	-	9 000.00	6 523.86	296 805.26	125 937.57	0.00	438 266.69
- sale	-	0.00	6 523.86	213 593.88	0.00	0.00	220 117.74
- liquidation	-	9 000.00	0.00	0.00	125 937.57	0.00	134 937.57
- transfer	-	0.00	0.00	83 211.38	0.00	0.00	83 211.38
Balance at the end of the year	-	413 822.77	313 591.05	923 971.37	225 727.66	0.00	1 877 112.85
Redemption							
Balance at the beginning of the year	-	1 472.50	136 599.26	349 812.64	106 570.45	0.00	594 454.85
Total increase, including:	-	42 866.26	31 868.71	210 219.94	80 636.20	0.00	365 591.11
- amortisation for the financial year	-	42 866.26	31 868.71	210 219.94	80 636.20	0.00	365 591.11
Total decrease, including:	-	5 175.00	-12 741.04	239 754.00	100 750.07	0.00	332 938.03
- sale	-	0.00	543.60	213 593.44	0.00	0.00	214 137.04
- liquidation	-	5 175.00	-13 284.64	26 160.56	100 750.07	0.00	118 800.99
Balance at the end of the year	-	39 163.76	181 209.01	320 278.58	86 456.58	0.00	627 107.93
							0.00
Net value at the beginning of the year	-	7 227.50	159 767.19	870 963.99	215 434.31	0.00	1 253 392.99
Net value at the end of the year	-	374 659.01	132 382.04	603 692.79	139 271.08	0.00	1 250 004.92

2. Changes in intangible assets during the financial year:

<u>Gross value</u>	<u>Software</u>
Balance at the beginning of the year	71 476.42
Increase due to:	0.00
- the purchase	0.00
- other	0.00
Decreases	0.00
Balance at the end of the year	71 476.42
<u>Redemption</u>	
Balance at the beginning of the year	49 335.75
Amortisation for the financial year	21 695.67
Decreases	0.00
Balance at the end of the year	71 031.42
Net value at the beginning of the year	22 140.67
Net value at the end of the year	445.00

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

N.	Changes in long-term financial assets	Long-term financial assets
1	Opening balance sheet	PLN 107 572 157.93
2	Increases	PLN 87 498 141.80
a	acquisition of shares/stocks	PLN 70 800 056.80
b	granted loans	PLN 355 000.00
c	acquisition of other securities	PLN 16 343 085.00
d	revaluation of shares/stocks	PLN 0.00
3	Decreases	PLN 27 736 488.47
a	sale of shares/stocks	PLN 3 755 709.14
b	bond repayment	PLN 22 665 000.00
c	repayment of granted loans	PLN 0.00
d	posting order for short-term ones	PLN 1 315 779.32
4	Closing balance sheet	PLN 167 333 811.26

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;

There are none in 2019

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)

There are none in 2019

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,

There are none as of 31.12.2019

10. Ownership structure of the share capital.

Ownership structure of the share capital - as of 31.12.2019

Name	As of 1.01.2019	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).

The effects of the revaluation of long-term financial assets to market prices are recognised in the revaluation capital, which on the balance sheet date is PLN 28 581 297.24.

11. Proposal of profit distribution or loss coverage for the financial year:

the Management Board proposes that the net profit of the current year shown in the profit and loss account, in the amount of PLN 14 224 015.73, shall be allocated to the supplementary capital.

12. Data on the reserves by purpose of their creation

There are none as of 31.12.2019

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

Long-term liabilities:	PLN 77 330 039.08
To related entities	PLN 2 265 212.00
To other entities, including:	PLN 75 064 827.08
<i>from the issue of debt securities</i>	<i>PLN 57 064 515.00</i>
<i>- from more than 1 to 3 years</i>	<i>PLN 57 064 515.00</i>
<i>from other financial liabilities - lease</i>	<i>PLN 389 194.82</i>
<i>- from more than 1 to 3 years</i>	<i>PLN 389 194.82</i>
<i>- from more than 3 to 5 years</i>	<i>PLN 0.00</i>
<i>other</i>	<i>PLN 17 611 117.26</i>

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

There are none as of 31.12.2019

15. 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	Increase	Use	As of 31.12.2019
Short-term prepayments	PLN 2 922 117.90	PLN 10 290 357.93	PLN 8 770 136.59	PLN 4 442 339.24
domains and websites	PLN 6 035.83	PLN 34 556.34	PLN 26 319.63	PLN 14 272.54
charges for Warsaw Stock Exchange and National Depository of Securities	PLN 0.00	PLN 8 000.00	PLN 8 000.00	PLN 0.00
costs of bond handling	PLN 0.00	PLN 1 158.23	PLN 0.00	PLN 1 158.23
insurance	PLN 9 700.63	PLN 29 906.00	PLN 30 172.06	PLN 9 434.57
advertising services	PLN 1 863 481.55	PLN 4 495 769.77	PLN 4 215 605.68	PLN 2 143 645.64
Foreign projects	PLN 260 379.58	PLN 910 759.46	PLN 1 079 785.70	PLN 91 353.34
bills of exchange discount	PLN 0.00	PLN 4 750 291.78	PLN 2 595 943.98	PLN 2 154 347.80
other	PLN 782 520.31	PLN 59 916.35	PLN 814 309.54	PLN 28 127.12

b/ accruals:

Name	As of 1.01.2019	Increase	Use	As of 31.12.2019
Short-term accruals	PLN 223 007.94	PLN 220 630.78	PLN 225 663.23	PLN 217 975.49
Deferred revenue	PLN 103 324.74	PLN 4 886.50	PLN 105 980.03	PLN 2 231.21
other	PLN 119 683.20	PLN 215 744.28	PLN 119 683.20	PLN 215 744.28

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

16. 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>
From the issue of debt securities	PLN 69 713 047.98
<i>long-term liability</i>	<i>PLN 57 064 515.00</i>
<i>short-term liability</i>	<i>PLN 12 648 532.98</i>

17. 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)

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

There are none as of 31.12.2019

19. Financial instruments

Title	carrying amount
Financial assets:	PLN 57 248 695.81
loans granted and own receivables,	PLN 36 575 992.10
cash	PLN 125 412.80
financial assets available for sale.	PLN 20 547 290.91
Financial liabilities:	PLN 75 828 568.75
liabilities from the issue of debt securities	PLN 69 713 047.98
other financial liabilities:	PLN 6 115 520.77
- trading	PLN 5 610 107.53
- lease	PLN 505 413.24

Fair value of financial instruments and liabilities is similar to the carrying value

II.

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

Specification of revenue	2019	2018
Sales revenue:	17 724 122.80	17 521 039.06
Net sales revenue	17 724 122.80	17 521 039.06
Other operating revenue:	131 314.87	438 288.98
Profit on the disposal of non-financial fixed assets	32 840.91	26 380.16
other	98 473.96	411 908.82
Financial revenue:	24 453 909.95	15 324 986.19
dividend	3 226 962.01	-
interest	1 157 394.09	2 130 725.08
Profit on disposal of investments	13 803 290.86	8 671 323.79
Revaluation of investments	5 484 868.33	4 522 841.99
Other	781 394.66	95.33
Total revenue:	42 309 347.62	33 284 314.23

All revenues are obtained by the Company in the country.

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 gains	other
Balance sheet profit/loss	15 821 525.73	9 250 689.04	6 570 836.69
revenue from free car rental			23 850.00
REVENUE+			23 850.00
dividend received			3 988 676.71
leasing costs			147 065.13
fixed asset value adjustment - furniture lease			53 894.21
recorded balances of terminated lease agreements			26 808.60
760-99 other			7 710.67
interest not received			16 933.47
revaluation of fixed assets			5 484 868.33
REVENUE -	9 725 957.12		9 725 957.12
remuneration 2018 paid 2019			46 578.42
social insurance contributions 2018 paid 2019			41 430.41
COSTS +	88 008.83		88 008.83
Tax on civil law transactions on purchased shares and securities			345 293.00
the capital part of the instalment related to the financial lease			182 155.12
expenses not related with revenue			773 139.95
non-deductible value added tax			70 650.42
budget interest			129 371.24
representation costs			141 407.28
car expenses (25%)			18 474.81
revaluation of financial assets			675 000.00
interest not paid			16 559.18
lease interest			27 895.01
COSTS -	2 379 946.01		2 379 946.01
remuneration not paid			55 572.00
remuneration paid in previous years - prepayments			222 665.46
insurance premiums not paid			115 204.49
insurance premiums paid in previous years - prepayments			20 243.88
COSTS - transitional	413 685.83		413 685.83
donation			
OTHER	0.00		0.00
TAX PROFIT	8 825 041.62	9 250 689.04	-425 647.42
loss from previous years = to be deducted		-842 742.98	
TAX PROFIT		8 407 946.06	-425 647.42

- 6. costs of production of capital work in progress, including interest and exchange rate differences which increased the costs of production of capital work in progress 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 Company made expenditures for fixed assets and intangible assets in the amount of PLN 467 531.70; the Company does not plan to make such expenditures in the following year.

- 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 of the balance sheet date of 31.12.2019 there were no items in the financial statement expressed in foreign currencies

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. The Company has no restricted cash.

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

a/ operations:

covered provision of management and business consulting services

b/ investment activities

covered the purchase and disposal of financial assets, intangible assets and tangible fixed assets

c/ financial activities:

covered inflows from the issue of shares, issue of securities, other inflows including interest and payments of liabilities under lease agreements, redemption of debt securities and interest.

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 Aforti Holding S.A.; they were made on market conditions

3. Average employment in the financial year.

Contents	2018	2019
Number of persons employed on the last day of the year:	40	17

4. 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 480 000.00
- 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 480 000.00

5. 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.

6. 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 13 000.00 and PLN 13 000.00 net for the audit of individual statements, and PLN 10 000.00 net and PLN 10 000.00 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;**

There were none in 2019

- 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 Company 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. list of companies (name, registered office), in which the entity has an involvement in capital or 20% in the total number of votes in the decision making body of the company;**

- **Aforti Finance S.A.** – registered office in Warsaw, the address: - ul. Chałubińskiego 8, 00-613 Warsaw.

- **Aforti Exchange S.A.** - registered office in Warsaw. Address - ul. Chałubińskiego 8. 00-613 Warsaw.
- **Aforti Ac Sp. z o.o.** with its registered office at the address: 00-613 Warsaw, ul. Chałubińskiego 8
- **Aforti Capital Sp. z o.o.** - Registered office in Warsaw at the address: ul. Chałubińskiego 8, 00-613 Warsaw.
- **Aforti Factor S.A.** – registered office in Warsaw, the address: - ul. Chałubińskiego 8, 00-613 Warsaw.
- **Aforti Collections S.A.** – registered office in Warsaw, the address: - ul. Chałubińskiego 8, 00-613 Warsaw.
- **Aforti Exchange Romania S.A.** – registered office in Bucharest. Address – District 1 Bulevard Magheru. nr 1-3. Bucharest, Romania.
- **Aforti Exchange Bulgaria S.A.** – registered office in Sofia. Adres - 67. Vitosha Blvd.. fl. 1. ap. 4. 1000. Sofia. Republic of Bulgaria
- **Aforti UAB** - Registered office in Vilnius Address: - Mėsinių g. 5. Vilnius 01135. Lithuania

3. 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

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

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