

BALANCE SHEET OF SANOK RC SA

(Financial report as of the end of period) - in thousand PLN

	31.12.2017	31.12.2016
Tangible fixed assets	182 044	149 799
Investment real estate	109	109
Intangible assets	8 353	10 359
Other long-term accounts receivable	1 008	0
Financial assets	89 398	103 880
Deferred income tax assets	3 903	2 907
Long-term active prepayments and accrued income	575	43
Total fixed assets	285 390	267 097
Stocks	94 376	75 003
Trade accounts receivable	130 973	113 102
Other short-term accounts receivable	7 952	9 604
Active prepayments and accrued income	904	1 005
Financial assets	111 017	22 445
Cash and cash equivalents	142 788	235 794
Total current assets	488 010	456 953
TOTAL ASSETS	773 400	724 050
Share capital	5 376	5 376
Reserve funds	315 700	292 074
Revaluation capital reserve	69 532	69 695
Capital from the valuation of warrants	8 401	5 942
Retained profit	106 928	120 274
Total shareholders' equity	505 937	493 361
Provisions	13 232	13 285
Income from future periods	132	310
Total long-term liabilities	13 364	13 595
Credits and debt securities	167 905	138 735
Trade liabilities	56 337	55 020
Financial liabilities	197	1 199
Other short-term liabilities	9 913	8 139
Income tax liabilities	3 209	1 130
Income from future periods	923	311
Provisions	15 615	12 560
Total short-term liabilities	254 099	217 094
TOTAL LIABILITIES	773 400	724 050

PROFIT AND LOSS ACCOUNT OF SANOK RC SA

in thousand PLN

	01.01.2017 31.12.2017	01.01.2016 31.12.2016
Sales revenue	737 571	682 831
Cost of sales	562 912	492 981
Gross profit on sales	174 659	189 850
Selling cost	12 665	10 768
General and administrative	43 447	42 219
Core business result	118 547	136 863
Other operating income	4 350	5 888
Other operating expenses	1 588	670
Operating result	121 309	142 081
Financial income	16 351	7 768
Financial expenses	3 889	1 101
Pre-tax profit	133 771	148 748
Income tax	26 018	28 474
<i>current</i>	26 821	28 733
<i>deferred</i>	-803	-259
Net profit	107 753	120 274
Weighted-average number of shares	26 881 922	26 881 922
Earnings per share	4,01	4,47
Weighted-average diluted number of shares	27 957 194	27 957 194
Diluted earnings per share	3,85	4,30
Revenue from sales of products	710 924	662 343
Revenue from sales of goods and materials	7 009	3 727
Other revenues	19 638	16 761
Total sales revenue including of witch	737 571	682 831
<i>revenue generated locally</i>	249 151	235 914
<i>revenues from foreign contractors</i>	488 420	446 917

CASH FLOW STATEMENT OF SANOK RC SA

in thousand PLN

	For the period from 01.01 to 31.12	
	2017	2016
Net profit	107 753	120 274
Total adjustments:	-9 838	9 266
- Depreciation	29 688	29 412
- Net foreign exchange (gains) losses	3 549	-1 606
- Net interest and dividends	-8 181	-4 174
- Income tax on profit before taxation	26 821	28 733
- (Gains) losses from investing activities	-903	-704
- Change in provisions	3 003	-984
- Change in stocks	-19 373	-6 331
- Change in accounts receivable	-28 793	-17 876
- Change in liabilities	-13	12 871
- Change in active prepayments and accrued income	-994	-986
- Other adjustments	1 928	2 483
- Income tax paid	-16 570	-31 572
Net cash from operating activities	97 915	129 540
Income from sales of tangible and intangible fixed assets	3 988	3 938
Income from financial assets (dividends)	5 553	2 584
Income from repayment of loans	0	5 131
Income from payment of interest on loans	3 225	1 818
Other investing cash inflow	3 066	18
Acquisition of tangible and intangible fixed assets	-59 951	-29 904
Outflows for financial assets	-40 196	-56 777
Other	-40 000	-5 671
Net cash from investing activities	-124 315	-78 863
Proceeds from credits taken	31 042	51 330
Exchange differences	0	-54
Interest paid	-912	-533
Dividend paid to shareholders	-96 775	-26 882
Net cash from financing activities	-66 645	23 861
Change in cash	-93 045	74 538
Change in cash resulting from foreign exchange differences	39	-9
Cash at beginning of period	235 794	161 265
Change in net cash	-93 006	74 529
Cash at end of period	142 788	235 794