

**BALANCE SHEET OF SANOK RC SA**  
(Financial report as of the end of period) - in thousand PLN

	31.12.2018	31.12.2017
Tangible fixed assets	250 596	182 044
Investment real estate	69	109
Intangible assets	6 559	8 353
Other long-term accounts receivable	1 368	1 008
Financial assets	110 081	89 398
Deferred income tax assets	5 276	3 903
Long-term active prepayments and accrued income	708	575
<b>Total fixed assets</b>	<b>374 657</b>	<b>285 390</b>
Stocks	110 175	94 376
Trade accounts receivable	139 470	130 973
Other short-term accounts receivable	10 146	7 952
Active prepayments and accrued income	1 108	904
Financial assets	129 241	111 017
Cash and cash equivalents	79 196	142 788
<b>Total current assets</b>	<b>469 336</b>	<b>488 010</b>
<b>TOTAL ASSETS</b>	<b>843 993</b>	<b>773 400</b>
Share capital	5 376	5 376
Reserve funds	342 396	315 700
Revaluation capital reserve	69 351	69 532
Capital from the valuation of warrants	6 291	8 401
Retained profit	67 279	106 928
<b>Total shareholders' equity</b>	<b>490 693</b>	<b>505 937</b>
Provisions	12 303	13 232
Income from future periods	19	132
<b>Total long-term liabilities</b>	<b>12 322</b>	<b>13 364</b>
Credits and debt securities	234 000	167 905
Trade liabilities	62 879	56 337
Financial liabilities	878	197
Other short-term liabilities	19 693	9 913
Income tax liabilities	0	3 209
Liabilities related to the contract	3 137	0
Income from future periods	1 204	923
Provisions	19 187	15 615
<b>Total short-term liabilities</b>	<b>340 978</b>	<b>254 099</b>
<b>TOTAL LIABILITIES</b>	<b>843 993</b>	<b>773 400</b>

## PROFIT AND LOSS ACCOUNT OF SANOK RC SA

in thousand PLN

	01.01.2018 31.12.2018	01.01.2017 31.12.2017
Sales revenue	733 969	737 571
Cost of sales	585 411	562 912
<b>Gross profit on sales</b>	<b>148 558</b>	<b>174 659</b>
Selling cost	10 901	12 665
General and administrative	52 791	43 447
<b>Core business result</b>	<b>84 866</b>	<b>118 547</b>
Other operating income	1 917	4 350
Other operating expenses	1 415	1 588
Loss (profit) due to impairment (reversal of losses) of trade receivables and other receivables	4 475	-
<b>Operating result</b>	<b>80 893</b>	<b>121 309</b>
Interest income	7 781	-
Other financial income	5 605	16 351
Financial expenses	4 283	3 889
<b>Pre-tax profit</b>	<b>89 996</b>	<b>133 771</b>
Income tax	18 912	26 018
<i>current</i>	19 587	26 821
<i>deferred</i>	-675	-803
<b>Net profit</b>	<b>71 084</b>	<b>107 753</b>
Weighted-average number of shares	26 881 922	26 881 922
Earnings per share	2,64	4,01
Weighted-average diluted number of shares	27 509 164	27 957 194
Diluted earnings per share	2,58	3,85
Revenue from sales of products	706 932	710 924
Revenue from sales of goods and materials	3 266	7 009
Other revenues	23 771	19 638
<b>Total sales revenue including <i>of witch</i></b>	<b>733 969</b>	<b>737 571</b>
<i>revenue generated locally</i>	251 901	249 151
<i>revenues from foreign contractors</i>	482 068	488 420

**CASH FLOW STATEMENT OF SANOK RC SA**

in thousand PLN

	For the period from 01.01 to 31.12	
	2018	2017
<b>Net profit</b>	71 084	107 753
<b>Total adjustments:</b>	- 1 098	-9 838
– Depreciation	32 035	29 688
– Net foreign exchange (gains) losses	-3 991	3 549
– Net interest and dividends	-7 805	-8 181
– Income tax on profit before taxation	19 587	26 821
– (Gains) losses from investing activities	-806	-903
– Change in provisions	2 644	3 003
– Change in stocks	-15 799	-19 373
– Change in accounts receivable	-23 937	-28 793
– Change in liabilities	10 539	-13
– Change in active prepayments and accrued income	-1 541	-994
– Other adjustments	-2 284	1 928
– Income tax paid	-9 740	-16 570
<b>Net cash from operating activities</b>	<b>69 986</b>	<b>97 915</b>
Income from sales of tangible and intangible fixed assets	1 846	3 988
Income from financial assets (dividends)	3 685	5 553
Income from repayment of loans	2 573	0
Income from payment of interest on loans	4 642	3 225
Other investing cash inflow	0	3 066
Acquisition of tangible and intangible fixed assets	-100 553	-59 951
Outflows for financial assets	-22 180	-40 196
Other	-8 180	-40 000
<b>Net cash from investing activities</b>	<b>-118 167</b>	<b>-124 315</b>
Proceeds from credits taken	66 004	31 042
Exchange differences	0	0
Interest paid	-803	-912
Dividend paid to shareholders	-80 646	-96 775
<b>Net cash from financing activities</b>	<b>-15 445</b>	<b>-66 645</b>
<b>Change in cash</b>	<b>-63 626</b>	<b>-93 045</b>
Change in cash resulting from foreign exchange differences	34	39
Cash at beginning of period	142 788	235 794
Change in net cash	-63 592	-93 006
<b>Cash at end of period</b>	<b>79 196</b>	<b>142 788</b>
<i>including restricted cash</i>	61	