

## CONSOLIDATED BALANCE SHEET

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

	31.03.2018	31.12.2017	31.03.2017
Tangible fixed assets	288 415	277 074	233 861
Investment real estate	3 556	3 556	3 556
Intangible assets	16 315	16 616	16 452
Other long-term accounts receivable	1 008	1 008	0
Financial assets	7	7	7
Deferred income tax assets	10 151	10 333	8 933
Long-term active prepayments and accrued	570	575	34
<b>Total fixed assets</b>	<b>320 022</b>	<b>309 169</b>	<b>262 843</b>
Stocks	184 064	168 445	148 403
Trade accounts receivable	163 748	155 452	154 571
Other short-term accounts receivable	10 772	14 943	24 444
Income tax assets	1 622	1 680	1 517
Active prepayments and accrued income	6 078	2 404	6 502
Financial assets	5 656	41 248	4 030
Cash and cash equivalents	183 735	150 232	250 188
<b>Total current assets</b>	<b>555 675</b>	<b>534 404</b>	<b>589 655</b>
<b>TOTAL ASSETS</b>	<b>875 697</b>	<b>843 573</b>	<b>852 498</b>
Share capital	5 376	5 376	5 376
Capital from the valuation of warrants	9 067	8 401	6 557
Reserve funds	347 163	347 161	318 216
Revaluation capital reserve	73 829	73 830	73 981
Capital reserves	2 048	2 048	2 048
Retained profit	59 916	41 902	112 518
Foreign exchange differences from	-6 386	-6 218	-3 577
<b>Equity attributable to shareholders of the</b>	<b>491 013</b>	<b>472 500</b>	<b>515 119</b>
Non-controlling interest	1 336	1 296	1 802
<b>Total equity</b>	<b>492 349</b>	<b>473 796</b>	<b>516 921</b>
Credits and debt securities	11 825	11 627	8 825
Provisions	16 866	17 523	17 731
Income from future periods	5 745	5 791	6 907
Deferred tax provision	388	425	442
Financial liabilities	875	591	0
Other liabilities	39	49	81
<b>Total long-term liabilities</b>	<b>35 738</b>	<b>36 006</b>	<b>33 986</b>
Credits and debt securities	194 467	187 114	161 622
Trade liabilities	91 630	84 427	84 786
Financial liabilities	2 026	2 031	1 857
Other short-term liabilities	27 173	27 962	27 017
Income tax liabilities	2 422	3 330	3 300
Income from future periods	977	942	430
Provisions	28 915	27 965	22 579
<b>Total short-term liabilities</b>	<b>347 610</b>	<b>333 771</b>	<b>301 591</b>
<b>TOTAL LIABILITIES</b>	<b>875 697</b>	<b>843 573</b>	<b>852 498</b>

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

in thousand PLN

	01.01.2018 31.03.2018	01.01.2017 31.03.2017
Sales revenue	245 095	241 482
Cost of sales	190 452	182 628
<b>Gross profit on sales</b>	<b>54 643</b>	<b>58 854</b>
Selling cost	8 011	7 083
General and administrative expenses	24 633	23 033
<b>Core business result</b>	<b>21 999</b>	<b>28 738</b>
Other operating income	2 355	1 366
Other operating expenses	549	217
<b>Operating result</b>	<b>23 805</b>	<b>29 887</b>
Financial income	993	4 179
Financial expenses	1 015	1 785
<b>Pre-tax profit</b>	<b>23 783</b>	<b>32 281</b>
Income tax	5 572	8 161
<i>current</i>	5 395	7 844
<i>deferred</i>	177	317
<b>Net profit</b>	<b>18 211</b>	<b>24 120</b>
<i>attributable to shareholders of the Parent Entity</i>	18 169	24 068
<i>attributable to non-controlling interest</i>	42	52
Weighted-average number of shares	26 881 922	26 881 922
Earnings per share	0,68	0,90
Weighted-average diluted number of shares	27 957 194	27 957 194
Diluted earnings per share	0,65	0,86
Revenue from sales of products	218 670	222 710
Revenue from sales of goods and materials	16 234	17 031
Other revenues	10 191	1 741
<b>Total sales revenue including</b>	<b>245 095</b>	<b>241 482</b>
<i>of which</i>		
<i>revenue generated locally</i>	76 711	77 083
<i>revenues from foreign contractors</i>	168 384	164 399

## CONSOLIDATED CASH FLOW STATEMENT

in thousand PLN

	For the period from 01.01 to 31.03	
	2018	2017
<b>Net profit</b>	<b>18 169</b>	<b>24 068</b>
<b>Total adjustments:</b>	<b>-6 455</b>	<b>-3 639</b>
– Profit attributable to the non-controlling shareholders	42	52
– Depreciation	9 757	8 969
– Net foreign exchange (gains) losses	161	-3 001
– Net interest and dividends	474	485
– Income tax on profit before taxation	5 395	7 844
– (Gains) losses from investing activities	-894	-84
– Change in provisions	256	247
– Change in stocks	-15 619	-6 963
– Change in accounts receivable	-9 082	-16 539
– Change in liabilities	10 044	9 967
– Change in active prepayments and accrued income	-3 498	-2 874
– Other adjustments	-1 125	2 088
– Income tax paid	-2 366	-3 830
<b>Net cash from operating activities</b>	<b>11 714</b>	<b>20 429</b>
Income from sales of tangible and intangible fixed assets	1 906	487
Acquisition of tangible and intangible fixed assets	-20 895	-13 323
Other income	40 000	0
Income from financial assets	8	12
Other	-6 712	-5 793
<b>Net cash from investing activities</b>	<b>14 307</b>	<b>-18 617</b>
Change in credit status	7 700	147
Exchange differences	0	-19
Interest paid	-474	-484
Dividend paid to shareholders	0	0
Other	284	-155
<b>Net cash from financing activities</b>	<b>7 510</b>	<b>-511</b>
<b>Change in cash</b>	<b>33 531</b>	<b>1 301</b>
Change in cash resulting from foreign exchange differences	-28	-86
Cash at beginning of period	<b>150 232</b>	<b>248 973</b>
Change in net cash	33 503	1 215
<b>Cash at end of period</b>	<b>183 735</b>	<b>250 188</b>
<i>including restricted cash</i>	<i>0</i>	<i>0</i>

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

	31.03.2018	31.12.2017	31.03.2017
Tangible fixed assets	192 596	182 044	151 443
Investment real estate	109	109	109
Intangible assets	8 008	8 353	10 123
Other long-term accounts receivable	1 008	1 008	
Financial assets	103 842	89 398	114 659
Deferred income tax assets	3 821	3 903	2 382
Long-term active prepayments and accrued income	570	575	34
<b>Total fixed assets</b>	<b>309 954</b>	<b>285 390</b>	<b>278 750</b>
Stocks	95 986	94 376	75 624
Trade accounts receivable	140 096	130 973	128 957
Other short-term accounts receivable	4 297	7 952	13 813
Active prepayments and accrued income	2 829	904	2 651
Financial assets	76 495	111 017	23 619
Cash and cash equivalents	175 822	142 788	239 453
<b>Total current assets</b>	<b>495 525</b>	<b>488 010</b>	<b>484 117</b>
<b>TOTAL ASSETS</b>	<b>805 479</b>	<b>773 400</b>	<b>762 867</b>
Share capital	5 376	5 376	5 376
Reserve funds	315 703	315 700	292 082
Revaluation capital reserve	69 529	69 532	69 687
Capital from the valuation of warrants	9 067	8 401	6 557
Retained profit	126 963	106 928	153 561
<b>Total shareholders' equity</b>	<b>526 638</b>	<b>505 937</b>	<b>527 263</b>
Provisions	13 054	13 232	13 209
Income from future periods	101	132	254
<b>Total long-term liabilities</b>	<b>13 155</b>	<b>13 364</b>	<b>13 463</b>
Credits and debt securities	174 038	167 905	137 582
Trade liabilities	61 846	56 337	57 923
Financial liabilities	79	197	139
Other short-term liabilities	10 740	9 913	9 802
Income tax liabilities	2 287	3 209	3 142
Income from future periods	898	923	284
Provisions	15 798	15 615	13 269
<b>Total short-term liabilities</b>	<b>265 686</b>	<b>254 099</b>	<b>222 141</b>
<b>TOTAL LIABILITIES</b>	<b>805 479</b>	<b>773 400</b>	<b>762 867</b>

**PROFIT AND LOSS ACCOUNT OF SANOK RC SA**

in thousand PLN

	01.01.2018 31.03.2018	01.01.2017 31.03.2017
Sales revenue	185 198	180 763
Cost of sales	147 269	135 330
<b>Gross profit on sales</b>	<b>37 929</b>	<b>45 433</b>
Selling cost	2 263	2 083
General and administrative expenses	12 131	10 088
<b>Core business result</b>	<b>23 535</b>	<b>33 262</b>
Other operating income	1 180	1 116
Other operating expenses	734	183
<b>Operating result</b>	<b>23 981</b>	<b>34 195</b>
Financial income	2 284	8 128
Financial expenses	908	961
<b>Pre-tax profit</b>	<b>25 357</b>	<b>41 362</b>
Income tax	5 189	8 075
<i>current</i>	5 076	7 550
<i>deferred</i>	113	525
<b>Net profit</b>	<b>20 168</b>	<b>33 287</b>
Weighted-average number of shares	26 881 922	26 881 922
Earnings per share	0,75	1,24
Weighted-average diluted number of	27 957 194	27 957 194
Diluted earnings per share	0,72	1,19
Revenue from sales of products	177 584	175 760
Revenue from sales of goods and	1 049	3 778
Other revenues	6 565	1 225
<b>Total sales revenue including</b>	<b>185 198</b>	<b>180 763</b>
<i>of which</i>		
<i>revenue generated locally</i>	61 166	64 223
<i>revenues from foreign contractors</i>	124 032	116 540

**CASH FLOW STATEMENT OF SANOK RC SA**

in thousand PLN

	For the period from 01.01 to 31.03	
	2018	2017
<b>Net profit</b>	20 168	33 287
<b>Total adjustments:</b>	4 711	-4 479
- Depreciation	7 528	7 015
- Net foreign exchange (gains) losses	-982	909
- Net interest and dividends	-856	-1 800
- Income tax on profit before taxation	5 076	7 550
- (Gains) losses from investing activities	63	-47
- Change in provisions	5	634
- Change in stocks	-1 609	-621
- Change in accounts receivable	-9 268	-19 394
- Change in liabilities	8 275	5 159
- Change in active prepayments and accrued income	-1 893	-1 195
- Other adjustments	552	650
- Income tax paid	-2 180	-3 339
<b>Net cash from operating activities</b>	<b>24 879</b>	<b>28 808</b>
Income from sales of tangible and intangible fixed assets	77	202
Income from financial assets (dividends)	0	1 271
Income from repayment of loans	0	0
Income from repayment of interest on loans	1 007	629
Other investing cash inflow	40 000	13
Acquisition of tangible and intangible fixed assets	-17 912	-8 614
Outflows for financial assets	-14 250	-13 818
Other	-6 820	-3 464
<b>Net cash from investing activities</b>	<b>2 102</b>	<b>-23 781</b>
Proceeds from credits taken	6 293	0
Exchange differences	0	-19
Repayment of credits	0	-1 153
Interest paid	-235	-191
Dividend paid to shareholders	0	0
<b>Net cash from financing activities</b>	<b>6 058</b>	<b>-1 363</b>
<b>Change in cash</b>	<b>33 039</b>	<b>3 664</b>
Change in cash resulting from foreign exchange differences	-5	-5
Cash at beginning of period	142 788	235 794
Change in net cash	33 034	3 659
<b>Cash at end of period</b>	<b>175 822</b>	<b>239 453</b>