



**Attachment no.1**

## Financial highlights

Financial highlights	PLN '000		EUR '000	
	Jan 1-Sep 30 2020 unaudited	Jan 1-Sep 30 2019 unaudited Restated	Jan 1-Sep 30 2020 unaudited	Jan 1-Sep 30 2019 unaudited Restated
<b>For the period</b>				
Revenue	94,845	128,314	21,352	29,781
Operating profit/(loss)	(45,846)	(45,247)	(10,321)	(10,502)
Profit/(loss) before tax	98,241	250,210	22,116	58,072
Net profit/(loss) for owners of the Parent	34,551	244,596	7,778	56,769
Net cash from operating activities	(3,275)	(23,788)	(737)	(5,521)
Cash recoveries	(26,935)	(31,450)	(6,064)	(7,299)
Net cash from investing activities	375,133	103,080	84,450	23,924
Net cash from financing activities	(367,892)	(80,631)	(82,820)	(18,714)
Net change in cash	3,966	(1,339)	893	(311)
Diluted earnings per share	1.79	12.66	0.40	2.94
Average number of shares ('000)	18,972	18,911	18,972	18,911
Earnings per share	1.82	12.93	0.41	3.00
	<b>Sep 30 2020 unaudited</b>	<b>Dec 31 2019 Restated</b>	<b>Sep 30 2020 unaudited</b>	<b>Dec 31 2019 Restated</b>
<b>As at</b>				
Total assets	3,765,341	3,883,104	831,789	911,848
Non-current liabilities	1,089,380	1,638,160	240,651	384,680
Current liabilities	610,125	286,518	134,781	67,281
Equity	2,065,837	1,958,426	456,357	459,886
Share capital	18,972	18,972	4,191	4,455
Book value per ordinary share	108.89	103.23	24.05	24.24

### The financial highlights have been translated into the euro as follows:

items of or related to the statement of profit or loss and the statement of cash flows have been translated using the arithmetic mean of mid rates quoted by the National Bank of Poland for the last day of each month in the period; the exchange rates thus calculated are:

**for the reporting period** **4.4420**  
**for the comparative period** **4.3086**

items of or related to the statement of financial position have been translated using the mid-rate quoted by the National Bank of Poland for the end of the reporting period; the exchange rates thus calculated are:

**at the end of the reporting period** **4.5268**  
**at end of the comparative period** **4.2585**

## 1. Statement of financial position

As at Sep 30 2020

PLN '000

	Note	Sep 30 2020 unaudited	Dec 31 2019 Restated	Sep 30 2019 unaudited Restated	Jan 1 2019 Restated
<b>Assets</b>					
Cash and cash equivalents	8.14.	17,778	13,812	7,812	9,151
Trade receivables from related entities	8.13.	18,106	28,198	20,999	21,814
Trade receivables from other entities	8.13.	3,828	3,365	3,548	2,811
Investments	7.	322,020	346,330	327,592	149,667
Other receivables	8.13.	98,989	51,834	15,863	7,223
Derivatives	8.10.	-	3,799	32	1,450
Hedging instruments	8.9.	-	420	-	-
Inventories		28,079	30,294	30,831	27,260
Property, plant and equipment		39,943	34,944	32,463	16,169
Intangible assets		13,715	15,084	15,642	16,547
Equity-accounted investments in subsidiaries	8.11.	3,218,601	3,350,341	3,456,201	3,320,121
Other assets		4,282	4,683	4,293	4 173
<b>Total assets</b>		<b>3,765,341</b>	<b>3,883,104</b>	<b>3,915,276</b>	<b>3,576,386</b>
<b>Equity and liabilities</b>					
<b>Liabilities</b>					
Trade and other payables	8.15.	59,783	73,882	79,434	62,948
Derivatives	8.10.	21,045	-	6,901	-
Hedging instruments	8.9.	6,932	3,924	-	3,870
Employee benefit obligations and provisions	8.16.	20,686	21,323	20,076	19,199
Income tax payable		6,074	690	1,291	12,295
Borrowings, other debt securities and leases	8.8.	1,496,652	1,784,605	1,828,020	1,731,998
Deferred tax liability	8.7.	88,333	40,254	14,678	13,722
<b>Total liabilities</b>		<b>1,699,504</b>	<b>1,924,678</b>	<b>1,950,400</b>	<b>1,844,032</b>
<b>Equity</b>					
Share capital		1,972	18,972	18,931	18,887
Share premium		307,192	307,192	303,711	300,097
Hedging reserve		(17,441)	78	(8,840)	(3,869)
Translation reserve		62,582	(30,219)	21,189	(53,769)
Other capital reserves		197,210	104,582	103,633	94,924
Retained earnings		1,497,322	1,557,821	1,526,252	1,376,084
<b>Total equity</b>		<b>2,065,837</b>	<b>1,958,426</b>	<b>1,964,876</b>	<b>1,732,354</b>
<b>Equity and liabilities</b>		<b>3,765,341</b>	<b>3,883,104</b>	<b>3,915,276</b>	<b>3,576,386</b>

## 2. Statement of profit or loss

For the reporting period  
January 1st – September 30th  
2020

PLN '000	Note	Jan 1-Sep	Jul 1-Sep	Jan 1-Sep	Correction	Jan 1-Sep	Jul 1-Sep
		30 2020 unaudited	30 2020 unaudited	30 2019 unaudited Restated, corrected		30 2019 unaudited Restated, published	30 2019 unaudited Restated
Revenue	8.1.	94,845	34,822	128,314	-	128,314	48,700
<i>including interest income calculated using the effective interest rate method</i>		13,883	4,218	15,289	-	15,289	5,273
<i>including revaluation of debt portfolios</i>		1,174	897	10,455	-	10,455	2,925
Other income	8.2.	16,189	8,371	1,431	-	1,431	200
		111,034	43,193	129,745	-	129,745	48,900
Employee benefits expense	8.3.	(101,116)	(37,488)	(111,005)	-	(111,005)	(35,333)
Depreciation and amortisation		(13,586)	(4,432)	(14,208)	-	(14,208)	(4,728)
Services		(24,910)	(8,105)	(24,786)	-	(24,786)	(8,023)
Other expenses	8.4.	(17,268)	(5,824)	(24,994)	-	(24,994)	(8,976)
		(156,879)	(55,848)	(174,993)	-	(174,993)	(57,060)
<b>Operating loss</b>		(45,846)	(12,656)	(45,247)	(10,455)	(34,792)	(8,159)
Finance income	8.5.	16,050	4,541	6,295	-	6,295	(1,144)
Finance costs	8.6.	(75,515)	(20,414)	(65,285)	-	(65,285)	(28,168)
<b>Net finance costs</b>		(59,465)	(15,873)	(58,990)	-	(58,990)	(29,312)
<b>Share of profit/(loss) of equity- accounted investees</b>		203,552	145,075	354,447	-	354,447	117,285
<b>Profit/(loss) before tax</b>		98,241	116,547	250,210	(10,455)	260,665	79,814
Income tax	8.7.	(63,690)	(62,703)	(5,614)	-	(5,614)	(2,037)
<b>Net profit/(loss) for period</b>		34,551	53,844	244,596	(10,455)	255,051	77,777
<b>Earnings/(loss) per share</b>							
Basic (PLN)		1.82	2.84	12.93	0.56	13.49	4.11
Diluted (PLN)		1.79	2.80	12.66	0.54	13.20	4.03

### 3. Statement of comprehensive income

For the reporting period January 1st –  
September 30th 2020

PLN '000

	Jan 1-Sep 30 2020 unaudited	Jul 1-Sep 30 2020 unaudited	Jan 1-Sep 30 2019 unaudited Restated, corrected	Correction	Jan 1-Sep 30 2019 unaudited Restated, published	Jul 1-Sep 30 2019 unaudited Restated
<b>Net profit/(loss) for period</b>	<b>34,551</b>	<b>53,844</b>	<b>244,596</b>	<b>(10,455)</b>	<b>255,051</b>	<b>77,777</b>
<b>Other comprehensive income</b>						
<b>Items that may be reclassified</b>						
<b>subsequently to profit or loss</b>						
Cash flow hedges	(17,519)	1,630	(4,971)	-	(4,971)	(9,666)
Exchange differences on translating foreign operations	92,801	19,828	74,958	-	74,958	63,894
<b>Other comprehensive income for the period, net</b>	<b>75,282</b>	<b>21,458</b>	<b>69,987</b>	<b>-</b>	<b>69,987</b>	<b>54,228</b>
<b>Total comprehensive income for period</b>	<b>109,833</b>	<b>75,302</b>	<b>314,583</b>	<b>(10,455)</b>	<b>325,038</b>	<b>132,005</b>

#### 4. Statement of changes in equity

For the reporting period ended September 30th 2019

PLN '000	Share capital	Share premium	Hedging reserve, corrected	Correction	Hedging reserve, published	Translation reserve	Other capital reserves	Retained earnings	Total equity
<b>Total equity as at Jan 1 2019 (restated)</b>	18,887	300,097	(3,869)	-	(3,869)	(53,769)	94,924	1,376,309	1,732,579
<b>Comprehensive income for the period</b>									
Net profit/(loss) for period	-	-	-	-	-	-	-	244,596	244,596
Exchange differences on translating foreign operations	-	-	-	-	-	74,958	-	-	74,958
Measurement of hedging instruments	-	-	(4,971)	-	(4,971)	-	-	-	(4,971)
<b>Total comprehensive income for period</b>	-	-	(4,971)	3,869	(8,840)	74,958	-	244,596	314,583
<b>Contributions from and distributions to owners</b>									
- Payment of dividends	-	-	-	-	-	-	-	(94,653)	(94,653)
- Share-based payments	-	-	-	-	-	-	8,709	-	8,709
- Issue of shares	44	3,614	-	-	-	-	-	-	3,658
<b>Total contributions from and distributions to owners</b>	44	3,614	-	-	-	-	8,709	(94,653)	(82,286)
<b>Total equity as at Sep 30 2019, restated</b>	18,931	303,711	(8,840)	3,869	(12,709)	21,189	103,633	1,526,252	1,964,876

**For the reporting period ended December 31st 2019**

PLN '000

	Share capital	Share premium	Hedging reserve	Translation reserve	Other capital reserves	Retained earnings	<b>Total equity</b>
<b>Total equity as at Jan 1 2019 (restated)</b>	18,887	300,097	(3,869)	(53,769)	94,924	1,376,084	1,732,354
<b>Comprehensive income for the period</b>							
Net profit/(loss) for period	-	-	-	-	-	386,517	386,517
Exchange differences on translating foreign operations	-	-	-	23,550	-	(110,127)	(86,577)
Measurement of hedging instruments	-	-	3,947	-	-	-	3,947
<b>Total comprehensive income for period</b>	-	-	3,947	23,550	-	276,390	303,887
<b>Contributions from and distributions to owners</b>							
- Payment of dividends	-	-	-	-	-	(94,653)	(94,653)
- Share-based payments	-	-	-	-	9,658	-	9,658
- Issue of shares	85	7,095	-	-	-	-	7,180
<b>Total contributions from and distributions to owners</b>	85	7,095	-	-	9,658	(94,653)	(77,816)
<b>Total equity as at Dec 31 2019 (restated)</b>	18,972	307,192	78	(30,219)	104,582	1,557,821	1,958,426

**For the reporting period ended September 30th 2020**

PLN '000

	Share capital	Share premium	Hedging reserve	Translation reserve	Other capital reserves	Retained earnings	Total equity
<b>Equity as at Jan 1 2020 (restated)</b>	18,972	307,192	78	(30,219)	104,582	1,557,821	1,958,426
<b>Comprehensive income for the period</b>							
Net profit/(loss) for period	-	-	-	-	-	34,551	34,551
Exchange differences on translating foreign operations	-	-	-	92,801	-	-	92,801
Measurement of hedging instruments	-	-	(17,519)	-	-	-	(17,519)
<b>Total comprehensive income for period</b>	-	-	(17,519)	92,801	-	34,551	109,833
<b>Contributions from and distributions to owners</b>							
- Share-based payments	-	-	-	-	(2,422)	-	(2,422)
- Allocation of profit to capital reserve for buyback of shares	-	-	-	-	95,050	(95,050)	-
<b>Total contributions from and distributions to owners</b>	-	-	-	-	92,628	(95,050)	(2,422)
<b>Total equity as at Sep 30 2020</b>	18,972	307,192	(17,441)	62,582	197,210	1,497,322	2,065,837



## 5. Statement of cash flows

For the reporting period January 1st – September 30th 2020

PLN '000

	Jan 1-Sep 30 2020 unaudited	Jul 1-Sep 30 2020 unaudited	Jan 1-Sep 30 2019 unaudited Restated, corrected	Correction	Jan 1-Sep 30 2019 unaudited Restated, corrected, published	Jul 1-Sep 30 2019 unaudited Restated, corrected	Correction	Jul 1-Sep 30 2019 unaudited Restated, published
<b>Cash flows from operating activities</b>								
<b>Net profit/(loss) for period</b>	34,551	53,844	244,596	-	244,596	77,777	-	77,777
<i>Adjustments</i>								
Depreciation of property, plant and equipment	9,529	3,090	9,174	-	9,174	3,011	-	3,011
Amortisation of intangible assets	4,056	1,341	4,017	-	4,017	1,304	-	1,304
Net finance income/costs	65,992	22,784	73,076	-	73,076	(33,263)	-	(33,263)
Share of profit/(loss) of equity-accounted investees	(203,552)	(145,075)	(354,447)	(354,447)	-	(117,285)	(117,285)	-
(Gain)/loss on sale of property, plant and equipment	(759)	(225)	6	-	6	51	-	51
Equity-settled share-based payments	(2,422)	1,238	8,709	-	8,709	2,379	-	2,379
Income tax	63,690	62,703	5,614	-	5,614	2,037	-	2,037
Change in investments	7,190	1,003	612	-	612	2,958	-	2,958
Change in inventories	2,215	2,929	(3,499)	-	(3,499)	(3,517)	-	(3,517)
Change in trade and other receivables	41,221	18,452	(8,562)	-	(8,562)	145,227	-	145,227
Change in prepayments and accrued income	401	(1,400)	(120)	-	(120)	(1,746)	-	(1,746)
Change in trade and other payables, excluding financial liabilities	(14,537)	(10,664)	16,486	-	16,486	1,420	-	1,420
Change in employee benefit obligations	(637)	(20)	877	-	877	(2,313)	-	(2,313)
Income tax paid	(10,213)	(3,265)	(20,325)	-	(20,325)	(4,562)	-	(4,562)
<b>Net cash from operating activities</b>	(3,275)	6,735	(23,788)	-	(23,788)	73,477	-	73,477
<b>Cash flows from investing activities</b>								
Interest received	36	9	71	-	71	26	-	26
Loans	(32,700)	(3,000)	(213,393)	-	(213,393)	(49,301)	-	(49,301)
Sale of intangible assets and property, plant and equipment	2,238	523	2,745	-	2,745	1,112	-	1,112
Dividends received	18,918	(4,510)	13,189	-	13,189	3,689	(280,181)	283,870

## Quarterly report - Interim condensed financial statements

Disposal of financial assets	350,141	101,045	436,835	-	436,835	283,870	-	283,870
Purchase of intangible assets and property, plant and equipment	(5,424)	(1,816)	(9,546)	-	(9,546)	(2,552)	-	(2,552)
Acquisition of shares in subsidiaries	(20,764)	(4,404)	(155,241)	-	(155,241)	(107,730)	-	(107,730)
Repayments	62,688	18,677	28,420	-	28,420	8,527	-	8,527
<b>Net cash from investing activities</b>	<b>375,133</b>	<b>106,524</b>	<b>103,080</b>	<b>-</b>	<b>103,080</b>	<b>137,640</b>	<b>-</b>	<b>137,640</b>
<b>Cash flows from financing activities</b>								
Net proceeds from issue of shares	25,000	25,000	3,658	-	3,658	63	-	63
Redemption of debt securities	-	-	215,000	-	215,000	25,000	-	25,000
Increase in borrowings	202,419	(26,919)	664,730	-	664,730	170,622	-	170,622
Repayment of borrowings	(523,915)	(99,445)	(662,352)	-	(662,352)	(263,058)	-	(263,058)
Payments under finance lease contracts	(6,005)	(2,909)	(7,306)	-	(7,306)	(1,673)	-	(1,673)
Dividends paid	-	-	(94,653)	-	(94,653)	(94,653)	-	(94,653)
Redemption of debt securities	(13,360)	-	(136,388)	-	(136,388)	(86,388)	-	(86,388)
Interest paid	(52,031)	(11,329)	(63,320)	-	(63,320)	(17,656)	-	(17,656)
<b>Net cash from financing activities</b>	<b>(367,892)</b>	<b>(115,601)</b>	<b>(80,631)</b>	<b>-</b>	<b>(80,631)</b>	<b>(267,743)</b>	<b>-</b>	<b>(267,743)</b>
Total net cash flows	3,966	(2,342)	(1,339)	-	(1,339)	(56,626)	-	(56,626)
Cash and cash equivalents at beginning of period	13,812	20,119	9,151	-	9,151	64,437	-	64,437
Cash and cash equivalents at end of period	17,778	17,778	7,812	-	7,812	7,812	-	7,812

**Reconciliation of effective tax rate**

PLN '000	Jan 1-Sep 30 2020 unaudited	Jan 1-Sep 30 2019 unaudited Restated, corrected	Correction	Jan 1-Sep 30 2019 unaudited Restated, published
Profit/(loss) before tax	98,241	250,210	(10,455)	260,665
Income tax recognised in profit or loss	(63,690)	(5,614)	-	(5,614)
Profit/(loss) before tax for the period (at 19% tax rate)	98,241	250,210	(10,455)	260,665
Tax calculated at the tax rate applicable in Poland (19%)	(18,666)	(47,540)	1,986	(49,526)
Effect of non-deductible expenses and changes in deferred tax <sup>1</sup>	(45,024)	41,926	(1,986)	43,912
	(63,690)	(5,614)	-	(5,614)
Effective tax rate	64,83%	2,24%		2,15%

<sup>1</sup> including PLN 58,936 thousand of the established provision for deferred tax resulting from the changes in assumed payments of income in the next 36 months from subsidiaries to KRUK S.A. what accounts for 90% of the impact on the effective tax rate for the period 1st January 2020 - 30th September.