ANNUAL Accounts
WITH ADDITIONAL INFORMATION
RESBUD SE based in Tallinn

2018 Year

Tallinn, Cracov, June 2019

CONTENTS

INTRODUCTION TO THE FINANCIAL STATEMENTS.

1. Information about the company.

a) RESBUD S.E. was founded on the basis of the act of transforming the State enterprise Rzeszów industrial construction Company "Resbud" with its headquarters in Rzeszow in the sole joint stock company of the state Treasury in 1994, the Act Notary in the notarial office of Paweł Błaszczak on 26.05.1994, Rep A No. 10522/94.

b) At the moment of preparing of FS the company's headquarters are located in Estonia, Tallinn.

c) On 18.02.2002 R. By order of the District Court of Rzeszow XII Commercial Division of the National Court Register the company was entered in the National Court register under the number KRS 0000090954.

On 21.02.2018 R. Registration of the merger of the issuer previously acting as a joint-stock company under Poland under the company RESBUD SPÓŁKA AKCYJNA with its registered office in Płock at ul. Padlewskiego 18C, Poland, Entered in the register of Entrepreneurs of the National Court register conducted by the District Court for M. Warsaw University of Warsaw, Division XIV commercial under the number KRS 0000090954, NIP 8130267303, REGON 690294174, with the company RESBUD1 Polska Akciová Společnost with its headquarters in Ostrava address: Poděbradova 2738/16 Moravská Ostrava, 702 00 Ostrava, Czech Republic entered in the Commercial register of the By the District Court in Ostrava, section B, under Number 10978, the identification number 06502440. (Hereinafter: the company Taken over). RESBUD1 Polska Akciová Společnost is a deliberate entity which has been registered in the On 10 October 2017

As a result of registration by the District Court for the capital city of Warsaw in Warsaw, the merger of the issuer The legal form of the European Company and currently operates under the company RESBUD SE.
On 30.11.2018 applicable to the law of Estonia, the register of commercial companies (Ariregister) has registered transfer of the registered office of the issuer to Estonia pursuant to the provisions of the transfer plan of 19.03.2018 published in the current Report no 11/2018 of 19.03.2018 R.

The company's current seat is Tallinn, Estonia

a) The predominant object of the company's activities are construction works related to the erection of residential and non-residential buildings-PKD 4120Z, 6820Z renting and management of own or leased property. On 20-04-2012. The extraordinary general meeting of shareholders decided to change the main business profile For Electricity Generation PKD-3511z.

2. Indication of the duration of the company, if indicated.
The duration of the RESBUD SE. is not marked.

3. Indication of periods for which financial statements and comparable data are presented.

The presented financial statements cover the period 01 January 2018 to 31 December 2018 with data comparable for the period from 01 January 2017 to 31 December 2017. The report shall be drawn up in accordance with the international Financial Reporting standards which have been approved by the European Union and the related interpretations announced in the form of regulations of the European Commission.

The financial statements in first version were prepared on March 26 2019 and approved for publication by the Management Board of the company on June 26 2019.

4. Information on the personal composition of the board and the supervisory board.

The composition of the management board for the day 31.12.2018 is as follows:

- Anna Kajkowska Chairman of the Board

The composition of the supervisory board as of 31.12.2018 shall be as follows

- Wojciech Hetkowski
- Marianna Patrowicz-The function was held until 21.09.2017
- Margaret Patrowicz
- Damian Patrowicz
- Jack Koralewski
- Martyna Patrowicz-Full function from 21.09.2017

5. Indication of whether the financial statements and comparable data contain aggregated data, if the company's company consists of internal organizational units producing independent financial statements.

The presented financial statements do not contain aggregate data, as RESBUD SE. Does not have internal organizational units that prepare the financial statements.

6. Indication whether the company is a parent or a significant investor and prepares consolidated financial statements.

As of December 31 , 2018, RESBUD SE does not have subsidiaries and does not draw up a consolidated financial statement.

7. In the case of a financial statement drawn up for the period during which the merger took place, an indication that it is a financial statement drawn up after the merger and an indication of the method of settlement applied.

On 21.02.2018 R. Registration of the merger of the issuer previously acting as a joint-stock company of Polish law under the company RESBUD SPÓŁKA AKCYJNA with its registered office in Płock at ul. Padlewskiego 18C, Poland, entered in the register of Entrepreneurs of the National Court register held by the District Court for M. St. Warszawa in Warsaw Division XIV commercial under the number KRS 0000090954, NIP 8130267303, REGON 690294174, with the company RESBUD1 Polska Akciová Společnost with its headquarters in Ostrava address: Poděbradova 2738/16, Moravská Ostrava, 702 00 Ostrava, Czech Republic entered in the commercial register maintained by the District Court of Ostrava, section B under number 10978, identification number 06502440. (hereinafter: the company being acquired). The acquiring company RESBUD S.A. (now RESBUD SE) operates in the construction industry, while RESBUD 1 Polska Akciová Společnost operates in the industry manufacturing, trade and other services in accordance with the object of activity disclosed in the relevant register, whereby RESBUD1 Poland Akciová Společnost is a deliberate entity which was registered on 10 October 2017. As a result of registration by the District Court for the capital city of Warsaw in Warsaw, the merger of the issuer took the legal form of the European Company and currently operates under the company RESBUD SE with its registered office in Płock at ul. Padlewskiego 18C, Poland, entered in the register of Entrepreneurs of the National Court register held by the District Court for M. St. Warszawa in Warsaw Division XIV commercial under the number KRS 0000719570.
The connection occurred under the conditions set out in the call plan of 30.11.2017 R. Made available free of charge to the public on the websites of the merging companies, respectively, at the addresses of RESBUD S.A.-http://www.resbud.pl/and RESBUD1 Polska Akciová společnost-http://resbudas.eu as well as the current report of RESBUD S.A. ESPI no 30/2017 on 30.11.2017 R.
The merger was effected by the acquisition by RESBUD S.A. of the company RESBUD1 Polska Akciová Společnost, in accordance with the provisions of article 2 para. 1. In conjunction with Article 17 (2 (a) and 18 of Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company (SE) of 8 October 2001 (Journal of the EU. L no 294, p. 1) (hereinafter: Regulation SE).
The merger was accepted by the general meeting of the issuer on January 3, 2018. Resolution No. 9.
Currently, the company's share capital is expressed in EURO and is: 1.430.000, 00 EURO (in words: one million four hundred and thirty thousand EURO 00/100) and is divided into 13.000.000 (thirteen million) shares with a nominal value of 0.11 EURO (in words: Eleven euro cents) This is on the 8.710.000 bearer shares of series A with a nominal value of 0.11 EUROS (in words: eleven cents) and 4.290.000 (four million two hundred and ninety thousand) bearer shares of the B series with a nominal value 0.11 EURO (in words: eleven euro cents).
In conjunction with the registration of the merger, changes to the company's statutes resulting from the resolutions of the extraordinary general Meeting of 3 January 2018 were recorded.
Due to the adoption of the legal form of the European company, there was no change in the composition of the issuer's organs, there was no change in the rights of shareholders from the company's shares, except for the change in nominal value of shares (phrase in EURO) and the company continues its legal existence and its activities in the form of a European company.

Settlement of the merger in the company's accounts.

In pursuing the abovementioned merger, the shareholders of Investment Resbud SE had control over the company which had been merged and did not lose that control as a result of the operations carried out. Accordingly, the Investment Resbud SE was able to settle the merger by combining the shares. This method was adopted because IFRS 3 entity combinations do not relate to the merger of companies under common control.

The general principle of the merger method is the aggregation of the individual items of the relevant assets and liabilities and the revenues and costs of the combined companies, as at the date of the merger, after having been given the value to Uniform valuation methods and mutual exemptions.
The company settled the merger by combining the shares in the following way:

- It is included in the accounting books of Investment Resbud SE assets and liabilities according to the value resulting from the accounts of the company being acquired Resbud1 Polska AS, after having been brought to the comparability
- The reciprocal claims and liabilities, revenues and costs of economic operations effected during the financial year, including the shares held in the company being acquired, have been excluded.
- The principal capital of the company being acquired has been excluded. The difference between the sum of assets and liabilities acquired was shown as a separate capital of the company.
- The costs incurred in connection with the merger are counted as financial costs.

Conversion of a comparable period

The following is a conversion of the statement of financial position and profit and loss account for the predecessor of the reporting period as a result of the merger of Resbud SE and Resbud1 Polska AS. The data presented are the result of the approved financial statements of the merging companies for the previous period, after corrections resulting from the application of the merger method described above.

Assets	RESBUD SE	RESBUD1 POLSKA AS	Corrections resulting from the application of the Merger method	Aggregated data presented as comparative data
I. Non-current assets	518	0	-81	437
Tangible assets	2	0	0	2
Intangible assets	2	0	0	2
Investment property	426	0	0	426
Long-term receivables	5	0	0	5
Long-term investments	81	0	-81	0
Income tax assets and other	2	0	0	2
II. Current Assets	1 367	78	0	1 445
Stocks	0	0	0	0
Trade and other receivables	25	61	0	86
Taxes receivable	20	0	0	20
Short-term financial assets	968	0	0	968
Funds and cash equivalents	346	17	0	363
Short-term accruals	8	0	0	8
III. Assets for Sale		0	0	0
Total assets	1 885	78	-81	1 882

Liabilities	RESBUD SE	RESBUD1 POLSKA AS	Corrections resulting from the application of the Merger method	Aggregated data presented as comparative data
I. EQUITY	1 818	77	-80	1 815
Basic capital	1 558	78	-78	1 558
Reserve Capital	1 850	0	0	1 850
Capital from the merger	0	0	-3	-3
Reserve Capital	71	0	0	71
Revaluation Capital	435	0	0	435

Undivided earnings from previous years	-2 070	0	0	-2 070
Net profit (loss)	-26	-1	1	-26
II. Commitments and provisions on commitments	67	0	0	67
Provisions for commitments	2	0	0	2
Long-term liabilities	0	0	0	0
Short-term liabilities	65	0	0	65
Accruals	0	0	0	0
Total liabilities	1 885	77	-80	1 882

8. Indication of whether the financial statements were made on the basis of the continuation of the company's economic activity in the foreseeable future and whether there are circumstances indicating the risk of continuation of the business.

The financial statements have been drawn up on the assumption of continuing economic activity for at least 12 consecutive months from the balance sheet date.

9. The statement that the financial statements have been recast in order to ensure comparability of the data and the breakdown and explanation of the differences resulting from adjustments in accounting policies or corrections of fundamental errors.

The financial statements drawn up for the year 2018 covering comparative data for 2017 were recast. The Effects of the recast are presented in section 7.

10. Indication of whether the submitted financial statements or comparable data have made corrections arising from objections in the opinions of the entities entitled to the audit of financial statements for the years for which the financial statements have been drawn up or Comparable data.

The presented financial statements and comparable data have not made any adjustments to the objections in the opinions of the entities entitled to audit the accounts..

11. A description of the accounting policies adopted, including methods of valuation of assets and liabilities, the determination of revenues, costs and financial result, and how to draw up the financial statements and comparable data.

A. General Assumptions of accounting policy (IAS 8)

International Financial Reporting standards include:

1. International Financial Reporting Standards.
2. International accounting standards.
3. Interpretations issued by the Committee for Fisheries Interpretation of the International Financial Reporting (IFSF) or the pre-existing Standing Committee for Interpretation (SIC).

In the absence of a standard or interpretation directly applicable to a particular economic event, the management of the entity shall be guided by its own judgement in the development and application of accounting principles, which should lead to Information that is:

- Useful for users in the process of economic decision-making,
- Reliable, i.e. through which the financial statements:
  Represents the situation, property, financial, financial result and cash flow,
  Reflects the economic content of transactions, other events and conditions and not just the legal form,
  is complete in all material respects.

The most important values in the presented report, which contain estimates of the amounts, are the depreciation of fixed assets and the estimates of the reserves shown in the liability item of the statement of financial position.

An entity selects and applies accounting rules by observing two basic principles:

- The same accounting rules (valuations, grouping of positions, presentations, etc.) that require the application of the following reporting periods.
- The same accounting policy for the same type of transactions, positions and events.

The financial year for the company is the calendar one, i.e. period from 1 January to 31 December.

The company draws up a profit and loss account in the calculation system.

The company chose an indirect method to draw up a cash flow statement.

The entity's financial result for a given financial period shall comprise all the revenues achieved and accruing to it and the revenue related to them, in accordance with the principles of Memorial, the commens inability of revenues and costs and prudent valuation.

The functional currency of the financial statements is the Polish currency.

B. Preparation of the IAS report for the first time (IFRS 1)

On 18 May 2011, the ordinary general meeting of shareholders of the company adopted a resolution on the basis of which RESBUD S.A. prepares financial statements in accordance with IFRS from financial statements for periods beginning on 1 January 2011.

C. Statement of conformity and basis for preparation

About the compliance benefit

On the basis of the regulation of the Minister of Finance of 19 February 2009 of the Year (Journal of Laws No 33, item 259 as amended) on current and periodic information provided by issuers of securities, the Board of Directors declares that, according to its The best knowledge, this financial report and comparable data have been drawn up in accordance with the company's accounting policies and that they reflect in a real, fair and clear way the financial and economic situation of the company and its Profit.

The management board also declares that the issuer's activity report contains a real picture of the development and achievements and the situation of the issuer, including a description of the underlying hazards and risks.

This financial report has been prepared using accounting measures in accordance with International Financial Reporting standards which have been approved by the European Union and to the extent required By regulation of the Minister of Finance of 19 February 2009 on current and periodic information transmitted by issuers of Securities (Journal of Laws No 33, item 259, as amended). This report covers the period from 1 January to 31 December 2018 and the duration of the main period from 1 January to 31 December 2017.
The management board declares that the entity empowered to audit the financial statements has been selected in accordance with the legal provisions and that the entity and the statutory auditors carrying out the examination have fulfilled the conditions for expressing An impartious and independent opinion on the audited financial statements in accordance with the applicable rules and professional standards.

D. Description of the methods of valuation of assets and liabilities and of revenues and costs, findings of the financial result and how financial statements and comparable data are drawn up

Professional judgement

Where the transaction concerned is not governed by any standard or interpretation, the management board shall,
A subjective assessment, defines and applies accounting policies that ensure that the financial statements contain appropriate and reliable information and will: properly, clearly and fairly, the financial and economic situation The companies, the results of its activities and cash flows, reflect the economic content of the transaction, objective, prepared in accordance with the principle of prudent valuation, complete in all material respects.

This financial report did not have significant areas where professional
Management judgement.

Estimated amounts.

When drawing up financial statements in accordance with international Financial reporting standards, the Management Board shall make certain accounting estimates, take account of its own judgments in the application of the accounting rules adopted and adopt the assumptions Individual items of Acts and liabilities, and of income and expenses.
In its report for the year 201 8, the Management Board considers that there are no significant are as for which there is a risk of uncertainty about estimates.

Recalculation of positions denominated in foreign currency.

- Transactions and balances.

Current valuation: Transactions denominated in foreign currency are converted into functional currency according to the average NPB rate in force for the day of the transaction.
The exchange-rate differences arising from the valuation at the balance sheet date of assets and liabilities denominated in foreign currency and the payment of debts and liabilities in foreign currency shall be recognised as follows:

- Exchange rate gains are counted as financial revenues
- Deductible foreign exchange differences are included in the financial

Intangible assets.

- Development costs.

After the initial recognition of the expenditure on development, they shall be valued at the cost of the acquisition or costs minus the amount of the previous redemption and the total amount of impairment losses, the assessment of which shall be carried out at At least once a year. The period and method of depreciation shall be verified at the end of each financial year.

- Other intangible assets

Acquired intangible assets are accounted for in the purchase price. After initial recognition, the historical cost model applies to this category of intangible assets. Intangible assets are reviewed annually for impairment. The annual verification shall also be subject to the period of use and, where necessary, corrected from the following financial year.
Based on the main assumptions of the IFRS, it is recognized that perpetual land use rights fulfil the condition of crediting to assets, have the value of the transferor and can be sold, and are therefore disclosed on a balance sheet basis Intangible. Perpetual land use rights are not depreciated.
Depreciation allowances from intangible assets with a specified time of use shall take into account the useful life of the components. The depreciation shall be effected by a linear method, starting from the month following the month of admission to use.

- Costs of research work**.**

The expenditure incurred for research (or for the implementation of the research phase) of the project is accounted for directly in the profit and loss account.

Tangible assets.

The initial value of the fixed assets shall be determined at the acquisition price and, in the case of a self-sustaining asset, at the technical cost of production, minus impairment losses.
Subsequent expenditure shall be taken into account in the carrying amount of the fixed asset or recognised as a separate permanent asset (where appropriate) only if it is probable that the economic benefits to the company will be affected and the cost of Position can be measured reliably. The cost of overhaul which does not increase the initial usable value of a fixed asset shall be borne by the costs of the period in which it was incurred.
At the date of transition to IFRSS, the company measured all fixed assets at fair value and considered that value as a cost-per-company. The capital resulting from the revaluation of these fixed assets is included in the revaluation capital.
For each subsequent balance sheet date, the fixed assets shall be valued at the cost assumed, the purchase price or the cost of the production, minus the depreciation and impairment losses.

The depreciation shall be effected by a linear method, starting from the month following the month of admission to use. Depreciation takes place during the economic period of utility of fixed assets.

In the case of retrofitting (improvement, reconstruction) of a fixed asset, its useful life shall be increased by an individually defined service life resulting from the scope of modernisation, but not longer than the period fixed for the new measure The permanent
Fixed assets under construction are valued at acquisition or cost of production, including financing costs. These components are depreciated until the end of their construction, i.e. Before they are available for use.
Average depreciation rates of fixed assets accepted in the company for newly acquired fixed assets.

- Land: Land does not die
- Buildings and structures, including:
    - Buildings 2.5%-3%
    - Buildings 3%-4.5%
- Technical equipment and machines (boilers) 7%-20%
- General purpose machines and equipment 14%-18%
- Construction machinery and technical equipment 10%-20%
- Hardware 33%
- Means of transport 10%-20%
- Other fixed assets 10%-30%

Impairment

The net value of fixed assets shall be reviewed at each balance sheet date to determine whether there are indications of a possible loss of their value. The justification for continuing the fixed economic viability of fixed assets is also assessed.
Where such conditions are found, the recoverable amount of the asset shall be estimated in order to determine the potential impairment allowance. Where an asset does not generate cash flows that are largely independent of the flows generated by other assets, an analysis is carried out on the assets that generate the cash flow to which the ingredient belongs Assets.
If the recoverable amount is less than the net book value of the asset (or asset group), the book value is reduced to the recoverable amount. A loss of value is recognised as an expense during the period in which it occurred. The amounts recognised for the update shall be reversed if the reasons justifying their establishment are resolved. The net value of the asset (or asset group) is increased to the new valued recoverable amount, but not

higher than the net value of the asset that would have been determined if the impairment was not recognised in previous Years. Reversal of value loss is accounted for in revenue. The created write-downs are borne by the remaining operating costs, and the deduction solution increases the remaining operating revenues.

Fixed assets for sale.

In accordance with IFRS 5, "non-current assets held for sale and discontinued operations", the company classifies the fixed assets to be sold if their carrying amount is recovered by means of a sale transaction and not by Its continued use. The condition for the crediting of assets to this group constitutes an active search for the purchaser by the management of the entity and the high probability of disposal of those assets within one year from the date of their qualification and the availability of those assets to Immediate sale.
Non-current assets (and net asset groups for disposal) classified as being disposed of are valued at a lower of two values: carrying Amount or fair value minus the costs associated with the sale. The classification of an asset as intended for disposal assumes the intention of the company's management to complete the sales transaction within one year of the change of classification.

Investment property

An investment property shall be considered to be a property (land, building, part of a building or both) which it treats as a source of income from rents or holds in possession because of its value gain, without such property being:

- Used in the manufacture, supply of goods, services or administrative activities, or
- Intended for sale in the ordinary course of business.

An investment property shall be considered to be a potentially disposed property if, despite an active search by the management of the purchaser, there is no high probability of disposal of those assets within one year. An absolute condition for the classification of such property into investment property is to obtain income from rent.

In the case of partial use of immovable property for rental, the criterion determining the crediting of the investment property is the ratio of the area allocated to the rental to the total area.

Investment property shall be recognised at the cost of the acquisition or cost of production, taking into account
Transaction. After initial recognition, the value of investment property shall be deducted from the depreciation and impairment losses.
Investment properties shall be removed from the balance sheet if they are disposed of or in the event of a permanent withdrawal of the investment property from use where no future benefit is expected from its sale. Any gains or losses arising from the removal of the investment property from the balance sheet shall be recognised in the profit and loss account during the period in which such removal was made. Transfers of assets to investment property shall be made only if a change in their use has been confirmed by the end of the use of the asset by the owner, the conclusion of an operating leasing contract or Construction/production of the investment property.

Leasing.

Leasing is classified as a financial lease if it causes the transfer of substantially all the risks and benefits associated with the property:

- Extends essentially for the entire life of the asset
- The current value of the lease payments is essentially equal to the fair value of the asset

Financial leasing is capitalized at the start of the lease period at the present value of the minimum lease payments. Lease payments incurred during the reporting period in the capital instalment part reduce the financial leasing liability, the remainder constituting the interest part of the financial costs of the period. The allocation of lease payments to the capital part and the interest part shall be effected in such a way as to obtain a fixed interest rate for each period in relation to the outstanding amount of the undertaking.

Tangible fixed assets which are the subject of a finance lease have been shown in anansie on an equal footing with other fixed assets and shall be decommitted under the same rules.

Leasing contracts which do not fulfil the financial leasing conditions shall be classified as operating leasing. Leasing fees are recognized as the cost of the current period in the profit and loss account.

Stocks.

In accordance with IAS 2, inventories, inventories are assets for sale in the ordinary course of business, which are in the course of production for sale or materials and materials consumed in the manufacturing process or during the provision of services.
Stocks of raw materials, supplies, intermediates and finished products and purchased goods shall be valued at the balance sheet date at the lower of the two values: the cost of the purchase or the achievable net selling price. The net selling price shall be the selling price in the course of normal business, minus the estimated costs of the end-of-production and the variable costs necessary to bring the sale into effect.

The financing costs of inventories shall be reported as costs of the period to which they relate.
The valuation rules for the following stock groups:

- Finished products are valued in the cost of production. The cost of production shall not include storage costs, sales costs, administrative costs which do not contribute to the supply of inventories to their current state and place.

- Products in progress-are valued in the cost of production. The manufacturing costs shall comprise the direct costs of materials and labor and the corresponding overhead of production costs established under normal capacity utilization, taking into account the borrowing costs. The basis for determining the net value of the production in progress is their periodic assessment by the inventories of inventory docks by nature at least at the end of the accounting year.

- Materials-are valued at the purchase price and are settled at the acquisition price at the time of purchasing, accounting for the cost of the current period directly from the purchase document.

The acquisition price is the purchase price of the asset, including the amount due to the seller without deductible goods and services tax and excise duty, and, in the case of imports, plus public-law charges and Plus costs directly related to the purchase and adaptation of the asset to a usable or marketed state, including transport, loading, unloading, and reduced rebates, discounts and other similar reductions and Recoveries.

Inventories are verified for each reporting period. For the purposes of the valuation of inventories, an analysis of the age structure of inventories is carried out, the decisive factor being the date of receipt and issue of the warehouse. At the end of the period, inventories shall also be analysed for the economic viability and the loss of value resulting from the difference between the book price and the current market price minus the selling costs (prudent valuation).

The rewriting of the stock values to their net realizable value shall be carried out on the basis of individual write-offs. However, the values of the materials and raw materials shall not be repaid to the amount lower than the cost of the purchase or production, if the finished goods to be used are expected to be sold in the amount of the purchase price or cost of manufacture or above the purchase or cost price. The created write-downs are borne by the remaining operating costs, and the deduction solution increases the remaining operating revenues.

Borrowing costs.

Borrowing costs are interest, exchange rate differences and other financial costs that can be directly attributed to the acquisition, construction or production of an asset as part of the purchase price of that ingredient. These costs shall be active until the end of the construction production.

Other borrowing costs are accounted for as the costs of the period in which they are incurred.

Trade and other receivables

In accordance with IAS 39, the financial instruments: recognition and measurement of long-term debts and short-term receivables are valued at the amortised cost fixed at the effective interest rate. The effective interest rate shall be determined on the basis of the average cost of the foreign capital to the company. Receivables with a maturity of less than 12 months shall not be discounted.
Trade receivables are initially recognised at fair value. The fair value at the moment of initial recognition of trade receivables is the nominal value resulting from the sales invoices issued.
The company's basic payment terms for the delivered goods and services are determined individually for each contract due to the individual nature of the production. At least at the end of each quarter, they shall be analysed for the precautionary principle. An update shall be deducted from the debts of the bankrupt, liquidated entities and those which, in the assessment of the unit manager, have a reasonable risk of repayment. Write-downs are created on the basis of individual write-offs. The created write-downs are borne by the remaining operating costs, and the deduction solution increases the remaining operating revenues.
Where the effect of the cost of money in time is significant, the value of the receivable is determined by discounting the projected future cash flows to the present value, using a discount rate reflecting the current Market valuation of money over time. The increase (reduction) of the receivables due to the passage of time is recognised as financial income (expense).

Cash and cash equivalents

Cash includes assets in the form of national means of payment, foreign exchange and currency.

Cash equivalents are short-term, high-liquidity investments that are easily exchangable into certain amounts of cash and are subject to a slight risk of change in value. For short-term investments it is necessary to understand investments up to three months. Cash equivalents include deposits, foreign bills, cheques, bonds.
Money and cash equivalents do not include short-term current account loans and short-term equity investments.

Cash shall be reported at par value.

Active Accruals

The report shall also show an activated amount of the expenditure to be repaid in the financial year concerned and for subsequent reporting periods. Their value has been determined and will result in a future impact of economic benefits.

Equity

The equity is equivalent to net assets, i.e. assets less liabilities.
They shall be recognised in the accounting books at nominal value according to their types and rules laid down by law and by the company statute.

- The share capital shall be shown in the amount specified in the company statute and entered in the Court register.
- The reserve capital is created from the profit distribution.
- Revaluation capital created from asset value revaluation.
- Exchange differences with the conversion of units with different functional currency
- Undivided profit or loss from previous years
- Profit or loss for the current financial period

Reserve

In accordance with IAS 37, "reserves, contingent liabilities and contingent assets" reserves are recognised when the following conditions are fulfilled:

- On the unit of pregnancy an existing obligation (legal or constructive) arising from past events,
- Fulfilment of the obligation will result in the outflow of the unit's resources,
- You can make a reliable estimate of your commitment amount.

The reserves created (with the exception of provisions directly related to contract costs) are charged on other operating costs, in turn the reserve solution increases the remaining operating revenues.

The company creates reserves for:

- Employee Benefits

In accordance with IAS 19, employee benefits, employee benefits are all forms of individual benefits in return for work performed by employees. These are both benefits payable in the course of employment and benefits paid after the employment period.

Pension payments are granted to workers who terminate their employment contract due to retirement or pension. The valuation of these benefits is performed by actuaries or by the company independently and takes into account the structure of employed, average wage and discount rate.

Gains and losses from calculations are recognised in the profit and loss account. The valuation of long-and short-term benefits is made at the end of each financial year.

- Anticipated commitments

It creates a certain or highly probable future commitment that can be reliably estimated by the KV.

Pensions.

During the financial period, the company pays the contributions of the compulsory pension scheme based on the amount of gross wages paid, in accordance with the applicable law ("State Programme"). Within the framework of this programme, the company is obliged to pay contributions in the amount of a certain percentage of the remuneration and only if they become chargeable. The State programme is a defined pension scheme. The costs arising from contributions to the State Programme shall be recognised in the profit and loss account in the same period as the remuneration related thereto.

Under this programme, no legal or constructive obligation on the company to pay any employee benefits should the insurance company have any funds to cover the liabilities of the members of the programme after Termination of the employment period.

Bank loans and loans.

Loans shall be recognised initially at the fair value of cash received minus the transaction costs incurred. In subsequent periods, bank lending obligations, with the exception of liabilities held for trading, shall be valued at the revised cost (amortised costs) in accordance with IAS 39, financial instruments: recognition and valuation.

The financial costs, including paid commissions at the time of repayment or redemption, and direct borrowing costs, are recognised in the profit and loss account using the effective interest method and increase the value Of the instrument, taking into account the payments made in the current period.

Supply and service obligations and other liabilities.

Short-term liabilities are the general obligations for supplies and services, as well as all or part of the remaining liabilities that become chargeable within 12 months of the balance sheet date.

If the maturity exceeds one year from the balance sheet date, the balance of those liabilities, with the exception of the obligations for supplies and services, shall be reported as long-term liabilities. Liabilities other than financial liabilities are measured at fair value through profit or loss. Measured at the balance sheet date at amortised cost. Liabilities to be measured at fair value in accordance with the contract by issuing non-cash financial assets or exchanges on financial instruments.

The increase (reduction) of liabilities over time is recognised as financial expenses (revenues). Liabilities are valued at an effective interest rate. The effective interest rate shall be determined on the basis of the average cost of the foreign capital in the company. Liabilities with a maturity of less than 12 months shall not be discounted.

Passive accruals and accruals of income.

In accordance with IAS 37, "provisions, contingent liabilities and contingent assets" (11), the passive debt is the liabilities payable for goods or services which have been received or executed but have not been paid, invoiced or Formally agreed with the supplier, including amounts owed to employees. When estimating the amount or the date of payment of accruals, consideration should be given to the degree of uncertainty that is less than in the case of reserves.

Passive accruals include low-uncertainty settlements.

1. Benefits made to an individual where the supplier has not invoiced the value of the undertaking can be estimated
2. Warranty repairs are created up to the amount of anticipated costs in the full warranty period/guarantee granted to the purchaser, acc. Assessment of the person responsible for the contract (at the end of the contract, no later than at the end of the accounting year) approved by the Management Board of the company
3. Costs of unused leave.
4. Accruals of income carried out in accordance with the precautionary principle shall include the equivalent of the benefits received or payable from the counterparties for the benefit to be performed in subsequent reporting periods.

Sales revenues.

The following criteria apply to the recognition of revenues:

- Sale of goods and products

Revenue shall be recognised in accordance with IAS 18 if the significant risks and benefits of ownership of goods and products have been communicated to the purchaser and where the amount of revenue can be measured reliably, and it is likely that the company Economic benefits related to the transaction in question.

- Provision of construction services

The company applies the provisions of IAS 11, construction contracts, in respect of contracts related to the main operating activities of the company, the object of which is the construction of buildings. Where the outcome of a contract can be reliably estimated, revenues and costs shall be recognised in relation to the stage of completion of the contract at the balance sheet date, irrespective of the period of execution, and the degree of completion.

The stage of advancement is measured as one of the methods chosen depending on the nature of the contract:

- The proportion of costs incurred from the date of conclusion of the contract to the total estimated contract costs according to the calculations made.
- Measurement of performed works
- Comparison of physically executed parts of work with contractual works

However, where the level of completion of the service is not reasonably achievable at the balance sheet date, the revenue from the performance of the service shall be determined in the amount of the costs incurred during the reporting period, not the higher Costs that the purchaser is likely to cover in the future.

Contract-related costs are recognized as costs of the period in which they are incurred. In the event that the contract costs are likely to exceed the revenues, the expected loss on the contracts is immediately recognised and accounted for as an expense.

An update of the contract's costs and revenues shall always be made in the event of significant financial changes in the performance of contracts, but at least quarterly.

Revenue at the end of the reporting period shall be determined in proportion to the stage of completion of the contract, taking into account profit margins. The correctness of the method of determining the level of performance and the anticipated total costs and revenues of the service is verified by the company at the latest on the balance sheet date. Any revisions resulting from the verification will affect the financial result of the reporting period in which they were made.

Other operating and financial revenues

- Other income and operating profits**.**

These are the revenues of the reporting period which are indirectly related to the business, including for example:

- Revenues and profits from investments;
- The solution of unused reserves and reversal of impairment losses previously created in the weight of other operating costs;
- Profit from the disposal of non-financial fixed assets and intangible asset

;

- Other financial income.

They are primarily revenues related to the financing of the Company's activities, including:

- Gains from Exchange differences;
- Interest, interest income shall be accounted for cumulatively, in relation to the principal amount due, in accordance with the effective interest method. If the receivable loses its value, the company shall reduce its carrying amount to the recoverable amount equal to the estimated future cash flow discounted at the original effective interest rate of the instrument and then progressively The discount amount in correspondence with interest income shall be settled.
- Dividends-dividend income is recognised at the time when the shareholder's right to receive payment is established.
- Other

State subsidies

State subsidies are recognised at a time when there is a reasonable belief that the conditions related to the grant are fulfilled and that the grant will be received. Grants shall be recognised in financial statements in a way that is proportionate to the corresponding costs that are intended to be compensated by grants. If the grant relates to an asset, its fair value shall be accounted for in the income of future periods and then progressively, by means of equal annual allowances, to the profit and loss account for the estimated useful life Related asset.

The costs.

Costs are recognised in the profit and loss account on the basis of the direct link between the costs incurred and the achievements and revenues. The total cost of products, goods and materials sold is:

- The cost of producing the products sold
- Value of goods and materials sold
- Sales costs
- General management costs

Other operating and financial costs.

- Other operating costs and losses.

These are the costs of the reporting period which are indirectly related to operating activities, including for example:

- Investment losses
- Created reserves, penalties and damages
- Loss of assets held to maturity, shareholdings in the Subsidiaries
- Losses from the disposal of non-financial assets and intangible
- Grant donations and other

- Other financial costs

They are primarily costs related to the financing of activities, including, for example:

- Losses from Exchange differences
- Interest on loans, loans and other sources of financing including discounting of liabilities
- Other

Gross Profit/loss from sales.

Gross profit/loss is the difference between sales revenues (pro-production, services and materials and commodities) carried out on primary activities and the cost of producing products and services sold and Goods and materials sold.

Profit on operating activities

The profit on operating activities is calculated before the financial costs and revenues are taken into account.

Taxes

The mandatory result loads consist of: CURRENT tax (CIT) and deferred tax.

- The current tax burden is calculated on the basis of the tax profit (tax base) of the financial year. The profit (loss) of the tax differs from the net accounting income (loss) in relation to the exclusion of taxable revenues and the costs of obtaining revenues in subsequent years and the items of costs and revenues that Will never be taxable. The tax burden is calculated on the basis of the tax rates applicable in the fiscal year.

- In accordance with IAS 12, income tax, the company, in connection with the occurrence of discrepancies between the tax and the balance sheet law, shows a deferred tax which is calculated by the balance sheet method as a tax to be paid or refunded in the future at Differences between the balance sheet assets and liabilities and the corresponding tax values used to calculate the taxable amount.

The deferred tax reserve is created from all taxable transitional differences that are liable to tax, while the deferred tax asset is recognized to the extent that it is probable that it will be possible to Reduce future tax returns with identified negative transitional differences. An asset or tax liability does not arise from the Goodwill or the initial recognition of another asset or liability in a transaction that has no effect on the tax profit or result The accounting officer.

The value of the deferred tax asset shall be analysed at each balance sheet date and, where the expected future tax returns are not sufficient for the performance of the asset or part of it, a copy of it shall be made.

Deferred tax is calculated using tax rates that will be effective at the time the asset item is executed or the liability becomes chargeable. The deferred tax shall be recognised in the profit and loss account, except where it relates to positions directly recognised in equity. In the latter case, deferred tax is also settled directly in equity.

Dividend payout

Payment of dividends to shareholders of the company is recognised in the accounts as an obligation
During the period during which they were approved by the general meeting of shareholders.

Business segments.

Segment information is presented on the same basis as is used for internal reporting purposes.

Indication and explanation of the differences in the value of the disclosed data and the significant differences in the accounting policies adopted.

The accounting policies applied to the financial statements are consistent with those used in the preparation of the company's financial statements for the year ended 31.12.2017, except for amendments to Standards and new interpretations applicable to annual periods beginning on or after 01.01.2018.

Impact of new and revised standards and interpretations
The International Accounting Standards Board approved for the application after 1 January 2018 new standards:
-IFRS 9 Financial instruments, which replaced IAS 39, financial instruments: recognition and valuation,
-IFRS 15 revenue from contracts with customers and amendments to IFRS 15 clarifying certain requirements of the standard that supersedes IAS 11 and 18 and interpretations of KIMSF 13, 15 and 18 and SKI 31.

The impact of applying these standards on the company's accounting policies and financial statements.

IFRS 9 Financial Instruments

The company did not implement IFRS 9 in advance and applied the requirements of IFRS 9 retrospectively for periods beginning after 1 January 2018, in accordance with the standard-approved option, the company waived the conversion of data Comparative. The implementation of IFRS 9 influenced the change in accounting policies for recognising, classifying and valuing financial assets, valuation of liabilities.

Standards published and approved by the EU which have not yet entered into force
In this half-yearly report, the company did not apply standards, standards and interpretations that were published and approved for use in the EU, but have not yet entered into force. The company does not foresee any significant impact of these standards on company financial reports.

Selected elements of the accounting policy
Valuation of financial assets and liabilities
From 1 January 2018, the company qualifies financial assets in the following categories:

-Priced at amortised cost,
-measured at fair value through other comprehensive income,
-measured at fair value through profit or loss,

Classification shall be made at the moment of initial recognition of assets. The classification of debt financial assets depends on the financial asset management business model and on the contractual cash flow characteristics (SPPI-Solely Payment of Principal and Interest) for the financial asset .

In the amortised cost category, the company classifies trade and service receivables, loans granted that have passed the SPPI, other receivables, and cash equivalents.

Financial assets measured at amortised cost shall be valued at amortised cost using the effective interest method, taking into account impairment losses. Trade and service receivables with a maturity of less than 12 months from the date of establishment are not subject to discounting and shall be valued at nominal value.

In the case of financial assets purchased or incurred, affected by the loss of value at the moment of initial recognition, those assets shall be valued at amortised cost using the effective credit risk-adjusted interest rate.

The category of assets measured at **fair value through other comprehensive income** qualifies:

1. A component of a debt financial asset if the following conditions are met:
-It is maintained in a business model, the purpose of which is both to obtain contractual cash flows for the financial assets held and for the sale of financial assets, and
-The contractual terms give the right to receive in certain dates cash flows constituting only capital and interest on capital (i.e. passed the SPPI test),

2. The equity instrument for which an irreversible choice of classification has been made for the initial recognition in this category. The option of selecting fair value through other comprehensive income is not available for instruments intended for trading.

Gains and losses, both from valuation and implementation, arising from these assets are recognised in other comprehensive income, with the exception of revenues from dividends received.

To the category **of assets measured at fair value through** profit or loss, the company qualifies loans granted that have failed to pass the contractual cash flow test.

Gains and losses on a **financial asset classified as measured at fair value through profit or loss shall be recognised as a financial result during the period during which the income (including interest and dividends) arose**.

From 1 January 2018, the company classifies financial liabilities in the category of:
-Priced at amortised cost,
-measured at fair value through profit or loss,
-Financial instruments for hedging.

Liabilities valued at amortised cost shall be eligible for liabilities other than liabilities measured at fair value through profit or loss (m.in, payables, loans), except:
-Financial liabilities that arise in the event of a transfer of financial assets which is not eligible to cease recognition,
-Financial guarantee contracts which are valued at the higher of the following amounts:
-The value of the write-off for expected credit losses determined in accordance with IFRS 9
-values initially recognised (i.e. at fair value plus transaction costs that can be directly attributed to the financial liabilities component), less the accumulated income recognised in accordance with the principles of IFRS 15 revenue from Contracts with customers.
Liabilities measured at fair value through profit or loss shall be classified as liabilities arising from derivatives not designated for hedge accounting purposes.

Impairment of financial assets
IFRS 9 introduces a new approach to estimating losses with respect to financial assets valued at amortised cost. This approach is based on the determination of expected losses, irrespective of whether the conditions have occurred or not.
The company uses the following models for determining impairment losses:
-General model (Basic),
-Simplified model.
In the general model, the company monitors changes in the level of credit risk associated with a financial asset.
In the simplified model, the company does not monitor changes in the level of credit risk during the lifetime of the instrument, estimates the expected credit loss in the horizon until the maturity of the instrument.
For the purpose of estimating the expected credit loss, the company uses:
-In the general model, the levels of probability of insolvency,
-In the simplified model, the historical levels of repayment of receivables from counterparties.
In the event of insolvency, the company acknowledges that the counterparty fails to fulfil its obligation after 90 days after the due date.

The company shall include information on the future in the used parameters of the expected loss estimation model, by correcting the underlying default probability coefficients (for receivables) or by calculating the parameters The probability of insolvency based on current market quotes (for other financial assets).
The company uses a simplified model for the calculation of impairment losses for trade receivables.
The general Model applies to other types of financial assets, including debt financial assets valued at fair value through other comprehensive income.
Impairment losses for debt financial instruments valued at amortised cost (at initial recognition and calculated for each subsequent day ending the reporting period) shall be recognised in other operating costs. Gains (reversal of write-off) for the reduction in the expected value of impairment are recognised in other operating revenues.
For purchased and incurred financial assets affected by the loss of value due to credit risk at initial recognition, favourable changes to expected credit losses are recognised as loss-of-value gains in other revenues Operating.
Impairment losses for debt financial instruments measured at fair value through other comprehensive income shall be recognised in other operating costs. Gains (reversal of write-off) for the reduction in the expected credit loss value are recognised in other operating revenues.
The following table summarizes the impact of IFRS 9 on the change in the classification and valuation of the company's financial instruments as at 1 January 2018.

	Classification according to IAS 39	Classification according to IFRS 9	Carrying Amount Acc. to IAS 39	Carrying Amount Acc. to IFRS 9
Financial assets			31 December 2017	January 1, 2018
Financial assets	Financial assetsavailable for sale	Financial assets measured at fair value through total income	0	0
Financial assets	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through profit or loss	1	1
Loans granted	Loans and receivables	Financial assets valued at amortised cost	968	968
Trade and other receivables	Loans and receivables	Financial assets valued at amortised cost	106	106
Funds and cash equivalents	Loans and receivables	Financial assets valued at amortised cost	363	363

As regards IFRS 9, the company found that, at the date of first application, the new standard did not materially affect the way in which the financial instruments held were valued. The company did not identify significant changes in the classification of financial assets that would result in a change in the valuation method.

IFRS 15 revenue from contracts with customers

On 1 January 2018, the company accepted the application of IFRS 15, published and approved by the European Parliament for use in the European Union.

In accordance with IFRS 15, revenue is recognised at the time of fulfilment (or in the course of fulfilment) of the performance obligation by transferring the goods or services (i.e. the asset) to the customer. The transfer of an asset occurs when the customer obtains control of the asset.
Control of an asset relates to the ability to directly dispose of that asset and to obtain substantially all other benefits from it.

As part of the changes to the recognition and presentation of revenue from contracts with clients, the issuer has reviewed and analysed the existing contracts for the guidelines of IFRS 15 according to the five-element income recognition model.
Previously recognized, and under the influence of the new provisions of IFRS 15, the asset is the right to pay, in the form of receivables from supplies and services, recognised at the same time as sales revenues. The presentation of prepayments received from customers in advance, which constitute a commitment to deliver goods and services until its settlement and the revenue recognition of each supply, shall also remain unchanged. In the context of contracts concluded with customers, the presentation of data of the year 2017 will not change. The company's assessment does not present significant issues relating to contracts concluded which should be presented in a different way.

The first application of IFRS 15 retrospectively with the combined effect of the first application of the standard does not affect the adjustment of the initial retained earnings as at 1 January 2018 as well as other items of the report Both the current reporting period and 1 January 2018 compared to the standards and the related interpretations in force before the change

12. Indication of average exchange rates of gold during the period covered by the financial statements and comparable data, in relation to the euro, determined by the national Bank of Poland.

During the period covered by the financial statements and during the comparative period, the quotation of the average exchange rate of the zloty against the EURO, as determined by the Polish national Bank, was as follows:

Average courses during the reporting period	reporting period From 2018. 01.01 to 2018. 12.31		reporting period From 2017.01.01 to 2017. 12.31	
	Course	Date	Course	Date
Course on the last day of the period	4.3000	31-12-2018	4.1709	29-12-2017
Arithmetic mean rate in the period *	4.2669	01-01-2018 to 31-12-2018	4.2447	01-01-2017 to 31-12-2017
Lowest rate	4.1423	29-01-2018	4.1709	29-12-2017
Highest rate	4.3978	03-07-2018	4.4157	02-01-2017

** Course representing the arithmetic mean of the average odds announced by NBP in force on the last day of each month during the reporting period*

Reporting period from 2018.01.01 to 2018.12.31		reporting period from 2017. 01.01 to 2017. 12.31	
Tab # 22 of 31.01.2018	4.1488	Tab. No. 21 of 31.01.2017	4.3308
Tab. No . 42 from 28.02.2018	4,1779	Tab. No 41 of the 28.02.2017	4.3166
Tab. No. 64 from 31.03.2018	4,2085	Tab. No 64 of the 31.03.2017	4.2198
Tab. No. 84 from 30. 04.201,8	4,2204	Tab. No 83 of the 28.04.2017	4.2170
Tab. No. 104 from 31.05.2018	4,3195	Tab. No 104 of the 31.05.2017	4.1737
Tab. No. 125 from 29. 06.201,8	4,3616	Tab. No 125 of the 30.06.2017	4.2265
Tab. No . 147 from 31.07.2018	4,2779	Tab. No 146 of the 31.07.2017	4.2545
Tab. No . 169 from 31.08.2018	4,2953	Tab. No 168 of the 31.08.2017	4.2618
Tab. No 189 of the 28.09.2018	4,2714	Tab. No 189 of the 29.09.2017	4.3091
Tab. No 212 of the 31.10.2018	4,3313	Tab. No 211 of the 31.10.2017	4.2498
Tab # 233 of 30.11.2018	4,2904	Tab. No 232 of the 30.11.2017	4.2055
Tab. No 252 of the 31.12.2018	4,3000	Tab. No 251 of the 29.12.2017	4.1709
Arithmetic mean rate in the period	**4,2669**	**Arithmetic mean rate in the period**	**4.2447**

The selected financial data presented in the financial statements is converted into EUR currency as follows:

- Balance sheet items are translated according to the average rate announced by the national Bank of Poland in force at the balance sheet date:
  - On31 December 2018 r. 1 EUR = 4,3000
  - On 29 December 2017 EUR 1 = 4,1709
- The items of the profit and loss account and the cash flow statement shall be converted according to the rate of arithmetic mean of the average courses announced by the national Bank of Poland in force on the last day of each month during the period Reporting:
  - Between 1 January 2018 to 31 December 2018 EUR 1 = 4,2669
  - Between 1 January 2017 and 31 December 2017 , 1 EUR = 4,2447

13. Indication of at least the basic items of the balance sheet, the profit and loss account and the cash flow statement of the financial statements and comparable data converted into euros, indicating the rules adopted for that conversion

These items of the balance sheet were converted according to the average euro rate announced by the national Bank of Poland at the balance sheet date. These items of the profit and loss account and the cash flow statement were converted at the rate of arithmetic mean of the average euro rates announced by the national Bank of Poland at the date of each month of the financial year.

SELECTED FINANCIAL DATA	in Thousand euros Eur	
	For the period from 2018-01-01 to 2018-12-31	For the period from 2017-01-01 to 2017-12-31
Net revenues from sales of products, goods and materials	124	48
Profit (loss) from operating activities	298	-106
Gross profit (loss)	89	-14
Net profit (loss)	89	-25
Net cash flow from operating activities	-51	320

Net cash flow from investing activities	-1 039	-770
Net cash flow from financial activities	802	770
Net cash flow, total	-288	320
Total assets	2 012	1 882
Commitments and provisions on commitments	164	67
Long-term liabilities	4	2
Short-term liabilities	160	65 the
Equity	1 848	1 815
Capital	1 430	1 558
Number of shares (in pieces)	13 000 000	13 000 000
Net profit (loss) per ordinary share (in EUR)	0.01	-0.01
Diluted net profit (loss) per ordinary share (in EUR)	0.01	-0.01
Book value per share (in EUR)	0.14	0.14
Dilutedaccounting value per share (in EUR)	0.14	0.14
Declared or paid-upfor one share (in EUR)	0	0

I. STATEMENT OF FINANCIAL POSITION.

Assets	Note	*in Thousand euros Eur*	
		Status on 2018-12-31	Status at 2017-12-31 tested Transformed Data *
Assets		**4**	**437**
Tangible assets	1		2
Intangible assets	2		2
Investment property	4		426
Long-term receivables	5		5
Income tax assets and other	7	4	2
CURRENT ASSETS		**2 008**	**1 445**
Trade and other receivables	10	942	86
Public receivables	10	7	20
Short-term financial assets	11	991	968
Funds and cash equivalents	12	65	363
Short-term accruals	13	3	8
TOTAL ASSETS		**2 012**	**1 882**

* The way in which data is transformed for a comparable period is described in the memorandum on mergers

Liabilities	Note	*in Thousand euros Eur*	
		Status on 2018-12-31	Status at 2017-12-31 tested Transformed Data *
TOTAL EQUITY		**1 848**	**1 815**
Basic capital	16	1 430 the	1 558

Reserve Capital (Fund)	17	1 919	1 850
Reserve Capital	18	69	71
Revaluation Capital	19	422	435
Differences from conversion to Euro		-43	
Capital from a combination of units		-4	-3
Undivided result of previous years	20	-2 033	-2 070
Profit (loss) net	20	88	-26
LONG-TERM LIABILITIES		**4**	**2**
Deferred tax liabilities	22	4	2
SHORT-TERM LIABILITIES		**160**	**65** the
Other short-term reserves	26	26	30
Supply and service obligations	28	20	9
Tax, social security and health liabilities	28	0	2
Employee Benefit obligations	28	1	2
Other short-term liabilities	28	113	22
TOTAL LIABILITIES		**2 012**	**1 882**
Book value	21	1 848	1 815
Number of shares	21	13 000 000	13 000 000
Accounting value per share (IN EUR)	21	0.14	0.14
Diluted number of shares	21	13 000 000	13 000 000
Diluted book value per share	21	0.14	0.14

* The way in which data is transformed for a comparable period is described in the memorandum on mergers

OFF-BALANCE SHEET ITEMS	**Note**	*in Thousand euros Eur*	
		Status on 2018-12-31	**Status on 2017-12-31**
Contingent claims	29	0	0
Contingent liabilities	29	0	0
Off-balance sheet items, total	29	0	0

I. THE PROFIT AND LOSS ACCOUNT AND THE OVERALL REPORTON THE

(calculation variant) in Thousand EUR	**Note**	*in Thousand euros Eur*	
		2018-01.01-2018-12-31	**2017-01.01-2017-12-31**
Net revenues from the sale of products, goods and materials, including:	31	**125**	**48**

Net revenues from sales of products	31	125	48
Net revenues from the sale of goods and materials		0	0
Costs of products, goods and materials sold, including:	33	**28**	**28**
Cost of production of sold products	33	28	28
Value of goods and materials sold		0	0
Gross profit (loss) on sales		**97**	**20**
Sales costs		0	0
General management costs	33	123	127
Profit (loss) from sales		***-26***	***-107***
Other Operating income	34	848	16
Other operating costs	35	524	15
Profit (loss) from operating activities		***298***	***-106***
Financial revenues	36	87	96
Financial costs	37	296	4
Gross profit (loss)		***88***	***-14***
Income tax	38	0	12
Profit/STrata from the activity of thenuised Horse		**88**	**-26**
Gains/losses from discontinued operations		**0**	**0**
Net profit/loss for the financial period		**88**	**-26**
Weighted average number of ordinary shares	39	13 000 000	11 965 699
Profit (loss) on one ordinary share (in zł)	39	0.01	-0.01
Weighted average diluted number of ordinary shares	39	13 000 000	11 965 699
Diluted profit (loss) on one ordinary share (in zł)	39	0.01	-0.01

SEPARATE STATEMENT OF COMPREHENSIVE INCOME	*in Thousand euros Eur*	
	01.01.2018-31.12.2018	**01.01.2017-31.12.2017**
Net profit/loss for the period	**88**	**-26**
Other comprehensive income, including:	-4	-26
Ingredients that are not transferred in later periods to the profit and loss account	-4	0
-Rcounting of mergers	-4	
Ingredients that may be transferred in later periods to the profit and loss account:	0	0
-Settlement of the revaluation capital, including:	0	0
-Valuation of available-for-sale financial assets	0	0
Total income for the period	**84**	**-26**

II.STATEMENT OF CHANGES IN EQUITY.

	Equity							
	Basic capital	Reserve Capital	Other Reserve capital	Revaluation Capital	Conversion differences	Capital from a combination of units	Undivided financial result	Total Equity

Status on 01.01.2018	**1 558**	**71**	**1 850**	**435**	**0**	**-3**	**-2 096**	**1 815**
-Correction of basic errors	0	0	0	0	0	0	0	0
Balance at 01.01.2018 day after changes	**1 558**	**71**	**1 850**	**435**	**0**	**-3**	**-2 096**	**1 815**
Capital increase (share issuance)	0	0	0	**0**	**0**	**0**	**0**	0
Net profit (loss) for the period	0	0	0	0	0	0	88	88
Other comprehensive income for the period	0	0	0	0	0	0	0	0
Total income for the period	**0**	**0**	**0**	**0**	**0**	**0**	**88**	**88**
Dividends	0	0	0	0	0	0	0	0
Issued Core capital	0	0	0	0	0	0	0	0
Breakdown of the financial result	0	0	0	0	0	0	0	0
Change the structure in a group	0	0	0	0	0	-3	0	0
Reduction of share capital	-125	0	125	0	0	0	0	0
Conversion differences	**-3**	**-2**	**-56**	**-13**	**-43**	**-1**	**63**	**-55**
Status on 31.12.2018	**1 430**	**69**	**1 919**	**422**	**-43**	**-4**	**-1 945**	**1 848**

	Equity						
	Basic capital	**Reserve Capital**	**Other Reserve capital**	**Revaluation Capital**	**Capital from a combination of units**	**Undivided financial result**	**Total Equity**
Status on 01.01.2017	**1 044**	**71**	**1 461**	**435**		**-2 070**	**941**
-Correction of basic errors	0	0	0	0		0	0
Balance at 01.01.2017 day after changes	**1 044**	**71**	**1 461**	**435**		**-2 070**	**941**
Capital increase (share issuance)	514	0	0	0	0	0	514
Net profit (loss) for the period	0	0	0	0	0	-26	-26
Agio	0	0	389	0	0	0	389
Other comprehensive income for the period	0	0	0	0	0	0	0
Total income for the period	**0**	**0**	**389**	**0**	**0**	**0**	**389**
Dividends	0	0	0	0		0	0
Issued Core capital	0	0	0	0		0	0
Breakdown of the financial result	0	0	0	0		0	0
Change the structure in a group	0	0	0	0	-3	0	-3
Other changes	0	0	0	0		0	0
Status on 31.12.2017	**1 558**	**71**	**1 850**	**435**	**-3**	**-2 096**	**1 815**

III. CASH FLOW STATEMENT.

(Indirect method)		*in Thousand euros Eur*	
		2018.01.01-2018. 12.31 (IFRS)	**2017.01.01-2017. 12.31 (IFRS)**
Un til.	**Cash flows from operating activities**	**-51**	**320**
I.	**Gross profit (loss)**	**88**	**-14**
Ii.	**Total corrections**	**-139**	**334**

	Depreciation	16	21
	Exchange rate gains (losses)	0	2
	Interest and profit shares (dividends)	-69	-28
	Profit (loss) from investment activities	279	0
	Change in reserve status	-2	-19
	Change in Receivables Status	-49	394
	Change in the status of short-term liabilities, except loans and borrowings	101	-36
	Change in accruals	4	0
	Other corrections	-419	0
Iii.	**Net cash from operating activities (I +/-II)**	**-51**	**320**
B.	**Cash flow from investing activities**	**-1 039**	**-770**
I.	**Influence**	**203**	**933**
	Divestiture of intangible assets and property, plant and equipment	0	0
	Repayment of loans	0	0
	Interest	203	933
Ii.	**Expenditure**	**1 242**	**1 703**
	Acquisition of intangible assets and property, plant and equipment	0	2
	Financial assets – loans granted	1 242	1 619
Iii.	**Net cash from investing activities**	**-1 039**	**-770**
C.	**Cash flows from financial activities**	**802**	**770**
I.	**Influence**	**802**	**902**
	NET receipts from the issuance of shares and other equity instruments and capital injections	0	902
Ii.	**Expenditure**	**0**	**132**
	Repayments of loans	0	119
	Interest	0	13
Iii.	**Net cash from financial activities**	**802**	**770**
D.	**Total net cash flow**	**-288**	**320**
Th at.	**Balance-sheet change of appropriations, including:**	**-288**	**320**
	-Change of cash status from Tyt. Exchange rate Differences	0	0
F.	**Cash at the beginning of the period**	**352**	**36**
G.	**End-of-period cash**	**64**	**356**

I. EXPLANATORY NOTES.

Nota 1. To asset item 'tangible assets'

TANGIBLE ASSETS	*in Thousand euros Eur*	
	31-12-201 the8	***31-12-2017***
1. Fixed assets, including	0	2
(a) Land	0	0
(b) Buildings, premises and civil engineering facilities	0	0
(c) Technical equipment and machinery	0	2
(d) Means of transport	0	0
(e) Other fixed assets	0	0
2. Fixed assets under construction	0	0
Tangible and permanent assets in construction	**0**	**2**

1.1. Changes in fixed assets (by generic groups)

	Land	*Buildings, premises and facilities Inżyn. Land*	*Technical equipment and machinery*	*Means of transport*	*Other fixed Assets*	*Time*
Gross value at the beginning of the period 01-01-2018	**0**	**0**	**9**	**13**	**7**	**29**
Increases in the title:	0	0	0	0	0	0
-Purchase of	0	0	0	0	0	0
Reductions under:	0	0	8	13	7	28
-Sale of	0	0	0	13	0	13
-Liquidation of	0	0	8	0	7	15
Conversion differences	**0**	**0**	**-1**	**0**	**0**	**-1**
Gross value at end of period 31-12-2018	**0**	**0**	**0**	**0**	**0**	**0**
Accumulated depreciation (remission) at the beginning of the period	**0**	**0**	**7**	**13**	**7**	**27**
Increase	0	0	0	0	0	0
Reductions under:	0	0	6	13	7	26
– Redemption of fixed assets	0	0	0	0	0	0
-Liquidation of	0	0	6	0	7	13
-Sale of	0	0	0	13	0	13
Conversion differences	**0**	**0**	**-1**	**13**	**7**	**-1**
Cumulated depreciation (remission) at the end of the period	**0**	**0**	**0**	**0**	**0**	**0**
Impairment losses at the beginning of the period	0	0	0	0	0	0
Increase	0	0	0	0	0	0
Reduce	0	0	0	0	0	0
Impairment losses at the end of the period	0	0	0	0	0	0
NET value at start of period 01-01-2018	**0**	**0**	**2**	**0**	**0**	**2**
NET value at end of period 31-12-2018	**0**	**0**	**0**	**0**	**0**	**0**

	Land	*Buildings, premises and facilities Inżyn. Land*	*Technical equipment and machinery*	*Means of transport*	*Other fixed Assets*	*Time*
Gross value at the beginning of the period 01-01-2017	**0**	**0**	**7**	**13**	**7**	**27**
Increases in the title:	0	0	2	0	0	0
-Purchase of	0	0	2	0	0	2
Reductions under:	0	0	0	0	0	0
-Sale of	0	0	0	0	0	0
Gross value at end of period 31-12-2017	**0**	**0**	**9**	**13**	**7**	**29**
Accumulated depreciation (remission) at the beginning of the period	**0**	**0**	**7**	**13**	**6**	**26**
Increase	0	0	0	0	1	1
Reductions under:	0	0	0	0	0	0
– Redemption of fixed assets	0	0	0	0	0	0
-Liquidation of	0	0	0	0	0	0

-Sale of	0	0	0	0		
Cumulated depreciation (remission) at the end of the period	**0**	**0**	**7**	**13**	**7**	**27**
Impairment losses at the beginning of the period	0	0	0	0	0	0
Increase	0	0	0	0	0	0
Reduce	0	0	0	0	0	0
Impairment losses at the end of the period	0	0	0	0	0	0
NET value at start of period 01-01-2017	**0**	**0**	**0**	**0**	**1**	**1**
NET value at end of period 31-12-2017	**0**	**0**	**2**	**0**	**0**	**2**

Note 1.2. The ownership structure of the fixed asset balance sheet.

OWNERSHIP STRUCTURE OF FIXED ASSETS	*31-12-201 the8*	*31-12-2017*
A) own	0	2
(b) Foreign	0	0
Total tangible assets together	**0**	**2**

Note 1.3 Fixed assets shown off -balance- *not applicable.*

Nota 2. To the asset item "intangible assets".

INTANGIBLE ASSETS	*31-12-201 the8*	*31-12-2017*
1 development costs	0	0
(a) Completed development work	0	0
(b) Expenditure on development work	0	0
2 Other intangible assets	0	2
3 Advances on intangible assets	0	0
Intangible assets Together	**0**	**2**

Note 2.1 Changes to intangible assets (by generic groups)

	Development costs	*Other intangible assets*	*Advances on intangible assets*	*Time*
Gross value at start of period 01-01-201 the8	**0**	**18**	**0**	**18**
Increase	0	0	0	0
Reduce	0	17	0	17
Conversion differences	**0**	**-1**	**0**	**-1**
Gross value at end of period 31-12-2018	**0**	**0**	**0**	**0**
Accumulated depreciation (remission) at the beginning of the period	**0**	**16**	**0**	**16**
Increase	0	1	0	1
Reduce	0	17	0	17
Conversion differences	**0**	**0**	**0**	**0**
Cumulated depreciation (remission) at the end	**0**	**0**	**0**	**0**
Impairment losses at the beginning of the period	0	0	0	0
Increase	0	0	0	0
Reduce	0	0	0	0
Impairment losses at the end of the period	0	0	0	0

NET value at start of period 01-01-2018	**0**	**2**	**0**	**2**
NET value at end of period 31-12-2018	**0**	**0**	**0**	**0**

	Development costs	*Other intangible assets*	*Advances on intangible assets*	*Time*
Gross value at start of period 01-01-201 the7	**0**	**18**	**0**	**18**
Increase	0	0	0	0
Reduce	0	0	0	0
Gross value at end of period 31-12-2017	**0**	**18**	**0**	**18**
Accumulated depreciation (remission) at the beginning of the period	**0**	**14**	**0**	**14**
Increase	0	2	0	2
Reductions – Remission of intangible assets	0	0	0	0
Cumulated depreciation (remission) at the end	**0**	**16**	**0**	**16**
Impairment losses at the beginning of the period	0	0	0	0
Increase	0	0	0	0
Reduce	0	0	0	0
Impairment losses at the end of the period	0	0	0	0
NET value at start of period 01-01-201 the7	**0**	**4**	**0**	**4**
NET value at end of period 31-12-2017	**0**	**2**	**0**	**2**

Note 2.2 Intangible assets (ownership structure)

OWNERSHIP STRUCTURE OF INTANGIBLE ASSETS (OWNERSHIP STRUCTURE)	*31.12.2018*	*31.12.2017*
A) own	0	2
(b) Foreign	0	0
Intangible assets Together	**0**	**2**

Nota 3. To asset item "goodwill" – Not applicable.

Nota 4. To asset item 'investment property'

INVESTMENT PROPERTY	*31-12-201 the8*	*31-12-2017*
(a) Land	0	39
(b) Buildings, premises and civil engineering facilities	0	387
(c) Technical equipment and machinery	0	0
(d) Means of transport	0	0
(e) Other fixed assets	0	0
Investment property Together	**0**	**426**

Note 4.1 Real estate investment property.

CHANGE OF INVESTMENT PROPERTY STATUS	*31-12-201 the8*	*31-12-2017*
Status at the beginning of the period:	**636**	**636**
(a) Increase	0	0
(b) Reduce	636	0

Gross end-of-period value	**0**	**636**
Cumulation depreciation (remission) at the beginning of the period	**210**	**191**
Increases in the title:	8	19
-Depreciation and amortisation	8	19
Reduce	218	0
Cumulation depreciation (remission) at the end of the period	**0**	**210**
NET value at start of period	**426**	**445**
NET value at end of period	**0**	**426**

The balance sheet date the Company does not have investment assets.
Owned by the Administrative Department in Rzeszow at Al. Okulicki 18, rented to third parties was over appropriated on the To ELKOP S.A.

The depreciation was carried out on a linear basis, starting from the month following the month of admission to use.
The depreciation rate applied to the investment property was 3.30%.

The amounts recognised as a result of the rental of investment property shall be:

- Investment Property Rental revenues : 30 thousand. EUR
- Direct costs related to the maintenance of the property: 28 thousand. EUR

The overall area of the building was 1025.70 m².

Elkop S.A. with its registered office in Płock has concluded with the company Contracty Borrowki. In accordance with the provisions of the Agreement on collateral of 25.06.2018, he filed a statement on the detention of immovable property of an office building in Rzeszow, which is the subject of a contract, to RESBUD SE in Płock. Over appropriation on collateral.
ELKOP S.A., in accordance with the provisions of the reappropriation contract of 25.06.2018, was entitled to take ownership of the property in Rzeszow in the event that RESBUD SE did not fulfil its obligations to ELKOP S.A. in the established Dates. At the same time, with the acquisition of property ownership, a total settlement of loan agreements received from ELKOP S.A. in Płock was made. Due to a complex statement by ELKOP S.A. on 13.09.2018, claims under the loan agreement of 07.03.2018 and the loan agreement of 25.06.2018 were met.

Nota 5. To asset item ' long-term debts '. .
Note 5.1 "Long-term receivables".

LONG-TERM RECEIVABLES	*31-12-201 the8*	*31-12-2017*
(1) From affiliated undertakings, including:	*0*	*0*
2) from other units	*0*	*5*
NET long-term receivables total	**0**	**5**
3) write-downs of the value of receivables	0	0
Total gross long-term receivables	**0**	**5**

Nota 6. To the asset item "long-term investments".

Memo 6.1 shares or shares in subordinated units valued by equity method- *Not applicable*

Note 6.2 Change in the status of long-term financial assets (by generic Group)

CHANGE IN THE STATE OF LONG-TERM FINANCIAL ASSETS	*31-12-201 the8*	*31-12-2017 Transformed data*
1. Status at the beginning of the period	**0**	**0**
2. Additions (from title)	**0**	**0**
Acquisition	**0**	**0**
3. Reductions (in title)	**0**	**0**
Valuation	**0**	**0**
4. End of period status	**0**	**0**

Note 6. 3 shares or shares in subordinated units

For the day 31.12.2017 R. The company had 2 shares RESBUD1 Polska A.S. with its registered office in Ostrava, representing 100% of the total number of votes and 100% of the share capital RESBUD1 Polska A.S. The shares of RESBUD1 POLSKA A.S. were acquired in order to merge the subsidiary Czech Law with the issuer in order to obtain the status of European company. The merger occurred in the year 2018,

Note 6. 4 shares or shares in other units.- *not applicable.*
Note 6. 5. Securities, interests and other long-term financial assets (by tradability) - *Not applicable*
Note 6. 6 of the long-term loans granted – *not applicable*
Notes 6. 7 Other long-term investments - *Not applicable*

Nota 7. To the asset item "deferred tax assets".

DEFERRED TAX ASSETS	***31-12-201 the8***	***31-12-2017***
1. The status of deferred tax assets at the beginning of the period, including:	**2**	**11**
(a) The financial result	*2*	*11*
Valuation of shares	0	0
Cost Reserves	4	8
Accrued interest	0	1
Impairment charges	*0*	*1*
Other	*0*	*1*
Reduction to the amount of reserves	*-2*	*0*
2. Increase the	**3**	**1**
(a) relating to the financial result of the period due to the negative transitional differences in respect of:	*3*	*1*
Cost Reserves	1	1
Percentage of accrued	2	0
A copy to update receivables and investments	0	0
Valuation of shares	0	0
Increase to the amount of reserves	0	0
3. Reduce the	***1***	***10***
(a) relating to the financial result of the period due to the negative transitional differences in respect of:	*1*	*10*
Cost Reserves	1	4
Interest paid	0	2
Impairment charges	0	1
Other	0	1
Reducedto the level of reserves	0	2
4. The status of deferred tax assets at the end of the period including:	**4**	**2**
(a) The financial result	*4*	*2*
Valuation of shares	0	0
Cost Reserves	4	4
Reducedto the level of reserves	0	-2
(b) related to the profit or loss of the tax	*0*	*0*
(c) related to equity in relation to negative transitional differences	*0*	*0*

The foreseeable expiry *date cannot be conclusively determined.*

Nota 8. To asset item ' short-term receivables '

Note 10.1 Short-term receivables.

SHORT-TERM RECEIVABLES	***31-12-201 the8***	***31-12-2017***
(a) from affiliated undertakings	*794*	*14*
-In respect of supplies and services, of the repayment period:	1	14

-Up to 12 months	1	14
-Over 12 months	0	0
-Other	793	0
(b) Other units	*155*	*92*
-In respect of supplies and services, of the repayment period:	108	8
-Up to 12 months	108	8
-Over 12 months	0	0
-In respect of taxes, subsidies, duties, social and health insurance and other benefits	8	20
-In respect of corporate income tax	0	0
-Other	39	64
-In judicial proceedings	0	0
(c) Amounts due from customers in respect of the valuation of construction services	*0*	*0*
NET short-term receivables Total	**949**	**106**
(d) write-downs of the value of receivables	*931*	*960*
Gross short-term receivables Total	**1 880**	**1 066**

Note 10.1.1. Short-term receivables from affiliated undertakings.

SHORT-TERM RECEIVABLES FROM AFFILIATED UNDERTAKINGS	31-12-201 the8	31-12-201 the7
Supplies and services, including:	*1*	*14*
-From subsidiaries	0	0
-From associated entities	0	0
-From a significant investor	0	0
-From the parent undertaking	0	0
-Other related entities	1	14
Other, including:	*793*	*0*
-From subsidiaries	0	0
-From associated entities	0	0
-From a significant investor	0	0
-From the parent undertaking	0	0
Short-term receivables from net related entities together	**794**	**14**
Impairment of receivables from affiliated undertakings	*0*	*0*
Short-term receivables from gross related units together	**794**	**14**

Note 10.2 Change in the status of write-downs updating the value of short-term receivables.

CHANGE IN THE STATUS OF WRITE-DOWNS OF SHORT-TERM DEBTS	31-12-201 the8	31-12-201 the7
Status of update write-downs at the beginning of the period	**960**	**1 028**
Increases in the title:	*0*	*0*
-The creation of new	0	0
Reductions under:	*0*	*68*
-Solutions for	0	68
Conversion differences	**-29**	
Status of end-of-period updating	**931**	**960**

Note 10.2 Reasons for reversing write-downs of receivables.

REASONS FOR REVERSAL OF IMPAIRMENT CHARGES	31-12-201 the8	31-12-201 the7
-In connection with payment	0	68
-Court judgment-payment January 2017	0	0
- Other	0	0
Total reduction of the impairment	**0**	**68**

Nota 9. To asset item 'Short-term financial assets'

Note 11.1. Securities, interests and other short-term financial assets (by tradability).

Securities, INTERESTS and OTHER SHORT-TERM FINANCIAL ASSETS (negotiability)	31-12-201 the8	31-12-2017
1. With unlimited transferability – notquoted on exchanges	1	1
a) Shares or shares	**1**	**1**
One. Related	**1**	**1**
Value by acquisition price	**2**	**2**
Value at start of period	**2**	**2**
Actuating adjustments to the value for the total period	**1**	**1**
a) Short-term loans	**990**	**967**
One. P	**990**	**967**
Carrying amount of the loan	**990**	**967**
Total carrying Amount	**990**	**967**

As of 31.12.2018, the issuer holds 191.570 shares of IFERIA S.A. with a nominal value of 3.831, PLN 40. The value of the shares held by the issuer following an update allowance in the accounts of the issuer at the balance sheet date shall be 1.915, 70. zł.

On 08.03.2018R. The issuer as lender has concluded a cash loan agreement with the shelf Patro Invest OU with its headquarters in Tallinnn as a borrower. Under the agreement , the issuer granted a loan of 2.4, 00 PLN for the period up to 31.12.2018 R. The loan is remunerated at a fixed interest rate of 4.0 % per year. The parties found that interest on the loan granted would be payable once, together with the repayment of the capital in the split loan until 31.12. 2018. The borrower secured the repayment of the loan with interest and possible other claims of the issuer which may arise from the contract concluded by issuing the issuer's own in-blank bill together with the bill of exchange.

On 07.06.2018 R. From the Avar as lender a monetary loan agreement WITH PATRO INVEST OU in Tallinnn (Estonia) as a borrower. The subject of the loan agreement is a cash loan in the amount of 900.000, 00 zł. The parties have decided that repayment of the loan will be effected by 31.12.2018 R. The interest rate on the loan was set at 4% on a yearly basis and will be payable on the loan's total repayment date. Payment of the loan amount occurred in one tranche on the date of conclusion of the loan agreement. Repayment of the loan was secured by the borrower by issuing a bill in a blank with a declaration to the lender. The contract is not concluded subject to a condition or deadline.

On 03.09.2018,as a lender, a LOAN AGREEMENT with Patro INVEST OU in Tallinnn (Estonia) as a borrower.
The subject of the loan agreement of 03.09.2018 R. is a cash loan in the amount of 850.000, 00 zł. The parties have decided that repayment of the loan will be effected by 31.03.2019 R. The interest rate on the loan was set at 4% on a yearly basis and will be payable on the loan's total repayment date. Payment of the loan amount occurred in one tranche on the date of conclusion of the loan agreement. Repayment of the loan was secured by the borrower by issuing a bill in a blank with a declaration to the lender. The contract is not concluded subject to a condition or deadline. The total amount of loans granted is 4.150.000 zł.

Note 12. To the asset item 'cash and equivalents '.

CASH AND OTHER MONETARY ASSETS	31-12-2018	31-12-2017
1. Money and cash equivalents, including:	**65**	**363**
A) cash in the cashier and on the accounts	51	349
b) Other funds	14	14
(c) Other monetary assets	0	0
Cash and other cash assets together:	**65**	**363**

Note 12.1 Monetary structure of cash assets

CASH and OTHER MONETARY ASSETS (currency structure)	31-12-2018	31-12-2017
1. Cash at the cashier and in the accounts, including:	**65**	**332**
A) at the checkout:	0	0
(b) in bank accounts:	51	332
2. Other funds, including:	**14**	**14**
-bank deposits in Polish currency	14	14

3. Other monetary assets, including:	**0**	**0**
Total cash and other monetary assets	**65**	**346**

Note 13. To asset item. Short-term accruals

SHORT-TERM ACCRUALS	*31-12-2018*	*31-12-2017*
1. Active accruals of expenses, including:	3	8
Paid Insurance	1	1
Archiving documents	2	7
Accrued Accruals	0	0
Short-term accruals together	**3**	**8**

Note 14. To position. Assets for Sale –not applicable.
Note 15. To the liability item ' Basic capital '.

Series/emission	*Type of action*	*Type of preferential action*	*Type of limitation of rights to shares*	*Number of shares*	*Value of series/emission at nominal value (thousand EUR)*	*Method of Coating Capital*	*Right to dividends (From date)*
A-Series	Ordinary bearer	___	-	8 710 000	958	Transformation	1995-12-31
B-Series	Ordinary bearer	___	-	4 290 000	472	Cash	2013-06-10
Total shares				**13 000 000**			
Total share capital per day 31-12-2018 (thousand EUR)					**1 430**		
Nominal value of one share = 0,11 EUR							

Changes in the capital of the company were recorded in the registration of the merger .K The company's share capital is denominated IN euro and is: 1.430.000, 00 euro and is divided into 13.000.000 shares with a nominal value of 0.11 euro that is for 8.710.000 bearer shares of series A with a nominal value of 0.11 euro and 4.290.000 shares Of the B series with a nominal value of 0.11 EURO.

SHARE CAPITAL (ownership structure over 5% of votes)

Direct possession for the day 31.12.2018

Lp.	***Surname and given name/name/***	***Number of shares***	***Votes***	***% share of votes in the total number of votes***
1.	***Patro Invest Sp. z o.o.***	***4.290.000***	***4.290.000***	***33%***

Intermediatee possession for the day 31.12.2018

Lp.	***Surname and given name/name/***	***Number of shares***	***Votes***	***% share of votes in the total number of votes***
1.	***DAMF Invest S.A.***	***4.290.000***	***4.290.000***	***33%***
2.	***Damian Patrowicz***	***4.290.000***	***4.290.000***	***33%***

Direct possession for the day 31.12.2017

Lp.	***Surname and given name/name/***	***Number of shares***	***Votes***	***% share of votes in the total number of votes***

1.	***Patro Invest Sp. z o.o.***	***4.290.000***	***4.290.000***	***33%***

Intermediatee possession for the day 31.12.2017

Lp.	***Surname and given name/name/***	***Number of shares***	***Votes***	***% share of votes in the total number of votes***
1.	***DAMF Invest S.A.***	***4.290.000***	***4.290.000***	***33%***
2.	***Damian Patrowicz***	***4.290.000***	***4.290.000***	***33%***

SHARE CAPITAL (valuable)

	31-12-201 the8 Euro
1. Nominal value of 1 shares	0.11
2. Total shares	13 000 000
Total share capital (in thousands of euros)	**1 430**

On 21.02.2018 R. Registration of the merger of the issuer with the company RESBUD1 Polska Akciová Společnost with its registered office in Ostrava as a result of registration by the District Court for the capital city of Warsaw in Warsaw the merger of the issuer took the legal form of the European Company . The connection occurred under the conditions set out in the call plan of 30.11.2017 R. The merger was effected by the acquisition by RESBUD S.A. of the company RESBUD1 Polska Akciová společnost. After this event, the company's share capital is expressed in EURO and is: 1.430.000, 00 EURO and is divided into 13.000.000 shares with a nominal value of 0.11 EURO that is on the 8.710.000 bearer shares of series A with a nominal value of 0.11 EURO and 4.290.000 B-Series shares with a nominal value of 0.11 EURO.

Note 16. To liability item 'Reserve Capital'

RESERVE CAPITAL	***31-12-201 the8***	***31-12-201 the7***
1. From the sale of shares above par value	1 780	1 836
2. Created by statute	0	0
3. Created in accordance with the statute/contract, above the statutory (minimum) value of the	0	0
4. The shareholder/shareholder subsidy	0	0
5. Other	14	14
- valuation of fixed Assets	*14*	*14*
-the reduction of the share capital	*125*	*0*
Total Reserve Capital	**1 919**	**1 850**

Note 17. The "capital of the liabilities"heading.

RESERVE Capital	***31-12-201 the8***	***31-12-201 the7***
1. In the title of :		
-Issuance of shares	69	71
Total Revaluation Capital	**69**	**71**

Note 18. To the liability item 'Revaluation Capital'.

REVALUATION CAPITAL	***31-12-201 the8***	***31-12-201 the7***
1. For the updating of fixed assets	0	0
2. For the updating of intangible assets	0	0
3. For the updating of the value of long-term investments	0	0
4. In respect of deferred tax	0	0
5. Exchange differences with foreign branches conversion	0	0

6. Other:	422	435
-deferred tax on revaluation of fixed assets	*27*	*27*
-Effects of revaluation of fixed assets	*395*	*408*
Total Revaluation Capital	**422**	**435**

Note 19.to the liability item "profit (loss) of previous years".

EARNINGS (LOSS) OF PREVIOUS YEARS)	31.12.2018	31.12.2017
Profit (loss) of previous years	-2 033	-2 070
With Ysk (loss) NET	88	-26

Note 20. To the liability item "book value per share"

The book value per share is the Quoti T of equity at the balance sheet date and the number of shares at the balance sheet dat e

BOOK VALUE PER SHARE	31-12-201 the8	31-12-201 the7
Number of shares at the balance sheet date	13 000 000	13 000 000
Equity value	1 848	1 815
Book value per share	0,14	0,14

Note 21. To the liability item "deferred tax liabilities"

CHANGE IN THE STATE OF THE DEFERRED TAX LIABILITY	31-12-201 the8	31-12-201 the7
1. The status of deferred tax liabilities at the beginning of the period, including:	**2**	**0**
(a) The financial result	*2*	*0*
Valuation of Loans	*0*	*0*
(b) The equity in respect of the positive transitional differences for:	*0*	*0*
-Revaluation of fixed assets	0	0
c) The goodwill or negative goodwill of the company	*0*	*0*
2. Increase the	**10**	**3**
(a) The financial result of the period in respect of the positive transitional differences in respect of:	*10*	*3*
Valuation of loans	10	3
(b) A reference to equity in relation to the positive transitional differences in respect of:	*0*	*0*
c) The goodwill or negative goodwill in relation to the positive transiential differences	*0*	*0*
3. Reduce the	**8**	**1**
(a) The financial result of the period in relation to the positive transitional differences in respect of:	*0*	*0*
Settlement of long-term contracts	0	0
Fixed Assets	0	0
Valuation of loans	8	1
(b) A reference to equity in relation to the positive transitional differences in respect of:	*0*	*0*
Revaluation of fixed Assets	0	0
c) The goodwill or negative goodwill in relation to the positive transiential differences	*0*	*0*
4. The status of deferred tax liabilities at the end of the period including:	**4**	**2**
(a) The financial result	*4*	*2*
Valuation of loans	4	2
(b) A reference to equity in relation to the positive transitional differences in respect of:	*0*	*0*
c) The goodwill or negative goodwill of the company	*0*	*0*

The expected expiry date of the transitional differences cannot be conclusively determined.

Note 22to the liability item ' Other long-term reserves '
There are no
Note 23. The liability item "Long-term liabilities for loans"
There are no

Note 24. To liability item ' Other long-term liabilities '- not applicable.
Note 25. To the liability item "Other short-term reserves"

CHANGE IN THE STATUS OF OTHER SHORT-TERM RESERVES	31-12-201 the8	31-12-201 the7
1. Status at the beginning of the period	**30**	**49**
Conversion differences	**-2**	
2. Additions (from title)	**0**	**2**
-Reserve for future construction costs and provisions for settlement	0	0
- Others	0	2
3. The solution	**2**	**21**
-Solution of the created reserve	2	21
4. End of period status	**26**	**30**

Other short-term reserves shall include a provision for guarantees under construction contracts, defined as 1% of the value of contracts for which the guarantee period has not expired as of 31.12.2018R. Expiry date of the longest guarantee 2029.

Note 26. To the liability item ' liabilities for loans '.

Not present.

Note 27. To the liability item ' short-term liabilities '

SHORT-TERM LIABILITIES	*31-12-2018*	*31-12-2017*
Supply and service obligations and other liabilities	20	9
Liabilities in respect of taxes, duties and insurance and other benefits including:	0	2
Employee Benefit obligations	1	2
(a) Remuneration obligations	1	2
Other short-term liabilities	113	22
Total short-term liabilities:	**134**	**35**

Note 27. 1 currency structure of short-term liabilities

SHORT-TERM LIABILITIES (currency structure)	*31-12-2018*	*31-12-2017*
A) in Polish currency	134	35
b) in foreign currency (converted into LCY)	0	0
Total short-term commitment (converted to LCY)	**134**	**35**

The supply and service obligations are not remunerated and settled within 14-30 days. Commitments
The title of taxes, insurance duties and other benefits shall be remunerated and settled on a monthly period.
Note 28. To the liability item "Accruals "
There are no

II. EXPLANATORY NOTES TO OFF-BALANCE SHEET ITEMS
Note 29. "Claims and contingent liabilities".

CONTINGENT CLAIMS	*31-12-2018*	*31-12-2017*
Contingent claims on affiliated undertakings	**0**	**0**
Contingent claims on other units	**0**	**0**

CONTINGENT LIABILITIES	31-12-2018	31-12-2017
Contingent liabilities of affiliated undertakings	0	0
Contingent liabilities for other units	0	0
Total end of period status	**0**	**0**

III. EXPLANATORY NOTES TO THE PROFIT AND LOSS ACCOUNT.

Note 30. To the item "net revenue from the sale of products".

Note 30. 1. Net revenues from sales of products (physical structure – types of activity).

NET REVENUES from SALES of PRODUCTS (in-kind structure)	01.01.2018-31.12.2018	01.01.2017-31.12.2017
Design Services	94	0
Letting	31	48
Net revenues from sales of products together	**125**	**48**
-Including related entities	0	2

Note 30. 2. Net revenues from sales of products (territorial structure)

NET REVENUES FROM SALES OF PRODUCTS (Territorial structure)	01.01.2018-31.12.2018	01.01.2017-31.12.2017
(a) the country	125	48
b) Export	0	0
Net revenues from sales of products together	**125**	**48**

Note 31. To the item "net revenue from the sale of goods and materials".

Note 31.1. Net revenues from the sale of goods and materials (physical structure – types of activity) – *not applicable.*

Note 31. 2. Net revenues from the sale of goods and materials (territorial structure). – *not applicable.*

Note 32. " Costs by type '.

Costs by type and cost of production of sold products	01.01.2018-31.12.2018	01.01.2017-31.12.2017
A) depreciation	16	22
b) Consumption of materials and energy	5	9
(c) Foreign services	92	101
d) Taxes and fees	4	8
E) Salaries	25	28
(g) Social security and other benefits	4	4
(h) Other generic costs	3	2
Costs by type together	**149**	**174**
Change in stocks, products and accruals	2	19
Self-production cost (negative size)	0	0
General management costs (negative size)	(123)	(127)
Cost of production of sold products	**28**	**28**

Note 33. To the heading "Other operating income".

OTHER OPERATING INCOME	01.01.2018 - 31.12.2018	01.01.2017 - 31.12.2017
Acquisition of the appropriated property	809	0
Other Operating income	39	16
Other operating income together	**848**	**16**

Note 33. 1. To the heading "Other operating income".

OTHER OPERATING INCOME	01.01.2018-31.12.2018	01.01.2017-31.12.2017
Other operating revenues, including:	39	16
1. Termination of the provisions for:	**0**	**0**
-write-downs of the value of receivables	0	0
2. Other, including:	**39**	**16**

-Reimbursement of court costs	0	6
-Compensation	0	0
-Refaktury	23	15
-Other	16	0
Other operating income together	**39**	**16**

Note 34. To the heading "Other operating expenses".

Note 34. 1. Other operating costs.

OTHER OPERATING EXPENSES	*01.01.2018 - 31.12.2018*	*01.01.2017 - 31.12.2017*
Value of the over appropriated property	403	0
A. The value of non-financial assets	0	0
Other operating costs	121	15
Total other operating expenses	**524**	**15**

Note 34. "Other operating costs"

OTHER OPERATING COSTS	*01.01.2018- 31.12.2018*	*01.01.2017- 31.12.2017*
1. The provisions created in respect of:	**0**	**0**
-Reserve for pensions	0	0
-Reserve for unused leave, employee benefits	0	0
2. Other, including:	**121**	**15**
-Process and cancellation costs	0	0
-a copy of the Receivables Update	0	0
-Contractual penalties	94	0
- Reinvoices	23	14
-Other	5	1
Other operating costs combined	**121**	**15**

Note 35. To the item "Financial income"

FINANCIAL REVENUES	*01.01.2018 - 31.12.2018th*	*01.01.2017 - 31.12.. 2017*
Dividends and profit shares, including:	0	0
Interest, including:	85	30
-From related entities	85	29
Profit from the disposal of investments	0	0
Deposit Discount	0	0
Other – settlement of the allowance for remuneration for borrowed shares	0	66
Differences	2	0
Total financial revenues	**87**	**96**

Note 35. 1. Financial income from dividends and profit shares.- *not applicable.*

Note 35. 2. Interest financial income.

INTEREST FINANCIAL INCOME	*01.01.2018- 31.12.2018*	*01.01.2017- 31.12.2017*
(a) In respect of loans granted	**85**	**29**
-From related entities	85	29
(b) Other interest		**1**
-from other units		1
Total interest Financial income	**85**	**30**

Note 36 To the heading "financial costs"

FINANCIAL COSTS	*01.01.2018 - 31.12.2018*	*01.01.2017 - 31.12.2017*
Interest, including:	15	2
-For related entities	15	2
Loss on disposal of receivables	279	0
Other	2	0
Differences	0	2
Total financial costs	**296**	**4**

Note 36. 1. Interest Expense

INTEREST EXPENSE	*01.01.2018-31.12.2018*	*01.01.2017-31.12.2017*
1. From loans and borrowings	**15**	**2**
(a) for affiliated undertakings, including:	15	2
-For subsidiaries	0	0
-For Associates	0	0
-For a significant investor	0	0
-For the parent undertaking	0	0
-Other related entities	15	5
(b) for other units	*0*	*0*
2. Other interest, including:	**0**	**0**
(a) for affiliated undertakings, including:	*0*	*0*
(b) for other units	*0*	*0*
Total interest Expense	**15**	**2**

Note 37. To the heading "income tax".

Note 37.1 Current income tax.

	201-8-01-01 - 2018-11-30 Unaudited	2017-01-01- 2017-12-31 Unaudited
Current income tax as shown in the income statement	**0**	**0**
Deferred income tax	0	12
> The emergence and reversal of transitional differences	0	12
Total tax burden shown in the profit and loss account	**0**	**12**

Note 37. 2. Deferred income tax, as shown in the income statement

TOTAL DEFERRED TAX AMOUNT	*01.01.2018-31.12.2018*	*01.01.2017-31.12.2017*
1. Recognised in equity	0	0
2. Company values or negative goodwill	0	0
3. Recognised in the profit and loss account	0	12

Note 37. 3. Income tax included in the income statement.

TOTAL AMOUNT OF THE CURRENT TAX	01.01.2018-31.12.2018	01.01.2017-31.12.2017
1. Recognised in equity	0	0
2. Company values or negative goodwill	0	0
3. Recognised in the profit and loss account	0	0

Note 38. To the item "profit (net loss)".

NET PROFIT/(LOSS)	01.01.2018-31.12.2018	01.01.2017-31.12.2017
(a) Net profit/(loss)	88	-26

Note 39 Other compulsory reductions in profit (increase) not applicable.
Note 40. Earnings per 1 share "

EARNINGS PER SHARE	01.01.2018-31.12.2018	01.01.2017-31.12.2017
Weighted average number of shares in a year	13 000 000	11 965 699
Net profit/Loss	88	-26
Basic earnings per share	0.0 No.1	-0.01

IV. EXPLANATORY NOTES TO THE CASH FLOW STATEMENT.

Note 41. "Structure of cash at the beginning and end of the period".
The structure of the funds was presented in note 12.
Note 42 "Other corrections in cash flows"- not applicable.
Note 43 Data characterizing segments ".

The following is an analysis of the company's revenue and performance in each of the reporting segments.

At the balance sheet date the company has the following operating segments:

- Construction and Assembly Services
- Rentals
- Other including revenues and unassigned costs

Breakdown of sales revenues and results per segment with a 2018

DATA CHARACTERIZING SEGMENTS For the period 201,8-01-01 to 2018-12-31		Construction and Assembly Services	Rentals	Other including revenues and unallocated costs	Time
I.	Segment revenue	0	30	95	**125**
Ii.	Segment costs	0	28	0	**28**
Iii	Gross profit from business segment	0	2	**95**	**97**
I	Management costs				**123**
Ii	Other Operating income				**848**
Iii	Other operating costs				**524**
Iv	Financial revenues				**87**
V	Financial costs				**296**

	PROFIT BEFORE TAX	**88**

There are no sales transactions between segments in the current year.
Segment gain is a profit generated by individual segments without allocation of administration costs and Management fees and financial revenues and costs.

Segment Assets and Liabilities

Segment assets status on 31.12.2018 R.

Construction and Assembly Services	0
Rentals	3
Other, including revenues and unallocated costs	47
Unallocated assets	2 012
Total assets	**2 012**

Commitment segments status on 31.12.2018 R.

Construction and Assembly Services	26
Rentals	4
Other including revenues and unassigned costs	13
Unallocated liabilities	117
Total liabilities	**160**

- The reporting segments shall be attributed to all assets, except for current and deferred tax assets, other financial assets, short-term financial assets. The assets used jointly by the reporting segments are attributed to the segment based on reasonable conditions.
- The reporting segments shall be assigned all liabilities, with the exception of loans, other financial liabilities, current and deferred tax liabilities. Liabilities assigned to different reporting segments are allocated in proportion to the segment asset value.

Other information about segments on day 31.12. 2018thR.

	Depreciation	***Increase in Fixed assets***
For Construction and assembly servants	0	0
In they leasing	16	0
Income and non-attributed costs	0	0
Time	**16**	**0**

About leading customers

Based on the calculation of two individual customers, they exceeded 10% of the revenues
Sales of total revenues:

- Customer No. 1 = 34.92%
-Customer No. 2 = 11.10%

Geographic information

The company within the operational segments does not extract geographic areas.

DATA CHARACTERIZING SEGMENTS For the period 2017-01-01 to 2017-12-31		Construction and Assembly Services	Rentals	Other including revenues and unallocated costs	Time
I.	Segment revenue	0	45	3	**48**
Ii.	Segment costs	0	28	0	**28**
Iii	Gross profit from business segment	0	17	**3**	**20**
I	Management costs			**127**	**127**
Ii	Other Operating income			**16**	**16**
Iii	Other operating costs			**15**	**15**
Iv	Financial revenues			**96**	**96**
V	Financial costs			**4**	**4**
	PROFIT BEFORE TAX				**-14**

These revenues are revenues from external customers. There are no sales transactions between segments in the current year. Segment gain is a profit generated by individual segments without allocation of administration costs and Management fees and financial revenues and costs.

Segment Assets and Liabilities

Segment assets status on 31.12.2017

Construction and Assembly Services	6
Rentals	791
Other including revenues and unallocated costs	27
Unallocated assets	1 058
Total assets	**1 882**

Commitment segments status on 31.12.2017

Construction and Assembly Services	30
Rentals	8
Other including revenues and unallocated costs	1
Unallocated liabilities	26
Total liabilities	**65**

- The reporting segments shall be attributed to all assets, except for current and deferred tax assets, other financial assets, short-term financial assets. The assets used jointly by the reporting segments are attributed to the segment based on reasonable conditions.
- The reporting segments shall be assigned all liabilities, with the exception of loans, other financial liabilities, current and deferred tax liabilities. Liabilities assigned to different reporting segments are allocated in proportion to the segment asset value.

Other information about the segments per day 31.12.2017

	Depreciation	*Increase in Fixed assets*
Construction and Assembly Services	0	0
Rentals	21 the same	2
Other including revenues and unallocated costs	0	0
Time	**21** the same	**2**

Geographic information
The company within the operational segments does not extract geographic areas.

About leading customers
Based on the calculation of two individual customers, they exceeded 10% of the revenues
Sales of total revenues:

-Customer No. 1 = 30,52 %
-Customer No. 2 = 17,20 %

V. ADDITIONAL EXPLANATORY NOTES.

Nota 1. "Information on financial instruments".

The following tables present financial instruments broken down by category of assets and liabilities.

Information on financial instruments
31 December 2018

Classes of financial instruments	Fair value by Total income	Fair value by profit or loss	Amortised cost	Time
Total financial assets		**1**	**1 998**	**1 999**
Stocks and shares carrying amount		1		1
-Valuation value recognised in the Profit and loss account		-1		-1
-Valuation value recognised in the capital of the update				1
-Value in the purchase price		2		2
Debt securities			0	0
Loans granted			991	991
Trade and other receivables			942	942
Funds and cash equivalents			65	65
Other financial assets				

December 31, 2017 (Transformed data)

Classes of financial instruments	Fair value by Total income	Fair value by profit or loss	Amortised cost	Time
Total financial assets		**1**	**1 417**	**2**
Stocks and shares carrying amount		1		1
-Valuation value recognised in the Profit and loss account		-1		-1
-Valuation value recognised in the capital of the update				0
-Value in the purchase price		2		2
Debt securities				0
Loans granted			968	968
Trade and other receivables			106	106
Funds and cash equivalents			343	343
Other financial assets				

The company uses the following hierarchy for the purpose of disclosing information about financial instruments measured at fair value-broken down by valuation method:
Level 1: Quoted prices in an active market (uncorrected) for identical assets or liabilities;
Level 2: Valuation methods in which any data having a material impact on the estimated fair value are observable, directly or indirectly, market data;
Level 3: Valuation methods where inputs having a significant impact on the estimated fair value are not based on observable market data.

The following table shows the financial instruments measured at fair value at the balance sheet date:

	31 December 2018	Level 1	Level 2	Level 3
Shares not listed on the WSE and NC	2	-	-	2
Short-term shares quoted				
Total financial assets valued at fair value	2			2
Financial liabilities valued at the value of the Fair	-	-	-	-

During the reporting period there was no revaluation of instruments between the levels of the fair value hierarchy.

LEVEL 2 VALUATION.
At 31.1 . The 2 . The . 2018r. The company does not exhibit financial assets in level 2 of valuation.

Reconciliation of Level 3 fair value with the valuation of financial assets

Status on 31 December 2018

	Unlisted shares/shares	Other	Time
Status at the beginning of the period 01.01.2018 R.	**1**	**0**	**1**
Total profit or loss	0	0	0

-In the financial result -In other comprehensive income			
Short-term shares traded on WSE and NC	0	0	0
Non-listed long-term stocks	0	0	0
Purchases/participation	0	0	0
Emissions	0	0	0
Disposal/settlement/loan	0	0	0
Transfers from Level 3	0	0	0
Condition on the end of period 31.1 . The **2** . The **. 2018r.**	**1**	**0**	**1**

At the end of 31. 12.2018 The company had instruments classified at level 3 of the fair-worthy hierarchy, including shares in Iferia S. A.
During 2018,there were no changes in the value hierarchy.

Description of the valuation of available-for-sale assets assigned to a valuation within the 3-tier fair value hierarchy
.

IFERIA S.A. shares are covered by an update to half the value in relation to the purchase price.

No reclassification of financial instruments was made during the period covered by the report.

Objectives and principles of financial risk management

The main objective of the financial instruments used by the company is to acquire financial resources for its activities.
The main financial instruments that the company uses are receivables and payables arising from the supply and services that arise directly in the course of its business. The company's free financial resources are devoted to the provision of cash loans.
The company does not include derivative transactions.
The main risks arising from the company's financial instruments include: interest rate risk, liquidity risk, credit risk and financial collateral risks.

The Management board shall be responsible for establishing and supervising compliance with the company's risk management principles.
The company's risk management principles are designed to identify and analyse the risks to which the company is exposed, to determine the appropriate limits and controls, as well as to monitor the risks and the extent to which the limits are matched.

Interest rate risk.

Exposure to the risk of changing market interest rates mainly relates to long-term financial liabilities, mainly loans and borrowings, which are interest-bearing at variable interest rates.
The company acquires funds to finance its activities mainly in the form of loans with a fixed interest rate.
The company also locates free cash in short-term variable interest deposits. All such investments have a maturity of up to one year.
The company did not apply interest rate protections, recognizing that the risk of interest rates is not significant.

Risks related to financial collateral.

In implementing contracts in the construction market, the company is forced almost in any contract to present financial collateral. These are safeguards in the form of bank guarantees, insurance, cash or bills of exchange. Through the realization of increasingly large contracts, the company continually increases the level of financial collateral, recorded as off-balance-sheet liabilities. The most common form of collateral is bank or insurance guarantees. The risks associated with financial collateral are not high, and due to the change in the main business profile, the security level will successively decrease in the following years.

Credit risk.

Credit risk is the risk of a financial loss by the company if the customer or the other party to the financial instrument contract fails to fulfil the obligations under the contract. Credit risk is primarily due to receivables. The company's exposure to credit risk is mainly due to the individual characteristics of each client.
The company monitors the receivables on an ongoing basis. Due to the limitation of the Construction and assembly activities, the level of credit risk has fallen considerably in recent months.
The company creates impairment losses that correspond to the estimated value of the loss incurred in respect of the goods and services receivable, other receivables and investments.
The purpose of the company's credit policy is to maintain high-level liquidity ratios, to timely regulate suppliers ' obligations and to minimise the costs associated with servicing bank liabilities. Minimizing the use of bank loans and Related financial costs also serves as a policy for managing liabilities and receivables to suppliers and customers. It seeks to agree on the timing of mutual payments in order to comply with the rules on the timely fulfilment of its own obligations and to use the merchant credit.

Liquidity risk.

The liquidity risk management process involves monitoring the projected cash flows and then adjusting the maturity of assets and liabilities, analysing working capital and maintaining access to different sources of funding.
The aim of the company is to maintain a balance between continuity and flexibility in financing, through the use of funding sources such as loan, current account credit, finance lease agreements.
Market risk
The company is exposed to market risks associated with the possibility of holding short-term assets listed on the New Connect Market or the WSE.

Risks related to the contracts pursued

Contracts implemented by the company entail the necessity of hiring subcontractors and taking full responsibility towards investors for their activities. The company seeks to minimise this risk factor by requesting collateral from subcontractors or other forms of collateral. However, the situation cannot be ruled out that the collateral held does not cover the full range of investor claims. There is also a risk of underestimating our prices for the project being executed, as well as the risk of not completing the project on time. Even if the company is not responsible for postponement of the investment task, it bears the additional costs of such transfer. It cannot therefore be ruled out that the factors described will have a negative impact on the business, performance, financial situation or prospects of development of the company. At the same time, for the execution of contracts within the framework of the Consortium agreements concluded, the company is exposed to the risks associated with the necessity of finalising the contracts, together with the Joint acquisition of service and guarantee liability for the contract in case Insolvency of co-syndicators.

Risk of exchange rate fluctuations and reduced liquidity

The immanent feature of stock exchange trading is fluctuations in stock rates and short-term fluctuations in the value of turnover. This may result in the possibility that any sale or purchase of a larger package of issuer shares will require acceptance of a much less favourable price than the benchmark rate. It is also not possible to exclude significant temporary liquidity limits, which may prevent or substantially impede the sale or purchase of shares of the issuer.

Risk of instability of the Polish legal system

Frequent amendments, inconsistencies and lack of uniform interpretation of the law, in particular tax law, entail significant risks related to the legal environment in which the issuer operates. Future changes to the law may have a direct or indirect impact on the issuer's activities and the financial results it has achieved.

Risks related to the issuer's reliance on customers

There is a risk of influence on the issuer's performance from entities related to the issuer of office space rental contracts. The intimeliness of the payment of the contractual receivables has an impact on the ongoing financial liquidity. The lease of immovable property should in this case be regarded as a permanent contractual dependence on the customers.

Risks related to the suspension of trading in shares in the issuer's portfolio.

The issuer shall invest in companies which are listed mainly in the NewConnect market characterised by high volatility in stock price quotations and low liquidity. There are risks associated with high rate fluctuations, suspension of company quotations and risks related to the decline of the course and the possibility of excluding financial instruments – which may result in significant losses for the issuer. The issuer shall take investment in the securities debated with that risk and endeavour to minimise it by appropriate selection of investments.

Risk of increased competition

The issuer as any economic operator in its portfolio carries on business in competitive markets. They have existed for many years and new companies are still emerging. High competition makes profit margins likely to be declining, which may adversely affect the profitability of companies in the issuer's portfolio and, consequently, negatively affect their valuation and therefore the need to make write-downs of the value Financial assets.

Nota 2. Off balance sheet Items data

Information on receivables and contingent liabilities between related and other entities is described in note 29.

Nota 3. Data on liabilities to the state budget or local government units for obtaining ownership of buildings and structures - not applicable

Nota 4. Information on revenue, costs and results of discontinued operations in a given period or intended to be discontinued in the following period – not applicable

Nota 5. Cost of production of fixed assets under construction, fixed assets for own purposes "– not applicable.

Nota 6. Investment expenditures incurred and planned.

INVESTMENT EXPENDITURE INCURRED	31-12-208	31-12-2017
1. Intangible assets	0	0
2. Tangible assets	0	0

3. Equity investments.	0	0
Time:	**0**	**0**

PLANNED INVESTMENTS	***In 2019***
1. Intangible assets	0
2. Tangible assets Permanently	0
3. Equity investments	0
4. Other long-term investments	0
Total planned investments	**0**

Nota 7. Information about transactions with related parties.

And Personal Relationships Board:

Anna Kajkowska serves as chairman of the Board of the company RESBUD S. A and Chairman of the Board of the company ATLANTIS S.A., member of the supervisory board of Investment Friends S. A.

I Personal Relations Supervisory Board:

1. Wojciech Hetkowski-member of the Supervisory board – Elkop S. A, Damf Inwestycje S. A, FON S.A., ATLANTIS S.A. RESBUD S.A., Investment Friends S.A., Investment Friends Capital S.A.
2. Małgorzata Patrowicz-member of the supervisory board: Atlantis S. A, Investment Friends Capital S. A, Elkop S.A., Damf Inwestycje S. A, FON S.A., RESBUD S.A., Invesment Friends S.A., chairman of the Board of Directors of DAMF INVEST S. A, board member of IFERIA S. A, Chairman of the Board of Patro Invest Sp. z o.o..
4. Marianna Patrowicz – Member of the supervisory board: Atlantis S. A, Elkop S. A, Damf Inwestycje S. A., FON S.A., RESBUD S.A., Investment Friends Capital S.A., Investment Friends S.A., member of the supervisory board of IFERIA S. A, Damf Invest S. A.
5. Jacek Koralewski – Member of the supervisory board: DAMF Inwestycje S. A, FON S.A., Atlantis S.A., RESBUD S.A., Investment Friends Capital S.A., Investment Friends S.A. Chairman of the board – Elkop S.A.
6. Damian Patrowicz-member of the supervisory board: Atlantis S. A, Elkop S. A, Damf Inwestycje S. A., FON S.A., RESBUD S.A., Investment Friends Capital S.A., Investment Friends S.A., shareholder DAMF Invest S.A., acting Chairman of the Board of FON S. A, member of the supervisory board IFERIA S. A, Damf Invest S. A.

Note 7.1 Information on related party transactions, rights and liabilities.

The following note contains transactions with related parties, excluding paid salaries and fees for managers and supervisors.

RELATED party TRANSACTIONS FOR the PERIOD ENDING 31.12. 2018	Sales of products, goods and materials, other affiliated entities	Interest income on affiliated entities	Purchases from Affiliates	Interest expense for affiliated entities	Trade receivables at the end of the period from affiliated entities	Other receivables at the end of the period from affiliates	Loans and interest receivable from affiliated undertakings	The supply and service obligations and other see At the end of the period towards affiliated	Obligations Loans To affiliated undertakings
DAMF Invest S.A.	0	0	0	0	0	0	0	0	0
ELKOP S.A.	2	0	1	15	0	0	0	0	0
FON SE	0	0	2	0	0	0	0	0	0
ATLANTIS SE	0	3	0	0	5	1	0	2	0
Investment Friends SE	0	0	0	0	0	0	0	0	0
IFERIA S.A.	0	0	0	0	1	0	0	0	0
Patro Invest sp. z o.o.	0	33	0	0	0	0	0	0	0
DAMF accounting sp. z o.o.	0	23	0	0	0	0	0	0	0
Patro Invest OU	0	25	0	0	0	793	990	0	0
Time	**2**	**84**	**3**	**15**	**6**	**794**	**990**	**2**	**0**

RELATED party TRANSACTIONS for the PERIOD ENDING 31.12.2017	Sale of products, goods and materials to affiliated entities	Interest income on affiliated entities	Purchases from Affiliates	Interest expense for affiliated entities	Trade receivables at the end of the period from affiliated entities	Other receivables at the end of the period from affiliates	Loans and interest receivable from affiliated undertakings	The supply and service obligations and other see At the end of the period towards affiliated	Obligations Loans To affiliated undertakings
DAMF Invest S.A.	0	9	0	0	0	0	0	0	0
ELKOP S.A.	0	0	1	0	0	0	0	0	0
FON S. A	0	0	0	0	9	0	0	0	0
ATLANTIS S.A.	18	2	0	1	4	0	58	0	0
Investment Friends S.A.	0	0	0	0	0	0	0	0	0
IFERIA S.A.	0	0	0	0	1	0	0	0	0
Patro Invest sp. z o.o.	0	17	0	0	0	0	719	0	0
DAMF accounting sp. z o.o.	0	1	0	0	0	0	179	0	0
Time	**18**	**29**	**1**	**1**	**14**	**0**	**956**	**0**	**0**

7.2.1 dividends paid and payable to Resbud SE – *Not applicable:*

Note 7.3 Distribution of the company.

In 2018 , the event did not occur.
The issuer shall inform that from 22.03.2016 R. Breakdown according to the content of art. 530 § 2 K.S.H. day 22.03.2016 R. shall also be in accordance with the content of the apportionment plan of 15.05.2015 R. Day of secretion. Therefore, the issuer informs that the ownership of the acquiring company – IFERIA S.A. in Płock from the day of the separation has occurred, with the exception of the components enumeratively listed in annexes 6 to 11 to the Division plan with On 15.05.2015 R.

Nota 8. Information on average employment, broken down into professional groups.

Lp.	*Name*	*01.01.2018-31.12.2018*	*01.01.2017-31.12.2017*
1.	Total	3	4
4.	Administrative-office staff	2	3
5.	Managerial Staff (management)	1	1

Remuneration of the Management Board and Supervisory board.

Remuneration of managers and supervisors (in PLN)	*01-01.2018-31.12.2018*
Supervisors – Members of the supervisory boards	6 100
Managers	27 759

Remuneration of managers and supervisors (in PLN)	*01-01.2018-31.12.2018*
Board	**27759.00**
-Kajkowska Anna	*27759.00*
Supervisory Board	**6100.00**
- Hetkowski Wojciech	*1300.00*
-Koralewski Jacek	*1200.00*
-Patrowicz Damian	*1600.00*
-Patrowicz Małgorzata	*1000.00*
-Patrowicz MaRtyna	*1000.00*

Remuneration of managers and supervisors (in PLN)	*01-01.2017-31.12.2017*
Supervisors – Members of the supervisory boards	12 200
Managers	24 000

Remuneration of managers and supervisors (in PLN)	*01-01.2017-31.12.2017*
Board	**24000.00**
-Kajkowska Anna	*24000.00*
Supervisory Board	**12200.00**
- Hetkowski Wojciech	*2600.00*

-Koralewski Jacek	*2400.00*
-Patrowicz Damian	*3200.00*
-Patrowicz Małgorzata	*2000.00*
-Patrowicz Marianna	*1445.65*
-Patrowicz Martyna	*554.35*

Nota 9. Information on the value of outstanding advances, loans, borrowings, guarantees, sureties or other contracts requiring benefits to the issuer, its subsidiaries, and associates, granted by the issuer. – is presented in note 11

Nota 10. Information about the significant previous years, which is included in the financial statements for the current period, is not applicable.

Nota 11. Information on significant events occurring after the balance sheet date and not included in the financial statements. – Not applicable.

Nota 12. Information about the relationship with the legal predecessor and the company and the manner and extent of acquisition of assets and liabilities.- Not applicable.

Nota 13. Financial statements and comparable data, at least with regard to the underlying items of the balance sheet and the profit and loss account corrected by an appropriate rate of inflation, indicating the source of the benchmark and the method of its use, with the adoption of The period of the last financial statement as the base period if the accumulated average annual inflation rate over the last three years of the issuer's activity has reached or exceeded 100, 3%. " -not applicable.

Nota 14. A summary and explanation of the differences between the data disclosed in the financial statements and comparable data, and the financial statements previously drawn up and published.
-Not applicable.

Nota 15. Changes in accounting policies and how financial statements have been made in relation to the previous financial year (ies), their reasons, their titles and the impact of the financial consequences on the situation Liquidity and financial result and profitability. –not applicable.

Nota 16. Corrections made to the basic errors, their causes, their titles and the impact of financial consequences on property and financial situation, liquidity and profit and profitability. – not applicable.

Nota 17. If there is uncertainty about the possibility of continuation of the activity, a description of these uncertainties and a statement that such uncertainty exists and an indication whether the financial statements contain corrections related to it. ' – not applicable.

Nota 18. In the case of a financial statement drawn up for the period during which the merger took place, an indication that it is a financial statement drawn up after the merger of companies and the date of the merger and the method of merger applied (acquisition, Mergers) of shares. – not applicable.

Nota 19. In the case of non-application in the financial statements for the valuation of shares and shares in subordinated units, the method of property rights, the effects of its application and the impact on the financial result should be presented. Not applicable.

Nota 20. If the company does not prepare a consolidated financial statement, the legal basis for not preparing the consolidated financial statements should be provided in an additional explanatory note to the financial statements.

As of December 31, 2018, the company does not have subsidiaries.
On 31 December 2017, the company does not consolidate financial statements. As of 31.12.2017, the company is the parent company of RESBUD1 POLSKA A. S, whose share capital is 2 000 thousand Czech Korn. The subsidiary until the end of the year 2017 did not carry on business. SHARES RESBUD1 POLSKA A.S. were acquired in order to merge the subsidiary Czech Law with the issuer in order to obtain the status of European company. According to abovementioned reasons and in view of the non-materiality of the data, Resbud SE does not draw up a consolidated report.

Nota 21. "Investment Property"

Investment properties are accounted for at the acquisition price, taking into account transaction costs. After initial recognition, investment property shall be shown at the cost of the acquisition or the costs, minus depreciation and impairment losses.
At the date of transition to IFRSS, the company measured the investment property at fair value, assuming it as a assumed cost.

Real Estateand investment company RESBUD SE	***31-12-2018***	***31-12-2017***
(a) Land	0	0
Residential premises in Rzeszow ul. Leszczyński	0	0
Al. Okulickiego Building	0	426
Investment property Together:	**0**	**426**

Investment property revenues and costs	***31-12-2018***	***31-12-2017***
Revenue	29	44
Costs	28	28

As of 31-12-2018, there were no outstanding commitments regarding the purchase and manufacture of investment property.

After the appropriation in favour of Elkop S.A. property in Rzeszow, the company does not have investment properties

Nota 22. "Information on long-term contracts and valuation of construction services."
Not present.

Nota 23. Remuneration of the statutory auditor or the entity authorised to audit the financial statements paid or payable for the period under investigation

Specification	201 at8 EURO
Examination of the financial statements for the period from 01.01.2018 to 31.12.2018 R.	2 326
Review of the financial statements for the period from 01.01.2018 to 30.06. 2018 R.	1 395

Specification	2017 EURO
Audit of the financial statements for approx.res from 01.01.2017 to 31.12.2017 R.	2 398
Review of the financial statements for the period from 01.01.2017 to 30.06. 2017 R.	959

Nota 24. Goodwill. – not applicable.
Nota 25. List of liabilities secured on assets.

Relevant events after the balance sheet date

The significant events occurring after the balance sheet date are described in the Management Board Report.

Document was accepted, signed and announced

by

RESBUD SE Management Board

Digital version and paper version are verified as completely identical