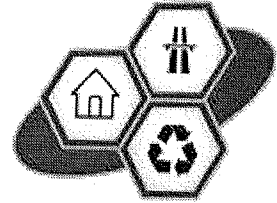


REPORT OF FON SE  
9 months ended on September 30, 2019



**FON SE**

REPORT OF FON SE  
9 MONTHS ENDED ON SEPTEMBER 30, 2019

IN ACCORDANCE WITH INTERNATIONAL FINANCIAL  
REPORTING STANDARDS

Tallinn, 16/12/2019

REPORT OF FON SE  
9 months ended on September 30, 2019

**FON SE**

Start of the financial year: 1 January 2019

End of the financial year: 30 June 2020

Register code: 14617916

Address: Harju maakond, Tallinn, Kesklinna linnaosa, Tornimäe tn 5, 10145

E-mail: [biuro@fon-sa.pl](mailto:biuro@fon-sa.pl)

Website: [www.fon-sa.pl](http://www.fon-sa.pl)

Main activities: As of 30/09/2019 the activity is registered in Estonia under the name "holding company activities",

Supervisory Board: Małgorzata Patrowicz, Jacek Koralewski, Martyna Patrowicz, Wojciech Hetkowski

Management Board: Damian Patrowicz

REPORT OF FON SE  
9 months ended on September 30, 2019

**1. Statement of Financial Position (in thousand EUR)**

| STATEMENT OF FINANCIAL POSITION     | 30.09.2019  | 31.12.2018  |
|-------------------------------------|-------------|-------------|
|                                     | EUR         | EUR         |
| <b>Assets</b>                       |             |             |
| <b>Fixed Assets</b>                 | <b>8336</b> | <b>8735</b> |
| Intangible assets                   | 0           | 523         |
| Tangible fixed assets               | 18          | 234         |
| Long-term financial assets          | 8121        | 7978        |
| Long-term receivables               | 196         | 0           |
| Long-term accruals and prepayments  | 1           | 0           |
|                                     |             |             |
| <b>Current Assets</b>               | <b>1112</b> | <b>603</b>  |
| Inventories                         | 0           | 105         |
| Short-term receivables              | 703         | 13          |
| Short-term financial assets         | 290         | 442         |
| Cash and cash equivalents           | 119         | 40          |
| Short-term accruals and prepayments | 0           | 3           |
| <b>Total Assets</b>                 | <b>9448</b> | <b>9338</b> |

|   |             |             |
|---|-------------|-------------|
| <b>Liabilities</b>  |             |             |
| <b>Equity</b>   | <b>9435</b> | <b>9324</b> |
| Share Capital   | 7700        | 7700        |
| Own shares (shares)(negativevalue)  |             |             |
| Supplementary capital from the sale of shares above the nominal value and from the reduction of the share capital | 22422       | 22422       |
| Revaluation reserve   | -11664      | -11664      |
| Capital from merger of entities   | 3865        | 3865        |
| Other provisions  | 3805        | 3805        |
| Exchange differences  | -380        | -333        |
| Retained earnings/Unallocated financial result  | -16313      | -16471      |
| <b>Long-term Liabilities</b>  | <b>0</b>    | <b>0</b>    |
| Deferred income tax provision   |             |             |
|   |             |             |
| <b>Short-term Liabilities</b>   | <b>14</b>   | <b>14</b>   |
| <b>Financial liabilities due to issuance of securities</b>  |             |             |
| Trade liabilities   | 7           | 6           |
| Other liabilities   | 7           | 8           |

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|                                     |      |      |
|-------------------------------------|------|------|
| Other provisions                    |      |      |
| <b>Total Liabilities</b>            | 14   | 14   |
|                                     |      |      |
| <b>Total Equity and Liabilities</b> | 9448 | 9338 |

**2. Income Statement and Statement of Comprehensive Income (in thousand EUR)**

| INCOME STATEMENT  | The period ended | The period ended |
|---|------------------|------------------|
|   | 30.09.2019       | 31.12.2018       |
| <b>I. Revenue from sales of products, goods and materials</b> | 247              | 452              |
| II. Cost of products, goods and materials sold                | -9               | -54              |
| <b>III. Gross profit on sales</b>                             | 238              | 398              |
| IV. Selling costs   | 0                | 0                |
| V. General and administrative expenses                        | -39              | -157             |
| VI. Other operating revenues                                  | 177              | 14               |
| VII. Other operating costs                                    | -427             | -832             |
| <b>VIII. Profit on operating activities</b>                   | -51              | -577             |
| IX. Financial revenues  | 646              | 7                |
| X. Financial costs  | -437             | -1516            |
| XI. Pre-tax profit  |                  |                  |
| XII. Income tax   |                  |                  |
| <b>XIII. Net Profit</b>                                       | 158              | -2086            |
| <b>Net profit (loss) (in 9 months)</b>                        | 158              | -2086            |

**3. Statement of Changes in Equity (in thousand EUR)**

| STATEMENT OF CHANGES IN EQUITY   | The period ended | The period ended |
|----------------------------------|------------------|------------------|
|                                  | 30.09.2019       | 31.12.2018       |
| <b>Opening balance of equity</b> | 9324             | 15561            |
| change of currency               |                  | -450             |
|                                  |                  |                  |

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|  |               |               |
|--|---------------|---------------|
| <b>Opening balance of equity after reconciliation to comparable data</b>     |               |               |
|  | <b>9324</b>   | <b>15111</b>  |
| <b>Opening balance of share capital</b>                                      | <b>7700</b>   | <b>8379</b>   |
| Changes in the share capital   | 0             | -679          |
| increase (due to)  | 0             | 0             |
| -issuance of shares  | 0             | 0             |
| decrease (due to)  | 0             | -679          |
| -reduction of the capital  | 0             | -670          |
| -exchange differences  | 0             | -9            |
| <b>Closing balance of share capital</b>                                      | <b>7700</b>   | <b>7700</b>   |
| <b>Opening balance of own shares</b>   | <b>0</b>      | <b>0</b>      |
| <b>Closing balance of own shares</b>   | <b>0</b>      | <b>0</b>      |
| <b>Opening balance of supplementary capital</b>                              | <b>22422</b>  | <b>22422</b>  |
| Changes in supplementary capital   | 0             | 0             |
| a) increase (due to)   | 0             | 0             |
| reduction of the nominal value of shares                                     | 0             | 0             |
| <b>Closing balance of supplementary capital</b>                              | <b>22422</b>  | <b>22422</b>  |
| <b>Opening balance of revaluation capital</b>                                | <b>-11664</b> | <b>-7951</b>  |
| Changes in revaluation capital   | 0             | -3713         |
| b) decrease (due to)   | 0             | -3713         |
| - valuation of financial assets  | 0             | -3713         |
| <b>Closing balance of capital from revaluation</b>                           | <b>-11664</b> | <b>-11664</b> |
| <b>Opening balance of capital from merger of entities</b>                    | <b>3865</b>   | <b>3869</b>   |
| Changes in other reserve capitals  | 0             | -4            |
| b) decrease (due to)   | 0             | -4            |
| - reduction due to merger  | 0             | -4            |
| <b>Closing balance of capital from merger of entities</b>                    | <b>3865</b>   | <b>3865</b>   |
| <b>Opening balance of other reserve capital</b>                              | <b>3805</b>   | <b>3135</b>   |
| Changes in reserve capitals  | 0             | 670           |
| a) increase (due to)   | 0             | 670           |
| - increase due to reduction of share capital                                 | 0             | 670           |
| <b>Closing balance of other reserve capital</b>                              | <b>3805</b>   | <b>3805</b>   |
| <b>Opening balance of retained profit/not settled loss of previous years</b> | <b>-16471</b> | <b>-14385</b> |
| b) decrease (due to)   | 158           | -2086         |

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|   |        |        |
|---|--------|--------|
| profit for the period   | 158    | -2086  |
| Closing balance of retained profit/not settled loss of previous years | -16313 | -16471 |
| Exchange differences from converting gained income/loss into EUR      | 209    | 410    |
| Exchange differences from reserve capital                             | -66    | 230    |
| Exchange differences from supplementary capital                       | -449   | -648   |
| Exchange differences from converting share capital into EUR           | 0      | -234   |
| Exchange differences from other provisions                            | -74    | -91    |
| Closing balance of equity   | 9435   | 9324   |

**4. Statement of Cash Flow (in thousand EUR)**

| CASH FLOWS STATEMENT                            | The period ended | The period ended |
|---|------------------|------------------|
|   | 30.09.2019       | 31.12.2018       |
| <b>Operating activities</b>                     |                  |                  |
| Gross profit (loss)                             | 158              | -2086            |
| Adjustments total                               | -502             | 2122             |
| Amortization                                    | 8                | 48               |
| (Profits) losses from exchange differences      | 16               | 2                |
| <b>Interests and dividends</b>                  |                  | -405             |
| (Profit) loss due to investment activities      | 215              | 2121             |
| Change in the balance of other provisions       |                  | 0                |
| Change in the balance of other inventories      | 105              | 204              |
| Change in the balance of receivables            | -874             | 9                |
| Change in the balance of liabilities            | 0                | -34              |
| Change in the balance of accruals               |                  | 10               |
| Other adjustments                               | 28               | 176              |
| Exchange differences                            |                  | -9               |
| <b>Gross cash flows from operating activity</b> | <b>-344</b>      | <b>36</b>        |
| <b>Investment activity</b>                      |                  |                  |

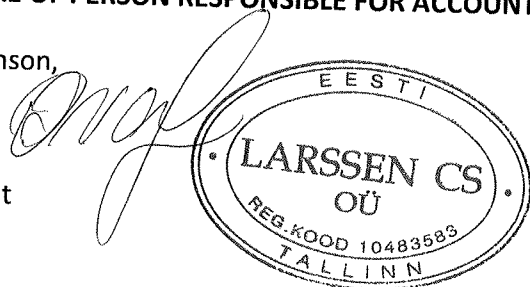
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|  |            |             |
|--|------------|-------------|
| <b>Inflows from investment activities</b>                                    | <b>777</b> | <b>4534</b> |
| Disposal of financial assets   |            | 70          |
| Received repayments of the loans   | 732        | 4256        |
| Received interest  | 45         | 208         |
| <b>Expenses due to investment activity</b>                                   | <b>370</b> | <b>4525</b> |
| Acquisition of elements of intangible fixed assets and tangible fixed assets |            | 0           |
| Loans granted  | 370        | 4525        |
| Expenses for acquisition of financial assets                                 |            |             |
| Investments in properties and intangible assets                              |            |             |
| Expenses on acquisition of tangible fixed assets                             |            |             |
| <b>Net cash flows from investment activity</b>                               | <b>407</b> | <b>9</b>    |
| <b>Financial activity</b>  |            |             |
| <b>Inflows</b>   | <b>0</b>   | <b>0</b>    |
| <b>Expenses due to financial activity</b>                                    | <b>0</b>   | <b>0</b>    |
| <b>Net cash flows from financial activity</b>                                |            |             |
| <b>Exchange differences</b>  | <b>16</b>  | <b>2</b>    |
| <b>Net cash flows, total</b>   | <b>79</b>  | <b>47</b>   |
| <b>Balance sheet change in cash</b>  | <b>79</b>  | <b>-47</b>  |
| <b>Opening balance of cash</b>   | <b>40</b>  | <b>87</b>   |
| <b>Closing balance of cash</b>   | <b>119</b> | <b>40</b>   |

SIGNATURE OF PERSON RESPONSIBLE FOR ACCOUNTING:

Olesja Ivanson,

Accountant



Larssen CS OU

13 Narva road,

Tallinn 10151, Estonia