



PRZEDSIĘBIORSTWO HANDLU ZAGRANICZNEGO „BALTONA” S.A.  
[FOREIGN TRADE COMPANY “BALTONA” JOINT STOCK COMPANY]  
QUARTERLY FINANCIAL INFORMATION INCLUDING  
QUARTERLY SHORTENED INDIVIDUAL FINANCIAL STATEMENTS  
FOR THE PERIOD OF NINE MONTHS  
ENDED ON 30 SEPTEMBER 2019

**This document is a translation of financial statements originally issued in Polish.  
The Polish original should be referred to in matters of interpretation.**

*Warsaw, 29 November 2019*

## Przedsiębiorstwo Handlu Zagranicznego "Baltona" S.A.

### Quarterly shortened individual financial statements

#### *Table of contents*

Quarterly shortened individual statement of financial position.....	<b>Błąd! Nie zdefiniowano zakładek.</b>
Quarterly shortened individual statement of profit and loss and other comprehensive income ....	<b>Błąd! Nie zdefiniowano zakładek.</b>
Quarterly shortened individual cash flow statement .....	<b>Błąd! Nie zdefiniowano zakładek.</b>
Quarterly shortened individual statement of changes in equity .....	<b>Błąd! Nie zdefiniowano zakładek.</b>

**Przedsiębiorstwo Handlu Zagranicznego "Baltona" S.A.**  
**Quarterly shortened individual statement of financial position**

<b>ASSETS</b>	<b>30.09.2019</b> (unaudited)	<b>31.12.2018</b> (transformed)	<b>30.09.2018</b> (unaudited) (transformed)
<b>Non-current assets</b>			
Property, plant and equipment	7 882	10 725	11 305
Assets under the right of use	31 212	-	-
Intangible assets	84 251	92 264	563
Trade and other receivables	2 095	3 535	4 078
Long-term investments	62 425	48 423	49 733
Deferred income tax assets	38	38	2 228
<b>Non-current assets</b>	<u>187 903</u>	<u>154 985</u>	<u>67 907</u>
<b>Current assets</b>			
Inventories	19 123	17 688	22 200
Trade and other receivables	42 356	38 984	19 484
Short-term investments	5 553	124	1 557
Cash and cash equivalents	3 052	3 171	5 164
<b>Current assets</b>	<u>70 084</u>	<u>59 967</u>	<u>48 405</u>
<b>TOTAL ASSETS</b>	<u>257 987</u>	<u>214 952</u>	<u>116 312</u>

**Przedsiębiorstwo Handlu Zagranicznego "Baltona" S.A.**  
**Quarterly shortened individual statement of financial position**

<b>LIABILITIES</b>	<b>30.09.2019</b>	<b>31.12.2018</b>	<b>30.09.2018</b>
	(unaudited)	(transformed)	(unaudited)
<b>Equity</b>		(transformed)	(transformed)
Share capital	2 814	2 814	2 814
Share premium	4 655	4 655	4 655
Supplementary capital	21 467	21 467	21 468
Treasury shares	(2 043)	(2 043)	(2 043)
Capital from transactions with owners	94 992	94 992	-
Retained profits	(25 683)	(12 340)	(3 297)
<b>Total equity</b>	<u>96 202</u>	<u>109 545</u>	<u>23 597</u>
<b>Liabilities</b>			
Liabilities under credits, loans and other debt instruments	21 324	18 842	21 910
Liabilities under lease	18 935	845	328
Trade and other liabilities	10 836	10 836	-
Provisions	52	52	52
Liabilities under employee benefits	49	49	35
<b>Long-term liabilities</b>	<u>51 196</u>	<u>30 624</u>	<u>22 325</u>
Liabilities under credits, loans and other debt instruments	27 548	29 843	17 072
Liabilities under lease	14 137	320	179
Trade and other liabilities	66 652	38 788	49 500
Income tax liabilities	97	2 237	2 185
Liabilities under employee benefits	1 515	1 469	1 454
Deferred income	640	2 126	-
<b>Short-term liabilities</b>	<u>110 589</u>	<u>74 783</u>	<u>70 390</u>
<b>Total liabilities</b>	<u>161 785</u>	<u>105 407</u>	<u>92 715</u>
<b>TOTAL LIABILITIES</b>	<u>257 987</u>	<u>214 952</u>	<u>116 312</u>

**Przedsiębiorstwo Handlu Zagranicznego "Baltona" S.A.**  
**Quarterly shortened individual statement of profit and loss and other comprehensive income**

	<b>01.07.2019- 30.09.2019</b>	<b>01.07.2018- 30.09.2018</b>	<b>01.01.2019- 30.09.2019</b>	<b>01.01.2018- 30.09.2018</b>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenue from sales	72 543	82 260	179 902	208 470
Other operating revenue	19	10	59	19
<b>Total operating revenue</b>	<b>72 562</b>	<b>82 270</b>	<b>179 961</b>	<b>208 489</b>
Depreciation and impairment write-offs	(7 587)	(777)	(22 841)	(2 024)
Consumption of raw materials and materials	(373)	(357)	(1 007)	(1 036)
Third party services	(17 501)	(22 278)	(40 747)	(55 548)
Costs of employee benefits	(4 082)	(4 011)	(12 171)	(10 753)
Taxes and fees	(368)	(228)	(1 181)	(711)
Other cost items	(384)	(447)	(1 245)	(1 545)
Value of goods and materials sold	(47 661)	(54 931)	(118 873)	(143 986)
Other operating costs	(32)	(38)	(51)	(64)
				-
<b>Total operating costs</b>	<b>(77 988)</b>	<b>(83 067)</b>	<b>(198 116)</b>	<b>(215 667)</b>
<b>Operating loss</b>	<b>(5 426)</b>	<b>(797)</b>	<b>(18 155)</b>	<b>(7 178)</b>
Financial revenue	1 499	5 826	11 649	8 119
Financial costs	(1 486)	(579)	(6 675)	(1 480)
				-
<b>Net financial revenue</b>	<b>13</b>	<b>5 247</b>	<b>4 974</b>	<b>6 639</b>
<b>Loss before tax</b>	<b>(5 413)</b>	<b>4 450</b>	<b>(13 181)</b>	<b>(539)</b>
Income tax	(162)	-	(162)	-
<b>Net loss for the reporting period</b>	<b>(5 575)</b>	<b>4 450</b>	<b>(13 343)</b>	<b>(539)</b>
<b>Other net comprehensive income for the reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the reporting period</b>	<b>(5 575)</b>	<b>4 450</b>	<b>(13 343)</b>	<b>(539)</b>
<b>Loss per 1 share</b>				
Basic (PLN)	(0,52)	0,41	(1,23)	(0,05)
Diluted (PLN)	(0,52)	0,41	(1,23)	(0,05)

**Przedsiębiorstwo Handlu Zagranicznego "Baltona" S.A.**  
**Quarterly shortened individual cash flow statement**

	<b>01.01.2019- 30.09.2019</b>	<b>01.01.2018- 30.09.2018</b>
	(unaudited)	(unaudited)
<b>Operating cash flows</b>		
Net loss	(13 343)	(539)
<b>Adjustments:</b>		
Depreciation of property, plant and equipment	14 800	1 612
Depreciation of intangible assets	8 042	412
(Reversal)/Establishment of revaluation write-offs of shares in subsidiaries	2 677	-
Net financial (revenue)/costs	(6 304)	(6 639)
Income tax	162	-
Other adjustments	-	(33)
	<u>6 034</u>	<u>(5 187)</u>
Change in inventories	(1 435)	(4 952)
Change in trade and other receivables	6 256	(2 230)
Change in trade and other liabilities	27 829	21 192
Change in provisions and liabilities under employee benefits	46	(17)
Change in deferred income	(1 486)	(5)
Cash generated on operating activity	<u>37 244</u>	<u>8 801</u>
Tax paid	(2 302)	-
<b>Net cash from operating activity</b>	<u>34 942</u>	<u>8 801</u>
<b>Investment cash flows</b>		
Dividends received	890	737
Proceeds from investments	1 021	2 906
Acquisition of property, plant and equipment, and intangible assets	(482)	(12 709)
Acquisition of investments (loans granted)	(23 837)	(10 638)
<b>Net cash from operating activity</b>	<u>(22 408)</u>	<u>(19 704)</u>
<b>Financial cash flows</b>		
Credits and loans drawn	14 298	8 656
Expenditures on repayment of credits and loans	(3 043)	(1 610)
Payment of financial lease liabilities	(11 414)	(218)
Interest paid	(1 098)	(891)
<b>Net cash from financial activity</b>	<u>(1 257)</u>	<u>5 937</u>
<b>Total net cash flows</b>	<u>11 277</u>	<u>(4 966)</u>
Cash and cash equivalents at the beginning of the period	<u>(20 813)</u>	<u>(1 908)</u>
<b>Cash at the end of the period</b>	<u>(9 536)</u>	<u>(6 874)</u>

**Przedsiębiorstwo Handlu Zagranicznego "Baltona" S.A.**  
**Quarterly shortened individual statement of changes in equity**

	Share capital	Share premium	Supplementary capital	Treasury shares	Retained profits	Capital from transactions with owners	Total equity
<b>Equity as at 01.01.2018</b>	2 814	4 655	21 003	(2 043)	(2 293)	-	24 136
<b>Comprehensive income for the reporting period</b>							-
Net (loss) for the reporting period	-	-	-	-	(539)	-	(539)
<b>Total comprehensive income for the reporting period</b>	-	-	-	-	(539)	-	(539)
<b>Transactions with owners recognised directly in equity</b>							
Transfer of profit to supplementary capital	-	-	465	-	(465)	-	-
<b>Total transactions with owners of the Parent Entity</b>	-	-	465	-	(465)	-	-
<b>Equity as at 30.09.2018 (transformed)</b>	2 814	4 655	21 468	(2 043)	(3 297)	-	23 597



	Share capital	Share premium	Supplementary capital	Treasury shares	Retained profits	Capital from transactions with owners	Total equity
<b>Equity as at 01.01.2018</b>	2 814	4 655	21 003	(2 043)	(2 293)	-	24 136
<b>Comprehensive income for the reporting period</b>							
Net (loss) for the reporting period	-	-	-	-	(9 583)	-	(9 583)
<b>Total comprehensive income for the reporting period</b>	-	-	-	-	(9 583)	-	(9 583)
<b>Transactions with owners recognised directly in equity</b>							
Capital from the right to conclude an agreement	-	-	-	-	-	94 992	94 992
Transfer of profit to supplementary capital	-	-	464	-	(464)	-	-
<b>Total transactions with owners of the Parent Entity</b>	-	-	464	-	(464)	94 992	94 992
<b>Equity as at 31.12.2018</b>	2 814	4 655	21 467	(2 043)	(12 340)	94 992	109 545

	Share capital	Share premium	Supplementary capital	Treasury shares	Retained profits	Capital from transactions with owners	Total equity
<b>Equity as at 01.01.2019</b>	2 814	4 655	21 467	(2 043)	(12 340)	94 992	109 545
<b>Comprehensive income for the reporting period</b>							
Net (loss) for the reporting period	-	-	-	-	(13 343)	-	(13 343)
<b>Total comprehensive income for the reporting period</b>	-	-	-	-	(13 343)	-	(13 343)
<b>Transactions with owners recognised directly in equity</b>							
<b>Total transactions with owners of the Parent Entity</b>	-	-	-	-	-	-	-
<b>Equity as at 30.09.2019 (unaudited)</b>	2 814	4 655	21 467	(2 043)	(25 683)	94 992	96 202

The above quarterly shortened individual financial statements were drawn up on 29 November 2019 and approved for publication by the Management Board of Przedsiębiorstwo Handlu Zagranicznego "Baltona" S.A. on 29 November 2019.

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Piotr Kazimierski  
**President of the Management Board**

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Karolina Szuba  
**Member of the Management Board**

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Michał Kacprzak  
**Member of the Management Board, Chief Accountant**  
**Person responsible for maintenance of accounting books**