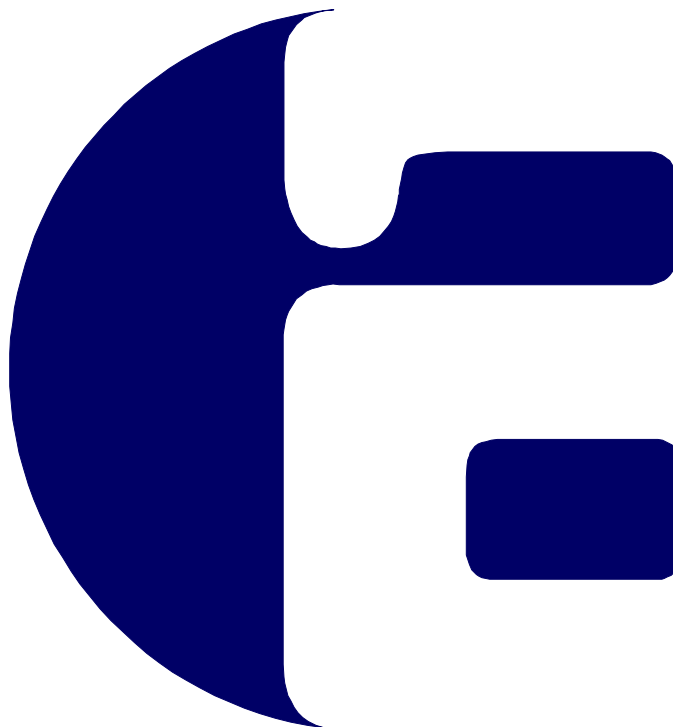


ARCUS Spółka Akcyjna

www.arcus.pl



Consolidated financial statement
of Arcus S.A. Capital Group
for the financial year ended 31 December 2015

Warsaw, 21 March 2016

1 Data regarding the annual financial statement of ARCUS S.A. Capital Group

1.1 Selected financial data

	PLN thousand		EUR thousand	
	year ended 31.12.2015	year ended 31.12.2014	year ended 31.12.2015	year ended 31.12.2014
I Sales revenues	181 664	169 583	43 411	40 480
II Profit (loss) on operating activities	2 983	-16 404	713	-3 916
III Profit (loss) before tax	2 218	-16 921	530	-4 039
IV Net profit (loss) on consolidation	1 389	-13 238	332	-3 160
V Profit (loss) attributable to shareholders of a dominant entity	1 756	-11 792	420	-2 815
VI EBITDA	5 742	-13 775	1 372	-3 288
VII Comprehensive income	1 631	-13 047	390	-3 114
VIII Comprehensive income attributable to shareholders of a dominant entity	1 998	-11 601	477	-2 769
IX Net Cash Flows from operating activities	-8 453	-169	-2 020	2 189
X Net Cash Flows from investing activities	329	-4 272	79	-1 020
XI Net Cash Flows from financing activities	1 342	-3 623	321	-865
XII Change in cash	-6 782	1 275	-1 621	304
XIII Net profit (loss) and diluted net profit (loss) per share attributable to shareholders of a dominant entity	0,24	-1,61	0,06	-0,38

	PLN thousand		EUR thousand	
	as at 31.12.2015	as at 31.12.2014	as at 31.12.2015	as at 31.12.2014
XIV Total assets	102 684	97 097	24 096	22 846
XV Long-term liabilities	7 650	15 657	1 795	3 673
XVI Short-term liabilities	46 969	34 466	11 022	8 086
XVII Equity	48 065	46 974	11 279	11 021
XVIII Equity attributable to shareholders of a dominant entity	47 902	47 997	11 241	11 261
XIX Share capital	732	732	172	172
XX Weighted average number of shares	7 320 000	7 320 000	7 320 000	7 320 000
XXI Book value and diluted book value per share attributable to shareholders of a dominant entity	6,54	6,56	1,54	1,54

1.2 Method applied in calculation of financial data

The following rules have been applied in calculation of financial data in EUR:

- individual items of assets and liabilities – according to exchange rate as at 31.12.2015 - 4,2615 PLN/EUR
31.12.2014 - 4,2623 PLN/EUR 31.12.2013 - 4,1472 PLN/EUR,
- individual items of the statement of comprehensive income and the cash flow statement – according to exchange rate calculated as arithmetic mean of the exchange rates announced by the National Bank of Poland prevailing on the last day of each month:
 - for the period of 1 January 2015 – 31 December 2015: 4,1848 PLN/EUR
 - for the period of 1 January 2014 – 31 December 2014: 4,1893 PLN/EUR
 - for the period of 1 January 2013 – 31 December 2013: 4,2110 PLN/EUR

1.3 Balance sheet

Assets				
	Note	as at 31.12.2015	as at 31.12.2014	as at 31.12.2014*
FIXED ASSETS				
Tangible assets	11	4 225	5 003	5 003
Intangible assets	12	6 293	5 422	5 422
Consolidation goodwill	13	8 930	8 930	8 930
Financial assets available for sale	14	0	1 751	1 751
Long-term receivables	15	7 760	10 402	10 402
Deferred income tax assets	9	8 208	8 220	7 943
<u>Total</u>		<u>35 416</u>	<u>39 728</u>	<u>39 451</u>
CURRENT ASSETS				
Inventories	16	12 514	14 774	14 774
Trade receivables and other receivables	17,26	49 752	31 311	31 869
Loans granted		622	122	122
Cash	18	4 380	11 162	11 162
<u>Total</u>		<u>67 268</u>	<u>57 369</u>	<u>57 927</u>
TOTAL ASSETS		102 684	97 097	97 378
Liabilities				
	Note	as at 31.12.2015	as at 31.12.2014	as at 31.12.2014*
Equity attributable to shareholders of a dominant entity				
Share capital	19	732	732	732
Share premium	20	37 631	37 631	37 631
Revaluation reserve	21	0	-266	-266
Other reserves		143	143	143
Own shares	19	0	0	0
Retained earnings	22	9 396	9 757	10 624
<u>Total</u>		<u>47 902</u>	<u>47 997</u>	<u>48 864</u>
<u>Non-controlling shares</u>		<u>163</u>	<u>-1 022</u>	<u>-254</u>
<u>Total Equity</u>		<u>48 065</u>	<u>46 974</u>	<u>48 610</u>
Long-term liabilities				
Deferred income tax reserve	9	3 902	3 196	3 302
Provisions for liabilities	23	434	435	435
Long-term loans and bank credits	24	0	6 673	6 673
Other long-term liabilities	24	3 314	5 353	5 353
<u>Total</u>		<u>7 650</u>	<u>15 657</u>	<u>15 763</u>
Short-term liabilities				
Trade liabilities and other liabilities	25,26	37 229	32 751	31 529
Short-term loans and bank credits	24	9 151	0	0
Income tax liabilities				
Provisions for liabilities	23	589	1 715	1 476
<u>Total</u>		<u>46 969</u>	<u>34 466</u>	<u>33 005</u>
TOTAL LIABILITIES		102 684	97 097	97 378
<small>*data included in financial statement for 2014</small>				

1.4 Profit and loss account

Profit and loss account

	Note	year ended 31.12.2015	year ended 31.12.2014	year ended 31.12.2014*
Sales revenues	3	181 664	169 583	170 010
Costs of products, goods and materials sold	4	-141 476	-138 302	-138 302
<u>Gross profit (loss) from sales</u>		<u>40 188</u>	<u>31 281</u>	<u>31 709</u>
Other operating income	5	1 183	782	782
Costs of sales	4	-27 471	-33 674	-33 674
General administrative expenses	4	-9 755	-9 455	-9 416
Other operating expenses	6	-1 162	-5 338	-5 338
<u>Operating income (loss)</u>		<u>2 983</u>	<u>-16 404</u>	<u>-15 938</u>
Financial income	7	261	401	401
Financial costs	8	-1 026	-918	-918
<u>Profit (loss) before tax</u>		<u>2 218</u>	<u>-16 921</u>	<u>-16 455</u>
Income tax:	9	-829	3 683	3 736
Current income tax		-173	737	737
Deferred income tax		-656	2 946	2 999
<u>Net profit (loss)</u>		<u>1 389</u>	<u>-13 238</u>	<u>-12 719</u>
Net profit (loss) attributable to				
shareholders of a dominant entity		1 756	-11 792	-11 517
Non-controlling shares		-367	-1 446	-1 202
Profit (loss) per share attributable to shareholders of a dominant entity				
Ordinary and diluted	10	0,24	-1,61	-1,57

1.5 Statement of comprehensive income

Statement of comprehensive income

	Note	year ended 31.12.2015	year ended 31.12.2014	year ended 31.12.2014
Net profit (loss) for the period		1 389	-13 238	-12 719
Items that could be classified to the result at a future point in time:				
Financial assets available for sale	17	329	236	236
Deferred Tax regarding other comprehensive income		-63	-45	-45
Total of other comprehensive income items		266	191	191
Items that would not be classified to the result at a future point in time:				
Comprehensive income for the period attributable to:				
Shareholders of a dominant entity		1 655	-13 047	-12 528
Shareholders of a dominant entity		2 022	-11 601	-11 326
Non-controlling shares		-367,00	-1 446,00	-1 202,00

*data included in published financial statement for 2014

1.6 Statement of cash flows

Statement of cash flows

	year ended 31.12.2015	year ended 31.12.2014	year ended 31.12.2014*
Cash flows from operating activities			
Profit before tax	2 218	-16 921	-16 455
Adjustments	-10 671	26 090	25 625
Depreciation and amortisation	2 759	2 629	2 629
Interests	292	-55	-55
Dividends received	0	-66	-66
Result on investing activities	313	-28	-28
Change in inventories	1 526	-211	-211
Change in receivables	-15 967	39 886	39 886
Change in liabilities and reserves	738	-18 419	-18 419
Paid/returned income tax	-173	485	485
Other	-159	1 404	1 404
Total	-8 453	9 170	9 170
Cash flows from investing activities			
Inflows	2 804	1 395	1 395
Disposal of intangible and tangible fixed assets	218	129	129
Repayment of loans	950	1 200	1 200
Disposal of financial assets	1 636		
Dividends received	0	66	66
Outflows	-2 475	-5 667	-5 667
Purchases of intangible and fixed tangible assets	-1 110	-4 287	-4 287
Loans granted	-1 365	-1 380	-1 380
Other			
Total	119	-4 272	-4 272
Cash flow from financing activities			
Inflows	2 549	373	373
Credits and loans	2 488	198	198
Interests received	58	175	175
Outflows	-1 207	-3 996	-3 996
Purchase of participating interests	160	-2 533	-2 533
Payment of dividend	-566	-1 056	-1 056
Repayment of credits and loans	-10	0	0
Financial lease payments	-401	-181	-181
Interests paid	-390	-226	-226
Total	1 342	-3 623	-3 623
Change in cash	-6 782	1 275	1 275
Cash at the beginning of the period	11 162	9 888	9 888
Cash at the end of the period	4 380	11 163	11 163
with limited disposability	0	0	0

*data included in published financial statement for 2014

1.7 Statement of Changes in Equity

Statement of changes in equity

For the period of 1 January 2015 - 31 December 2015

	Equity attributable to shareholders of a dominant entity					Non-controlling shares	Total Equity
	Share capital, reserve capital, share premium	Retained earnings	Revaluation reserve	Own shares	Total		
As at 1 January 2015	38 506	9 757	-266	0	47 997	-1 022	46 975
Profit/loss for the period	0	1 756	0		1 756	-367	1 389
Financial assets available for sale adjusted by deferred income tax	0		266		266	0	266
Total of comprehensive income	0	1 756	266	0	2 022	-367	1 655
Dividend in subsidiaries	0	-299			-299	-266	-565
Change in equity - share capital increase in a subsidiary		-1 818			-1 818	1 818	
As at 31 December 2015	38 506	9 396	0	0	47 902	163	48 065

Statement of changes in equity

For the period of 1 January 2014 - 31 December 2014

	Equity attributable to shareholders of a dominant entity					Non-controlling shares	Total Equity
	Share capital, reserve capital, share premium	Retained earnings	Revaluation reserve	Own shares	Total		
As at 1 January 2014	38 514	22 772	-458	-273	60 555	-1 844	58 711
Profit/loss for the period	0	-11 517	0		-11 517	-1 202	-12 719
Correction of error – impact on 2014 result		-275			-275	-244	-519
Profit/loss for the period after correction	0	-11 792	0	0	-11 792	-1 446	-13 238
Financial assets available for sale adjusted by deferred income tax	0		191		191	0	191
Total of comprehensive income	0	-11 792	191	0	-11 601	-1 446	-13 047
Correction of error – impact on previous years' result		-592			-592	-524	-1 116
Consolidation of a subsidiary						2 792	2 792
Dividend		-366			-366		-366
Purchase of shares for the purpose of redemption	-8	-265		273	0		0
As at 31 December 2014	38 506	9 757	-266	0	47 996	-1 022	46 975