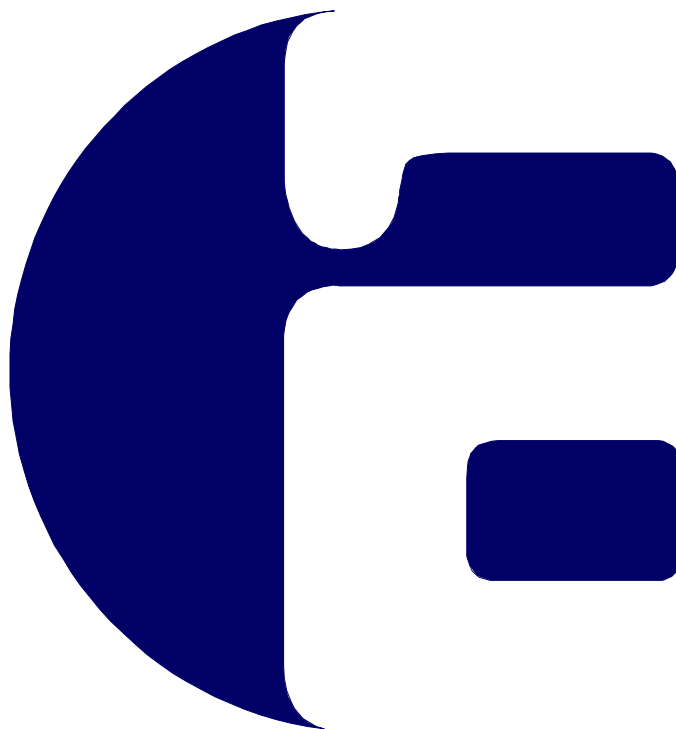


ARCUS Spółka Akcyjna

[www.arcus.pl](http://www.arcus.pl)



Consolidated interim report

Arcus Spółka Akcyjna

(Joint Stock Company)

for the period from 1 January do 30 September 2019

Prepared in accordance with the International Financial Reporting Standards



## 1 Selected financial data

### 1.1 Data relating to the interim consolidated financial statement of ARCUS Group

SELECTED FINANCIAL DATA	PLN THOUSAND. zł		EUR THOUSAND	
	from 01.01 to 30.09.2019	from 01.01 to 30.09.2018	from 01.01 to 30.09.2019	from 01.01 to 30.09.2018
I Sales revenues	103 080	91 959	23 924	21 623
II Profit (loss) on operating activities	-2 184	-2 740	-507	-644
III Profit (loss) before tax	-3 594	-3 789	-834	-891
IV Profit (loss) on consolidation	-3 419	-3 151	-793	-741
V Profit (loss) attributable to the shareholders of a Dominant Entity	-2 886	-2 322	-670	-546
VI Total comprehensive income	-3 419	-3 151	-793	-741
VII Comprehensive income attributable to the shareholders of a Dominant Entity	-2 886	-2 322	-670	-546
VIII Net Cash Flows from operating activities	-2 155	-1 446	-500	-340
IX Net Cash Flows from investing activities	-2 055	-1 958	-477	-460
X Net Cash Flows from financing activities	2 918	4 501	677	1 058
XI Change in cash	-1 292	1 097	-300	258
XII Net profit (loss) and diluted net profit (loss) per share attributable to the shareholders of a Dominant Entity	-0,39	-0,32	-0,09	-0,07
XIII EBITDA	279	-186	65	-44
	PLN THOUSAND		EUR THOUSAND	
	As at 30.09.2019	As at 30.09.2018	As at 30.09.2019	As at 30.09.2018
XIV Total assets	107 899	110 958	24 670	25 977
XV Long-term liabilities	18 872	21 884	4 315	5 124
XVI Short-term liabilities	48 548	45 261	11 100	10 596
XVII Equity	40 479	43 813	9 255	10 257
XVIII Equity attributable to the shareholders of a Dominant Entity	34 020	41 294	7 779	9 668
XIX Share capital	732	732	167	171
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 the shareholders of a Dominant Entity	4,65	5,64	1,06	1,32



## 1.2 Data relating to the interim separate financial statement of a Dominant Entity - ARCUS S.A.

SELECTED FINANCIAL DATA	PLN THOUSAND		EUR THOUSAND	
	from 01.01 to 30.09.2019	from 01.01 to 30.09.2018	from 01.01 to 30.09.2019	from 01.01 to 30.09.2018
I Sales revenues	91 065	75 341	21 136	17 716
II Profit (loss) on operating activities	-446	-429	-103	-101
III Profit (loss) before tax	-1 587	-1 204	-368	-283
IV Net profit (loss)	-1 495	-974	-347	-229
V Total comprehensive income	-1 495	-974	-347	-229
VI Net Cash Flows from operating activities	-2 030	-694	-471	-163
VII Net Cash Flows from investing activities	-1 779	-3196	-413	-752
VIII Net Cash Flows from financing activities	3 296	4 836	765	1 138
IX Change in cash	-514	948	-119	223
X Net profit (loss) and diluted net profit (loss) per share	-0,20	-0,13	-0,05	-0,03
XI EBITDA	963	977	224	230

	PLN THOUSAND		EUR THOUSAND	
	As at 30.09.2019	As at 30.09.2018	As at 30.09.2019	As at 30.09.2018
XII Total assets	112 432	125 863	25 707	29 467
XIII Long-term liabilities	18 615	20 921	4 256	4 898
XIV Short-term liabilities	44 554	38 335	10 187	8 975
XV Equity	49 263	66 607	11 264	15 594
XVI Share capital	732	732	167	171
XVII Weighted average number of shares	7 320 000	7 320 000	7 320 000	7 320 000
XVIII Book value and diluted book value per share	6,73	9,10	1,54	2,13

## 1.3 Principles applied for conversion of financial data

The financial data in EUR have been converted according to the following rules:

- individual items of assets and liabilities – according to the National Bank of Poland average exchange rates on:
  - 30.09.2019 – 4.3736 PLN/EUR;
  - 30.09.2018 – 4.2714 PLN/EUR.
- individual items of the statement of comprehensive income and statement of cash flows - at the rate being the arithmetic average of the rates determined by the National Bank of Poland on the last day of each month of the year:
  - for the period from 1.01.2019 to 30.09.2019 – 4.3086 PLN/EUR;
  - for the period from 1.01.2018 to 30.09.2018 – 4.2528 PLN/EUR.



## 2 Condensed consolidated financial statement of ARCUS S.A. GROUP

### 2.1 Consolidated profit and loss account and consolidated statement of comprehensive income of ARCUS S.A. Group

<b>Profit and loss account</b>					
	<u>Note</u>	<u>01.01-30.09.2019</u>	<u>01.07-30.09.2019</u>	<u>01.01-30.09.2018</u>	<u>01.07-30.09.2018</u>
Sales revenues	5.1	103 080	34 786	91 959	30 592
Direct cost of sales	5.5	-76 241	-25 645	-68 276	-22 647
<b>Gross profit (loss) from sales</b>		<b>26 839</b>	<b>9 141</b>	<b>23 683</b>	<b>7 945</b>
Other operating income	5.6	429	101	608	313
Costs of sales	5.5	-20 005	-6 348	-18 093	-5 645
General administrative expenses	5.5	-8 683	-2 988	-8 755	-2 906
Other operating expenses	5.6	-765	-128	-184	-66
<b>Operating income (loss)</b>		<b>-2 185</b>	<b>-222</b>	<b>-2 741</b>	<b>-359</b>
Financial income	5.7	63	-194	184	99
Financial costs	5.7	-1 473	-1 051	-1 233	554
<b>Profit (loss) before tax</b>		<b>-3 595</b>	<b>-1 467</b>	<b>-3 790</b>	<b>294</b>
Income tax:	5.8	175	119	639	-16
<b>Net profit (loss)</b>		<b>-3 420</b>	<b>-1 348</b>	<b>-3 151</b>	<b>278</b>
<b>EBITDA</b>		<b>279</b>	<b>583</b>	<b>-186</b>	<b>470</b>
<b>Profit (loss) attributable to:</b>					
Shareholders of a Dominant Entity		-2 886	-1 156	-2 322	314
Minority Shareholders		-533	-191	-829	-36
Profit (loss) annualized		-305	-1 625	1 553	2 644
Ordinary and diluted	5.9	-0,39	-0,15	-0,32	0,04
<b>Statement of comprehensive income</b>					
	<u>Note</u>	<u>01.01-30.09.201</u>		<u>01.01-30.09.201</u>	<u>01.07-30.09.2018</u>
Net profit (loss)		-3 420	-1 348	-3 151	-1 024
<b>Comprehensive income for the period</b>		<b>-3 420</b>	<b>-1 348</b>	<b>-3 151</b>	<b>-1 024</b>
Comprehensive income for the period attributable to:					
Shareholders of a Dominant Entity		-2 886	-1 156	-2 886	-250
Minority Shareholders		-533	-191	-533	260
Comprehensive income attributable to the shareholders of the dominant entity ( PLN per share)					
<b>Ordinary and diluted (PLN per share)</b>		<b>-0,39</b>	<b>-0,15</b>	<b>-0,32</b>	<b>0,04</b>



## 2.2 Consolidated statement of financial position of ARCUS S.A. Group

Assets	Note	As at 30.09.2019	As at 31.12.2018	As at 30.09.2018
<b>FIXED ASSETS</b>				
Tangible assets	5.10	4 167	3 478	4 374
Intangible assets	5.11	6 047	6 952	6 807
Goodwill on consolidation		10 797	10 797	13 826
Participating interests in affiliated undertakings		350	350	
Long-term receivables		176		
Deferred income tax assets	5.12	13 692	11 220	7 398
<b>Total</b>		<b>5 390</b>	<b>5 233</b>	<b>4 593</b>
<b>CURRENT ASSETS</b>				
		<b>40 619</b>	<b>38 030</b>	<b>36 998</b>
Inventories				
Trade receivables and other receivables	5.13	17 137	12 497	27 978
Loans granted	5.14	48 371	50 763	42 596
Cash	5.18	1 262	471	465
<b>Total</b>		<b>510</b>	<b>1 802</b>	<b>2 921</b>
<b>TOTAL ASSETS</b>		<b>67 280</b>	<b>65 533</b>	<b>73 960</b>
<b>FIXED ASSETS</b>				
		<b>107 899</b>	<b>103 563</b>	<b>110 958</b>
<b>Liabilities</b>				
	<b>Nota</b>	<b>As at 30.09.2019</b>	<b>As at 31.12.2018</b>	<b>As at 30.09.2018</b>
<b>Equity attributable to the shareholders of a Dominant Entity</b>				
Share capital	5.15	732	732	732
Share premium		37 631	37 631	37 631
Revaluation reserve	5.16	-7 364	-7 364	0
Other reserves		143	143	143
Retained earnings		2 878	5 765	2 788
<b>Total</b>		<b>34 020</b>	<b>36 907</b>	<b>41 294</b>
Non-controlling interests		6 459	6 991	2 519
<b>Equity – total</b>		<b>40 479</b>	<b>43 898</b>	<b>43 813</b>
Long-term liabilities	5.17			
Deferred income tax reserve		5 626	5 638	4 439
Provisions for liabilities		404	404	340
Long-term loans and bank borrowings	5.18	0	0	192
Other long-term liabilities		12 842	14 169	16 913
<b>Total</b>		<b>18 872</b>	<b>20 211</b>	<b>21 884</b>
Short-term liabilities	5.20			
Short-term loans and bank borrowings		8 974	4 937	6 950
Trade liabilities and other liabilities		38 792	33 725	37 533
Provisions for liabilities		782	792	778
<b>Total</b>		<b>48 548</b>	<b>39 454</b>	<b>45 261</b>
<b>TOTAL LIABILITIES</b>		<b>107 899</b>	<b>103 563</b>	<b>110 958</b>



## 2.3 Consolidated statement of cash flows of ARCUS S.A. Group

### Cash flow statement

	<u>01.01-30.09.2019</u>	<u>01.01-30.09.2018</u>
<b>Cash flows from operating activities</b>		
Profit before tax	-3 594	-3 790
Adjustments	1 439	2 344
Depreciation and amortisation	2 463	2 554
Interests received	372	175
Result on investing activities	-167	-216
Change in inventories	-4 640	-18 696
Change in receivables	-79	23 299
Change in liabilities and reserves	3 902	-5 013
Other	-412	241
<b><u>Net cash from operating activities</u></b>	<b><u>-2 155</u></b>	<b><u>-1 446</u></b>
<b>Cash flows from investing activities</b>		
Inflows	215	612
Disposal of intangible and tangible fixed assets	185	432
Repayment of loans	30	180
Outflows	-2 270	-2 570
Purchases of intangible and fixed tangible assets	-1 290	-2 390
Loans granted	-980	-180
<b><u>Net cash from investing activities</u></b>	<b><u>-2 055</u></b>	<b><u>-1 958</u></b>
<b>Cash flow from financing activities</b>		
Inflows	<b><u>4 109</u></b>	<b><u>6 989</u></b>
Proceeds from loans and borrowings	4 107	6 965
Interests	2	24
Outflows	-1 191	-2 488
Dividends and other payments to the owners	0	-367
Repayment of credits and loans	-237	-1 597
Financial lease payments	-711	-345
Interests	-243	-179
<b><u>Net cash from financing activities</u></b>	<b><u>2 918</u></b>	<b><u>4 501</u></b>
<b>Change in cash</b>	<b>-1 292</b>	<b>1 097</b>
Cash at the beginning of the period	1 802	1 824
<b>Cash at the end of the period</b>	<b>510</b>	<b>2 921</b>



## 2.4 Consolidated statement of changes in equity of ARCUS S.A. Group

From 1 January to 30 September 2019

*Equity attributable to the shareholders of a Dominant Entity*

	Share capital, reserve capital share premium	Retained earnings	Revaluation reserve	Total	Equity attributable to non-controlling shareholders	TOTAL EQUITY
As at 1 January 2019	38 506	5 765	- 7 364	36 907	6 991	43 898
Net profit		- 2 886	-	- 2 886	- 533	- 3 419
Comprehensive income for the period	-	- 2 886	-	- 2 886	- 533	- 3 419
As at 30 September 2019	38 506	2 879	- 7 364	34 021	6 458	40 479

From 1 January to 31 December 2018

*Equity attributable to the shareholders of a Dominant Entity*

	Share capital, reserve capital share premium	Retained earnings	Revaluation reserve	Total	Equity attributable to non-controlling shareholders	TOTAL EQUITY
As at 1 January 2018	38 506	5 110	-	43 616	3 348	46 964
Net profit/loss	0	655	0	655	-692	-37
Total of comprehensive income	0	655	0	655	-692	-37
Merger with a subsidiary			-7 364	-7 364	4 335	-3 029
As at 31 December 2018	38 506	5 765	-7 364	36 907	6 991	43 898

From 1 January to 30 September 2018

*Equity attributable to the shareholders of a Dominant Entity*

	Share capital, reserve capital share premium	Retained earnings	Revaluation reserve	Total	Equity attributable to non-controlling shareholders	TOTAL EQUITY
As at 1 January 2018	38 506	5 110	-	43 616	3 348	46 964
Net profit		- 2 322	-	- 2 322	- 829	- 3 151
Comprehensive income for the period	-	- 2 322	-	- 2 322	- 829	- 3 151
As at 30 September 2018	38 506	2 788	-	41 294	2 519	43 813



## 3 Background information

### 3.1.1 Dominant Entity

ARCUS S.A. – Contact details

Business name: ARCUS S.A.  
Registered office: 5/7 Kolejowa St.  
01-217 Warsaw  
Telephone no: +48 22 536 09 00  
e-mail: arcus@arcus.pl  
www: www.arcus.pl

ARCUS S.A. is a Dominant Entity in ARCUS S.A. Group operating as a Joint Stock Company. According to the Company's Articles of Association, its duration is unlimited. The entity as a Joint Stock Company was incorporated on 6 November 2006 as a result of transformation of a limited liability company operating under the business name of ARCUS Sp. z o.o. (Limited Liability Company).

The Company's registered office and place of business is at the following address: 5/7 Kolejowa Street, Warsaw. The Company is registered with the National Court Register of the District Court for the City of Warsaw, 12th Commercial Division of the under the following number: 0000271167.

ARCUS S.A. is one of the largest providers of integrated document management and mass mailings systems on the Polish market. ARCUS S.A. is a representative of Kyocera Document Solutions and Pitney Bowes in Poland. The shares of ARCUS S.A. are admitted to trading on the Warsaw Stock Exchange Main Market since 19 June 2008. ARCUS S.A. operates under the provisions of the Commercial Companies Codes and is subject to the provisions of the Act of 29 July 2005 on Trading in Financial Instruments and the Act of 29 July 2005 on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies.

### 3.1.2 Management Board

As at 1 January 2019, 30 September 2019 and as at the date of publication of this report, the composition of the Management Board was as follows:

- Michał Czeredys – President of the Management Board,
- Rafał Czeredys – Member of the Management Board.

### 3.1.3 Supervisory Board

As at 1 January 2019, 30 September 2019 and as at the date of publication of this report, the composition of the Supervisory Board was as follows:

- Marek Czeredys – Chairman of the Supervisory Board,
  - Tomasz Konewka – Vice-Chairman of the Supervisory Board,
  - Jolanta Grus – Member of the Supervisory Board,
  - Krzysztof Rajczewski – Member of the Supervisory Board,
  - Leszek Lechowski – Member of the Supervisory Board,
  - Michał Łotoszyński – Member of the Supervisory Board.
-





### 3.1.4 Arcus Group

As at 30 September 2019 and as at the day of the financial statement hereof publication ARCUS S.A. Group is composed of the following entities:

- ARCUS S.A. as a dominant entity
- Subsidiary undertaking - Arcus Systemy Informatyczne Sp. z o.o.
- Subsidiary undertaking - T-matic Systems S.A.
- Subsidiary undertaking - Geotik Sp. z o.o.
- Subsidiary undertaking - DocuSoft Sp. z o.o.
- Subsidiary undertaking Durau Sp. z o.o. and its subsidiary undertaking LMT Sp. z o.o.
- Zeccer Sp. z o.o.

ARCUS S.A. - dominant entity with its registered office in Warsaw at 5/7 Kolejowa Street, registered with the National Court Register of the District Court for the City of Warsaw, 12th Commercial Division under the number KRS 0000271167. The core business of ARCUS S.A. includes sales, lease and maintenance of document management systems, including printing and copying equipment of the Japanese company Kyocera Document Solutions and third-party and proprietary software, mass correspondence management systems and integration of ICT solutions (information and communication technologies).

Arcus Systemy Informatyczne Sp. z o.o. (ASI) with its registered office in Lublin at 9a Wojciechowska Street, registered with the National Court Register of the District Court for the City of Lublin-Wschód in Świdnik, 6th Commercial Division under the number KRS 0000031806. The company provides consultancy, implementation and maintenance services in the field of Enterprise Resource Planning (ERP) to public institutions. Satore Sp. z o.o. is ASI company's affiliated undertaking. Satore Sp. z o.o. does not perform any business activities.

T-matic Systems S.A. („T-matic”) with its registered office in Warsaw at 5/7 Kolejowa Street, registered with the National Court Register of the District Court for the City of Warsaw, 12th Commercial Division under the number KRS 0000444112. The core business of T-matic involves provision and development of smart grids for electricity, heating, gas and water supply sectors.

Geotik Sp. z o.o. with its registered office in Warsaw at 5/7 Kolejowa Street, registered with the the National Court Register of District Court for the City of Warsaw, 12th Commercial Division under the number KRS 0000444112. The core business of Geotik involves provision of telematics services (fleet monitoring) for passenger, lorry and working machinery transport.

DocuSoft Sp. z o.o., with its registered office in Bielsko-Biała at 153 Warszawska Street, registered with the the National Court Register of District Court for the City of Bielsko-Biała, 7th Commercial Division under the number KRS 0000204275. The Company's core business involves software development and implementation of document workflow management systems.

Durau Sp. z o.o., with its registered office in Wrocław at 40 Robotnicza Street, registered with the National Court Register of the District Court for the City of Wrocław, Commercial Division under the number KRS 0000490845. The company's core business involves establishing a nationwide purchasing group operating in the energy and fuel sectors and offering services to SMEs. A direct subsidiary of Durau is LMT Sp. z o.o., in which Arcus holds 39% of shares (since December 2018).

Zeccer Sp. z o.o. – with its registered office in Wrocław, registered with the National Court Register of the District Court for the City of Wrocław, Commercial Division under the number KRS 0000425365. The Company offers document management services that fit into the global sharing economy trend. These services include, among others, enabling individual clients to print and copy documents in public places for a fee.



## 4 Condensed separate financial statement of ARCUS S.A.

Separate financial statement of ARCUS S.A. prepared in accordance with the International Financial Reporting Standards.

### 4.1 Separate statement of ARCUS S.A. comprehensive income

<u>Profit and loss account</u>					
	<u>Note</u>	<u>01.01-30.09.2019</u>	<u>01.07-30.09.2019</u>	<u>01.01-30.09.2018</u>	<u>01.07-30.09.2018</u>
Sales revenues	8.1	91 065	31 033	75 341	24 136
Direct cost of sales	8.3	-68 313	-23 166	-55 244	-18 042
<b>Gross profit (loss) from sales</b>		<b>22 752</b>	<b>7 867</b>	<b>20 097</b>	<b>6 094</b>
Other operating income	8.4	295	73	443	225
Costs of sales	8.3	-17 141	-5 486	-15 418	-4 758
General administrative expenses	8.3	-5 736	-2 037	-5 453	-1 617
Other operating expenses	8.4	-616	-54	-98	-46
<b>Operating income (loss)</b>		<b>-446</b>	<b>363</b>	<b>-429</b>	<b>-102</b>
Financial income	8.5	136	-178	264	98
Financial costs	8.5	-1 277	-911	-1 039	443
Result on financing activities		-1 141	-1 089	-775	541
<b>Profit (loss) before tax</b>		<b>-1 587</b>	<b>-726</b>	<b>-1 204</b>	<b>439</b>
Income tax:					
Deferred tax		92	70	230	-87
<b>Net profit (loss)</b>		<b>-1 495</b>	<b>-656</b>	<b>-974</b>	<b>352</b>
EBITDA		963	826	977	368
<b>Profit (loss) per share</b>		<b>-0,20</b>	<b>-0,09</b>	<b>-0,13</b>	<b>0,05</b>
Ordinary and diluted		-0,20	-0,09	-0,13	0,05
<u>Statement of comprehensive income</u>					
	<u>Note</u>	<u>01.01-30.09.2019</u>	<u>01.07-30.09.2019</u>	<u>01.01-30.09.2018</u>	<u>01.07-30.09.2018</u>
Net profit (loss) for the period		-1 495	-656	-974	352
Comprehensive income for the period		-1 495	-656	-974	352
<b>Comprehensive income (loss) per share</b>		<b>-0,20</b>	<b>-0,09</b>	<b>-0,13</b>	<b>0,05</b>
Ordinary and diluted		-0,20	-0,09	-0,13	0,05



## 4.2 Interim separate statement of financial position of ARCUS S.A.

Assets				
	Note	As at 30.09.2019	As at 31.12.201	As at 30.09.2018
<b>FIXED ASSETS</b>				
Tangible assets		2 697	2 123	3 368
Intangible assets		3 543	4 126	3 785
Participating interests in subordinated entities		22 141	22 141	29 772
Loans granted	8.9	4 073	3 322	5 086
Financial assets held to maturity		0	0	8 201
Long-term receivables		13 621	11 026	7 203
Deferred income tax assets		4 852	4 761	4 055
<b>Total</b>		<b>50 927</b>	<b>47 499</b>	<b>61 470</b>
<b>CURRENT ASSETS</b>				
Inventories		16 517	11 751	27 248
Loans granted		1 260	469	466
Trade receivables and other receivables		43 332	42 625	34 509
Cash		396	910	2 170
<b>Total</b>		<b>61 505</b>	<b>55 755</b>	<b>64 393</b>
<b>TOTAL ASSETS</b>		<b>112 432</b>	<b>103 254</b>	<b>125 863</b>
<b>Liabilities</b>				
	Note	As at 30.09.2019	As at 31.12.201	As at 30.09.2018
<b>Equity</b>				
Share capital	8.7	732	732	732
Share premium		38 024	38 024	38 024
Revaluation reserve	8.8	-18 524	-18 399	0
Retained earnings		29 031	30 526	27 851
<b>Total</b>		<b>49 263</b>	<b>50 884</b>	<b>66 607</b>
Long-term liabilities	8.11			
Deferred income tax reserve		5 440	5 440	3 976
Provisions for liabilities		399	399	337
Other long-term liabilities		12 775	13 958	16 609
<b>Total</b>		<b>18 614</b>	<b>19 797</b>	<b>20 922</b>
Short-term liabilities	8.13			
Trade liabilities and other liabilities		36 019	28 063	32 498
Other financial liabilities – credits	8.12	8 226	4 115	5 497
Provisions for liabilities		310	395	339
<b>Total</b>		<b>44 555</b>	<b>32 573</b>	<b>38 334</b>
<b>TOTAL LIABILITIES</b>		<b>112 432</b>	<b>103 254</b>	<b>125 863</b>



### 4.3 Interim statement of changes in ARCUS S.A. equity

From 1 January to 30 September 2019					
	Share capital	<u>Share premium</u>	Retained earnings	Revaluation reserve	<u>Total</u>
<b>As at 1 January 2019</b>	732	38 024	30 526	- 18 398	50 884
Net profit	-	-	1 495	-	1 495
Merger with a subsidiary	-	-	-	126	126
<b>Comprehensive income for the period</b>	-	-	1 495	-	1 495
<b>As at 30 September 2019</b>	732	38 024	24 934	- 18 524	49 263
From 1 January to 31 December 2018					
	Share capital	<u>Share premium</u>	Retained earnings	Revaluation reserve	<u>Total</u>
<b>As at 1 January 2018</b>	732	38 024	28 825	-	67 582
Net profit/loss for the period	-	-	1 701	-	1 701
<b>Comprehensive income for the period</b>	-	-	1 701	-	1 701
Merger with a subsidiary	-	-	-	18 399	18 399
<b>As at 31 December 2018</b>	732	38 024	30 526	- 18 398	50 884
From 1 January to 30 September 2018					
	Share capital	<u>Share premium</u>	Retained earnings	Revaluation reserve	<u>Total</u>
<b>As at 1 January 2018</b>	732	38 024	28 825	-	67 582
Net profit	-	-	974	-	974
<b>Comprehensive income for the period</b>	-	-	974	-	974
<b>As at 30 September 2018</b>	732	38 024	27 851	-	66 607



## 4.4 Interim separate statement of ARCUS S.A. cash flows

<u>Cash flow statement</u>	<u>01.01-30.09.2018</u>	<u>01.01-30.09.2018</u>
<b>Cash flows from operating activities</b>		
Profit before tax	-1 587	-1 204
Adjustments	-444	510
Depreciation and amortisation	1 408	1 407
Interests	74	-53
Result on investing activities	-127	-161
Change in inventories	-4 766	-18 690
Change in receivables	-3 264	18 372
Change in liabilities and reserves	6 356	-365
Other	-125	-
<u>Total</u>	<u>-2 031</u>	<u>-694</u>
<b>Cash flows from investing activities</b>		
Inflows	487	595
Disposal of intangible and tangible fixed assets	127	351
Disposal of financial assets (TAURON shares)		
Repayment of loans	360	244
Outflows	-2 266	-3 791
Purchases of intangible and fixed tangible assets	-463	-2 180
Loans granted	-1 803	-1 611
<u>Total</u>	<u>-1 779</u>	<u>-3 196</u>
<b>Cash flow from financing activities</b>		
Inflows	4 111	5 126
Borrowings and bank credits	4 111	5 121
Interests received	-	5
Outflows	-815	-289
Financial lease payments	-605	-186
Interests paid	-210	-103
<u>Total</u>	<u>3 296</u>	<u>4 837</u>
<b>Change in cash</b>	<b>-514</b>	<b>947</b>
Cash at the beginning of the period	910	1 223
<b>Cash at the end of the period</b>	<b>396</b>	<b>2 170</b>



This interim condensed separate financial statement for the period from 1 January to 30 September 2019 has been approved for publication and signed by the Management Board of ARCUS S.A. on 29 November 2019.

Warsaw, 29 November 2019

.....  
Michał Czeredys  
President of the  
Management Board

.....  
Rafał Czeredys  
Member of the  
Management Board

.....  
Katarzyna Balcerowicz  
CFO/Chief Accountant

---