CONDENSED HALF-YEAR FINANCIAL STATEMENTS

RESBUD SE

FOR THE FIRST HALF OF 2019

Prepared in accordance with the International Financial Reporting Standards

Condensed separate financial statements for the first half ended 30 June 2019. (in thousand EUR)

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1 SUMMARY OF BASIC FINANCIAL DATA

	2019-01-01-2019-06-30 unaudited EUR	2018-01-01-2018-06-30 unaudited EUR
Net revenues from the sale of products, goods and materials, in including:	**0**	**twenty**
Costs of sold products, goods and materials, including:	**0**	**21**

Gross profit (loss) on sales	**0**	**-1**
General and administrative expenses	16	70
Profit (loss) on sales	***-16***	***-71***
Profit (loss) from operations	***-22***	***-74***
Financial income	76	42
Financial costs	1	7
profit (loss) Gross	***54***	***-39***
Net profit / loss for the financial period	**54**	**-42**

2 INTERIM CONDENSED FINANCIAL POSITION

ASSETS (in EUR'000)	as of 2019-06-30 UNTESTED THOUSAND EUR	as of 2018-12-31 tested THOUSAND. EUR	as of 2018-06-30 unaudited THOUSAND. EUR
FIXED ASSETS	**0**	**4**	**421**
Income tax and other assets	0	4	5
ASSETS	**1,988**	**2 008**	**2215**
Trade and other receivables	1 957	942	21
Tax receivables	0	7	28
Short-term financial assets	0	991	1879
Cash and cash equivalents	31	65	273
Short-term prepayments	0	3	14
TOTAL ASSETS	**1,988**	**2 012**	**2636**

LIABILITIES (in EUR'000)	as of 2019-06-30 unaudited THOUSAND. EUR	as of 2018-12-31 tested THOUSAND. EUR	as of 2018-06-30 unaudited THOUSAND. EUR
TOTAL EQUITY	**1 892**	**1 848**	**1743**
Share capital	1430	1,430	1407
Differences from conversion into Euro	-58	-43	
Supplementary capital (fund)	1 940	1 919	1820
Reserve capital	70	69	196
Revaluation reserve	427	422	428
Capital from business combination	-4	-4	-4
Retained earnings from previous years	-1 967	-2 033	-2,062
Profit (loss)	54	88	-42
LONG-TERM LIABILITIES	**0**	**4**	**8**
Deferred income tax	0	4	8
CURRENT LIABILITIES	**96**	**160**	**885**
Other short-term provisions	27	26	28
Short-term liabilities due to credits and loans	47	0	820
Trade liabilities and other liabilities	2	twenty	9
Tax liabilities, health insurance	0	0	5
Liabilities due to employee benefits	3	1	3
Other current liabilities	18	113	twenty
TOTAL LIABILITIES	**1,988**	**2 012**	**2636**

Condensed separate financial statements for the first half ended 30 June 2019. (in thousand EUR)

Book value	1 892	1 848	1743
the number of actions	13,000,000	13,000,000	13000000
Book value per share (in euros)	0.15	0.14	0.13
Diluted number of shares	13,000,000	13,000,000	13000000
Diluted book value per share	0.15	0.14	0.13

1 Euro = 4.2395 PLN

3 INTERIM CONDENSED PROFIT AND LOSS ACCOUNT AND STATEMENT OF COMPREHENSIVE INCOME

	2019-01-01-2019-06-30 unaudited EUR	2018-01-01-2018-06-30 unaudited EUR	2018-01-01-2018-12-31 EUR examined
Net revenues from the sale of products, goods and materials, in including:	**0**	**twenty**	**125**
Net revenues from the sale of products	0	twenty	125
Net revenues from the sale of goods and materials	0		0
Costs of sold products, goods and materials, including:	**0**	**21**	**28**
Manufacturing cost of products sold	0	21	28
The value of sold goods and materials	0		0
Gross profit (loss) on sales	**0**	**-1**	**97**
Selling costs	0		0
General and administrative expenses	16	70	123
Profit (loss) on sales	***-16***	***-71***	***-26***
Other operating income	19	8	848
Other operating cost	25	11	524
Profit (loss) from operations	***-22***	***-74***	***298***
Financial income	76	42	87
Financial costs	1	7	296
profit (loss) Gross	***54***	***-39***	***88***
Income tax	0	3	0
Profit / Loss on continuing operations	**54**	**-42**	**88**
Gains / losses on discontinued operations	**0**		**0**
Net profit / loss for the financial period	**54**	**-42**	**88**
Weighted average number of ordinary shares	13,000,000	13,000,000	13000000
Profit (loss) per ordinary share	0.00	0.00	0.01
Weighted average diluted number of ordinary shares	13,000,000	13,000,000	13000000
Diluted profit (loss) per ordinary share	0.00	0.00	0.01

RESBUD SE
Condensed separate financial statements for the first half ended 30 June 2019. (in thousand EUR)

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

Specification	2019-01-01-2019-06-30 unaudited EUR	2018-01-01-2018-06-30 unaudited EUR
Net profit (loss) for the period	**54**	**-42**
Other comprehensive income for the period	0	-4
Ingredients that will not be transferred later periods to the profit and loss account	0	-4
Settlement of business combinations	0	-4
Ingredients that can be moved in later periods to the profit and loss account:	0	0
- settlement from revaluation capital, including:	0	0
- valuation of available-for-sale financial assets	0	0
Total income:	**54**	**-46**

Condensed separate financial statements for the first half ended 30 June 2019. (in thousand EUR)

4 **INTERIM CONDENSED STATEMENT OF CHANGES IN OWN CAPITAL for the six months ended June 30, 2019.**

	Equity capital							
	Capital basic	Reserve capital	Remaining capital reserve	Capital from update valuation	Differences from translation	Capital from connections units	Retained score financial	Capital own together
As of 01/01/2019	**1,430**	**69**	**1 919**	**422**	**-43**	**-4**	**-1 945**	**1 84**
- correction of basic errors	0	0	0	0	0	0	0	
Balance as at 01.01.2019 after changes to	**1,430**	**69**	**1 919**	**422**	**-43**	**-4**	**-1 945**	**1 84**
Capital increase (share issue)	0	0	0	**0**	**0**	**0**	**0**	
Net profit (loss) for the period	0	0	0	0	0	0	-5	
Other comprehensive income for the period	0	0	0	0	0	0	0	
Total income for the period	**0**	**0**	**0**	**0**	**0**	**0**	**-5**	
dividends	0	0	0	0	0	0	0	
Issued share capital	0	0	0	0	0	0	0	
Division of the financial result	0	0	0	0	0	0	0	
Change of structure in the group	0	0	0	0	0	0	0	
Reduction of the share capital	0	0	0	0	0	0	0	
Differences from conversion	**0**	**1**	**21**	**5**	**-15**	**0**	**37**	[illegible]
As at June 30, 2019	**1,430**	**70**	**1 940**	**427**	**-58**	**-4**	**-1 913**	**1 89**

5 **STATEMENT OF CHANGES IN OWN CAPITAL for the twelve months ended December 31, 2018.**

	Equity capital							
	Capital basic	Reserve capital	Remaining capital reserve	Capital from update valuation	Differences from translation	Capital from connections units	Retained score financial	Capital own together
As of 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 as at 01.01.2018 after changes to	**1 558**	**71**	**1 850**	**435**	**0**	**-3**	**-2.096**	**1 815**
Capital increase (share issue)	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 share capital	0	0	0	0	0	0	0	0
Division of the financial result	0	0	0	0	0	0	0	0
Change of structure in the group	0	0	0	0	0	-3	0	0
Reduction of the share capital	-125	0	125	0	0	0	0	0
Differences from conversion	**-3**	**-2**	**-56**	**-13**	**-43**	**-1**	**63**	**-55**
As at December 31, 2018	**1,430**	**69**	**1 919**	**422**	**-43**	**-4**	**-1 945**	**1 848**

Separate semi-annual financial statements for the first half ended June 30, 2019. (in PLN thousand)
Separate semi-annual financial statements for the first half ended June 30, 2019. (in EUR thousand)

6 INTERIM CONDENSED CASH FLOW STATEMENT

(indirect method)	2019.01.01-2019.06.30 unaudited	2018.01.01-2018.06.30 unaudited
A. Cash flow from operating activities	**-80**	**-16**
I. Gross profit (loss)	**54**	**-42**
II. Total adjustments	**-134**	**26**
Depreciation	0	10
Interest and share in profits (dividends)	0	-34
Profit (loss) on investment activities	0	1
Change in provisions	0	-1
Change in receivables	-1 016	55
Change in current liabilities, except for loans and loans	-111	2
Change in prepayments	3	-6
Other corrections	990	-1
III. Net cash from operating activities (I +/- II)	**-80**	**-16**
B. Cash flow from investing activities	**0**	**-889**
I. Receipts	**0**	**176**
Repayment of long-term loans granted		176
II. Expenses	**0**	**1 065**
Other investment expenditure - loans granted		1 065
III. Net cash from investing activities	**0**	**-889**
C. Cash flow from financing activities	**46**	**821**
I. Receipts	**46**	**821**
Net proceeds from the issue of shares (share issues) and other instruments capital and capital surcharges	0	821
Credits and loans	46	0
II. Expenses	**0**	**0**
III. Net cash from financing activities	**46**	**821**
D. Total net cash flow	**-34**	**-84**
E. Balance sheet change in funds, including:	**-34**	**-84**
F. Cash at the beginning of the period	**65**	**360**
G. Cash at the end of the period	**31**	**276**

7 ADDITIONAL INFORMATION

7.1 General information about the issuer

Issuer's name:	*RESBUD SE*
Headquarters:	Tallinn
Address:	Estonia, 11314 Tallinn, Järvevana tee 9-40
Registration number / Ariregister: 14617750	
Share Capital:	EUR 1,430,000
Phone:	+372 602 7780
Web page:	www.resbud.pl
e-mail:	resbud@resbud.pl

The company is being transformed into a holding company, grouping entities from different countries both EU and non-EU, from the construction industry, from the energy and commercial industries. However alone In addition to conducting holding activities, the company also conducts and will continue to operate financial.

7.2 Information on the composition of the Management Board and the Supervisory Board as at 30 June 2019.

Board of directors:

Anna Jõemets
Andrei Prakopchyk
Alexey Petrov

The company's management:

Bartosz Stradomski

7.3. Statement of compliance and basis for preparation

Statement of compliance

The condensed interim financial statements have been prepared in accordance with the International Standard Accounting 34 - "Interim financial reporting", which was approved by the Union European and on the assumption that the entity will continue as a going concern in the foreseeable future future. The condensed financial statements should be read together with the financial statements for the year ended December 31, 2018 and the interim financial statements for the first half of the year 2018.

The legal basis for the preparation of the financial statements are provisions of Estonian law, including The Accounting Act (November 20, 2002 RT I 2002, 102, 600) and the Code Handlowy (Commercial Code of 15 February 1995 RT I 1995, 26, 355).

These interim condensed financial statements have been approved for publication on 30/09/2019.

Functional currency and reporting currency

These financial statements have been prepared in Euro (EUR). Euro currency is the currency Company's reporting. The functional currency of the company is Polish zloty (PLN). Data in the report

have been shown in thousands of Euro. In individual situations were given with greater accuracy.

Accounting principles applied (accounting policy)

Basis for preparation of the financial statements

The report has been prepared on the assumption that the Company will continue as a going concern in foreseeable future.

The Company applies overriding valuation principles based on the historical purchase, purchase or production price, from except for some financial assets that have been valued in accordance with IFRS fair.

Changes in accounting policies used

The same principles were followed in the interim condensed financial statements presented

accounting, as described in the last annual financial statements as at December 31, 2018. with
excluding accounting and measurement principles resulting from the application of IFRS 9 and IFRS 15 presented below.

These condensed interim financial statements were not subject to the applicable regulations reviewed or tested.

Impact of new and changed standards and interpretations

The International Accounting Standards Board has approved for use after January 1, 2018.
new standards:
- IFRS 9 'Financial instruments', which replaced IAS 39 'Financial instruments: recognition and measurement',
- IFRS 15 "Revenue from Contracts with Customers" and Amendments to IFRS 15 explaining some of the requirements the standard that replaced IAS 11 and 18 and interpretations: IFRIC 13, 15 and 18 and SIC 31.

Impact of applying the above standards on the Company's accounting policy and on the report Financial.

IFRS 9 Financial instruments

The company has not previously implemented IFRS 9 and applied IFRS 9 requirements retrospectively for periods beginning after 1 January 2018. In accordance with the option allowed by the standard, the Company abandoned the transformation of comparative data. The implementation of IFRS 9 has changed the policy accounting in the scope of recognition, classification and valuation of financial assets, valuation of liabilities.

Standards published and approved by the EU that have not yet entered into force

In this semi-annual report, the company has not applied standards or standard changes and interpretations that have been published and approved for use in the EU but have not yet entered into force. The Company does not expect a significant impact of the above standards on the company's financial reports.

Selected elements of accounting policy

Valuation of financial assets and liabilities
The company classifies financial assets into the following categories:
- measured at amortized cost,
- measured at fair value through other comprehensive income,
- measured at fair value through profit or loss,

The classification is made at the time of initial recognition of assets. Classification of debt assets financial depends on the business model of managing financial assets and on the characteristics contractual cash flow (SPPI-Solely Payment of Principal and Interest test) for a given component financial assets.

The Company classifies trade receivables to the category of assets measured at amortized cost services, loans granted, which passed the SPPI test, other receivables and cash and their equivalents.

Financial assets measured at amortized cost are measured at amortized cost using the effective interest method, including impairment losses.
Trade receivables with a maturity of less than 12 months from the date of creation, no they are discounted and are valued at their nominal value.

For financial assets purchased or arising, impaired for a moment initial recognition, these assets are measured at amortized cost using effective interest rate adjusted for credit risk.

The following categories of assets measured at **fair value through other comprehensive income** are:

1. 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 contracts cash flows from owned financial assets and from the sale of assets financial, and
- the contractual terms give you the right to receive cash flows on specified dates constituting only capital and interest on capital (i.e. passed the SPPI test),

2. an equity instrument that was irreversible at initial recognition choose a classification in this category. Option to select fair value through other comprehensive income is not available for instruments held for trading.

Gains and losses, both on valuation and realization, arising on these assets are recognized in others comprehensive income, except for dividend income.

The Company classifies loans into the category of **assets carried at fair value through profit or loss** granted which did not pass the contractual cash flow test.

Gains and losses on **the financial asset classified as at fair value through the financial result is recognized in the financial result in the period in which they arose (including revenues from**

interest and dividends).

The company classifies financial liabilities into the category:

- measured at amortized cost,
- measured at fair value through profit or loss,
- hedging financial instruments.

Liabilities other than liabilities are classified as liabilities measured at amortized cost measured at fair value through profit or loss (including trade payables, loans and borrowings) loans), except for:

- financial liabilities that arise when a financial asset does not transfer is eligible to cease recognition,
- financial guarantee contracts, which are valued at the higher of the following amounts:
  on the value of the allowance for expected credit losses determined in accordance with IFRS 9
  with the initially recognized value (i.e. at fair value plus transaction costs that may be directly attributed to the component of financial liabilities), reduced by the cumulative amount of income recognized in accordance with IFRS 15 Revenue from contracts with clients.

Liabilities are classified as liabilities measured at fair value through profit or loss from derivatives not designated for hedge accounting.

Impairment of financial assets

IFRS 9 introduces a new approach to estimating losses in relation to measured financial assets at amortized cost. This approach is based on determining expected losses, regardless of whether or not premises or not.
The company uses the following models for determining impairment losses:

- general (basic) model,
- simplified model.

In the general model, the Company monitors changes in the level of credit risk associated with a given component financial assets.
In the simplified model, the Company does not monitor changes in the level of credit risk during life of the instrument, estimates the expected credit loss in the horizon to the maturity of the instrument.
For the purposes of estimating the expected credit loss, the Company uses:

- in the general model - levels of probability of default,
- in the simplified model - historical levels of payment of receivables from contractors.

The Company considers the default of the counterparty after the expiry to be insolvency 90 days from the due date.

The company includes information about the future in the parameters of the loss estimation model used expected, by adjusting the underlying default probability coefficients (for receivables) or by calculating default probability parameters based on current ones market quotations (for other financial assets). The company uses a simplified calculation model impairment losses for trade receivables.

The general model applies to other types of financial assets, including debt assets financial assets measured at fair value through other comprehensive income.

Impairment losses on debt financial instruments measured at amortized cost (at the time of initial recognition and calculated for each subsequent day ending the period reporting) is recognized in other operating expenses. Profits (reversal of write-down) on account of decreases in the expected value of impairment are recognized in other operating income.

For purchased and arising financial assets impaired due to risk at initial recognition, favorable changes in expected credit losses are recognized as profit from impairment in other operating revenues.

Impairment losses on debt financial instruments measured at fair value through other comprehensive income is recognized in other operating expenses. Profits (reversal of write-off) from the decrease in the expected value of the credit loss is recognized in other income operating.

IFRS 15 revenues from contracts with clients

In accordance with IFRS 15, revenues are recognized when the performance is completed (or in the course of performance) obligations to perform the service by providing the promised good or service (i.e. component assets) to the customer. An asset is transferred when the customer obtains control of this asset.

Control over an asset refers to its ability to directly dispose of that asset assets and obtaining substantially all other benefits from it.

As part of the introduced changes regarding the method of recognition and presentation of revenues from contracts with the clients, the issuer reviewed and analyzed existing contracts in terms of IFRS 15 guidelines according to a five-element revenue recognition model.

An asset recognized to date, and also under the influence of the new IFRS 15, is the right to payment, in the form of trade receivables, recognized at the same time as revenue from sales. The presentation of prepayments received from customers in advance is also unchanged an obligation to provide products and services until it is settled and recognized in revenue after implementation each delivery. As part of contracts concluded with clients, the presentation of data in this respect will not be affected changed. In the company's opinion, there are no significant issues related to concluded contracts, which should be presented in a different way than before.

First application of IFRS 15 with retrospective application with the combined effect of the first the application of the standard does not affect the adjustment of the initial balance of retained earnings as at January 1, 2018 as well as other items in the financial statements of both the current period reporting and as at January 1, 2018 compared to and related standards interpretations in force before the change

Separate semi-annual financial statements for the first half ended June 30, 2019. (in EUR thousand)

Indication of average exchange rates of the Polish zloty in the period covered by the financial statements and data comparable to the euro, set by the National Bank of Poland.

average rates in the period reporting	reporting period from 2019.01.01 to 2019.06.30		reporting period from 2018.01.01 to 2018.06.30	
	Course	Date	Course	Date
course on the last day of the period	4.2520	06/28/2019	4.3616	29/06/2018
average arithmetic course in period	4.2954	from 01/01/2019 until 30/06/2019	4.2201	from 01/01/2018 until 30/06/2018
lowest rate	4.2520	06/26/2019	4.1423	01/29/2018
highest rate	4.3402	02/24/2019	4.3616	29/06/2018

** exchange rate being the arithmetic average of the average exchange rates announced by the National Bank of Poland for the last one day of each month in the reporting period*

Selected financial data presented in the financial statements has been converted into EUR in the following way:

- balance sheet items are converted at the average exchange rate announced by the National Bank of Poland applicable as at the balance sheet date:
  - o on June 28, 2019
  - o on December 31, 2018
- items of the income statement and cash flow statement are translated at the exchange rate constituting the arithmetic average of average exchange rates announced by the National Bank of Poland applicable on the last day of each month in the reporting period:
  - ➢ in the period from January 1, 2019 to June 30, 2019, EUR 1 = 4.2954
  - ➢ in the period from January 1, 2018 to June 30, 2018, EUR 1 = 4.2395

7.4 . Information on the condensed consolidated financial statements for the first half of 2019.

As at June 30, 2019, RESBUD SE does not have subsidiaries and does not prepare consolidated financial statements.

7.5. Information on average employment and salaries, broken down into groups.

Lp.	*Name*	*01-01.2019-30-06-2019*	*01-01.2018-30-06-2018*
1. Total		2	4
2. Production employees		0	0
3. Engineering and technical employees		0	0
4. Administrative and office employees		1	3
5. Management staff (management board)		1	1

Separate semi-annual financial statements for the first half ended June 30, 2019. (in EUR thousand)

As at 30/06/2019, the Company did not employ employees based on employment contracts or based on civil law contracts, however, one person is shown on the payroll as an employed person staying on long-term release without the option of terminating the contract.

One person has a legal relationship based on the appointment agreement.

Management Board and Supervisory Board remuneration.

Remuneration of managing and supervising persons in EUR thous.	*01-01.2019 -30-06-2019*
Supervisors - members of Supervisory Boards	0
people in charge	10

Salary of managing and supervising persons in one thousand euros	*01-01.2018 -30-06-2018*
Supervisors - members of Supervisory Boards	1.5
people in charge	3

1 Euro = 4.2395 PLN

8 ADDITIONAL INFORMATION CONCERNING THE ASSESSMENT OF THE FINANCIAL, ASSETS, HR, FINANCIAL RESULT AND ABOUT SURETIES, LOANS OR GUARANTEES GRANTED .

	2019-01-01-2019-06-30 unaudited EUR	2018-01-01-2018-06-30 unaudited EUR
Net revenues from the sale of products, goods and materials, in including:	**0**	**twenty**
Net revenues from the sale of products	0	twenty
Net revenues from the sale of goods and materials	0	0
Costs of sold products, goods and materials, including:	**0**	**21**
Manufacturing cost of products sold	0	21
The value of sold goods and materials	0	0
Gross profit (loss) on sales	**0**	**-1**
Selling costs	0	
General and administrative expenses	16	70
Profit (loss) on sales	***-16***	***-71***
Other operating income	19	8
Other operating cost	25	11
Profit (loss) from operations	***-22***	***-74***
Financial income	76	42
Financial costs	1	7

Separate semi-annual financial statements for the first half ended June 30, 2019. (in EUR thousand)

profit (loss) Gross	***54***	***-39***
Income tax	0	3
Profit / Loss on continuing operations	**54**	**-42**
Gains / losses on discontinued operations	**0**	**0**
Net profit / loss for the financial period	**54**	**-42**
Weighted average number of ordinary shares	13,000,000	13,000,000
Profit (loss) per ordinary share (in PLN)	0.00	0.00
Weighted average diluted number of ordinary shares	13,000,000	13,000,000
Diluted profit (loss) per ordinary share (in PLN)	0.00	0.00

Selected RESBUD SE profitability ratios:

[%] Indicator	*I half year 2019*	*I half year 2018*
Gross margin on sales	not calculated *	-0.06
Profitability on sales	not calculated *	-3.60
Operating profitability	not calculated *	-3.73
Net profitability	not calculated *	2.11
Return on assets - ROA	0,027	-0.02
Return on equity - ROE	0.028	-0.02

Indicators based on the volume of revenues / sales were not calculated due to the lack of sales of products / products in the period covered by the Report.

Gross profit margin on sales - gross profit on sales / revenues from sales
Profitability on sales - profit on sales / revenues from sales
Operating profitability - operating profit / sales revenues
Net profitability - net profit / sales revenues
Return on assets (ROA) - net profit / assets
Return on equity (ROE) - net profit / capital

Selected RESBUD SE liquidity and debt ratios:

Indicator	*I half year 2019*	*I half year 2018*
Current liquidity	twenty	2.50
Fast liquidity	twenty	2.49

Current liquidity - current assets / short-term liabilities
Quick liquidity - (current assets - inventories - short-term settlements active) / short-term liabilities

Indicator	*H1 2019*	*H1 2018*
Total debt ratio	0.05	0.34

Total debt ratio - total liabilities / liabilities.

8.1 *Information on loan guarantees granted by the issuer or by its subsidiary loan or guarantee*

Information on loan or credit sureties granted by the issuer or its subsidiary

granting a guarantee - jointly to one entity or a subsidiary of that entity, if combined

the value of existing sureties or guarantees is significant, specifying: the name (business name) of the entity to whom

sureties or guarantees have been granted, the total amount of loans or borrowings, which in full or

in a certain part has been properly guaranteed or guaranteed for the period for which they were granted

sureties or guarantees, financial conditions under which the sureties or guarantees were granted,

specifying the remuneration of the issuer or its subsidiary for granting sureties or guarantees,

the nature of the relationship between the issuer and the entity that has borrowed.

In the first half of 2019, RESBUD SE did not grant any loans or credits

warranty. However, as a result of the conclusion of the Investment Agreement between the shareholders of Resbud SE

became a creditor of AP Energobau OÜ, in place of the debtor Patro Invest OÜ, on account of the claim

originating from loans granted, for a total of EUR 1,920,000.

8.2 *Other information that is significant, in the issuer's opinion, to assess its personnel and property situation, financial result and changes thereof, and information that is relevant to the assessment of the opportunity fulfillment of obligations by the Issuer.*

At the time of presenting the Report, the main business sense of Resbud SE's operations is

construction of a holding company, grouping other companies (so-called one-story companies). Until the construction of the holding company the company is

dependent on external financing provided by third parties. The company also performs

operations aimed at building a holding, i.e. intending to acquire shares of other entities using

assets owned.

Building a holding requires, however, undertaking a number of business activities, including many such,

which take place outside the company itself.

Such a state of affairs may, however, lead to a situation in which the Company will not be able to implement it

strategic goals set for it while remaining in the need of acquiring

external financing for the purposes of financing its operations.

8.3 *Indication of factors which, in the Issuer's opinion, will have an impact on the results achieved by him in the perspective of at least the next quarter.*

In the light of the knowledge possessed by the Management Board of Resbud SE in the perspective of the next quarter on the situation the situation

the company will be affected by the implementation of the provisions of concluded contracts to the extent accepted and granted

financing and company plans for new holding components.

In the part related to the accepted financing, the result will be slightly affected by the cost incurred

financing, in particular interest on the loan agreement concluded in the first half of the year with the repayment date until December 31, 2019 and interest rates similar to market conditions.

In addition, interest income generated on receivables from AP Energobau OU na will be significant EUR 1,920,000 with a repayment deadline of May 31, 2019 and interest on statutory interest for 8% delay per annum. Due to the fact that Resbud SE intends to acquire a stake in Energokomplekt OOO from AP Energobau OU, this claim will be part of the settlement for paying the price for shares acquired.

9 Description of significant risk factors and threats specifying the extent to which the issuer is exposed to them.

Objectives and principles of financial risk management

The main financial instruments used by the Company are receivables and liabilities due to deliveries and services that arise directly in the course of her business. The company does not enter into transactions with participation of derivatives.

The main types of risk arising from the Company's financial instruments include: interest rate risk, liquidity risk, credit risk and financial collateral risk. Management is responsible for establishing the Company's risk management policies and overseeing them compliance. The Company's risk management policies are designed to identify and analyze risks for which The company is exposed, setting appropriate limits and controls, as well as risk and degree monitoring matching limits to it.

Credit risk.

As a result of performing the Investment agreement, the Company found itself in a situation where all its receivables from The loans were consolidated and then switched to AP Energobau OU, which is the main one a shareholder of the Company. At the same time, AP Energobau OU is the owner of the block of shares of Energokomplekt OOO. Resbud SE intends to acquire shares in Energokomplekt OOO and to present the claim against AP Energobau OU. Until the transaction is completed, the Company bears the credit risk.

Credit risk is the risk of incurring a financial loss by the Company when the customer or the other the contracting party does not meet the obligations arising from the contract. Credit risk is associated primarily with all with receivables. The Company's exposure to credit risk is mainly due to individual characteristics every customer. The company monitors its receivables on an ongoing basis. Due to the limitation of construction and level of credit risk has fallen significantly in recent months. The company creates write-offs impairment losses which correspond to the estimated value of losses incurred on trade receivables, other receivables and on investments. Purpose pursued

the Company's credit policy is to maintain its liquidity ratios at a safe high level, timely settlement of obligations towards suppliers and minimization of costs related to servicing bank liabilities. Minimizing the use of bank loans and related costs financial policy is also used to manage liabilities and receivables from suppliers and customers. Its purpose is to agree the terms of mutual payments in such a way that they respect the principle of timeliness fulfill own obligations, also use trade credit.

Liquidity risk.

At the end of the reporting period, the Company operates based on the financing obtained

external to loans granted by third parties.

Until the completion of the holding process, the Company is exposed to the risk of losing liquidity.

The liquidity risk management process consists in monitoring projected cash flows, a

then adjusting the maturity of assets and liabilities, working capital analysis and holding

access to various sources of financing.

The Company's goal is to maintain a balance between continuity and flexibility of financing through

using financing sources such as loans, overdraft facilities, and leasing agreements

financial statements.

Risk of exchange rate fluctuations and limited liquidity

Stock market fluctuations and short-term value fluctuations are an inherent feature of stock exchange trading

rotation. This may result in the event that any sale or purchase of a larger block of the Issuer's shares may be tied

you will have to accept a much less favorable price than the reference price. You also can't

exclude temporarily significant liquidity restrictions, which may prevent or significantly impede sales

or purchase of the Issuer's shares.

Risk of instability of the Polish legal system

Frequent amendments, inconsistency and lack of uniform interpretation of the law, in particular tax law,

and legal regulations to which the Issuer is subject, being a public company, they carry a significant risk related to

legal environment in which the Issuer operates, e.g. Risk related to recognizing the company as an Alternative company

investment within the meaning of the Act on investment funds and management of alternative funds

investments of May 27, 2004 (i.e. of October 19, 2016; Journal of Laws of 2016, item 1896).

the Company's analysis of applicable laws and operations

economic results that the Company does not meet the statutory criteria necessary to qualify it as

ASI within the meaning of the Act on investment funds. However, bearing in mind the position

The Polish Financial Supervision Authority cannot be ruled out that the Company will be by the Polish Financial Supervision Authority

recognized as ASI. It should be noted that if it is considered that the Company has the status of ASI under the Act on

investment funds, failure to obtain the appropriate authorization or registration raises risks

incurring criminal and financial liability. Amendments to the law may have direct or

indirect impact on the Issuer's operations and financial results.

Risk related to achieving strategic goals, i.e. building a holding company

At present, the business sense of Resbud SE's business is building the company

holding grouping other companies (so-called one-story). Until the construction of the holding company the company is dependent

from external financing provided by entities that are ultimately to become part of the holding company.

The company also performs operations aimed at building a holding, i.e. intends to acquire shares in others

entities using their assets.

Building a holding requires, however, undertaking a number of business activities, including many such,

which take place outside the company itself.

Such a state of affairs may, however, lead to a situation in which the Company will not be able to implement it

strategic goals set for it while remaining in the need of acquiring

external financing for the purposes of financing its operations.

The risk associated with the loan

There is a risk of being unable to repay the loan taken on time. The company will undertake all efforts to limit the indicated risk, however, due to the significance and complexity of organizational and organizational changes legal effects cannot be completely excluded.

Risk related to the shareholding structure

As at the date of this report, 33.00% of the share capital and 33.00% of votes at the General Meeting The Issuer's Meeting belongs directly to AP Energobau OU based in Estonia, which means that this entity has a significant impact on the resolutions adopted at the General Meeting of Shareholders Issuer. The remaining 67% of shares in the share capital and votes at the GSM are held by many shareholders, none of whom holds more than 5% of the share capital. Such a system means that as a rule, the leading shareholder is able to vote resolutions in line with his interest in the system two Extraordinary General Meetings. At the same time, however, it cannot be excluded that the leading one the shareholder will be voted by the other shareholders. However, this state of affairs means that

The system of organization of Extraordinary General Meetings in order to obtain the possibility of making binding resolutions by shareholders is extended in time.

Risk related to the economic situation

The economic situation and economic situation in Poland has a significant impact on the financial results achieved by all entities, including the Issuer, as the successful development of companies investing in financial instruments and those carrying out financial service activities depend to a large extent on, inter alia, shaping business conditions. Since the transfer of the Issuer's registered office to Estonia, the risk in the above also applies to operating in the Republic of Estonia. The company notes that ultimately, after the creation of the holding company, Resbud SE will be a shareholder or shareholder in the entities operating in the territory of various Central and Eastern European countries.

Events after the balance sheet date

Not applicable

The Management Board of RESBUD SE

Date	First name and last name	Position / Function	Signature
30-09-2019	Bartosz Stradomski	Chairman of the Board	SIGNED ELECTRONICALLY

Signature of the person entrusted with keeping accounting books

Jolanta Gałuszka

Jolanta Gałuszka - GALEX Statutory Auditor's Office