MCI VENTURE PROJECTS
LIMITED VI JOINT-STOCK PARTNERSHIP

Financial statements

for a period

01.11.2016 – 31.10.2017

Financial statements
For a period 01.11.2016 – 31.10.2017

Declaration by the Management Board on the accuracy of the prepared financial statements

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

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Sometimes company does not present immaterial information, even if a given standard (IFRS) describes it as the minimum scope of disclosure. Company may however provide information, which is not reguired if it could lead to a better understanding by the user of the financial statements of the impact of particular transactions on a entity's assets and financial results.

Signed on Polish original

Active Partner
Management Board
of MCI Venture Projects Ltd.

Signed on Polish original

Maciej Strzelecki CMM Ltd.
Chief Accountant

Warsaw, 28.02.2018

Introduction

1. Corporate information

a) MCI Venture Projects Limited VI Joint-Stock Partnership was established in 2013 with registered office in Warsaw at Plac Europejski, 00-844 Warsaw, National Economy Register: 146978907, Tax Identification Number: 525-25-77-368.

b) MCI Venture Projects Limited VI Joint-Stock Partnership registered at the Warsaw Regional Court, entry no. KRS (NCR) 0000485654 at date 14.11.2013.

c) The principal activities of the Company comprise:
- holding company,
- financial activity,
- consulting.

d) The Company has an unlimited period of operation.

e) As at the date of signing these financial statements the composition of the Management Board of Active Partner was as follows:
- Tomasz Czechowicz – President of the Management Board
- Ewa Ogryczak – Member of the Management Board
- Wojciech Marcińczyk – Member of the Management Board
- Cezary Smorszczewski – Member of the Management Board until 7th December 2016

As at the date of approval of these financial statements Mr Cezary Smorszczewski is no longer a Member of the Management Board as on 7 December 2016 he tendered his resignation. No new Member of the Management Board was appointed to replace Mr Smorszczewski.

f) These financial statements cover the accounting year from 1 November 2016 to 31 October 2017.

2. Basis of preparing financial statements

a) These financial statements are made in accordance with International Financial Reporting Standards (IFRS) and with the interpretations issued by the International Accounting Standards Board as approved by the European Union pursuant to the Regulation of the European Parliament and of the Council No 1606/2002 on the application of international accounting standards "IFRS EU".

IFRS EU include standards and interpretations approved by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) for use in the EU.

b) The accounting policies described below were applied in a continuous manner in all reported periods. Changes in accounting policies are described in more detail in Note 3 and in the introduction to these financial statements.

c) The profit and loss account is prepared with classification of expenses by function. The cash flow statement is prepared using the indirect method.

d) In connection with the Company's prevailing business, the following have been presented under operating activity:

a. Disposal of shares and stocks
b. Interest revenue
c. Dividends received

e) At the date of its establishment the Company's accounting year included the period from 1 December to 30 November. Currently, after the change, the accounting period covers the period from 1 November to 31 October.

f) The financial statements were made with the assumption that the Company will continue as a going concern in the period of 12 months after the last balance sheet date, i.e. after 31 October 2017. As at the date of approving these financial statements, the Management Board of the Company's General Partner is not aware of any facts or circumstances which could suggest any threat to the company's going concern status within 12 months following the balance sheet date as a result of voluntary or involuntary discontinuation or limitation of the existing business.

g) The basis for adopting the principle of going concern was reassurance provided by the majority shareholder of the Company, ie MCI.EuroVentures 1.0 subfund separated from MCI.PrivateVentures FIZ (hereinafter: "Fund"), that the Fund will be able to withdraw from applying for repayment of receivables resulting from purchase of shares of ABC Data SA due to other subsidiaries of the Fund or provide financial support necessary for the Company to continue operations in the period not shorter than until October 31, 2018.

h) Until the date of these financial statements there have been no events which were not but should have been included in the accounts for the reporting period. At the same time, there are no material events in these financial statements relating to the previous years.

i) Financial data have been rounded off to the nearest Polish zloty.

j) Compliance with International Financial Reporting Standards

These financial statements are made in accordance with International Financial Reporting Standards and with the interpretations issued by the International Accounting Standards Board as approved by the European Union pursuant to the Regulation of the European Parliament and of the Council No 1606/2002 on the application of international accounting standards "IFRS EU".

IFRS EU include standards and interpretations approved by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) for use in the EU.

Standards and interpretations adopted by IASB which are effective for annual periods beginning on or after 1 January 2017:

a) Amendments to IAS 7 *Cash Flow Statement*: *Disclosure Initiative* - effective for annual periods beginning on or after 1 January 2017,
The amendments are designed to improve the quality of information provided to users of financial statements about the entity’s financing activities and the related cash flows. The following requirements are introduced:
   (i) a reconciliation of the amounts in the opening and closing statement of financial position for each item for which cash flows have been, or would be, classified as financing activities, excluding equity items;
   (ii) disclosure about matters that are relevant to understanding the entity's liquidity, such as restrictions that affect the decisions of an entity to use cash and cash equivalent balances.

Standards and interpretations adopted by IASB which have not yet been approved for use by the EU:

a) IFRS 9 *Financial Instruments* (of 12 November 2009 together with subsequent amendments to IFRS 9 and IFRS 7 of 16 December 2011) – effective for reporting periods beginning on or after 1 January 2018

The new standard replaces the guidance included in IAS 39 *Financial Instruments*: *Recognition and Measurement*, concerning classification and measurement of financial assets. The standard eliminates the categories existing in IAS 39 of *held to maturity*, *available for sale* and *loans and receivables*. On initial recognition financial assets will be classified in one of the following categories:

- financial assets at amortised cost; or

- financial assets at fair value.

Financial assets are measured at amortised cost if the following two conditions are met: the assets are held as part of a business model whose purpose is to keep the assets in order to generate cash flows under a contract; and, the relevant contract terms provide for cash flows at certain dates which consist solely of capital and interest on the outstanding capital.

Profits and losses on the valuation of financial assets at fair value are recognised in the profit (loss) of the current period, except for a situation when the investment in a financial instrument is not held for trading. IFRS 9 offers an opportunity to measure such financial instruments, upon their initial recognition, at fair value through other comprehensive income. The above decision is irreversible. Such choice may be made for each instrument separately. Amounts recognised in other comprehensive income may not subsequently be reclassified to profit and loss account.

IFRS 9 introduces a new impairment model, i.e. the expected credit losses model. Another important requirement under IFRS 9 relates to the duty to disclose in other comprehensive income the effects of changes in own credit risk under financial liabilities at fair value through profit or loss.

b) IFRS 15 *Revenue from Contracts with Customers* – effective for reporting periods beginning on or after 1 January 2018

IFRS 15 establishes a comprehensive framework for determining how and when to recognise revenue and requires significant disclosures from companies using IFRS. The standard introduces a uniform model of five steps, based on principles, which is to be used with respect to all contracts with customers for the purposes of recognising revenue.

b) IFRS 16 *Leases* – effective for reporting periods beginning on or after 1 January 2019

IFRS 16 replaces the existing provisions on leasing included in IAS 17, IFRIC 4, SIC 15 and SIC 27. IFRS introduces a single lease accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the period of the lease is 12 months or less or the underlying asset is of low value. Lessor accounting requirements are basically unchanged with respect to IAS 17 - a lessor continues to classify its leases as either operating leases or finance leases.

c) IFRS 14 *Regulatory Deferral Accounts*; *deferral account balances* – effective for reporting periods beginning on or after 1 January 2016 The standard was published as part of a larger project entitled Rate-Regulated Activities, which focuses on the comparability of financial statements of entities operating in areas subject to rate regulation by specific regulatory or supervisory bodies (depending on the jurisdiction, such areas often include electricity and heat distribution, electricity and gas sales, telecom services, etc.)

Rather than addressing a wide range of issues related to accounting policies applicable to rate-regulated activities, IFRS 14 defines only the rules governing disclosure of balances of income or expense that would not be recognised as an asset or liability in accordance with other IFRSs but that qualify for deferral in line with regulations on rate control.

IFRS 14 may be applied if an entity conducts rate-regulated activities and has recognised amounts that meet the definition of 'regulatory deferral account balances' in its financial statements prepared in accordance with previous accounting policies.

Under IFRS 14, such items should be disclosed in a separate item of assets or liabilities in the statement of financial position. These items are not classified as current or non-current and are not referred to as assets or liabilities. Consequently, deferral accounts presented under assets should be disclosed as 'deferral account debit balances', whereas accounts under liabilities − as 'deferral account credit balance'.

The entities should disclose net movements in those balances in profit or loss or other comprehensive income, separately in other comprehensive income and in profit or loss (or in the separate statement of profit or loss).

In line with the decision of the European Commission, as a temporary standard it will not be subject to endorsement.

d) Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures*: *Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture* - deferred indefinitely
The changes relate to a sale or contribution of assets between an investor and its associate or joint venture and clarify that gain or loss recognition for transactions with an associate or joint venture depends on whether the sold or contributed assets constitute a business.

e) Amendments to IAS 12 *Income Tax*:
Recognition of Deferred Tax Assets for Unrealised Losses - effective for reporting periods beginning on or after 1 January 2017,
The purpose of the amendments is to clarify that unrealised losses on debt instruments measured at fair value (and for tax purposes at cost) may result in deductible temporary differences.
The proposed amendments will also provide that the carrying amount of an asset does not limit the estimates regarding the value of future taxable profits. Furthermore, for the purposes of comparisons of deductible temporary differences to future taxable profits, future taxable profits will not include the tax deductions resulting from the reversal of such deductible temporary differences.

f) Clarifications concerning IFRS 15 *Revenue from Contracts with Customers* – effective for annual periods beginning on or after 1 January 2018
The amendments clarify the manner in which:
(i) performance obligations must be identified,
(ii) the entity needs to determine whether it is a principal or agent for the purposes of a given contract,
(iii) licensing revenue is to be recognised (at a point in time or settled over a period of time)
The amendments introduce 2 additional exemptions aimed to reduce the cost and difficulties for companies while adopting the standard.

g) Amendments to IFRS 2 *Share-Based Payments* – effective for annual periods beginning on or after 1 January 2018,
The amendments clarify the method for recognising certain types of payments in the form of shares. The amendments introduce requirements regarding the recognition of:
(i) payments in the form of shares settled in cash, including a condition of achieving by the entity of specified business results,
(ii) payments in the form of shares settled after deduction of tax,
(iii) changes of share-based payments settled in cash into ones settled in equity instruments.

h) Amendments to IFRS 4 *Application of IFRS 9 Financial Instruments together with IFRS 4 Insurance Contracts* - effective for annual periods beginning on or after 1 January 2018.
The amendments are designed to remove the effects of accounting mismatch from the profit and loss accounts of issuers of insurance contracts. In line with the above amendments, the following solutions are admissible:
- application of IFRS 9 *Financial Instruments* together with recognition in comprehensive income, rather than P&L, the volatility that could arise when IFRS 9 *Financial Instruments* is applied instead of IAS 39 *Financial Instruments* for all issuers of insurance contracts ("overlay approach"),
- temporary (available until 2021) exemption from the application of IFRS 9 *Financial Instruments* for companies whose activities are predominantly connected with insurance and application in such period of IAS 39 *Financial Instruments* ("deferral approach").

j) IFRIC 22 *Foreign Currency Transactions* - effective for annual periods beginning on or after 1 January 2018
The interpretation clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency. The interpretation covers foreign currency transactions when an entity recognises a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration in a foreign currency before the entity recognises the related asset, expense or income.

k) Amendments to IAS 40 *Investment Properties* – effective for annual periods beginning on or after 1 January 2018,
The amendments are designed to provide guidance on transfers to, or from, investment properties. The amendment relates to paragraph 57 which provides that a transfer to and from an investment property occurs only when there is an evident change in use. A list of evidence in paragraph 57(a)-(d) was designated as a non-exhaustive list of examples whereas the current list is an exhaustive one.

l) Amendments to IFRS (2014-2016) - amendments resulting from annual (2014-2016) improvements cycle – effective for annual periods beginning on or after 1 January 2017 /after 1 January 2018

- Amendment to IAS 1 *First-Time Adoption of International Financial Reporting Standards*
  The amendment deletes short-term exemptions provided in par. E3-E7 of IFRS 1, as they related to past reporting periods and have served their intended purpose. The above exemptions enabled first-time adopters of IFRS to apply the same disclosures as the disclosures used by other entities applying them for a long time with respect to:
  i. disclosure of certain comparative information concerning financial instruments, required as a result of introduction of amended IFRS 7
  ii. Presentation of comparative information for the disclosures required by IAS 19, about the sensitivity of the defined benefit obligation to actuarial assumptions
  iii. Retrospective application of the investment entities requirements of IFRS 10, IFRS 12 and IAS 27.

- Amendment to IFRS 12 *Disclosure of Interests in Other Entities*
  The proposed amendment clarifies the scope of IFRS 12 by specifying that the disclosure requirements in the Standard, except for those in paragraphs B10-B16, apply to any interests that are classified as held for sale, held for distribution to owners or discontinued operations in accordance with IFRS 5. This amendment was proposed because of confusion on the interaction of the disclosure requirements between IFRS 5 and IFRS 12.

- Amendments to IAS 28 *Investments in Associates and Joint Ventures*
  The proposed amendment clarifies that the option for a venture capital organisation or other qualifying entity (such as a mutual fund, unit trust or similar entity) to measure investments in associates and joint ventures at fair value through profit or loss (rather than by applying the equity method of accounting) is made on an investment-by-investment basis upon initial recognition of each investment. A similar clarification is proposed for the election available for an entity that is not an investment entity and that has an associate or joint venture that is an investment entity; to retain the fair value measurements used by that investment entity associate or joint venture when applying the equity method.

The Company is in the process of determining the impact that IFRS 9, IFRS 15 and IFRS 16 will have on its financial statements. The Company estimates that the remaining (apart from IFRS 9, IFRS 15 and IFRS 16) above-mentioned standards, interpretations and amendments to standards will not have any significant bearing on the Company's financial statements.

The above changes will not affect the Company's accounting policy, either this year or next year.

k) Significant estimates and assumptions

In preparing financial statements, the Management uses estimates relying on assumptions and judgments that affect the applied accounting policies and the disclosed values of assets, liabilities, revenues and expenses. Assumptions and the resultant estimates are based on historical experience and on the analysis of multiple factors deemed reasonable and the results underlie professional judgment as to the value of the relevant item. In certain material issues the Management relies on opinions of independent experts.

3. Main accounting policies

a) Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held by the entity for use in production and the supply of goods and services, for rental to others or for administrative purposes;
- are expected to be used during more than one year;
- are expected to generate future economic benefits that will flow to the entity; and
- have value that can be measured reliably.

As at the end of the reporting period, items of property, plant and equipment are recognised at cost less accumulated depreciation and accumulated impairment losses.

Subsequent expenditures on items of property, plant and equipment (for example to increase the usefulness of an item, for spare parts or renovation) are recognised in the carrying amount of a given item or as a separate asset (if appropriate) only if it is probable that future economic benefits associated with these expenditures will flow to the entity, and the cost of the expenditure can be measured reliably. All other expenditures on repairs and maintenance are recognised in profit or loss in the period in which they are incurred.

Items of property, plant and equipment (excluding land) are depreciated using the straight-line method, for items which are used in production process at equal level throughout the period of their usage.

Fixed assets are amortized as below:

• buildings	2,50 % - 10,00 %
• technical equipment and machinery	14,00% - 20,00 %
• motor vehicles	20,00 – 40,00 %
• other fixed assets	20,00 %

b) Leasing

A contract in which a significant part of the risk and benefits due to ownership remains with the lessor (the financing party) is recognized as an operating lease, a rental or lease agreement. Lease payments made as part of operating lease, tenancy or lease after reduction by any special promotional offers obtained from the lessor (financing party) are charged to the costs using the straight-line method over the period of the lease, tenancy or lease.

c) Financial Instruments

Classification of financial instruments

Financial instruments are classified into one of the following categories:

- financial assets measured at fair value through profit or loss;
- loans and receivables;
- available-for-sale financial assets;
- financial assets held to maturity

Financial assets and liabilities measured at fair value through profit or loss

This category includes financial assets and financial liabilities held for trading and financial assets and liabilities designated at fair value through profit or loss at their initial recognition. A financial asset is classified to this category if it is acquired principally for the purpose of selling in the near term or if it is designated by the entity upon initial recognition as at fair value through profit or loss.

Financial assets held to maturity

If the Company intends and is able to hold debt securities to maturity, the Company classifies them as financial assets held to maturity. Financial assets held to maturity are initially recognized at fair value increased by directly attributable transaction costs. The valuation of financial assets held to maturity at a later date is carried out at amortized cost using the effective interest method, less any impairment losses. The disposal or reclassification of a greater than insignificant amount of financial assets held to maturity, other than close to maturity, causes that the Company reclassifies all investments held until maturity to investments available for sale and causes that by the end of the financial year and by two subsequent financial years the Company cannot recognize the acquired investments as financial assets held to maturity. Financial assets held to maturity include bonds.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as “available-for-sale” or not classified to any of the other categories. This category primarily includes financial assets which do not have a fixed maturity date and which do not meet the criteria for being included in other categories. Available-for-sale financial assets are included in non-current assets unless the Company intends to dispose of the investment within 12 months from the end of the reporting period.

3. Main accounting policies (cont.)

Measurement of financial instruments at the end of the reporting period

Financial assets and financial liabilities measured at fair value through profit or loss, available-for-sale financial assets and derivative hedging instruments

Financial assets and financial liabilities measured at fair value through profit or loss, available-for-sale financial assets and derivative hedging instruments are subsequently measured at fair value. Available-for-sale financial assets, which do not have a fixed maturity date, and the fair value of which cannot be determined in a reliable manner, are carried at cost less any impairment losses.
Gains and losses on financial assets which are classified as financial assets measured at fair value through profit or loss are recognised in profit or loss in the period in which they arise.
Gains and losses on a financial asset which are classified as available-for-sale are recognised in other comprehensive income. In case of disposal available-for-sale assets or permanent impairment losses, gains and losses are recognised in profit and loss in which they arise.

Loans and receivables

Loans and receivables are measured at amortised cost using the effective interest rate method.

Fair value

The fair value of an asset or liability is the price at which the asset could be sold or the price which would be paid to transfer the liability (exit price) in an arm’s-length transaction between market participants at the measurement date. Fair value is considered to be the purchase price of a financial instrument or, in case of financial liabilities, the sales price of an instrument, unless there are any indicators that a financial instrument was not purchased at fair value. At the end of the reporting period, the fair value of financial instruments, for which an active market exists, is established based on the most representative price from this market at the measurement date.

Impairment of financial assets

At the end of each reporting period an assessment is made of whether there is objective evidence that a financial asset or a group of financial assets is impaired. The following are considered significant objective indicators (evidence of impairment): significant financial difficulty of the debtor, legal action being taken against the debtor, the disappearance of an active market for a given financial instrument, the occurrence of significant unfavorable changes in the economic, legal or market environment of the issuer of a financial instrument, and the continuing substantial decrease or prolonged decrease of the fair value of an equity instrument below its cost.

Receivables

Trade receivables are recognised initially at fair value. After initial recognition, trade receivables are measured at amortised cost using the effective interest rate, less allowance for impairment, while trade receivables with a maturity period of up to 12 months from the receivable origination date are not discounted.
Impairment allowances on trade receivables are recognised when there is objective evidence that an entity will not be able to collect all amounts due. The amount of the impairment allowance is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.
The amount of the impairment allowance is recognised in profit or loss.
Receivables not representing financial assets are recognised initially at their nominal value and measured at the end of the reporting period at the amount due.

3. Main accounting policies (cont.)

Receivables with a maturity period of over 12 months from the end of the reporting period are classified as non-current assets. Current assets include receivables with a maturity period of up to 12 months from the end of the reporting period.

The following are regarded as receivables:

- **trade receivables** – these are receivables which arise from the core operating activities of the Company, and
- **other receivables**, including:
- loans granted,
- other financial receivables, i.e. receivables meeting the definition of financial assets,
- other non-financial receivables, including among others advances for deliveries and for fixed assets, for fixed assets under construction and intangible assets and advances for shares and also government receivables,
- prepayments and accruals.

d) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and in bank accounts, on-demand deposits, other safe current investments with original maturities of three months or less from the date of their placement, acquisition or issuance and with high liquidity. Cash and cash equivalents also include interest on cash equivalents.

e) Equity

Equity in the financial statements of the Company consists of:

- share capital;
- retained earnings, composed of:
  - undistributed profit or unabsorbed losses from previous years, reserve capital created in accordance with the Commercial Partnerships and Companies Code,
  - reserve capital created and used in accordance with the Statutes, profit or loss for the period.

f) Provisions

Provisions are recognised when the Company has a present obligation (legal or customarily expected) as a result of a past event, such that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

g) Liabilities

Liabilities are present obligations of the Company arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits.

Liabilities comprise:
- liabilities arising from bank and other loans (borrowings) and finance lease liabilities;
- trade payables;
- liabilities arising from the acquisition or construction of tangible and intangible assets; and
- other financial and non-financial liabilities.

Liabilities are measured at amortised cost.

Current trade payables are recognised in the statement of financial position at their nominal value.

3. Main accounting policies (cont.)

The carrying amount of these liabilities is similar to the amount of their amortised cost, calculated using the effective interest rate.

Liabilities not classified as financial liabilities are measured at the amount due.

h) Accrued expenses

Accrued expenses are due and payable liabilities arising from goods received or services performed, or a formal agreement has been reached with the supplier, including amounts payable to employees, which are to be paid for in future periods.

Accruals include among others:
- remuneration and the related surcharges paid on a one-off basis, relating to annual periods;
- costs related to taxes and local fees;
- short-term accruals for unused annual leave.

i) Income tax

Company doesn't pay income tax.

j) Revenues

Sales revenues include:
- income and gains from financial investments, including interest income is recognised on an accrual basis, using the effective interest method,
- gains from the measurement and realisation of trading derivatives and the ineffective portion of gains from the realisation and fair value measurement of derivative hedging instruments;
- reversal of impairment losses on held-to–maturity investments, available-for-sale financial assets, and loans and shares in subsidiaries and joint ventures;

Sales revenues are recognised at the fair value of the consideration received or receivable, less VAT, rebates and discounts.

Other operating income, indirectly associated with the conducted activities, i.e.:
- release of unused provisions, previously charged to other operating costs;
- gains on disposal of property, plant and equipment and intangible assets;

Finance income, mainly representing income related to financing the Company's activities, including:
- net foreign exchange gains,

k) Costs

The Company recognises as costs any probable decrease, in the reporting period, of economic benefits of a reliably-determined amount, in the form of a decrease in the value of assets, or an increase of provisions and liabilities, which lead to a decrease in equity or an increase in negative equity in a manner other than through distributions to equity participants.
Costs are recognised in profit or loss based on the direct relation between costs incurred and specific income received, i.e. applying the matching principle, through prepayments and accruals.

In addition, costs for the given reporting period which affect profit or loss for the period include:

other operating costs, indirectly connected with performed activities, including in particular:

- provisions recognised for disputed issues, penalties, compensation and other costs indirectly related to operating activities;
- donations granted; and
- losses on disposal of property, plant and equipment and intangible assets,

finance costs related to financing of the activities of the Company, including in particular:
- overdraft interest;
- interest on short- and long-term loans, bank loans and other sources of finance, including unwinding of the discount from non-current liabilities;
- net foreign exchange losses arising in liabilities which are sources of financing of the Company's activities; and
- changes in provisions arising from the approach of the maturity date of a liability (the so-called unwinding of the discount effect),
- costs and losses on financial investments;
- losses from the measurement and realisation of traded derivatives and the ineffective portion of losses arising from the realisation and fair value measurement of derivative hedging instruments;
- foreign exchange losses, with the exception of exchange differences arising on liabilities representing sources of finance for the Company's activities;
- impairment losses on held-to–maturity investments, available-for-sale financial assets, loans and on shares in subsidiaries and joint ventures;

a) Changes in accounting policies

In comparison to the previous reporting period the Company changed nothing in its accounting policy.

Statement of financial position

	Note	As at 31 October 2017	31 October 2016
ASSETS			
Non-current assets			
Financial assets measured at fair value	4a	46 000 000	-
TOTAL NON-CURRENT ASSETS		**-**	**-**
Current assets			
Short-dated bill receivables (third party notes) and other receivables	4b, 4c/9	56 777 169	54 660 142
Available-for-sale financial assets	4d	-	42 597
Financial assets measured at fair value	4a, 7	154 402 567	162 597 398
Cash and cash equivalents	4f, 21	111 714 517	111 168 384
TOTAL CURRENT ASSETS		**322 894 254**	**328 468 521**
TOTAL ASSETS		**368 894 254**	**328 468 521**

Statement of financial position (cont.)

	Note	As at 31 October 2017	31 October 2016
EQUITY AND LIABILITIES			
Equity			
Share capital	10	50 000	50 000
Revaluation reserve from measurement of financial instruments		-	-
Actuarial gains/losses on post-employment benefits		-	-
Retained earnings	11/12	(97 718 896)	(86 278 085)
Other capital	11	1	1
TOTAL EQUITY		(97 668 895)	(86 228 084)
LIABILITIES			
Non-current liabilities			
Trade and other payables			
Borrowings: issue of bonds (CZK)	15	108 541 292	104 113 520
Other borrowings	14	46 000 000	-
Employee benefits liabilities		-	-
Provisions for other liabilities and charges		-	-
Current liabilities			
Trade and other payables	16	305 936 991	303 317 337
Borrowings incl. issue of bonds (CZK)	14/16	6 058 382	7 248 528
Other borrowings	14/16	9 264	-
Current corporate tax liabilities		-	-
Derivatives		-	-
Employee benefits liabilities		-	-
Provisions for other liabilities and charges	13	17 220	17 220
TOTAL LIABILITIES		466 563 150	414 696 604
TOTAL EQUITY AND LIABILITIES		**368 894 254**	**328 468 521**

Statement of profit and loss

		For the period from 01.11.16 till 31.10.17 PLN	For the period from 01.11.15 till 31.10.16 PLN
Income and gains from financial investments: shares, certificate of investment funds	17a	(5 614 830)	(80 156 248)
Dividends received	17b	-	30 053 547
Interests	17c	3 208 359	2 631 527
Gross profit		**(2 406 471)**	**(47 471 174)**
Selling costs		-	-
Administrative expenses		(157 610)	(142 981)
Other operating income		13	-
Other operating costs		(6 968)	(268)
Operating profit		**(2 571 036)**	**(47 614 423)**
Financial revenues	17e	-	76 067
Financial cost	17f	(8 869 776)	(3 762 342)
Profit before income tax		**(11 440 812)**	**(51 300 698)**
Income tax expense	20	-	-
Profit for the period		**(11 440 812)**	**(51 300 698)**
Earnings per share for the annual period (in PLN per share)			
- basic		(229)	(1 026)
- diluted		(229)	(1 026)

Statement of comprehensive income

	Note	For the period from 01.11.16 till 31.10.17	For the period from 01.12.13 till 31.10.15
Profit for the period		**(11 440 812)**	**(51 300 698)**
Total other comprehensive income, which will be reclassified to profit or loss when specific conditions are met		-	-
Other comprehensive income, which will not be reclassified to profit or loss:			
Actuarial (losses)/gains		-	-
Income tax related to actuarial gains and losses		-	-
Total other comprehensive income, which will not be reclassified to profit or loss		-	-
Other comprehensive net income for the reporting period		-	-
TOTAL COMPREHENSIVE INCOME		**(11 440 812)**	**(51 300 698)**

Statement of cash flows

	Note	For the period from 1 November 2016 to 31 October 2017	from 1 November 2015 to 31 October 2016
Cash flow from operating activities			
Profit for the period		(11 440 812)	(51 300 698)
Total adjustments to profit for the period:			
Income tax recognised in profit or loss		-	-
Amortisation/Depreciation		-	-
Losses on sale of property, plant and equipment and intangible assets		-	-
Interest and share in profits (dividends)	22	1 610 732	(30 374 718)
Gain/loss from the change of value of bonds	17e	613 446	807 047
Foreign exchange (gains)/losses		196 718	(243 321)
Gain/loss from the change of fair value and from disposal of financial assets at fair value through profit and loss	7/17a	5 657 437	80 142 793
Change in provisions		-	17 220
Gain/loss from disposal of financial assets available for sell	17a	-	89 932
Cost of bank account in brokerage house	17e	14 775	5 812
Banker's commission according to loans and credits		2 861 336	675 000
Changes in working capital:		-	-
Trade and other receivables		361 754	(361 754)
Trade and other payables		1 195	(392 893)
Income tax paid		-	-
Payment for purchasing financial assets: shares and investment funds certificates		2 622 597	(20 000 000)
Payment received for selling financial assets: shares and investment funds certificates		-	20 076 477
Loans granted / Bill receivables		(5 500 000)	(80 200 000)
Repayments of loans granted and bills		6 000 000	27 850 000
Interest received	22	229 577	1 074 334
Dividends received		-	30 053 547
Other		(42 991)	-
Net cash generated from operating activities		**3 185 766**	**(22 081 220)**
Cash flow from investing activities			
Net cash used in investing activities		**-**	**-**
Cash flow from financing activities			
Proceeds/payments from changes in Equity		-	-
Proceeds from bank and other loans (bill payable)		-	110 731 500
Repayments of bank and other loans (bill payable)		-	(350 000)
Interest paid		(5 827 198)	(700 064)
Cost of bank account in brokerage house		(14 775)	(5 812)
Banker's commission according to loans and credits		(427 500)	(675 000)
Banker's commission according to issue of bonds (CZK)		-	(2 936 093)
Other financial expenses		-	-
Net cash used in financing activities		**(6 269 474)**	**106 064 531**
Total net cash flow		**(3 083 708)**	**83 983 311**
Exchange gains/(losses) on cash and cash equivalents		3 629 841	1 421 721
Movements in cash and cash equivalents		546 133	85 405 032
Cash and cash equivalents at beginning of the period		111 168 384	25 763 352
Cash and cash equivalents at end of the period		**111 714 517**	**111 168 384**
limited possibility to use		**99 420 000**	**96 060 000**

Statement of changes in equity

	Note	Share capital	Retained earnings	Other capital	Total equity
At 1 December 2015		**50 000**	**(34 977 387)**	**1**	**(34 927 386)**
Issue of shares		-	-	-	-
Contribution of active partner		-	-	-	-
Total comprehensive income		-	-	-	-
Profit for the period		-	(51 300 698)	-	(51 300 698)
Other comprehensive income		-	-	-	-
At 31 October 2016		50 000	(86 278 085)	1	(86 228 084)
		-	-	-	-
At 1 November 2016		50 000	(86 278 085)	1	(86 228 084)
Dividends		-	-	-	-
Issue of shares		-	-	-	-
Contribution of active partner		-	-	-	-
Total comprehensive income		-	-	-	-
Profit for the period		-	(11 440 812)	-	(11 440 812)
Other comprehensive income		-	-	-	-
At 31 October 2017		**50 000**	**(97 718 896)**	**1**	**(97 668 895)**

Other explanatory information

1. Changes in accounting policies and in presenting financial data

Changes in accounting policies and their impact on the presented financial data are described in the introduction to these financial statements (item 3). Major accounting policies are discussed in sub-section m).

2. Change in property, plant and equipment in the period from 01.11.2016 to 31.10.2017

The Company has no properties or intangible assets.

3. Long-term investment and receivables

Financial assets	
Financial assets measured at fair value	
ATM joint stock company	46 000 000
Total	**46 000 000**

ATM Shares were measured at fixed-price as of the tender offer published by AAW III Spółka z ograniczoną odpowiedzialnością on 2 August 2017.

	Quantity of shares	**Closing price on 31.10.2017 [PLN]**	**Carrying value**
ATM joint stock company	4 000 000	11,50	46 000 000

Under the loan agreement of 3 October 2017, the Company has borrowed 4 million shares of ATM S.A. Held package authorizes to execute 11,01% votes on the AGM.

Due to limited liquidity of shares of ATM S.A. quoted on Warsaw Stock Exchange caused by a concentrated shareholding structure, current market price does not reflect true fair value of share. Therefore, the shares were measured at 11.50 PLN, which represents the price as of the tender offer published on 2 August 2017.

4. Short-term investments

4(a). Financial assets at fair value through profit and loss

The Company has 60,72% of public limited company ABC Data S.A. stocks. On October 31st, 2017 their market value was:

Financial assets	
Financial assets measured at fair value	
ABC Data joint stock company	154 402 567
Total	**154 402 567**

Market value on the Polish stock exchange WGPW (Warsaw Stock Exchange) on October 31st, 2017

	Quantity of shares	Closing price on 31.10.2017 [PLN]	Carrying value
ABC Data joint stock company	76 060 378	2,03	154 402 567

MCI Venture Projects Ltd. VI joint-stock partnership has no obligation of preparing the consolidated financial statement according to the International Financial Reporting Standards 10, due to the fact that it meets the definition of an investment identity pursuant to the standard mentioned hereinabove. In this case, the dependent entities are priced at the fair value by the financial result.
Company had to pledge 70.060.378 (Alior Bank S.A.) and 6.000.000 (mBank S.A.) of shares to secure financial liabilities.

At 17th November 2016 The Company sold 1.000.000 of shares. Price: 2.580.000 PLN. Transaction was concluded on 22th November 2016. The Company made a loss in the amount of 1.355.159,35 PLN. A Buyer undertakes not to sales his shares in next 24 months.

4(b). Loans granted and other receivables

Third party notes and other receivables:

	31.10.2017	31.10.2016
Third party notes receivables	56 777 169	54 298 388
Overpayments	-	286 754
Costs of future period	-	75 000
Total short-term financial liabilities	**56 777 169**	**54 660 142**

4(c). Held-to-maturity investments – third party notes

The Company holds short-term (redemption date: 6-months or 12-months) third-party notes – presented in the statement of financial position under "Third-party notes and other receivables". As at 31 October 2017 the nominal value of all receivables stood at PLN 52,850,000, plus accrued interest of PLN 4,427,169.42 PLN, total PLN 56,777,169.42. Note maturity dates fall in Q 1-3 2018. Interest is in line with market terms, fixed rate. The interest rate on individual notes varies from 4 to 8% depending on credit risk.

4(d). Available-for-sale financial assets

There is no available for sale assets at the end of financial year.

4(e).Financial instruments - hierarchy of disclosures of fair value (IFRS 7 p. 27B(a))

For financial reporting purposes, the fair value measurements are categorized into Level 1, 2, and 3, based on the degree to which the inputs to the fair value measurements are observable, and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:
Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2 inputs are the inputs, other than the quoted prices included within Level 1, that are observable for the asset or liability either directly or indirectly
Level 3: inputs are unobservable inputs for the asset or liability

No.	Classes of financial instruments	Level 1	Level 2	Level 3	Total
1.	Shares and certificates in the listed companies	154 402 567	46 000 000	0	200 402 567
I	**TOTAL**	**154 402 567**	**46 000 000**	**0**	**200 402 567**
				Assets	200 402 567
				Liabilities	0

4(f).Cash in bank

The Company has funds in bank accounts of PLN 3,040,129 (in the Polish currency) and PLN 108,657,238 which is a PLN equivalent of an amount in Czech crowns translated using the rate of exchange published by the National Bank of Poland (NBP) as at 31 October 2017: 0.1657 PLN/CZK. Company has an EUR on its account which equivalent in PLN at the end of the financial year is 17,151 PLN.
According to the agreement from 17th October 2017 all deposits in CZK are blocked as a guarantee for a loan repayment.

5. Impairment of financial assets

There is no objective evidence of any other impairment losses than described in note no. 3 (d).

6. Accrued interests – loans granted and other receivables

Interests in the amount of 4,427,169 PLN charged a company's financial results (financial revenues). All the interests were charged according to the short-dated bill.

7. Information about financial assets

The Company is a shareholder of public limited joint-stock company ABCD Data and ATM. More information about the balance sheet valuation is in note no. 3 and 4.
Because of macroeconomic and political reasons, there is some risk of short-term changes in terms of the market value, which might have meaningful influence on the financial result of MCI Venture Projects Ltd. VI joint-stock partnership.

The company's view is that market value is much lower than it should be, and the opportunity of the investment return in this case is higher.

In the opinion of the Management Board of the General Partner the current market valuation does not fully reflect the value of the shares of ABC Data S.A. Classes of financial instruments are presented in the following table:

	IAS39	Carrying value	Fair value
Available-for-sales assets	AfS	-	-
Third party notes and other receivables	L&R	56 777 169	-
Cash and cash equivalents	-	111 714 517	-
Financial assets at the fair value	FVtPL	200 402 567	200 402 567
Financial liability at fair value	-	46 009 264	46 009 264
Financial liability at fair value using effective interest rate method	-	114 599 675	

Influence of the fair value measurements on the profit and loss statement:

	MSR39/MSSF13	Gain/Loss on disposal of investments	Comprehensive income
Financial assets available for sale	AfS	-	-
Third party notes and other receivables	L&R	3 196 497	-
Cash and cash equivalents	-	11 862	-
Financial assets at fair value	FVtPL	(5 614 830)	-
Financial liability at fair value using effective interest rate method	-	(6 860 102)	-
Financial liability at fair value	-	(9 264)	-
Total		(9 274 511)	-

8. Impairment of trade receivables

There are no overdue trade receivables on October 31st, 2017. There are no provisions for bad debts made in 2017.

9. Prepaid expenses (deferred expenditure)

Not applicable.

10. Equity

The share capital on October 31st, 2017 is 50 000 PLN (nominal value of one share is 1.00 PLN).

Shareholders	Shares	Share capital	% voting shares
MCI. PrivateVentures FIZ (closed-ended investment fund)	50 000	50 000	100%
	50 000	**50 000**	**100%**

Contribution of active partner is 1.00 PLN.

11. Changes in equity – supplementary capital, reserve capital

There are no changes in 2017 year.

12. Net profit (loss)

The net loss for the accounting year from 1 November 2016 to 31 October 2017 reached PLN 11 440 812. The Management Board of the General Partner proposes to cover the loss as follows:

- with future years profit – 100%

On 21.03.2017 the General Shareholders' Meeting approved the financial statements for the financial period ended on 31.10.2016. Pursuant to Resolution No. 3 of the Ordinary General Shareholders' Meeting of the Company, it decided to cover the loss incurred in the previous accounting period from future periods profits.

At the next General Shareholders' Meeting, the Management Board will recommend to cover the net loss incurred in the financial year from 01.11.2016 to 31.10.2017 from future periods profits.

13. Provisions for liabilities – changes in 2017 year

Company make a provision for financial statement audit in amount 14.000 PLN net. (17.220 PLN gross).

14. Long-term liabilities – ageing

The Company has a liability resulting from return of shares of ATM S.A., which are subject to the loan in accordance with the agreement dated 03.10.2017. The loan is interest-bearing at 0.25% per annum. The basis for calculating daily interest is the share price of PLN 11.50, which according to the company reflects their market value (other than share quotation on the Warsaw Stock Exchange). The valuation of ATM S.A. other than the stock exchange valuation is related to the fact that the Company and related entities hold 93.71% of ATM S.A. shares which are not currently traded (the company does not trade them), therefore according to the Company the ATM S.A. share quotation on the Warsaw Stock Exchange does not reflect its market value. Interest is payable once per quarter. The accrued interest liability amount as at 31.10.2017 is PLN 9,264. Shares will be returned no later than 30.10.2020.

15. Long-term liabilities - classification

On a day 4th April company issue bonds on a Czech Republic market. In a group of buyer were companies, financial institutions and legal people.

1) Total liabilities of first issue of bonds: 600.000.000 CZK
2) Interest rate: PRIBOR + 3,8%
3) Money received decreased by service charge: 591.839.000 CZK
4) Cost of bond issue: 1.292.702 PLN

On 11.10.2016 the Company has issued second series of bonds within the scope of issue agreement of 4 April 2016 on terms as presented below:

1) Total liabilities of second issue of bonds: 99.000.000 CZK
2) Interest rate: PRIBOR + 3,8%
3) Money received decreased by service charge: 97.997.320 CZK
4) Cost of bond issue: 158.924 PLN

Due date: 4th April year 2021. MCI Capital S.A. did make warranties/guarantees about repayment of bonds.

In connection with the Company's indebtedness, on 03.10.2017 the Company made an additional collateral for the issued bonds with the use of "borrowed" ATM S.A. shares. The pledge was made on 4,000,000 ATM S.A. shares.
An additional collateral granted by Alfanor 13131 AS with its registered office in Norway on shares of the company İndeks Bilgisayar Sistemleri has also been established. In this case pledge was made on 6,720,000 İndeks Bilgisayar Sistemleri shares.

16. Short-term liabilities - classification

All financial liabilities are associated with transactions of buying shares and are listed below:

ABCD Management Ltd. Registered partnership	199 477 467
MCI Venture Projects Ltd. Registered partnership	103 767 400
Interest to pay according to bond issue on a Czech Republic market	6 058 382
Other interests	9 264
Total short-term financial liabilities	**309 312 513**
Tax liabilities	196 796
Trade liabilities	59 098
Liabilities related to guarantees and warranties	2 436 231
Total short-term liabilities	**312 004 638**
Provisions made	17 220
Total short-term liabilities	**312 021 858**

Maturity date:

Unexpired	2 495 329
by 31.12.2015	303 244 867
by 31.10.2017 (interests)	62 059
by 31.10.2017 (VAT tax)	11 926
by 07.11.2017 (CIT/PIT tax)	184 870
by 31.12.2017 (interests)	9 264
by 08.04.2018 (bonds)	3 042 775
by 08.10.2018 (bonds)	2 953 548

Other explanatory information

25th January year 2016 was signed an agreement associated with liabilities to ABCD Management and MCI Venture Projects to postpone a payment for shares (ABC Data S.A.) There is no threat to pay these amounts within twelve months since 31.10.2017.

17. Finance cost related to financing the Company activities

a) Gain/loss from the change of value: shares, stocks

	od 01.11.16 do 31.10.17 PLN	od 01.11.15 do 31.10.16 PLN
Gain/loss from the change of value of stocks	(6 084 830)	(80 142 793)
Gain/loss from the change of value of shares (ltd.)	-	(89 932)
Profit on sales of investment funds certificates	470 000	76 477
	(5 614 830)	**(80 156 248)**

b) Dividends received

	from 01.11.16 till 31.10.17 PLN	from 01.11.15 till 31.10.16 PLN
Dividens received from ABC Data	-	30 053 547

c) Interests

	from 01.11.16 till 31.10.17 PLN	from 01.11.15 till 31.10.16 PLN
Interest from bonds issue	-	1 025 000
Interest from third party notes	3 196 497	1 494 067
	3 196 497	**2 519 067**
Interest on a bank account	11 862	112 460
	3 208 359	**2 631 527**

d) Financial revenues

	from 01.11.16 till 31.10.17 PLN	from 01.11.15 till 31.10.16 PLN
Exchange gains	-	76 067

e) Financial costs

	from 01.11.16 till 31.10.17 PLN	from 01.11.15 till 31.10.16 PLN
Comittment fee	-	300 000
Loan guarantee cost	179 794	375 000
Bonds guarantee cost	1 605 248	-
Interest payable on loans, own notes and bonds	4 819 450	2 274 483
Financing costs – valuation of bonds (NPV)	2 050 276	807 047
Exchange loss	200 232	-
Costs of maintaining an investment brokerage account	14 775	5 812
	(8 869 776)	**(3 762 342)**

The Company finances its operations with own funds as well as with funds raised from the issues of long-term bonds. Interest accrued as at 31 October 2017 is PLN 378,814 (outstanding liability). In total, in the reporting period, the value of accrued and paid interest and other financing costs (commissions) reached PLN 6,869,726.

18. Leases

There are no assets, which are financed by the operating lease (or finance lease).

19. Revenues from sales by type of activity and markets

The Company carries out its operations in Poland. The breakdown of the types of operating revenues and expenses can be found in Note 17.

20. Income tax

Until 31 October 2015 the Company has not been subject to income tax. In the period from 1 November 2016 to 31 October 2017 the Company generated the following income (CIT):

Gross revenue	**-11 440 811,71**
Tax revenues that are not recognised as balance sheet revenues	
- valuation of pledge remuneration	4 371 160,87
Non-deductible items recognised as balance sheet revenues	
- interest on third party notes, bonds and other financial receivables	-2 978 781,39
- dividends received (exemption under Article 22 of the CIT Act)	-
- disposal of ABC Data shares	-470 000,00
Non-deductible items recognised as balance sheet expenses	
- accrued and not paid interest on financial liabilities	9 264,38
- revaluation of investments	6 084 830,24
- valuation of bonds (NPV)	613 446,39
- exchange gain/loss (non-realized)	196 718,42
- provision made for guaranties and warranties	943 819,21
- other costs	7 326,61
Off-balance sheet deductible expenses or revenues	
- interests paid	-1 202 379,35
- loss made by shares transactions	- 1 355 159,35
Taxable income	**-5 212 449,40**

21. Deferred tax

The Company is able to control the dates and amounts of the reversing temporary differences related to the investment in a subordinated entity (ABC Data S.A.) and in the opinion of the Management Board of the Company's general partner it is highly probable that temporary differences will not be reversed in the foreseeable future. Therefore, in accordance with International Accounting Standard No. 12 "Income Taxes", item 39, the Company may refrain from creating deferred tax asset on negative temporary differences related to an investment in a subordinated entity.

In connection with the above, the Company refrained from calculating deferred tax on the temporary difference in respect of investments in a subordinated of ABC Data S.A.

The Company refrained from creating deferred tax assets and deferred tax liabilities also from other titles due to the generated tax losses and, consequently, in the opinion of the Management Board of the Company's general partner, a slight probability of reversing temporary differences in the future:

Temporary differences regarding CIT and deferred tax	Revenues/Expenses	Assets /Provisions	Deferred tax as at 31.10.2016	Change	Deferred tax as at
- valuation of financial assets	Costs	Assets	27 012 933	519 424	27 532 357
- valuation of financial assets	Revenues	Provisions	0	121 600	121 600
- accrued and not paid interest on financial liabilities	Costs	Assets	300 427	-228 452	71 975
- accrued and not received interest on financial receivables	Revenues	Provisions	275 194	565 968	841 162
- valuation of Czech bonds	Costs	Assets	153 339	509 639	662 978
- exchange gains	Revenues	Provisions	0	959 797	959 797
- off-balance sheet costs of Czech bonds (to CIT in the period in which they were incurred)	Costs	Provisions	557 858	-557 858	0
- tax loss	N/A	Assets	639 219	990 365	1 629 584
		Assets	**28 105 918**	**1 790 976**	**29 896 894**
		Provisions	**833 052**	**1 089 507**	**1 922 559**

22. Cash and equivalents

	31.10.2017 PLN
Cash in the bank	111 714 517
Deposits	-
Other financial assets with a maturity of up to 3 months	-
Total	**111 714 517**
limited possibility to use	99 420 000

<u>Additional description for cash flow statements:</u>

a) Interests

Interest accrued on financial receivables	-2 978 781
Interest accrued and paid on bonds (cost)	-217 715
Interest accrued and not paid on bonds (cost)	-1 202 379
Other interest	-11 862
Interest received on financial receivables	6 012 206
Interests from loan	9 264
Total	**1 610 732**

b) Profit (loss) due to changes in the fair value and sale of financial assets measured at fair value

The amount of PLN 5,657,437 in the statement of cash flows consists of the revaluation of investments in the amount of PLN 6,084,840 reduced by PLN 470,000 of realized profit from the sale of 1 million shares of ABC Data S.A. for PLN 2,580,000 and increased by the proceeds from the liquidation of Biotech Varsovia Pharma shares in the amount of PLN 42,597.

23. Investment in subsidiaries

The MCI.PrivateVentures Close-ended Investment Fund is a parent company, which is managed by the MCI Capital TFI SA. The parent company at the highest level is the MCI Management S.A.
The related parties (directly) are:

- ABCD Management Ltd. Registered Partnership
- MCI Venture Projects Ltd. Registered Partnership
    - Both companies have the same activity partner: MCI Venture Projects Ltd.
- MCI Venture Projects Ltd. X Registered Partnership
- Alternative Investments Partners Ltd.
    - Both companies have the same member of a board (as in the activity partner: MCI Venture Projects Ltd.)
- MCI.PrivateVentures Close-ended Investment Fund as a main shareholder
- ABC Data Joint-stock company

All the related party transactions are described in note no. 29.

24. Items off balance sheet

On April 2nd, 2015 the Company signed a credit agreement with Raiffeisen Bank Polska S.A., pursuant to which the Company was granted funds of 30 000 000 PLN, and 10 000 000 PLN can be paid in any currency according to the Company, as the borrower, request. In case of consumption of the whole amount of the loan, the repayment of loan installments shall proceed according to the following schedule:

- 2 500 000 PLN by November 27th, 2015
- 2 500 000 PLN by May 27th, 2016
- 2 500 000 PLN by November 27th, 2016
- 22 500 000 PLN by March 31st, 2017

Credit agreement was closed at 27th March 2017.

25. Subsequent events

Not applicable.

26. Employee structure

The Company does not have any employee.

27. Remuneration of the Management Board and Supervisory Board

	2017 PLN
Management Board	-
Supervisory Board	-

During the financial year, the Management Board and Supervisory Board did not receive any remuneration.

28. Related party transactions – Management Board and Supervisory Board

There were no transactions with the members of the Management Board or Supervisory Board.

29. Related party transactions - companies

Type of transaction	Contracting party	Terms of business	Value of transaction
Sole bill (promissory note)	MCI Management Ltd.	7.600.000 PLN, due date: 12.04.2019, interest rate 4,7%	7.600.000,00 PLN + interest 554.883,29 PLN
Sole bill (promissory note)	Investventures Ltd.	19.150.000 PLN, due date: 27.04.2018, interest rate 7,90%	19.150.000,00 PLN + interest 2.283.781,78 PLN
Sole bill (promissory note)	MCI Fund Management Ltd.	12.100.000 PLN, due date: 28.04.2018, interest rate 4,74%	12.100.000,00 PLN + interest 834.382,85 PLN
Repayment of bill of exchange	MCI Management Ltd.	3.000.000 PLN, due date: 08.10.2017, interest rate 4,74%	3.000.000,00 PLN + interest 45.192,33 PLN
Repayment of bill of exchange	MCI Management Ltd.	2.500.000 PLN, due date: 24.06.2017, interest rate 4,74%	2.500.000,00 PLN + interest 50.256,99 PLN
Repayment of bill of exchange	Finventures Ltd.	1.350.000 PLN, due date: 08.06.2017, interest rate 8,00%	1.350.000,00 PLN + interest 8.580,82 PLN

Type of transaction	Contracting party	Terms of business	Value of transaction
Extending repayment date of bill of exchange	MCI Management Sp. z o. o.	7.600.000 zł, due date: 12.04.2018, interest 4,7%	7.600.000,00 zł + interest 554.883,29 zł
Extending repayment date of bill of exchange	Investventures Sp. z o. o.	19.150.000 zł, due date: 27.04.2018, interest 7,90%	19.150.000,00 zł + interest 2.283.781,78 zł
Extending repayment date of bill of exchange	MCI Fund Management Sp. z o. o.	12.100.000 zł, due date: 28.04.2018, interest: 4,74%	12.100.000,00 zł + interest 834.382,85 zł
Repayment of bill of exchange	MCI Management Sp. z o. o.	3.000.000 zł, due date: 08.10.2017, interest: 4,74%	3.000.000,00 zł + interest 45.192,33 zł
Repayment of bill of exchange	MCI Management Sp. z o. o.	2.500.000 zł, due date 24.06.2017, interest 4,74%	2.500.000,00 zł + interest 50.256,99 zł

Repayment of bill of exchange	Finventures Sp. z o. o.	1.350.000 zł, due date 08.06.2017, interest 8,00%	1.350.000,00 zł + interest 8.580,82 zł
Extending repayment date of bill of exchange	MCI Management Sp. z o. o.	3.000.000 zł, due date 07.07.2018, interest 4,79%	3.000.000,00 zł + interest 187.392,33 zł
Extending repayment date of bill of exchange	MCI Management Sp. z o. o.	5.000.000 zł, due date 12.07.2018, interest 4,79%	5.000.000,00 zł + interest 312.334,25 zł
Purchase of bill of exchange	Private Equity Managers S.A.	3.500.000 zł, due date 02.11.2017, interest 4,79%	3.500.000,00 zł + interest 166.731,37 zł
Purchase of bill of exchange	Private Equity Managers S.A.	2.000.000 zł, due date 01.12.2017, interest 4,79%	2.000.000,00 zł + interest 87.663,56 zł
Debt pledge (bonds)	Alfanor 131311 AS	1% of debt value	1.605.247,52 zł
Debt pledge (bonds)	MCI Capital S.A.	1% of debt value	1.436.829,64 zł
Debt pledge (Raiffeisen loan)	MCI Capital S.A.	1% of debt value	179.794,80 zł
Borrowing of ATM shares	MCI.PrivateVentures FIZ	0,25% of shares value	46.000.000,00 zł + interest 9.263,89 zł

30. Other important information about transactions in group

All the transactions within the group are made based on the market value. All the important transactions are described in note no 29.

31. Risk management

The Company uses financial instruments such as: promissory notes, bills of exchange, bank loans, bonds, cash and short-term investments.

Due to the granted funds, the Company has signed a contract that secures the interest rate (note no. 23). However, due to the failure to use the loan limit, this financial instrument is not utilized.

The Company, due to the external funding – in the bills of exchange that grant the funds for external entities as purchasing the bills of exchange or bonds, signs contracts based on the fixed interest rate, and therefore is not exposed to the risk of their fluctuations.

The Company is not exposed to the currency risk due to the fact that it does not carry out any transactions in foreign currencies.
/
The Company monitors the risk of the lack of funds for the discharge of the liabilities. Currently, according to the Management assessment, the currency risk does not exist.

32. Business activity continuation

The Company's financial statements for the financial year ended 31 October 2017 have been prepared with the going concern principle, i.e. assuming that the Company will have sufficient financial resources to enable both financing of the Company's further business as well as covering losses that it may incur in the next financial year.
The basis for adopting the principle of going concern was reassurance provided by the majority shareholder of the Company, ie MCI.EuroVentures 1.0 subfund separated from MCI.PrivateVentures FIZ (hereinafter: "Fund"), that the Fund will be able to withdraw from applying for repayment of receivables resulting from purchase of shares of ABC Data SA due to other subsidiaries of the Fund or provide financial support necessary for the Company to continue operations in the period not shorter than until October 31, 2018.
In connection with art. 397 in connection with art. 126 paragraph 1 point 2 of the Code of Commercial Companies, due to the fact that the balance sheet as of 31 October 2017 prepared by the Management Board of the Company's general partner showed a loss exceeding the sum of the basic and reserve capitals and one third of the share capital, the General Shareholders' Meeting adopted on 7 December 2017 resolution on the further existence of the Company.

33. Remuneration of the entity entitled to audit the financial statements

Remuneration for the financial statements audit for 2017 is 14,000 PLN net.

PKF

Auditor’s report

passion

teamwork

quality

clarity

TRANSLATION

PKF

Accountants & business advisers

Independent Auditor's report

on the annual
financial statements of MCI Venture Projects Limited VI Joint-Stock Partnership
with the registered office seated in Warsaw for a period from
1 November 2016 to 31 October 2017

Reliable information transforms into investor's trust

This document is a free translation of the report issued in Polish. Terminology current in Anglo-Saxon countries has been used where practicable for the purposes of this translation to enhance understanding. The binding Polish original should be referred to in matters of interpretation.

INDEPENDENT AUDITORS' REPORT

Shareholders' Meeting of

MCI Venture Projects Limited VI Joint-Stock Company

Report on financial statements

Introduction

We have audited the accompanying annual financial statements of MCI Venture Projects Limited VI Joint-Stock Partnership, with its registered office seated in Warsaw, Plac Europejski 1, hereinafter referred to as a Company, for the financial year from 1 November 2016 to 31 October 2017, which comprise of the statement of financial position as of 31 October 2017, the statement of profit and loss, the statement of comprehensive income, the statement of cash flows, the statement of changes in equity for the financial year then ended and the related notes, comprising of significant accounting policies and other explanatory information.

The annual financial statements have been prepared in accordance with International Accounting Standards, International Financial Reporting Standards and related interpretations published as a Commission Regulation, hereinafter referred to as IFRS EU.

The board of the General Partner Responsibility for the Financial Statements

The board of General Partner is responsible for the preparation of the annual financial statements that give true and fair view in accordance with IFRS EU, their compliance with applicable laws and regulations and the Company's articles of association, as well as keeping the accounting records in accordance with the Act dated 29 September 1994 on accounting (Journal of Laws from 2017, item 2342 with amendments), hereinafter referred to as the Accounting Act. The board of General Partner is also responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Under the Accounting Act the board of General Partner is required to ensure that the financial statements are prepared in accordance with IFRS EU.

PKF Consult Spółka z ograniczoną odpowiedzialnością Sp. k. Is entered in the register of audit firms under number 477. District Court for the Capital City Warsaw in Warsaw, XIII Commercial Department of the National Court Register – KRS No.0000579479

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with National Standards on Auditing, being International Standards on Auditing as adopted in Poland (resolution No 2783/52/2015 dated 10 February 2015 of the National Board of Certified Auditors with amendments), hereinafter referred to as National Standards on Auditing, and the Act dated 11 May 2017 on statutory auditors, audit firms and the public oversight (Journal of Law from 2017, item 1089), hereinafter referred to as the Act on statutory auditors. Those standards and regulations require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Our audit does not involve any assurance on the future viability of the Company nor the efficiency nor effectiveness with which the board of General Partner has conducted and will conduct the affairs of the Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Under the Act on statutory auditors we are also required to state in our independent auditor’s report, whether financial statements comply, as to the form and content, with applicable laws as well as the Company’s articles of associations and have been prepared based on the properly kept accounting records. We report on these matters based on the work undertaken in the course of the audit.

Opinion on financial statements

In our opinion, the financial statements of MCI Venture Projects Limited VI Joint-Stock Partnership:

- give true and fair view of the financial position of MCI Venture Projects Limited VI Joint-Stock Partnership as of 31 October 2017, its financial performance and cash flows for the year then ended in accordance with IFRS EU and applied accounting policies,

- have been prepared, in all material respects, in accordance with IFRS EU and comply with the provisions of the Company’s articles of association that apply to the financial statements,

- have been prepared based on the properly, in all material respects, kept accounting records in accordance with the Chapter 2 of the Accounting Act.

Report on Other Legal and Regulatory Requirements

Report on activities

The board of General Partner is responsible for preparation of the report on the activities. The board of General Partner is required to ensure that the report on activities comply with the Accounting Act.

Under the Act on statutory auditors we are required to express an opinion on whether the report on activities has been prepared in accordance with laws and whether it is consistent with the audited financial statements. Furthermore, we are also required to state, whether, in the light of the knowledge and understanding of the Company and its environment obtained during the course of the audit, we have not identified material misstatements in the report on the activities, and report on these misstatements if noted.

We have read the report on the activities, and in doing so, we considered whether the report discloses, in all material respects, information required by the Accounting Act and whether information is consistent with the audited financial statements. We also considered whether, in the light of the knowledge and understanding of the Company and its environment obtained during the course of the audit, the report on activities does not include misstatements.

Opinion on report on activities

In our opinion, based on the work undertaken in the course of the audit, the accompanying report on the activities discloses, in all material respects, information required by the Accounting Act and this information is consistent with information in the audited annual financial statements.

In the light of the knowledge and understanding of the Company and its environment obtained during the course of the audit we have not identified material misstatements in the report on the activities.

Signed on the Polish original

Cezary Bąkiewicz
Statutory Auditor No. 12 232

Key Statutory Auditor
on behalf of PKF Consult Spółka z ograniczoną odpowiedzialnością Sp. k.
audit firm number 477

Orzycka 6 lok. 1B
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Warsaw, 28 February 2018