

## QUARTERLY REPORT Q1 2018



Wroclaw, 05/14/2018

## THE MANAGEMENT BOARD'S LETTER

Dear Shareholders,

The first quarter of 2018 was outstanding for our Company from an external perspective, though it was as busy and intensive for us as every other quarter of this second chapter (out of five) of our strategy which started with the launch of an early version of the DataWalk product in Poland in May 2015. For an outside observer, the first quarter of this year was special due to strategic successes in sales. From an internal perspective and the measures we use to monitor our growth, the Company is simply on track with executing our strategy.

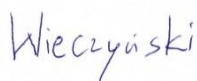
The first sale to a customer outside of Poland (from Talanx Group report no ESPI 2/2018) marks an important milestone for our Company, underlined by a record breaking brief sales process (12 months). The fundamental reason for this success was our cooperation with TUIR Warta, Talanx Group, which started in 2016 in Poland. Thanks to positive references and results of our implementations in the insurance sector, we're expecting further successes in the Turkish and EU markets in the following quarters – our team has been engaged in sales processes with prospects from several European countries. All this was possible thanks to the positive results at Warta, confirmed recently by the first public presentation of this business case by Warta's directors at a major insurance fraud conference in London: Insurance Innovators Counter Fraud 2018. We're planning a joint publication of this case study with this customer in the near future.

The sale of a DataWalk license at the department of state level (ESPI 4/2018), executed as part of a sales process lasting for several years, is an important success. Implementation of DataWalk in the Polish Ministry of Finance to address anti-money laundering and use analytics to tackle organized crime is both a world-class reference as well as an opportunity to repeat a success scenario proven by Chris Westphal and his previous company. Thanks to successful reference from US FinCen, Chris at his previous company was able to relatively quickly acquire over ten additional customers that were FinCen peers from all over the world. The value of both the experience and the reference we will achieve through this project are even more precious than the revenue we will earn, although it is worth to mention that this is a record breaking sale for our Company and significantly exceeds all of the previous license sale values.

Continuing the execution of our strategy, we're working on moving to the third chapter of our growth, i.e. working on first sales in the US market, undergoing further certifications and accreditations and strengthening DataWalk Inc. team with our CTO and founder Krystian Piećko, who after moving to US will coordinate the first implementations there. We're also preparing rebranding of our Capital Group under the DataWalk brand, in order to unify our global communication and marketing brand.

Thank you for putting your trust in us. We invite you to visit our headquarters in Wrocław and to monitor our growth by tracking our websites and social media profiles.

Yours faithfully,



Paweł Wiczyński  
CEO

## 1. BASIC INFORMATION.

### PiLab S.A.

Company Name:	PiLab SA
Company Address:	ul. Rzeźnicza 32-33, 50-130 Wrocław
Phone:	+48 71 707 21 74
Fax:	+48 71 707 22 73
E-mail:	<a href="mailto:biuro@pilab.pl">biuro@pilab.pl</a>
www:	<a href="http://www.pilab.pl">www.pilab.pl</a>

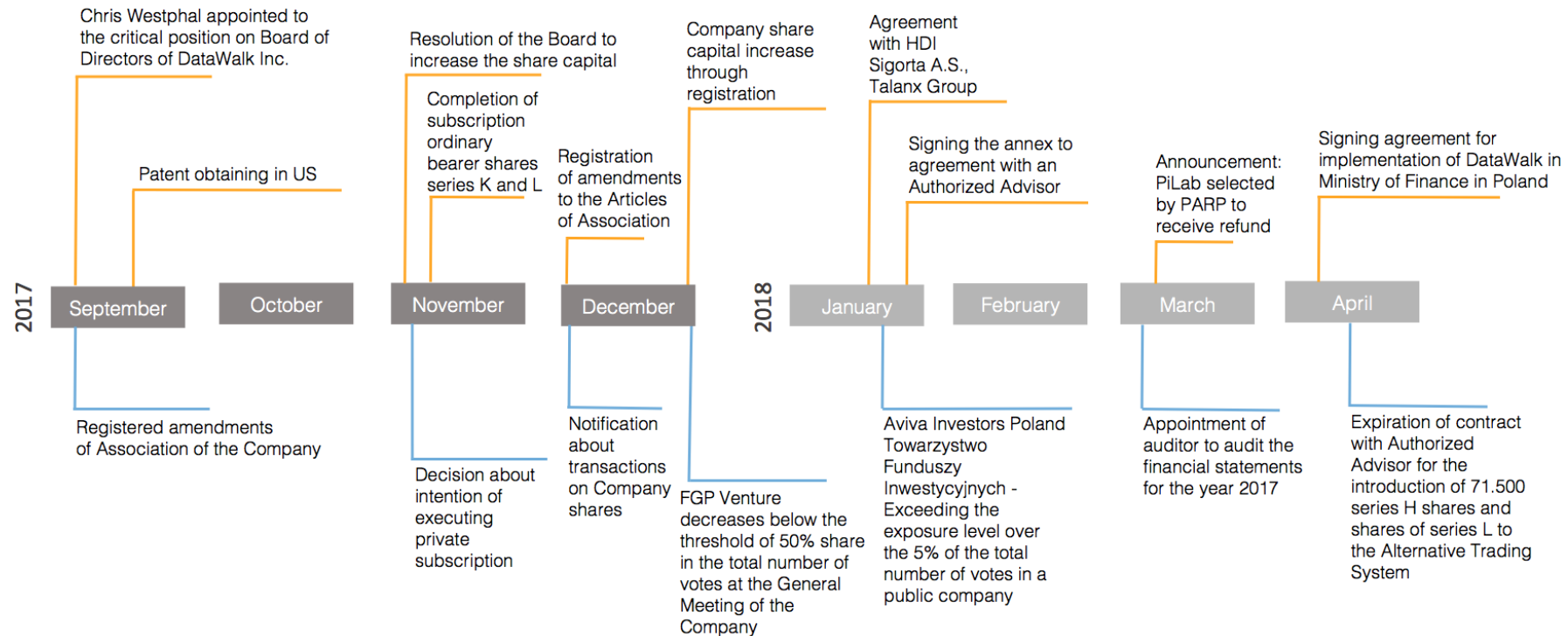
Source: Company.

### DataWalk Inc. (US Subsidiary).

Company Name:	DataWalk Inc.
Company Address:	1209 Orange Street, Wilmington, Delaware 19801
Company Address:	2479 East Bayshore Road, Suite 205 Palo Alto, CA 94303
E-mail:	<a href="mailto:info@datawalk.com">info@datawalk.com</a>
www:	<a href="http://www.datawalk.com">www.datawalk.com</a>

Source: Company.

## 2. TIMELINE.



Source: Company.

### 3. FINANCIAL DATA - CONSOLIDATED.

#### Balance Sheet with comparative results – consolidated.

ASSETS		IQ2018 PLN	IQ2018 EUR	IQ2017 PLN	IQ2017 EUR
<b>A</b>	<b>Fixed Assets</b>	<b>2 966 758,08</b>	<b>704 944,30</b>	<b>2 011 296,57</b>	<b>476 633,15</b>
I	Intangible assets	2 719 411,42	646 171,18	1 748 668,41	414 396,04
II	Tangible fixed assets	172 931,45	41 090,99	192 628,16	45 648,65
III	Long-term receivables	71 144,92	16 905,05	70 000,00	16 588,46
IV	Long-term investments	-	-	-	-
V	Long-term prepayments	3 270,29	777,07	-	-
<b>B</b>	<b>Current Assets</b>	<b>14 434 224,32</b>	<b>3 429 778,86</b>	<b>12 933 862,09</b>	<b>3 065 041,49</b>
I	Inventory	-	-	-	-
II	Short-term receivables	2 381 743,36	565 936,40	1 895 655,08	449 228,66
III	Short-term investments	11 919 658,03	2 832 281,82	10 844 238,49	2 569 846,55
IV	Short-term prepayments	132 822,93	31 560,63	193 968,52	45 966,28
<b>C</b>	<b>Called up share capital (negative value)</b>	-	-	-	-
<b>D</b>	<b>Own shares (negative value)</b>	-	-	-	-
<b>TOTAL ASSETS</b>		<b>17 400 982,40</b>	<b>4 134 723,16</b>	<b>14 945 158,66</b>	<b>3 541 674,64</b>

LIABILITIES		IQ2018 PLN	IQ2018 EUR	IQ2017 PLN	IQ2017 EUR
<b>A</b>	<b>Equity</b>	<b>15 787 934,10</b>	<b>3 751 439,73</b>	<b>14 099 959,78</b>	<b>3 341 381,06</b>
I	Share capital	368 050,00	87 453,96	300 550,00	71 223,75
II	Supplementary capital	44 818 403,98	10 649 496,02	32 988 203,98	7 817 480,44
III	Currency translation profit (loss)	(56 601,31)	(13 449,28)	8 550,04	2 026,17
IV	Other reserve capitals	-	-	-	-
V	Previous years' profit (loss)	(26 239 766,14)	(6 234 945,03)	(17 041 047,30)	(4 038 354,26)
VI	Net profit (loss)	(3 102 152,43)	(737 115,94)	(2 156 296,94)	(510 995,06)
VII	Write-off on net profit during the financial year (negative value)	-	-	-	-
<b>B</b>	<b>Liabilities and Provisions For Liabilities</b>	<b>1 613 048,30</b>	<b>383 283,43</b>	<b>845 198,88</b>	<b>200 293,59</b>
I	Provisions for liabilities	139 768,36	33 210,97	-	-
II	Long-term liabilities	33 228,81	7 895,64	32 486,93	7 698,69
III	Short-term liabilities	1 336 041,62	317 462,66	802 211,95	190 106,63
IV	Accruals & Deffered Income	104 009,51	24 714,15	10 500,00	2 488,27
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>17 400 982,40</b>	<b>4 134 723,16</b>	<b>14 945 158,66</b>	<b>3 541 674,64</b>

Source: Company.

**Profit and loss account with comparative results – consolidated.**

PROFIT AND LOSS ACCOUNT		IQ2018	IQ2018	IQ2017	IQ2017
		PLN	EUR	PLN	EUR
<b>A</b>	<b>Revenues from sales</b>	<b>336 096,97</b>	<b>80 384,82</b>	<b>204 272,58</b>	<b>47 235,02</b>
I	Sales of products and services	99 846,97	23 880,55	204 272,58	47 235,02
II	Change in work in progress	-	-	-	-
III	Intercompany sales	-	-	-	-
IV	Sales of goods and materials	236 250,00	56 504,27	-	-
<b>B</b>	<b>Operating costs</b>	<b>3 496 859,98</b>	<b>836 349,28</b>	<b>2 331 601,36</b>	<b>539 148,44</b>
I	Depreciation	44 431,06	10 626,64	51 002,77	11 793,64
II	Materials & energy	139 596,07	33 387,40	24 766,06	5 726,79
III	Cost of services	1 534 770,93	367 073,48	1 371 337,95	317 101,69
IV	Taxes and fees	182,31	43,60	12 631,13	2 920,76
V	Salaries	842 405,97	201 479,51	651 224,79	150 586,13
VI	Benefits	227 096,52	54 315,02	148 640,65	34 370,96
VII	Other costs	116 436,68	27 848,34	71 998,01	16 648,48
VIII	Cost of goods and materials sold	591 940,44	141 575,29	-	-
<b>C</b>	<b>Profit/Loss on sales (A-B)</b>	<b>(3 160 763,01)</b>	<b>(755 964,46)</b>	<b>(2 127 328,78)</b>	<b>(491 913,42)</b>
<b>D</b>	<b>Other operating incomes</b>	<b>16 249,45</b>	<b>3 886,41</b>	<b>12 093,96</b>	<b>2 796,55</b>
I	Profit on sale of fixed assets	-	-	-	-
II	Subsides	-	-	-	-
III	Actualization of fixed assets	-	-	-	-
IV	Other operating incomes	16 249,45	3 886,41	12 093,96	2 796,55
<b>E</b>	<b>Other operating costs</b>	<b>22 280,61</b>	<b>5 328,89</b>	<b>19 409,49</b>	<b>4 488,16</b>
I	Loss on sale of fixed assets	-	-	-	-
II	Actualization of fixed assets	-	-	-	-
III	Other operating costs	22 280,61	5 328,89	19 409,49	4 488,16
<b>F</b>	<b>Profit/Loss on activity (C+D-E)</b>	<b>(3 166 794,17)</b>	<b>(757 406,94)</b>	<b>(2 134 644,31)</b>	<b>(493 605,03)</b>
<b>G</b>	<b>Financial incomes</b>	<b>101 459,72</b>	<b>24 266,27</b>	<b>54 844,69</b>	<b>12 682,03</b>
I	Dividends	-	-	-	-
II	Interest incomes	-	-	31 406,34	7 262,25
III	Profit on sold investments	6 638,37	1 587,71	-	-
IV	Actualization of investments	14 068,18	3 364,71	23 438,35	5 419,77
V	Other	80 753,17	19 313,86	-	-
<b>H</b>	<b>Financial costs</b>	<b>26 670,42</b>	<b>6 378,80</b>	<b>76 497,32</b>	<b>17 688,88</b>
I	Interest expenses	1 280,94	306,36	2 087,27	482,65
II	Loss on sold investments	-	-	-	-
III	Actualization of investments	-	-	-	-
IV	Other	25 389,48	6 072,44	74 410,05	17 206,23
<b>I</b>	<b>Profit/Loss on total activity (F + G - H)</b>	<b>(3 092 004,87)</b>	<b>(739 519,47)</b>	<b>(2 156 296,94)</b>	<b>(498 611,88)</b>
<b>I</b>	<b>Gross Profit/Loss (F+G-H)</b>	<b>(3 092 004,87)</b>	<b>(739 519,47)</b>	<b>(2 156 296,94)</b>	<b>(498 611,88)</b>
<b>J</b>	<b>Income tax</b>	<b>10 147,56</b>	<b>2 427,01</b>	-	-
<b>K</b>	<b>Other statutory appropriations of the profit</b>	-	-	-	-
<b>L</b>	<b>Net Profit/Loss (I-J-K)</b>	<b>(3 102 152,43)</b>	<b>(741 946,48)</b>	<b>(2 156 296,94)</b>	<b>(498 611,88)</b>

Source: Company.

### Cash flow with comparative results – consolidated.

		IQ2018	IQ2018	IQ2017	IQ2017
		PLN	EUR	PLN	EUR
<b>A. Cash flows from operating activities</b>					
I	Net profit (loss)	(3 102 152,43)	(741 946,48)	(2 156 296,94)	(498 611,88)
II	Total adjustments	(50 224,22)	(12 012,20)	(340 933,21)	(78 835,78)
III	Net cash flows from operating activities (I +/- II)	(3 152 376,65)	(753 958,68)	(2 497 230,15)	(577 447,66)
<b>B. Cash flows from investment activities</b>					
I	Inflows	1 500 000,00	358 757,26	28 872,42	6 676,32
II	Outflows	166 227,73	39 756,94	-	-
III	Net cash flows from investment activities (I-II)	1 333 772,27	319 000,33	28 872,42	6 676,32
<b>C. Cash flows from financial activities</b>					
I	Inflows	351,65	84,10	-	-
II	Outflows	9 259,34	2 214,57	16 987,24	3 928,05
III	Net cash flows from financial activities (I-II)	(8 907,69)	(2 130,47)	(16 987,24)	(3 928,05)
D	Total net cash flows (A.III. +/- B.III +/- C.III)	(1 827 512,07)	(437 088,82)	(2 485 344,97)	(574 699,39)
E	Balance sheet change in cash, including:	(1 756 990,74)	(420 222,13)	(2 485 344,98)	(574 699,39)
F	Cash opening balance	5 121 365,87	1 224 884,81	10 704 712,97	2 475 307,07
G	Closing balance of cash (F+/-D), including:	3 293 853,80	787 795,99	8 219 368,00	1 900 607,69

Source: Company.

### Statement of changes in share equity (funds) with comparative results – consolidated.

Statement of changes in share equity (funds)		IQ2018	IQ2018	IQ2017	IQ2017
		PLN	EUR	PLN	EUR
I	Opening balance of equity	18 899 065,62	4 520 118,06	16 283 452,28	3 765 308,30
I.a	Opening balance of equity after adjustments	18 899 065,62	4 520 118,06	16 283 452,28	3 765 308,30
II	Closing balance of equity	15 787 934,10	3 776 024,04	14 099 959,78	3 260 407,85
III	Equity including proposed profit distribution (loss coverage)	15 787 934,10	3 776 024,04	14 099 959,78	3 260 407,85

Source: Company.

#### 4. FINANCIAL DATA – SEPARATE.

##### Balance Sheet with comparative results.

ASSETS		IQ2018 PLN	IQ2018 EUR	IQ2017 PLN	IQ2017 EUR
<b>A</b>	<b>Fixed Assets</b>	<b>3 497 021,09</b>	<b>830 942,40</b>	<b>2 416 227,39</b>	<b>572 592,87</b>
I	Intangible assets	2 719 411,42	646 171,18	1 748 668,41	414 396,04
II	Tangible fixed assets	172 931,45	41 090,99	192 628,16	45 648,65
III	Long-term receivables	71 144,92	16 905,05	70 000,00	16 588,46
IV	Long-term investments	530 263,01	125 998,10	404 930,82	95 959,72
V	Long-term prepayments	3 270,29	777,07	-	-
<b>B</b>	<b>Current Assets</b>	<b>13 894 639,81</b>	<b>3 301 565,83</b>	<b>12 596 289,81</b>	<b>2 985 044,27</b>
I	Inventory	-	-	-	-
II	Short-term receivables	2 347 604,36	557 824,49	1 895 655,08	449 228,66
III	Short-term investments	11 430 425,85	2 716 033,23	10 526 393,71	2 494 524,32
IV	Short-term prepayments	116 609,60	27 708,11	174 241,02	41 291,30
<b>C</b>	<b>Called up share capital (negative value)</b>	-	-	-	-
<b>D</b>	<b>Own shares (negative value)</b>	-	-	-	-
<b>TOTAL ASSETS</b>		<b>17 391 660,90</b>	<b>4 132 508,23</b>	<b>15 012 517,20</b>	<b>3 557 637,14</b>

LIABILITIES		IQ2018 PLN	IQ2018 EUR	IQ2017 PLN	IQ2017 EUR
<b>A</b>	<b>Equity</b>	<b>15 667 552,33</b>	<b>3 722 835,29</b>	<b>14 032 322,05</b>	<b>3 325 352,40</b>
I	Share capital	368 050,00	87 453,96	300 550,00	71 223,75
II	Supplementary capital	44 818 403,98	10 649 496,02	32 988 203,98	7 817 480,44
III	Revaluation reserve	-	-	-	-
IV	Other reserve capitals	-	-	-	-
V	Previous years' profit (loss)	(26 395 601,27)	(6 271 973,69)	(17 072 265,67)	(4 045 752,33)
VI	Net profit (loss)	(3 123 300,38)	(742 141,00)	(2 184 166,26)	(517 599,47)
VII	Write-off on net profit during the financial year (negative value)	-	-	-	-
<b>B</b>	<b>Liabilities and Provisions For Liabilities</b>	<b>1 724 108,57</b>	<b>409 672,94</b>	<b>980 195,15</b>	<b>232 284,74</b>
I	Provisions for liabilities	112 030,25	26 620,00	-	-
II	Long-term liabilities	33 228,81	7 895,64	32 486,93	7 698,69
III	Short-term liabilities	1 474 840,00	350 443,15	937 208,22	222 097,78
IV	Accruals & Deferred Income	104 009,51	24 714,15	10 500,00	2 488,27
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>17 391 660,90</b>	<b>4 132 508,23</b>	<b>15 012 517,20</b>	<b>3 557 637,14</b>

Source: Company.



**Profit and loss account with comparative results.**

PROFIT AND LOSS ACCOUNT		IQ2018	IQ2018	IQ2017	IQ2017
		PLN	EUR	PLN	EUR
<b>A</b>	<b>Revenues from sales</b>	<b>336 096,97</b>	<b>80 384,82</b>	<b>204 272,58</b>	<b>47 235,02</b>
I	Sales of products and services	99 846,97	23 880,55	204 272,58	47 235,02
II	Change in work in progress	-	-	-	-
III	Intercompany sales	-	-	-	-
IV	Sales of goods and materials	236 250,00	56 504,27	-	-
<b>B</b>	<b>Operating costs</b>	<b>3 521 178,49</b>	<b>842 165,58</b>	<b>2 359 470,68</b>	<b>545 592,81</b>
I	Depreciation	44 431,06	10 626,64	51 002,77	11 793,64
II	Materials & energy	135 874,41	32 497,29	23 316,27	5 391,54
III	Cost of services	2 077 439,38	496 864,31	1 627 179,76	376 261,33
IV	Taxes and fees	182,31	43,60	11 615,73	2 685,97
V	Salaries	506 130,36	121 051,96	495 530,18	114 584,05
VI	Benefits	113 408,79	27 124,15	87 804,22	20 303,43
VII	Other costs	51 771,74	12 382,33	63 021,75	14 572,85
VIII	Cost of goods and materials sold	591 940,44	141 575,29	-	-
<b>C</b>	<b>Profit/Loss on sales (A-B)</b>	<b>(3 185 081,52)</b>	<b>(761 780,76)</b>	<b>(2 155 198,10)</b>	<b>(498 357,79)</b>
<b>D</b>	<b>Other operating incomes</b>	<b>16 249,45</b>	<b>3 886,41</b>	<b>12 093,96</b>	<b>2 796,55</b>
I	Profit on sale of fixed assets	-	-	-	-
II	Subsides	-	-	-	-
III	Actualization of fixed assets	-	-	-	-
IV	Other operating incomes	16 249,45	3 886,41	12 093,96	2 796,55
<b>E</b>	<b>Other operating costs</b>	<b>22 280,61</b>	<b>5 328,89</b>	<b>19 409,49</b>	<b>4 488,16</b>
I	Loss on sale of fixed assets	-	-	-	-
II	Actualization of fixed assets	-	-	-	-
III	Other operating costs	22 280,61	5 328,89	19 409,49	4 488,16
<b>F</b>	<b>Profit/Loss on activity (C+D-E)</b>	<b>(3 191 112,68)</b>	<b>(763 223,24)</b>	<b>(2 162 513,63)</b>	<b>(500 049,40)</b>
<b>G</b>	<b>Financial incomes</b>	<b>101 459,72</b>	<b>24 266,27</b>	<b>54 844,69</b>	<b>12 682,03</b>
I	Dividends	-	-	-	-
II	Interest incomes	-	-	31 406,34	7 262,25
III	Profit on sold investments	6 638,37	1 587,71	-	-
IV	Actualization of investments	14 068,18	3 364,71	23 438,35	5 419,77
V	Other	80 753,17	19 313,86	-	-
<b>H</b>	<b>Financial costs</b>	<b>33 647,42</b>	<b>8 047,50</b>	<b>76 497,32</b>	<b>17 688,88</b>
I	Interest expenses	1 280,94	306,36	2 087,27	482,65
II	Loss on sold investments	-	-	-	-
III	Actualization of investments	6 977,00	1 668,70	-	-
IV	Other	25 389,48	6 072,44	74 410,05	17 206,23
<b>I</b>	<b>Profit/Loss on total activity (F + G - H)</b>	<b>(3 123 300,38)</b>	<b>(747 004,47)</b>	<b>(2 184 166,26)</b>	<b>(505 056,25)</b>
<b>I</b>	<b>Gross Profit/Loss (F+G-H)</b>	<b>(3 123 300,38)</b>	<b>(747 004,47)</b>	<b>(2 184 166,26)</b>	<b>(505 056,25)</b>
<b>J</b>	<b>Income tax</b>	-	-	-	-
<b>K</b>	<b>Other statutory appropriations of the profit</b>	-	-	-	-
<b>L</b>	<b>Net Profit/Loss (I-J-K)</b>	<b>(3 123 300,38)</b>	<b>(747 004,47)</b>	<b>(2 184 166,26)</b>	<b>(505 056,25)</b>

Source: Company.

### Cash flow with comparative results.

		IQ2018	IQ2018	IQ2017	IQ2017
		PLN	EUR	PLN	EUR
<b>A. Cash flows from operating activities</b>					
I	Net profit (loss)	(3 123 300,38)	(747 004,47)	(2 184 166,26)	(505 056,25)
II	Total adjustments	(55 019,76)	(13 159,16)	(178 049,93)	(41 171,42)
III	Net cash flows from operating activities (I +/- II)	(3 178 320,14)	(760 163,63)	(2 362 216,19)	(546 227,67)
<b>B. Cash flows from investment activities</b>					
I	Inflows	1 500 000,00	358 757,26	28 872,42	6 676,32
II	Outflows	337 163,92	80 640,00	-	-
III	Net cash flows from investment activities (I-II)	1 162 836,08	278 117,26	28 872,42	6 676,32
<b>C. Cash flows from financial activities</b>					
I	Inflows	351,65	84,10	-	-
II	Outflows	9 259,34	2 214,57	16 987,24	3 928,05
III	Net cash flows from financial activities (I-II)	(8 907,69)	(2 130,47)	(16 987,24)	(3 928,05)
D	Total net cash flows (A.III. +/- B.III +/- C.III)	(2 024 391,75)	(484 176,83)	(2 350 331,01)	(543 479,40)
E	Balance sheet change in cash, including:	(1 953 870,42)	(467 310,14)	(2 350 331,01)	(543 479,40)
F	Cash opening balance	4 829 013,37	1 154 962,42	10 251 854,22	2 370 590,16
G	Closing balance of cash (F+/-D), including:	2 804 621,62	670 785,59	7 901 523,21	1 827 110,76

Source: Company.

### Statement of changes in share equity (funds) with comparative results.

Statement of changes in share equity (funds)		IQ2018	IQ2018	IQ2017	IQ2017
		PLN	EUR	PLN	EUR
I	Opening balance of equity	18 790 852,71	4 494 236,61	16 216 488,31	3 749 823,87
I.a	Opening balance of equity after adjustments	18 790 852,71	4 494 236,61	16 216 488,31	3 749 823,87
II	Closing balance of equity	15 667 552,33	3 747 232,15	14 032 322,05	3 244 767,62
III	Equity including proposed profit distribution (loss coverage)	15 667 552,33	3 747 232,15	14 032 322,05	3 244 767,62

Source: Company.

## 5. THE MANAGEMENT BOARD'S COMMENTS ON FACTORS AND EVENTS THAT AFFECT THE ACHIEVED FINANCIAL RESULTS.

Our Company is continuing execution of a strategy aimed to develop a world-class product in the link analytics market. In the US, DataWalk Inc. is working on selling our core product – the DataWalk system - and closing the first customer deals that will mark historical milestones for our Company.

The Capital Group revenue reached PLN 336,096,97 in the first quarter representing an increase of approx. 65% Q1'18/Q1'17. Quarterly revenue growth was mainly due to the sale of part of DataWalk license to HDI Sigorta A.S.

Consistent implementation of our business strategy required the Group to incur expenses which significantly affected the financial results. PiLab Capital Group SA recorded a net loss of PLN 3.102.152,43 in the first three months of 2018, while in the first quarter of 2017, net loss reached PLN 2.156.296,94. During the reported period, spending has been controlled within the projected budgets.

The year 2018 began with establishing cooperation with HDI Sigorta A.S. belonging to the Talanx Group, an entity operating on the Turkish insurance market. Furthermore, on 16th of April 2018 PiLab SA concluded an agreement for cooperation with companies Symmetry sp. z o.o. and Comp S.A., in order to execute sale and implementation of a perpetual license of DataWalk software at the Ministry of Finance, Poland. Signing the agreement is an important milestone for the PiLab SA and its Capital Group, as installing DataWalk for usage as defined in this agreement reinforces our efforts concentrated around building a best in class product for law enforcement, intelligence and financial crimes use-cases. The DataWalk platform will be implemented for use by The General Inspector of Financial Information, a part of the Ministry of Finance, with an objective to tackle money laundering, address counter-terrorism and identify and investigate financial crimes. The agreement signed is the largest contract in the Issuer's history. Participation in this project for the central government is a critical reference for our Capital Group at this stage of development and enables production usage of the system for the strategically important use-cases such as anti-money laundering. What's more, the project presents significant development potential within the Ministry of Finance, where DataWalk usage can be significantly enhanced.

## 6. NOTES TO FINANCIAL DATA.

The following exchange rates were applied:

EUR:

from	to	for Balance Sheet	for profit and loss	for cash flow
<b>01.01.2018</b>	<b>31.03.2018</b>	4,2085	4,1811	4,1811
<b>01.01.2017</b>	<b>31.03.2017</b>	4,2198	4,3246	4,3246

Balance Sheet applicable exchange rate represents the exchange rate as of the last day of the month ending the relevant period. Profit and loss account and Cash flow exchange rate represents the average of exchange rates effective on the last day of each month within the relevant period.