

CORRECTION OF THE QUARTERLY REPORT Q3 2018



Wroclaw, 12/07/2018

THE MANAGEMENT BOARD'S LETTER

Dear Shareholders,

Third quarter of this year was rich in events. Although we have noted summer slowdown in the areas of sales and implementations impacting financial results and resulting from reduced availability of our Customers, the reported period was clearly positive for the fundamental aspects of DataWalk Group's value. With a lot of optimism we expect very positive fourth quarter and, not focusing on short-term financial aspects, we're setting grounds for beginning of the next chapter of our Capital Group growth.

Looking from a perspective of few last years on effects in using DataWalk engine and development of our system functionality, we confirmed that we are utilizing much less than a half of unique capabilities enabled by our system's architecture. Today we can verify this not only through a technical opinion of our own or provided by experts such as Kirk Bradley, but also from practical effects of our system usage:

- Ease of implementation and elasticity measured by the speed of adding and modeling new data sources – in one of the last pilot projects in the public sector, within few days from the moment we received access to a giant and complex data source, we were able to present a working system that identified suspicious activities and potential frauds. Such speed of implementation enables us to iterate and increase DataWalk's efficiency within days and sometimes within hours. These advantages significantly differentiate us from the market standards in the enterprise IT sector.
- Ability to perform complex analytical operations being a novelty on a global scale, e.g. methods to detect organized crime groups tested by our Customers in the insurance sector, based on synthesis of multidimensional scoring, machine learning and graph algorithms present a promising potential of usage for use-cases connected with public security.
- Ease of connecting data from internal and external sources with OSINT (open source intelligence) type data; for instance, thanks to integration end-points we have recently developed, our Customers can enrich their data with big data sources coming both from the Internet, but also from the Dark Web. This approach not only has a positive impact on the running analytics e.g. by increasing the effectiveness of scoring systems, but also enables potential identification of criminals that use the TOR network that remained anonymous until now.
- Effectiveness of managing the anti-fraud process such as a project where we replaced the solution provided by one of the two global leaders in our segment. We were able to observe and measure extraordinary gains in the process effectiveness and financial results. Such data becomes a priceless source of information for the product development process, enabling better planning of the next functionality to provide further business quality jumps.

All of the above are observations and measurements made based on pilot and full implementations of DataWalk executed in second half of 2017 and first half of 2018 – it was a first time in our history we were able to observe our system in production usage with our first insurance and government customers. This knowledge fuels DataWalk development because we can make better decisions about trade-offs and priorities in the product development, process owned by our Engineering, VP of Marketing and CTO.

From a business perspective, our agreements and production implementations with first US Customers are very important. Inaugural American projects are a critical milestone and the lessons learned will further contribute to future, as our marketing team is working on turning these initial successes into serial sales in US generating revenue of a completely different scale than first projects.

With a third agreement we will sign with an US Customer for production implementation of DataWalk system, we will reach an internal milestone enabling us to officially begin the third chapter of our development. In Chapter one, we tested our engine with free beta customers. Chapter two consisted of proof-points of the business value delivered by usage of early versions the DataWalk system by the first and reference Customers-trendsetters. Chapter three commences the commercialization stage. Because of that our Capital Group has begun the recruitment processes for our first sales and systems engineering staff in the US.

During recent weeks we observed important effects of our summer work:

- 1) Received from TUiR Warta (number 2 in Poland and our first Insurance Customer) written references. Because of the fact that this document includes sensitive business and technical parameters, it can be presented only on demand within a specified target group. Measures included in this reference, based on

first several months of production usage of DataWalk, became a critical sales tool in current discussions with our insurance Prospects.

- 2) Acquiring of the third US patent, a proof point our strategy for creation of a portfolio of intellectual property (IP).
- 3) Filing for approval of our S-1 prospectus to The Polish Financial Supervision Authority Office and executing the process connected with our planned IPO on Main Market of Warsaw Stock Exchange.
- 4) Signing and executing the agreements with PARP and NCBIR for refunding (in form of donation) of some of our costs.

In the context of our finances it is important to mention that we moved from Polish Accounting Standards to International Accounting Standards.

Furthermore, on 21th of August 2018 PiLab S.A. changed its name to DataWalk S.A., thus marking a marketing synchronization of the Company name with the core product and US subsidiary names.

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 Wieczyński
CEO

1. BASIC INFORMATION.

DataWalk S.A.

Company Name:	DataWalk S.A.
Company Address:	ul. Rzeźnicza 32-33, 50-130 Wrocław
Phone:	+48 71 707 21 74
Fax:	+48 71 707 22 73
E-mail:	biuro@datawalk.com
www:	www.datawalk.pl

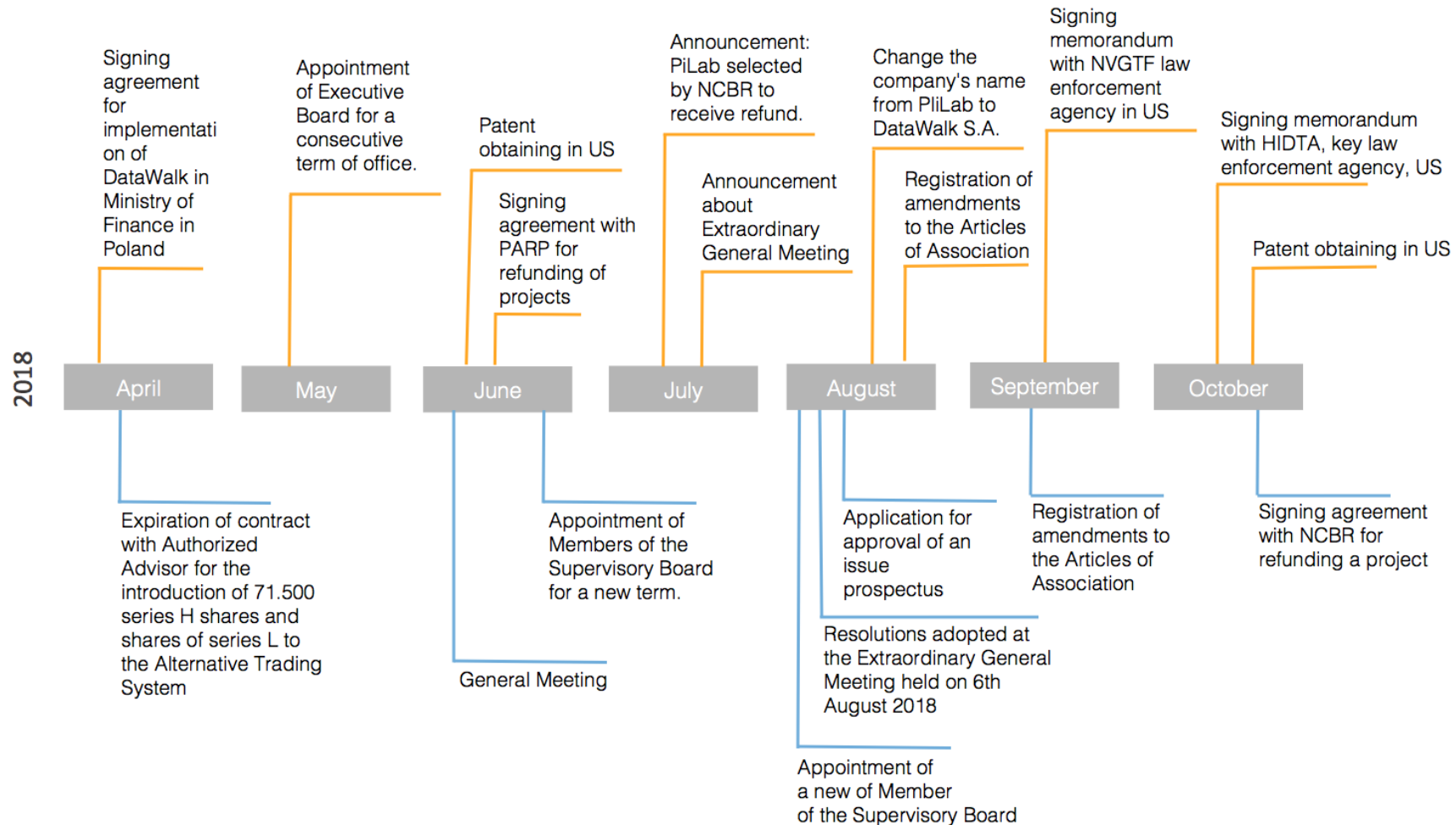
Source: Company.

DataWalk Inc. (US Subsidiary).

Company Name:	DataWalk Inc.
Company Registration Address:	1209 Orange Street, Wilmington, Delaware 19801
Company Address:	2479 East Bayshore Road, Suite 205 Palo Alto, CA 94303
E-mail:	info@datawalk.com
www:	www.datawalk.com

Source: Company.

2. TIMELINE.



Source: Company.

3. FINANCIAL DATA - CONSOLIDATED.

Consolidated statement of financial position

ASSETS		IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)
A	Non-current assets	3 601 455,12	843 155,67	2 362 693,88	548 303,33
I.	Fixed assets	137 365,02	32 159,25	213 585,59	49 566,17
II.	Intangible assets	3 283 850,82	768 799,65	2 079 108,29	482 492,47
III.	Financial assets	0,00	0,00	0,00	0,00
IV.	Long-term receivables	172 926,92	40 484,83	70 000,00	16 244,69
V.	Deferred tax assets	7 312,36	1 711,94	0,00	0,00
B	Current assets	8 690 485,92	2 034 575,53	8 421 649,57	1 954 387,13
I.	Inventory	0,00	0,00	0,00	0,00
II.	Trade receivables	2 578 728,87	603 719,83	1 569 382,67	364 201,96
III.	Receivables from income tax	0,00	0,00	0,00	0,00
IV.	Other receivables	889 552,28	208 257,78	951 316,60	220 769,21
V.	Financial assets	0,00	0,00	0,00	0,00
VI.	Prepayments	66 268,01	15 514,35	224 088,11	52 003,46
VII.	Cash and cash equivalents	5 155 936,76	1 207 083,57	5 676 862,19	1 317 412,50
TOTAL ASSETS		12 291 941,04	2 877 731,20	10 784 343,45	2 502 690,46

EQUITY AND LIABILITIES		IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)
A	Equity	10 273 632,67	2 405 214,37	9 529 097,76	2 211 389,33
I.	Share capital	368 050,00	86 166,13	300 550,00	69 747,74
II.	Other capitals	54 783 203,98	12 825 585,05	32 988 203,98	7 655 474,22
III.	Profit (loss) from previous years	-36 203 423,67	-8 475 774,61	-17 077 483,74	-3 963 120,78
IV.	Net profit (loss) for the current period	-10 769 853,23	-2 521 387,19	-8 232 532,70	-1 910 499,34
V.	Reserve capital	2 101 950,00	492 098,61	1 557 000,00	361 328,35
VI.	Foreign exchange translation differences	-6 294,41	-1 473,62	-6 639,77	-1 540,87
B	Long-term liabilities	26 642,83	6 237,49	57 816,10	13 417,21
I.	Other reserves	0,00	0,00	0,00	0,00
II.	Deferred tax liabilities	7 312,36	1 711,94	8 264,00	1 917,80
III.	Other long-term liabilities	19 330,47	4 525,56	49 552,10	11 499,41
C	Short-term liabilities	1 991 665,54	466 279,33	1 197 429,59	277 883,92
I.	Trade liabilities	1 219 665,39	285 542,30	589 783,21	136 869,23
II.	Income tax liabilities	0,00	0,00	0,00	0,00
III.	Other liabilities	389 402,39	91 165,05	323 939,21	75 175,61
IV.	Other reserves	120 024,82	28 099,64	67 333,02	15 625,77
V.	Prepayments	262 572,94	61 472,34	216 374,15	50 213,30
TOTAL EQUITY AND LIABILITIES		12 291 941,04	2 877 731,20	10 784 343,45	2 502 690,46

Source: Company.

NET ASSET VALUE PER SHARE	IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)
Net asset value	10 273 632,67	2 405 214,37	9 529 097,76	2 211 389,33
Number of shares	3 680 500,00	3 680 500,00	3 005 500,00	3 005 500,00
Net asset value per share	2,79	0,65	3,17	0,74
Diluted number of shares	3 860 500,00	3 860 500,00	3 782 817,00	3 005 500,00
Diluted net asset value per share	2,66	0,62	2,52	0,74

Source: Company.

The net asset value attributable to the parent entity per share was calculated in relation to the weighted average number of shares of the parent company for a given period. The number was 3.680.500 as at 09/30/2018, while on 09/30/2017 the number of shares was equal to 3.005.500. The diluted number of shares includes shares intended to be offered as part of the incentive program.

Consolidated profit and loss account with the statement of comprehensive income

PROFIT AND LOSS ACCOUNT		IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)	I-IIIQ 2018 (PLN)	I-IIIQ 2018 (EUR)	I-IIIQ 2017 (PLN)	I-IIIQ 2017 (EUR)
A	Revenues from sales	197 710,35	46 177,46	407 079,40	95 220,28	1 179 179,99	277 227,26	1 141 480,28	268 164,35
B	Operating costs	3 297 658,63	770 205,06	2 785 641,43	651 591,71	10 140 565,18	2 384 064,45	7 764 221,44	1 824 023,96
I.	Materials & energy	23 716,15	5 539,17	32 861,93	7 686,76	85 910,96	20 197,82	81 138,48	19 061,61
II.	Employee benefits	1 285 294,69	300 194,95	954 975,52	223 379,12	3 654 128,19	859 091,87	2 676 620,61	628 810,00
III.	Amortisation and depreciation	44 233,35	10 331,19	44 147,28	10 326,53	133 155,05	31 304,98	146 084,86	34 319,25
IV.	External services	1 834 870,94	428 554,63	1 542 877,53	360 895,77	5 177 418,70	1 217 220,11	4 375 869,62	1 028 009,19
V.	Costs of producing benefits for own needs	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
VI.	Other costs	109 543,49	25 585,11	210 779,18	49 303,53	1 089 952,27	256 249,67	484 507,88	113 823,90
C	Profit/Loss on sales	-3 099 948,28	-724 027,59	-2 378 562,03	-556 371,43	-8 961 385,19	-2 106 837,19	-6 622 741,16	-1 555 859,61
I.	Other operating incomes	76 237,00	17 806,00	36 133,24	8 451,96	222 190,01	52 237,26	71 113,97	16 706,58
II.	Other operating costs	707 145,33	165 161,70	1 600 243,21	374 314,22	2 145 006,40	504 294,72	1 644 910,94	386 433,72
D	Operating profit (loss)	-3 730 856,61	-871 383,29	-3 942 672,00	-922 233,69	-10 884 201,58	-2 558 894,66	-8 196 538,13	-1 925 586,75
I.	Financial incomes	25 455,93	5 945,52	41 557,47	9 720,74	172 199,18	40 484,33	147 012,23	34 537,12
II.	Financial costs	0,00	0,00	17 442,46	4 079,98	30 318,04	7 127,82	191 270,80	44 934,64
E	Pre-tax profit (loss)	-3 705 400,68	-865 437,77	-3 918 556,99	-916 592,93	-10 742 320,44	-2 525 538,16	-8 240 796,70	-1 935 984,27
I.	Income tax	5 802,22	1 355,17	0,00	0,00	27 532,79	6 473,01	-8 264,00	-1 941,44
Ia.	current	5 802,22	1 355,17	0,00	0,00	27 532,79	6 473,01	0,00	0,00
Ib.	deferred	0,00	0,00	0,00	0,00	0,00	0,00	-8 264,00	-1 941,44
F	Net profit (loss)	-3 711 202,90	-866 792,95	-3 918 556,99	-916 592,93	-10 769 853,23	-2 532 011,17	-8 232 532,70	-1 934 042,84

NET PROFIT (LOSS) ATTRIBUTABLE TO:		IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)	I-IIIQ 2018 (PLN)	I-IIIQ 2018 (EUR)	I-IIIQ 2017 (PLN)	I-IIIQ 2017 (EUR)
-	shareholders of the parent company	-3 711 202,90	-866 792,95	-3 918 556,99	-916 592,93	-10 769 853,23	-2 532 011,17	-8 232 532,70	-1 934 042,84
-	non-controlling interests	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

STATEMENT OF COMPREHENSIVE INCOME		IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)	I-IIIQ 2018 (PLN)	I-IIIQ 2018 (EUR)	I-IIIQ 2017 (PLN)	I-IIIQ 2017 (EUR)
A	Net profit (loss)	-3 711 202,90	-866 792,95	-3 918 556,99	-916 592,93	-10 769 853,23	-2 532 011,17	-8 232 532,70	-1 934 042,84
B	Other comprehensive income	-13 206,39	-3 084,50	-815,25	-190,70	41 327,81	9 716,24	-43 972,17	-10 330,24
I	Other comprehensive income, which in the future will be able to be reclassified to the result	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
II	Other comprehensive income, which will not be able in the future be reclassified to the result	-13 206,39	-3 084,50	-815,25	-190,70	41 327,81	9 716,24	-43 972,17	-10 330,24
C	Total comprehensive income	-3 724 409,29	-869 877,45	-3 919 372,25	-916 783,63	-10 728 525,42	-2 522 294,93	-8 276 504,88	-1 944 373,08

TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)	I-IIIQ 2018 (PLN)	I-IIIQ 2018 (EUR)	I-IIIQ 2017 (PLN)	I-IIIQ 2017 (EUR)
-	shareholders of the parent company	-3 724 409,29	-869 877,45	-3 919 372,25	-916 783,63	-10 728 525,42	-2 522 294,93	-8 276 504,88	-1 944 373,08
-	non-controlling interests	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

PROFIT (LOSS) PER SHARE ATTRIBUTABLE TO:		IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)	I-IIIQ 2018 (PLN)	I-IIIQ 2018 (EUR)	I-IIIQ 2017 (PLN)	I-IIIQ 2017 (EUR)
-	Number of shares	3 680 500,00	3 680 500,00	3 005 500,00	3 005 500,00	3 680 500,00	3 680 500,00	3 005 500,00	3 005 500,00
-	Profit (loss) per share	-1,01	-0,24	-1,30	-0,30	-2,93	-0,69	-2,74	-0,64
-	Diluted number of shares	3 860 500,00	3 860 500,00	3 782 817,00	3 782 817,00	3 860 500,00	3 860 500,00	3 782 817,00	3 782 817,00
-	Diluted profit (loss) per share	-0,96	-0,22	-1,04	-0,24	-2,79	-0,66	-2,18	-0,51

Source: Company.

The net profit (loss) attributable to the parent entity per share was calculated in relation to the weighted average number of shares of the parent company for a given period. The number was 3.680.500 as at 09/30/2018, while on 09/30/2017 the number of shares was equal to 3.005.500. The diluted number of shares includes shares intended to be offered as part of the incentive program.

Consolidated statement of cash flows

CASH FLOW STATEMENT	IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)	I-IIIQ 2018 (PLN)	I-IIIQ 2018 (EUR)	I-IIIQ 2017 (PLN)	I-IIIQ 2017 (EUR)
Net cash flows from operating activities								
Net profit (loss)	-3 711 202,90	-866 792,95	-3 918 556,99	-916 592,93	-10 769 853,23	-2 532 011,17	-8 232 532,70	-1 934 042,84
Total adjustments:	745 394,49	174 095,22	1 456 649,91	340 726,19	2 066 716,60	485 888,66	1 718 892,70	403 814,02
Amortisation and depreciation	44 233,35	10 331,19	44 147,28	10 326,53	133 155,05	31 304,98	146 084,86	34 319,25
Foreign exchange gains (losses)	-163,01	-38,07	-43 524,17	-10 180,77	-56 723,47	-13 335,79	138 618,66	32 565,24
Interest and dividends	-5 128,07	-1 197,72	-100 973,20	-23 618,73	-10 309,60	-2 423,80	-106 948,30	-25 125,03
Profit (loss) on investing activities	0,00	0,00	0,00	0,00	-128 888,17	-30 301,83	-15 862,52	-3 726,53
Income tax of current period	5 802,22	1 355,17	0,00	0,00	27 532,79	6 473,01	0,00	0,00
Other net items	700 650,00	163 644,64	1 557 000,00	364 199,17	2 101 950,00	494 172,09	1 557 000,00	365 781,08
Income tax paid	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Net cash flow from operating activities before the change in working capital	-2 965 808,41	-692 697,73	-2 461 907,08	-575 866,74	-8 703 136,63	-2 046 122,51	-6 513 640,00	-1 530 228,82
Change in working capital	254 021,70	59 329,61	-606 729,53	-141 920,61	-620 318,49	-145 837,95	-414 887,84	-97 468,29
Change in receivables	156 817,02	36 626,37	-836 082,58	-195 568,77	-1 552 783,38	-365 062,06	-498 473,65	-117 104,84
Change in inventories	0,00	0,00	0,00	0,00	591 940,44	139 166,22	0,00	0,00
Change in liabilities due to employee benefits	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Change in provisions	-54 332,86	-12 690,05	15 954,86	3 732,01	15 521,94	3 649,24	5 916,86	1 390,03
Change in short-term liabilities	88 931,39	20 770,92	99 848,81	23 355,72	52 672,60	12 383,42	-21 413,46	-5 030,60
Change in other assets	14 758,19	3 446,94	-65 099,27	-15 227,42	114 609,62	26 944,92	-116 455,88	-27 358,61
Change in deferred income	47 847,96	11 175,43	178 648,65	41 787,85	157 720,29	37 080,31	215 538,29	50 635,73
Net cash generated (used) in operating activities	-2 711 786,71	-633 368,12	-3 068 636,61	-717 787,35	-9 323 455,12	-2 191 960,46	-6 928 527,84	-1 627 697,11
Cash flows from investing activities								
Proceeds from sale of property, plant, equipment and intangible assets	0,00	0,00	0,00	0,00	0,00	0,00	15 862,52	3 726,53
Proceeds from sale of shares in related entities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Proceeds from sale of shares in other entities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Proceeds from sale of short-term securities	0,00	0,00	0,00	0,00	10 144 262,72	2 384 933,75	0,00	0,00
Purchases of property, plant and equipment and intangible assets	-486 790,38	-113 695,34	-158 367,31	-37 043,83	-776 594,71	-182 578,76	-734 199,37	-172 483,13
Expenditure on assets related to exploration and evaluation of mineral resources	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

Expenses for purchase of shares in related entities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Expenses for purchase of shares in other entities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Expenses for purchase of short-term securities	0,00	0,00	2 601 432,15	608 503,16	0,00	0,00	2 601 432,15	611 146,22
Paid loans	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Granted loans	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Proceeds from derivative financial instruments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Expenses related to derivative financial instruments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Interest	5 934,77	1 386,13	102 165,96	23 897,72	19 619,17	4 612,50	111 999,11	26 311,60
Proceeds from financial leasing	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Other net items	0,00	0,00	0,00	0,00	0,00	0,00	64 126,90	15 065,13
Dividends	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Net cash generated (used) in investing activities	-480 855,61	-112 309,21	2 545 230,80	595 357,06	9 387 287,18	2 206 967,49	2 059 221,31	483 766,34
Cash flows from financing activities								
Proceeds from issuance of shares	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Bank loans and borrowings	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Proceeds from the issue of debt securities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Repayment of bank loans and borrowings	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Purchase of debt securities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Liabilities resulting from financial lease	-5 595,38	-1 306,86	-8 000,31	-1 871,36	-22 113,72	-5 198,97	-14 574,80	-3 424,01
Proceeds from derivative financial instruments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Expenses related to derivative financial instruments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dividends	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Interest	-806,70	-188,41	-1 192,76	-279,00	-9 309,57	-2 188,70	-5 050,81	-1 186,57
Other net items	0,00	0,00	-1,11	-0,26	351,65	82,67	-1,11	-0,26
Net cash flows from financing activity	-6 402,08	-1 495,28	-9 194,18	-2 150,62	-31 071,64	-7 305,00	-19 626,72	-4 610,84
Total net cash flows	-3 199 044,40	-747 172,60	-532 599,99	-124 580,91	32 760,42	7 702,03	-4 888 933,25	-1 148 541,61
<i>Change in cash due to foreign currency translation</i>	<i>163,01</i>	<i>38,07</i>	<i>43 524,17</i>	<i>10 180,77</i>	<i>56 723,47</i>	<i>13 335,79</i>	<i>-138 618,66</i>	<i>-32 565,24</i>
Opening balance of cash	8 353 170,79	1 950 976,47	6 220 053,54	1 454 937,91	5 121 365,97	1 204 042,02	10 576 386,80	2 484 677,06
Closing balance of cash	5 154 126,39	1 203 803,87	5 687 453,55	1 330 357,00	5 154 126,39	1 211 744,05	5 687 453,55	1 336 135,45

Source: Company.

Consolidated statement of changes in equity (PLN)

STATEMENT OF CHANGES IN EQUITY	SHARE CAPITAL	OTHER CAPITALS	FOREIGN EXCHANGE TRANSLATION DIFFERENCES	RESERVE CAPITAL	PROFIT (LOSS) FROM PREVIOUS YEARS	NET PROFIT (LOSS) FOR THE CURRENT PERIOD	TOTAL EQUITY
Balance as at 01/01/2018	368 050,00	54 783 203,98	-47 622,22	0,00	-17 077 483,74	-19 125 939,93	18 900 208,09
<i>Change in accounting policy</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>
Balance as at 01/01/2018 adjusted	368 050,00	54 783 203,98	-47 622,22	0,00	-17 077 483,74	-19 125 939,93	18 900 208,09
Net profit (loss)	0,00	0,00	0,00	0,00	0,00	-10 769 853,23	-10 769 853,23
Foreign exchange translation differences	0,00	0,00	41 327,81	0,00	0,00	0,00	41 327,81
Changes in equity resulting from IFRS 2	0,00	0,00	0,00	2 101 950,00	0,00	0,00	2 101 950,00
Distribution of profit (loss) for 2017	0,00	0,00	0,00	0,00	-19 125 939,93	19 125 939,93	0,00
Balance as at 09/30/2018	368 050,00	54 783 203,98	-6 294,41	2 101 950,00	-36 203 423,67	-10 769 853,23	10 273 632,67

Source: Company.

STATEMENT OF CHANGES IN EQUITY	SHARE CAPITAL	OTHER CAPITALS	FOREIGN EXCHANGE TRANSLATION DIFFERENCES	RESERVE CAPITAL	PROFIT (LOSS) FROM PREVIOUS YEARS	NET PROFIT (LOSS) FOR THE CURRENT PERIOD	TOTAL EQUITY
Balance as at 01/01/2017	300 550,00	32 988 203,98	37 332,40	0,00	-9 538 930,94	-7 538 552,80	16 248 602,64
<i>Change in accounting policy</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>
Balance as at 01/01/2017 adjusted	300 550,00	32 988 203,98	37 332,40	0,00	-9 538 930,94	-7 538 552,80	16 248 602,64
Net profit (loss)	0,00	0,00	0,00	0,00	0,00	-8 232 532,70	-8 232 532,70
Foreign exchange translation differences	0,00	0,00	-43 972,17	0,00	0,00	0,00	-43 972,17
Changes in equity resulting from IFRS 2	0,00	0,00	0,00	1 557 000,00	0,00	0,00	1 557 000,00
Distribution of profit (loss) for 2016	0,00	0,00	0,00	0,00	-7 538 552,80	7 538 552,80	0,00
Balance as at 09/30/2017	300 550,00	32 988 203,98	-6 639,77	1 557 000,00	-17 077 483,74	-8 232 532,70	9 529 097,76

Source: Company.

Consolidated statement of changes in equity (EUR)

STATEMENT OF CHANGES IN EQUITY	SHARE CAPITAL	OTHER CAPITALS	FOREIGN EXCHANGE TRANSLATION DIFFERENCES	RESERVE CAPITAL	PROFIT (LOSS) FROM PREVIOUS YEARS	NET PROFIT (LOSS) FOR THE CURRENT PERIOD	TOTAL EQUITY
Balance as at 01/01/2018	86 166,13	12 825 585,05	-11 149,09	0,00	-3 998 099,86	-4 477 674,75	4 424 827,48
<i>Change in accounting policy</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>
Balance as at 01/01/2018 adjusted	86 166,13	12 825 585,05	-11 149,09	0,00	-3 998 099,86	-4 477 674,75	4 424 827,48
Net profit (loss)	0,00	0,00	0,00	0,00	0,00	-2 521 387,19	-2 521 387,19
Foreign exchange translation differences	0,00	0,00	9 675,47	0,00	0,00	0,00	9 675,47
Changes in equity resulting from IFRS 2	0,00	0,00	0,00	492 098,61	0,00	0,00	492 098,61
Distribution of profit (loss) for 2017	0,00	0,00	0,00	0,00	-4 477 674,75	4 477 674,75	0,00
Balance as at 09/30/2018	86 166,13	12 825 585,05	-1 473,62	492 098,61	-8 475 774,61	-2 521 387,19	2 405 214,37

Source: Company.

STATEMENT OF CHANGES IN EQUITY	SHARE CAPITAL	OTHER CAPITALS	FOREIGN EXCHANGE TRANSLATION DIFFERENCES	RESERVE CAPITAL	PROFIT (LOSS) FROM PREVIOUS YEARS	NET PROFIT (LOSS) FOR THE CURRENT PERIOD	TOTAL EQUITY
Balance as at 01/01/2017	69 747,74	7 655 474,22	8 663,62	0,00	-2 213 671,29	-1 749 449,49	3 770 764,81
<i>Change in accounting policy</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>
Balance as at 01/01/2017 adjusted	69 747,74	7 655 474,22	8 663,62	0,00	-2 213 671,29	-1 749 449,49	3 770 764,81
Net profit (loss)	0,00	0,00	0,00	0,00	0,00	-1 910 499,34	-1 910 499,34
Foreign exchange translation differences	0,00	0,00	-10 204,49	0,00	0,00	0,00	-10 204,49
Changes in equity resulting from IFRS 2	0,00	0,00	0,00	361 328,35	0,00	0,00	361 328,35
Distribution of profit (loss) for 2016	0,00	0,00	0,00	0,00	-1 749 449,49	1 749 449,49	0,00
Balance as at 09/30/2017	69 747,74	7 655 474,22	-1 540,87	361 328,35	-3 963 120,78	-1 910 499,34	2 211 389,33

Source: Company.

In the opinion of the Management Board, presented above, the current economic and financial position of the Issuer on a consolidated basis is fair and complete and does not require consideration of additional data.

4. FINANCIAL DATA – SEPARATE ENTITY REPORT.

Separate statement of financial position

ASSETS		IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)
A	Non-current assets	4 173 529,53	977 087,03	2 746 910,70	637 467,38
I.	Fixed assets	137 365,02	32 159,25	213 585,59	49 566,17
II.	Intangible assets	3 283 850,82	768 799,65	2 079 108,29	482 492,47
III.	Financial assets	572 074,41	133 931,36	384 216,82	89 164,05
IV.	Long-term receivables	172 926,92	40 484,83	70 000,00	16 244,69
V.	Deferred tax assets	7 312,36	1 711,94	0,00	0,00
B	Current assets	8 185 822,74	1 916 426,17	8 116 378,64	1 883 543,81
I.	Inventory	0,00	0,00	0,00	0,00
II.	Trade receivables	2 541 971,19	595 114,29	1 569 378,99	364 201,11
III.	Receivables from income tax	0,00	0,00	0,00	0,00
IV.	Other receivables	889 552,28	208 257,78	951 320,29	220 770,07
V.	Financial assets	0,00	0,00	0,00	0,00
VI.	Prepayments	47 426,81	11 103,34	136 670,72	31 716,77
VII.	Cash and cash equivalents	4 706 872,46	1 101 950,76	5 459 008,64	1 266 855,87
TOTAL ASSETS		12 359 352,27	2 893 513,20	10 863 289,34	2 521 011,19

EQUITY AND LIABILITIES		IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)
A	Equity	10 103 025,63	2 365 272,66	9 417 085,95	2 185 395,08
I.	Share capital	368 050,00	86 166,13	300 550,00	69 747,74
II.	Other capitals	54 783 203,98	12 825 585,05	32 988 203,98	7 655 474,22
III.	Profit (loss) from previous years	-36 359 258,80	-8 512 258,00	-17 107 114,33	-3 969 997,06
IV.	Net profit (loss) for the current period	-10 790 919,55	-2 526 319,13	-8 321 553,70	-1 931 158,18
V.	Reserve capital	2 101 950,00	492 098,61	1 557 000,00	361 328,35
B	Long-term liabilities	26 642,83	6 237,49	49 552,10	11 499,41
I.	Other reserves	0,00	0,00	0,00	0,00
II.	Deferred tax liabilities	7 312,36	1 711,94	0,00	0,00
III.	Other long-term liabilities	19 330,47	4 525,56	49 552,10	11 499,41
C	Short-term liabilities	2 229 683,81	522 003,05	1 396 651,29	324 116,70
I.	Trade liabilities	1 475 601,49	345 460,85	845 719,32	196 263,56
II.	Income tax liabilities	0,00	0,00	0,00	0,00
III.	Other liabilities	371 484,56	86 970,21	258 960,80	60 096,26
IV.	Other reserves	120 024,82	28 099,64	75 597,02	17 543,58
V.	Prepayments	262 572,94	61 472,34	216 374,15	50 213,30
TOTAL EQUITY AND LIABILITIES		12 359 352,27	2 893 513,20	10 863 289,34	2 521 011,19

Source: Company.

NET ASSET VALUE PER SHARE	IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)
Net asset value	10 103 025,63	2 365 272,66	9 417 085,95	2 185 395,08
Number of shares	3 680 500,00	3 680 500,00	3 005 500,00	3 005 500,00
Net asset value per share	2,75	0,64	3,13	0,73
Diluted number of shares	3 860 500,00	3 860 500,00	3 782 817,00	3 005 500,00
Diluted net asset value per share	2,62	0,61	2,49	0,73

Source: Company.

The net asset value attributable to the parent entity per share was calculated in relation to the weighted average number of shares of the parent company for a given period. The number was 3.680.500 as at 09/30/2018, while on 09/30/2017 the number of shares was equal to 3.005.500. The diluted number of shares includes shares intended to be offered as part of the incentive program.

Separate profit and loss account with the statement of comprehensive income

PROFIT AND LOSS ACCOUNT		IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)	I-IIIQ 2018 (PLN)	I-IIIQ 2018 (EUR)	I-IIIQ 2017 (PLN)	I-IIIQ 2017 (EUR)
A	Revenues from sales	197 706,78	46 176,63	407 079,40	95 220,28	1 179 176,42	277 226,42	1 141 480,28	268 164,35
B	Operating costs	3 326 658,61	776 978,33	2 824 012,18	660 567,04	10 223 995,12	2 403 678,98	7 851 654,64	1 844 564,36
I.	Materials & energy	20 119,11	4 699,04	26 300,14	6 151,89	72 977,06	17 157,03	73 092,82	17 171,46
II.	Employee benefits	616 217,48	143 924,48	606 289,84	141 817,76	1 959 313,35	460 637,97	1 812 917,88	425 903,06
III.	Amortisation and depreciation	44 233,35	10 331,19	44 147,28	10 326,53	133 155,05	31 304,98	146 084,86	34 319,25
IV.	External services	2 572 586,34	600 856,31	2 025 839,10	473 865,71	7 206 589,56	1 694 281,70	5 493 296,75	1 290 522,81
V.	Costs of producing benefits for own needs	0	0,00	0,00	0,00	0,00	0,00		0,00
VI.	Other costs	73 502,33	17 167,29	121 435,82	28 405,15	851 960,10	200 297,30	326 262,33	76 647,78
C	Profit/Loss on sales	-3 128 951,83	-730 801,70	-2 416 932,78	-565 346,76	-9 044 818,70	-2 126 452,56	-6 710 174,36	-1 576 400,01
I.	Other operating incomes	76 236,99	17 806,00	36 133,24	8 451,96	222 190,00	52 237,25	71 113,97	16 706,58
II.	Other operating costs	707 145,33	165 161,70	1 600 243,23	374 314,23	2 145 006,39	504 294,72	1 646 498,74	386 806,74
D	Operating profit (loss)	-3 759 860,17	-878 157,40	-3 981 042,77	-931 209,03	-10 967 635,09	-2 578 510,02	-8 285 559,13	-1 946 500,17
I.	Financial incomes	14 816,07	3 460,46	41 557,47	9 720,74	207 033,58	48 673,95	147 012,23	34 537,12
II.	Financial costs	0	0,00	17 442,46	4 079,98	30 318,04	7 127,82	191 270,80	44 934,64
E	Pre-tax profit (loss)	-3 745 044,10	-874 696,94	-3 956 927,76	-925 568,27	-10 790 919,55	-2 536 963,89	-8 329 817,70	-1 956 897,69
I.	Income tax	0	0,00	0,00	0,00	0,00	0,00	-8 264,00	-1 941,44
Ia.	current	0	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Ib.	deferred	0	0,00	0,00	0,00	0,00	0,00	-8 264,00	-1 941,44
F	Net profit (loss)	-3 745 044,10	-874 696,94	-3 956 927,76	-925 568,27	-10 790 919,55	-2 536 963,89	-8 321 553,70	-1 954 956,26

NET PROFIT (LOSS) ATTRIBUTABLE TO:		IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)	I-IIIQ 2018 (PLN)	I-IIIQ 2018 (EUR)	I-IIIQ 2017 (PLN)	I-IIIQ 2017 (EUR)
-	shareholders of the parent company	-3 745 044,10	-874 696,94	-3 956 927,76	-925 568,27	-10 790 919,55	-2 536 963,89	-8 321 553,70	-1 954 956,26
-	non-controlling interests	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

STATEMENT OF COMPREHENSIVE INCOME		IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)	I-IIIQ 2018 (PLN)	I-IIIQ 2018 (EUR)	I-IIIQ 2017 (PLN)	I-IIIQ 2017 (EUR)
A	Net profit (loss)	-3 745 044,10	-874 696,94	-3 956 927,76	-925 568,27	-10 790 919,55	-2 536 963,89	-8 321 553,70	-1 954 956,26
B	Other comprehensive income	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
I	Other comprehensive income, which in the future will be able to be reclassified to the result	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
II	Other comprehensive income, which will not be able in the future be reclassified to the result	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
C	Total comprehensive income	-3 745 044,10	-874 696,94	-3 956 927,76	-925 568,27	-10 790 919,55	-2 536 963,89	-8 321 553,70	-1 954 956,26

TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)	I-IIIQ 2018 (PLN)	I-IIIQ 2018 (EUR)	I-IIIQ 2017 (PLN)	I-IIIQ 2017 (EUR)
-	shareholders of the parent company	-3 745 044,10	-874 696,94	-3 956 927,76	-925 568,27	-10 790 919,55	-2 536 963,89	-8 321 553,70	-1 954 956,26
-	non-controlling interests	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

PROFIT (LOSS) PER SHARE ATTRIBUTABLE TO:		IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)	I-IIIQ 2018 (PLN)	I-IIIQ 2018 (EUR)	I-IIIQ 2017 (PLN)	I-IIIQ 2017 (EUR)
-	Number of shares	3 680 500,00	3 680 500,00	3 005 500,00	3 005 500,00	3 680 500,00	3 680 500,00	3 005 500,00	3 005 500,00
-	Profit (loss) per share	-1,02	-0,24	-1,32	-0,31	-2,93	-0,69	-2,77	-0,65
-	Diluted number of shares	3 860 500,00	3 860 500,00	3 782 817,00	3 782 817,00	3 860 500,00	3 860 500,00	3 782 817,00	3 782 817,00
-	Diluted profit (loss) per share	-0,97	-0,23	-1,05	-0,24	-2,80	-0,66	-2,20	-0,52

Source: Company.

The net profit (loss) attributable to the parent entity per share was calculated in relation to the weighted average number of shares of the parent company for a given period. The number was 3.680.500 as at 09/30/2018, while on 09/30/2017 the number of shares was equal to 3.005.500. The diluted number of shares includes shares intended to be offered as part of the incentive program.

Separate statement of cash flows

CASH FLOW STATEMENT	IIIQ 2018 (PLN)	IIIQ 2018 (EUR)	IIIQ 2017 (PLN)	IIIQ 2017 (EUR)	I-IIIQ 2018 (PLN)	I-IIIQ 2018 (EUR)	I-IIIQ 2017 (PLN)	I-IIIQ 2017 (EUR)
Net cash flows from operating activities								
Net profit (loss)	-3 745 044,10	-874 696,94	-3 956 927,76	-925 568,27	-10 790 919,55	-2 536 963,89	-8 321 553,70	-1 954 956,26
Total adjustments:	739 592,27	172 740,05	1 456 649,91	340 726,19	2 039 183,81	479 415,65	1 718 892,70	403 814,02
Amortisation and depreciation	44 233,35	10 331,19	44 147,28	10 326,53	133 155,05	31 304,98	146 084,86	34 319,25
Foreign exchange gains (losses)	-163,01	-38,07	-43 524,17	-10 180,77	-56 723,47	-13 335,79	138 618,66	32 565,24
Interest and dividends	-5 128,07	-1 197,72	-100 973,20	-23 618,73	-10 309,60	-2 423,80	-106 948,30	-25 125,03
Profit (loss) on investing activities	0,00	0,00	0,00	0,00	-128 888,17	-30 301,83	-15 862,52	-3 726,53
Income tax of current period	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Other net items	700 650,00	163 644,64	1 557 000,00	364 199,17	2 101 950,00	494 172,09	1 557 000,00	365 781,08
Income tax paid	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Net cash flow from operating activities before the change in working capital	-3 005 451,83	-701 956,89	-2 500 277,85	-584 842,08	-8 751 735,74	-2 057 548,25	-6 602 661,00	-1 551 142,24
Change in working capital	-73 419,35	-17 147,91	-481 009,61	-112 513,36	-522 660,57	-122 878,41	-116 963,64	-27 477,90
Change in receivables	156 134,69	36 467,00	-836 082,59	-195 568,78	-1 550 838,70	-364 604,87	-498 473,66	-117 104,84
Change in inventories	0,00	0,00	0,00	0,00	591 940,44	139 166,22	0,00	0,00
Change in liabilities due to employee benefits	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Change in provisions	-54 332,86	-12 690,05	-12 149,14	-2 841,82	38 150,53	8 969,26	-27 573,14	-6 477,67
Change in short-term liabilities	-258 761,67	-60 436,68	188 265,86	44 037,42	170 977,29	40 197,06	149 672,32	35 162,04
Change in other assets	35 692,53	8 336,39	307,61	71,95	69 389,58	16 313,61	43 036,69	10 110,47
Change in deferred income	47 847,96	11 175,43	178 648,65	41 787,85	157 720,29	37 080,31	216 374,15	50 832,09
Net cash generated (used) in operating activities	-3 078 871,18	-719 104,80	-2 981 287,46	-697 355,43	-9 274 396,31	-2 180 426,65	-6 719 624,64	-1 578 620,14
Cash flows from investing activities								
Proceeds from sale of property, plant, equipment and intangible assets	0,00	0,00	0,00	0,00	0,00	0,00	15 862,52	3 726,53
Proceeds from sale of shares in related entities	0,00	0,00	56 630,18	13 246,41	0,00	0,00	56 630,18	13 303,95
Proceeds from sale of shares in other entities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Proceeds from sale of short-term securities	0,00	0,00	0,00	0,00	10 144 262,72	2 384 933,75	0,00	0,00
Purchases of property, plant and equipment and intangible assets	-486 790,38	-113 695,34	-158 367,31	-37 043,83	-776 594,71	-182 578,76	-734 199,37	-172 483,13
Expenditure on assets related to exploration and evaluation of mineral resources	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

Expenses for purchase of shares in related entities	10 639,86	2 485,06	0,00	0,00	-205 770,59	-48 377,02	0,00	0,00
Expenses for purchase of shares in other entities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Expenses for purchase of short-term securities	0,00	0,00	2 601 432,15	608 503,16	0,00	0,00	2 601 432,15	611 146,22
Paid loans	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Granted loans	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Proceeds from derivative financial instruments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Expenses related to derivative financial instruments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Interest	5 934,77	1 386,13	102 165,96	23 897,72	19 619,17	4 612,50	111 999,11	26 311,60
Proceeds from financial leasing	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Other net items	0,00	0,00	0,00	0,00	0,00	0,00	64 126,90	15 065,13
Dividends	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Net cash generated (used) in investing activities	-470 215,75	-109 824,15	2 601 860,98	608 603,47	9 181 516,59	2 158 590,47	2 115 851,49	497 070,29
Cash flows from financing activities								
Proceeds from issuance of shares	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Bank loans and borrowings	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Proceeds from the issue of debt securities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Repayment of bank loans and borrowings	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Purchase of debt securities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Liabilities resulting from financial lease	-5 595,38	-1 306,86	-8 000,31	-1 871,36	-22 113,72	-5 198,97	-14 574,80	-3 424,01
Proceeds from derivative financial instruments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Expenses related to derivative financial instruments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dividends	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Interest	-806,70	-188,41	-1 192,76	-279,00	-9 309,57	-2 188,70	-5 050,81	-1 186,57
Other net items	0,00	0,00	0,00	0,00	351,65	82,67	-30 529,18	-7 172,12
Net cash flows from financing activity	-6 402,08	-1 495,28	-9 193,07	-2 150,36	-31 071,64	-7 305,00	-50 154,79	-11 782,71
Total net cash flows	-3 555 489,01	-830 424,23	-388 619,55	-90 902,32	-123 951,36	-29 141,18	-4 653 927,94	-1 093 332,55
<i>Change in cash due to foreign currency translation</i>	<i>163,01</i>	<i>38,07</i>	<i>43 524,17</i>	<i>10 180,77</i>	<i>56 723,47</i>	<i>13 335,79</i>	<i>-138 618,66</i>	<i>-32 565,24</i>
Opening balance of cash	8 260 551,01	1 929 344,08	5 858 219,55	1 370 301,02	4 829 013,36	1 135 309,41	10 123 527,94	2 378 288,36
Closing balance of cash	4 705 062,00	1 098 919,86	5 469 600,00	1 279 398,69	4 705 062,00	1 106 168,23	5 469 600,00	1 284 955,81

Source: Company.

Separate statement of changes in equity (PLN)

STATEMENT OF CHANGES IN EQUITY	SHARE CAPITAL	OTHER CAPITALS	RESERVE CAPITAL	PROFIT (LOSS) FROM PREVIOUS YEARS	NET PROFIT (LOSS) FOR THE CURRENT PERIOD	TOTAL EQUITY
Balance as at 01/01/2018	368 050,00	54 783 203,98	0,00	-17 107 114,33	-19 252 144,47	18 791 995,18
<i>Change in accounting policy</i>	0,00	0,00	0,00	0,00	0,00	0,00
Balance as at 01/01/2018 adjusted	368 050,00	54 783 203,98	0,00	-17 107 114,33	-19 252 144,47	18 791 995,18
Net profit (loss)	0,00	0,00	0,00	0,00	-10 790 919,55	-10 790 919,55
Changes in equity resulting from IFRS 2	0,00	0,00	2 101 950,00	0,00	0,00	2 101 950,00
Distribution of profit (loss) for 2017	0,00	0,00	0,00	-19 252 144,47	19 252 144,47	0,00
Stan na koniec okresu 30.09.2018	368 050,00	54 783 203,98	2 101 950,00	-36 359 258,80	-10 790 919,55	10 103 025,63

Source: Company.

STATEMENT OF CHANGES IN EQUITY	SHARE CAPITAL	OTHER CAPITALS	RESERVE CAPITAL	PROFIT (LOSS) FROM PREVIOUS YEARS	NET PROFIT (LOSS) FOR THE CURRENT PERIOD	TOTAL EQUITY
Balance as at 01/01/2017	300 550,00	33 018 733,16	0,00	-9 538 930,94	-7 568 183,39	16 212 168,83
<i>Change in accounting policy</i>	0,00	0,00	0,00	0,00	0,00	0,00
Balance as at 01/01/2017 adjusted	300 550,00	33 018 733,16	0,00	-9 538 930,94	-7 568 183,39	16 212 168,83
Net profit (loss)	0,00	0,00	0,00	0,00	-8 321 553,70	-8 321 553,70
Changes in equity resulting from IFRS 2	0,00	0,00	1 557 000,00	0,00	0,00	1 557 000,00
Revaluation of financial assets	0,00	-30 529,18	0,00	0,00	0,00	-30 529,18
Distribution of profit (loss) for 2016	0,00		0,00	-7 568 183,39	7 568 183,39	0,00
Stan na koniec okresu 30.09.2017	300 550,00	32 988 203,98	1 557 000,00	-17 107 114,33	-8 321 553,70	9 417 085,95

Source: Company.

Separate statement of changes in equity (EUR)

STATEMENT OF CHANGES IN EQUITY	SHARE CAPITAL	OTHER CAPITALS	RESERVE CAPITAL	PROFIT (LOSS) FROM PREVIOUS YEARS	NET PROFIT (LOSS) FOR THE CURRENT PERIOD	TOTAL EQUITY
Balance as at 01/01/2018	86 166,13	12 825 585,05	0,00	-4 005 036,83	-4 507 221,16	4 399 493,18
<i>Change in accounting policy</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>
Balance as at 01/01/2018 adjusted	86 166,13	12 825 585,05	0,00	-4 005 036,83	-4 507 221,16	4 399 493,18
Net profit (loss)	0,00	0,00	0,00	0,00	-2 526 319,13	-2 526 319,13
Changes in equity resulting from IFRS 2	0,00	0,00	492 098,61	0,00	0,00	492 098,61
Distribution of profit (loss) for 2017	0,00	0,00	0,00	-4 507 221,16	4 507 221,16	0,00
Stan na koniec okresu 30.09.2018	86 166,13	12 825 585,05	492 098,61	-8 512 258,00	-2 526 319,13	2 365 272,66

Source: Company.

STATEMENT OF CHANGES IN EQUITY	SHARE CAPITAL	OTHER CAPITALS	RESERVE CAPITAL	PROFIT (LOSS) FROM PREVIOUS YEARS	NET PROFIT (LOSS) FOR THE CURRENT PERIOD	TOTAL EQUITY
Balance as at 01/01/2017	69 747,74	7 662 559,04	0,00	-2 213 671,29	-1 756 325,77	3 762 309,72
<i>Change in accounting policy</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>
Balance as at 01/01/2017 adjusted	69 747,74	7 662 559,04	0,00	-2 213 671,29	-1 756 325,77	3 762 309,72
Net profit (loss)	0,00	0,00	0,00	0,00	-1 931 158,18	-1 931 158,18
Changes in equity resulting from IFRS 2	0,00	0,00	361 328,35	0,00	0,00	361 328,35
Revaluation of financial assets	0,00	-7 084,82	0,00	0,00	0,00	-7 084,82
Distribution of profit (loss) for 2016	0,00	0,00	0,00	-1 756 325,77	1 756 325,77	0,00
Stan na koniec okresu 30.09.2017	69 747,74	7 655 474,22	361 328,35	-3 969 997,06	-1 931 158,18	2 185 395,08

Source: Company.

In the opinion of the Management Board, presented above, the current economic and financial position of the Issuer on a separated basis is fair and complete and does not require consideration of additional data.

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 3 customer deals that will mark historical milestones for our Company.

The Capital Group revenue reached PLN 1.179.179,99 over the past three quarters representing an increase of approx. 3,30% I-IIIQ'18/I-IIIQ'17. Revenue generated in the third quarter of 2018 was PLN 197.710,35, which is representing a decrease of 51,43% in comparison with consolidated revenue of the Capital Group reached in the third quarter of 2017.

Revenues reached by the Issuer in the first three quarters of 2018 amounted to PLN 1.179.179,99, which is representing an increase approx. of 3,30% I-IIIQ'18/I-IIIQ'17. Revenue generated in the third quarter of 2018 was PLN 197.710,35, which is representing a decrease of 51,43% in comparison with separate revenue of the DataWalk S.A. reached in the third quarter of 2017.

Lower revenues in the third quarter of 2018 compared to the same period of 2017 is the result of a specificity of implemented projects, which are characterized by a diverse sales cycle, as well as inhomogeneous and incomparable implementation schedules. In connection with the above, as well as due to the early stage of development of both the Company and the Group, as well as the specificity of the sales process, the distribution of revenues is uneven.

Consistent implementation of our business strategy required the Group to incur expenses which significantly affected the financial results. DataWalk Capital Group S.A. recorded a net loss of PLN 10.769.853,23 over the past three quarters of 2018, which is representing an increase of approx. 30,82% I-IIIQ'18/I-IIIQ'17. The loss increase is predominantly a result of the stock incentive program, now included in our financial statements as per IFRS requirements. During the reported period, spending has been controlled within the projected budgets.

The DataWalk S.A. recorded a net loss of PLN 3.745.044,10, which is 5.35% lower than the net loss for the third quarter of 2017. This translates into net loss of PLN 10.790.919,55 over the past three quarters of 2018, which is representing an increase of 29,67% in comparison with a net loss of the DataWalk S.A. reached in the three quarters of 2017.

The incurred costs related to the implementation of the main business objectives and the change in the adopted accounting policy (transition to IFRS) were significant for the financial result (net loss) of both the DataWalk Capital Group S.A. and the Issuer in the discussed period. In addition to the increase in operating expenses, a significant impact on the level of net loss was the cost of the incentive program, which in the discussed period was PLN 2.101.950,00, while in the third quarter of 2017 it amounted to PLN 1.557.000,00. All the expenses incurred by DataWalk S.A. and DataWalk Inc. in the discussed period were controlled and the loss recorded is related to the current stage of business development.

The net cash flows from operating activities as at the end of the third quarter of 2018 and the third quarter of 2017 were affected by the settlement of the incentive program (costs of the period). The details of the incentive program are governed by the Company's Articles of Association.

The sum of net cash flows from investment activities as at the end of the third quarter of 2018 was affected by the redemption of units held in the open-end corporate-type debt investment fund (PLN). As at September 30, 2018, the Issuer doesn't have participation units in investment funds.

On 14th of September 2018 the Issuer's subsidiary, DataWalk Inc. concluded a memorandum of understanding with The Northern Virginia Gang Task Force a key law enforcement agency in the US state of Virginia, confirming intent to execute sale and implementation of a perpetual license of the DataWalk analytical platform („System”). Signing this memorandum is an important milestone for the DataWalk's Capital Group, as it is expected to lead to the first production installation of System in the United States of America. Therefore, Company's Capital Group

is achieving vital milestone of the strategy concentrated around building a portfolio of first references for the DataWalk product in law enforcement and public security applications in the USA.

In the third quarter of 2018, DataWalk S.A. also continued research and development work aimed at developing a mature enterprise-class software that is recognizable in the world.

On 6th of August 2018, an Extraordinary General Meeting of the Company was held, which took many decisions crucial for the Company and adopted resolutions, among others regarding:

- applying to introduce existing shares series B, C, D, E, F, G, H, I, J, K, L to the trading on the Main Market of Warsaw Stock Exchange;
- preparation of separate financial statements in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS);
- preparation of consolidated financial statements in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS);
- increase of the share capital by the amount not greater than PLN 135.000,00 through public offering of no more than 1.350.000 ordinary bearer shares series M with exclusion of subscription rights to the existing investors; change of § 6 point 1 Articles of Association of the Company connected with increase of the share capital; Dematerialization of ordinary bearer shares series M and allotment certificates for shares series M and applying to introduce these shares and their allotment certificates to the trading on the Main Market of Warsaw Stock Exchange.

Moreover, on 6th of August 2018, basing on resolution number 4, the Extraordinary General Meeting appointed Mr Wojciech Kowalski as a new Member of the Supervisory Board, within current 3 year term.

The Supervisory Board of DataWalk S.A. thus comprises of the following members:

- Paweł Sobkiewicz – Chairman of the Supervisory Board,
- Wojciech Dyszy – Vice Chairman of the Supervisory Board ,
- Grzegorz Dymek – Member of the Supervisory Board,
- Roman Pudełko – Member of the Supervisory Board,
- Rafał Wasilewski – Member of the Supervisory Board,
- Wojciech Szymon Kowalski – Member of the Supervisory Board.

Shortly after the end of the discussed period, on 5th October 2018, a subsidiary of the Issuer DataWalk Inc. concluded a memorandum of understanding with Liberty Mid Atlantic High Intensity Drug Trafficking Area a key law enforcement agency operating in Pennsylvania, New Jersey and Delaware, confirming intent to execute sale and an implementation of a one-year license of the DataWalk analytical platform. Signing this memorandum is another important milestone for the Capital Group.

6. NOTES TO FINANCIAL DATA.

The following exchange rates were applied:

EUR:

FROM	TO	FOR BALANCE SHEET	FOR PROFIT AND LOSS	FOR CASH FLOW
07/01/2018	09/30/2018	4,2714	4,2815	4,2815
07/01/2017	09/30/2018	4,3091	4,2751	4,2751
01/01/2018	09/30/2018	4,2714	4,2535	4,2535
01/01/2017	09/30/2018	4,3091	4,2566	4,2566

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.