



**Consolidated interim financial statements
of**

Ceramika Nowa Gala SA Group

for the period from 1 January 2018 to 30 September 2018

including information on quarterly finances referred to in Article 87(1) of the Regulation of the Council of Ministers of 19 February 2009 on current and periodic information provided by issuers of securities and on conditions under which information required by legal regulations of a non-Member State may be recognized as equivalent.

Końskie, 14 November 2018

Consolidated statement of profit and loss and other comprehensive income

for the period from 1 January 2018 to 30 September 2018

Amounts in PLN thousand (PLN '000)

	Q3 2018	3 quarters of 2018	Q3 2017	3 quarters of 2017
Revenue	44,148	119,394	41,583	121,765
Cost of sales	36,454	94,881	29,336	86,931
Gross profit	7,694	24,513	12,247	34,834
Other income	1	19	215	174
Selling and administrative expenses	10,210	32,664	10,850	30,814
Other expenses	1,859	2,565	46	887
Profit before interest and tax	-4,374	-10,697	1,566	3,307
Finance income	-102	68	-	3
Finance expenses	361	1,672	477	1,647
Share in profits of associates and joint ventures	-	-	-	-
Profit from continued operations before tax	-4,837	-12,301	1,089	1,663
Income tax expense	238	518	447	1,090
Profit from continued operations after tax	-5,075	-12,819	642	573
Profit from discontinued operations after tax	-	-	-	-
Net profit/(loss)	-5,075	-12,819	642	573
Other comprehensive income that may be transferred to the profit in the future				
Exchange rate differences from translation	9	-8	-5	4
Other comprehensive income that may not be transferred to the profit in the future				
Cost of buyback of treasury shares	-	-	-	-
Total comprehensive income	-5,066	-12,827	637	577
Net profit attributable to				
shareholders of the parent company	-5,075	-12,819	642	573
non-controlling interests	-	-	-	-
	-5,075	-12,819	642	573
Total comprehensive income attributable to				
shareholders of the parent company	-5,066	-12,827	637	577
non-controlling interests	-	-	-	-
	-5,066	-12,827	637	577

	Unit	12 months until 30 September 2018	12 months until 30 September 2017
Annualized profit/(loss)	PLN thousand	-18,726	-9,219
Weighted average number of shares	thousand shares	46,894	46,894
Basic earnings/(loss) per share from continued operations	PLN	-0.40	-0.19
Weighted average diluted number of shares	thousand shares	46,894	46,894
Diluted earnings/(loss) per share from continued operations	PLN	-0.40	-0.19

Consolidated statement of financial position as at 30 September 2018

Amounts in PLN thousand (PLN '000)

Assets	30.09.2018	31.12.2017
Non-current assets		
Goodwill	18,851	18,851
Intangible assets	2,601	2,584
Property, plant and equipment	83,390	90,751
Investment property	5,950	7,550
Other financial assets	145	145
Deferred tax assets	6,972	8,414
Total non-current assets	117,909	128,295
Current assets		
Inventory	75,629	75,776
Trade and other receivables	27,614	24,303
Receivables from current income tax	295	-
Cash and cash equivalents	7,797	13,623
Other current assets	823	442
Total current assets	112,158	114,144
Fixed assets classified as held for sale in accordance with IFRS 5	-	-
Total assets	230,067	242,439

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Consolidated statement of financial position as at 30 September 2018 (contd.)

Amounts in PLN thousand (PLN '000)

Equity and liabilities	30.09.2018	31.12.2017
<u>Equity</u>		
Share capital	46,894	46,894
Capital reserves	114,171	122,146
Revaluation reserve	-	-
Exchange rate differences from translation	7	15
Reserve capital	8,719	8,719
Treasury shares	-	-
Retained earnings	-12,615	-5,427
Equity attributable to shareholders of the parent company	157,176	172,347
Non-controlling interests	-	-
Total equity	157,176	172,347
<u>Non-current liabilities</u>		
Borrowings	-	7,165
Provision for deferred income tax	2,591	3,668
Provision for employee benefits	24	24
Total non-current liabilities	2,615	10,857
<u>Current liabilities</u>		
Trade and other payables	21,908	21,731
Current tax liability	19	427
Borrowings	42,420	27,202
Recourse factoring liability	-	851
Provision for employee benefits	1,039	1,569
Other provisions	4,890	7,455
Total current liabilities	70,276	59,235
Liabilities associated with assets classified as held for sale in accordance with IFRS 5	-	-
Total liabilities	72,891	70,092
Total equity and liabilities		
Book value (in PLN thousand)	157,176	172,347
Number of shares (in thousand shares)	46,894	46,894
Book value per share (in PLN)	3.35	3.68
Diluted number of shares (in thousand shares)*	46,894	46,894
Diluted book value per share (in PLN)	3.35	3.68

Consolidated cash flow statement for the period from 1 January 2018 to 30 September 2018

Amounts in PLN thousand (PLN `000)

	3 quarters of 2018	3 quarters of 2017
<u>Operating activities</u>		
Net profit/(loss)	-12,819	573
Amortization and depreciation	10,441	9,886
Interest revenue and expenses	1,103	787
Exchange rate gains/(losses)	-2	67
Gain/(loss) on disposal of intangible and tangible non-current assets	208	38
Movement in provisions, write-downs, prepayments and accruals	-3,814	-653
Income tax expense	518	1,090
Other adjustments	1,550	-91
Cash flow from operations before movements in working capital	-2,815	11,697
Movement in inventory	146	-5,010
Movement in receivables	-3,573	-4,940
Movement in liabilities	280	279
Cash flow from operations before tax	-5,962	2,026
Interest received from operating activities	-	4
Interest paid on operating activities	-1	-1
Income tax paid	-857	-413
Net cash from operating activities	-6,820	1,616
<u>Investing activities</u>		
Proceeds from disposal of tangible and intangible non-current assets	-	151
Purchase of tangible and intangible non-current assets	-2,825	-14,135
Net cash from investing activities	-2,825	-13,984

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Consolidated cash flow statement for the period from 1 January 2018 to 30 September 2018 (contd.)

Amounts in PLN thousand (PLN '000)

	3 quarters of 2018	3 quarters of 2017
<u>Financing activities</u>		
Proceeds from borrowings	9,726	8,626
Proceeds from factoring*	-	-
Dividends to shareholders of the parent company	-2,345	-4,689
Repayment of borrowings	-1,725	-869
Repayment of factoring liabilities*	-851	-465
Interest paid pertaining to financing activities	-1,103	-794
Net cash from financing activities	3,702	1,809
Net cash from financing activities		
	-5,943	-10,559
Cash and cash equivalents at the beginning of the period	13,623	22,596
Exchange rate differences	117	-73
Cash and cash equivalents at the end of the period	7,797	11,964
<u>Structure of cash and cash equivalents:</u>		
Unrestricted cash	7,522	10,651
Restricted cash	275	1,313
	7,797	11,964

*Pertains to a recourse factoring agreement concluded by a subsidiary

Consolidated statement of changes in equity for the period from 1 January 2018 to 30 September 2018

Amounts in PLN thousand (PLN '000)

	Attributable to the shareholders of the parent company							Total	Non-controlling interests	Total equity
	Share capital	Capital reserves	Exchange rate differences from translation	Reserve capital	Revaluation reserve	Treasury shares	Retained earnings			
As at 1 January 2017	46,894	136,034	2	8,719	-	-	-8,963	182,686	-	182,686
Effects of changes to the accounting policies							-328	-328		-328
As at 1 January 2017 after transformation	46,894	136,034	2	8,719	-	-	-9,291	182,358		182,358
Total comprehensive income*	-	-	4	-	-	-	573	577	-	577
Coverage of loss from previous years	-	-9,362	-	-	-	-	9,362	-	-	-
Distribution of profit from previous years	-	163	-	-	-	-	-163	-	-	-
Payment of dividend	-	-4,689	-	-	-	-	-	-4,689	-	-4,689
As at 30 September 2017	46,894	122,146	6	8,719	-	-	481	178,246	-	178,246
As at 1 January 2018	46,894	122,146	15	8,719	-	-	-5,427	172,347	-	172,347
Total comprehensive income*	-	-	-8	-	-	-	-12,819	-12,827		-12,827
Coverage of loss from previous years	-	-2,820	-	-	-	-	2,820	-	-	-
Distribution of profit from previous years	-	188	-	-	-	-	-188	-	-	-
Payment of dividend	-	-2,344	-	-	-	-	-	-2,344	-	-2,344
Reclassification of losses from previous years – merger of CNG SA and CNG II	-	-2,999	-	-	-	-	2,999	-	-	-
As at 30 September 2018	46,894	114,171	7	8,719	-	-	-12,615	157,176	-	157,176

After 3 quarters of 2018, the amount of total income included: net loss in the amount of PLN 12,819 thousand, which decreased the amount of retained earnings, foreign exchange differences from translation of the financial statements of CNG Luxembourg subsidiary from EUR into PLN, in the amount of PLN 8 thousand (in minus) which was recognized in the item 'foreign exchange differences from translation'. After 3 quarters of 2017, the amount of total income accounted for: net profit in the amount of PLN 573 thousand, which increased the value of retained earnings, and foreign exchange differences from translation of the financial statements of CNG Luxembourg subsidiary from EUR into PLN, in the amount of PLN 4 thousand (in minus) which was recognized in the item 'foreign exchange differences from translation'.

Financial highlights

Euro exchange rates used to translate the items in the following table:

- as regards balance sheet data, the average exchange rates of NBP were used: 4.1709 PLN/EUR as at 31 December 2017 and 4.2714 PLN/EUR as at 30 September 2018;
- as regards data derived from the statement of comprehensive income and the cash flow statement, the following exchange rates, which constituted the arithmetic average of the NBP rates, were used: 4.2566 PLN/EUR in 3 quarters of 2017; 4.2535 PLN/EUR in 3 quarters of 2018.

The average exchange rates of the NBP for USD, used for translating the monetary items, were as follows: 3.4813 PLN/USD as at 31 December 2017 and 3.6754 PLN/USD as at 30 September 2018.

Consolidated data	in PLN thousand		in EUR thousand	
	3 quarters of 2018	2017 comparative data**	3 quarters of 2018	2017 comparative data**
I. Net sales	119,394	121,765	28,070	28,606
II. Profit/(loss) from operating activities	-10,697	3,307	-2,515	777
III. Profit/(loss) before tax	-12,301	1,663	-2,892	391
IV. Net profit/(loss)	-12,819	573	-3,014	135
V. Net cash flows from operating activities	-6,820	1,616	-1,603	380
VI. Net cash flows from investing activities	-2,825	-13,984	-664	-3,285
VII. Net cash flows from financing activities	3,702	1,809	870	425
VIII. Net cash flows (total)*	-5,826	-10,632	-1,370	-2,498
IX. Total assets	230,067	242,439	53,862	58,126
X. Liabilities and provisions for liabilities	72,891	70,092	17,065	16,805
XI. Non-current liabilities	2,615	10,857	612	2,603
XII. Current liabilities	70,276	59,235	16,453	14,202
XIII. Equity	157,176	172,347	36,797	41,321
XIV. Share capital	46,894	46,894	10,979	11,243
XV. Number of shares	46,893,621	46,893,621	-	-
XVI. Profit/(loss) per share (in PLN/EUR)	-0.40	-0.19	-0.09	-0.05
XVII. Diluted profit/(loss) per share (in PLN/EUR)	-0.40	-0.19	-0.09	-0.05
XVIII. Book value per share (in PLN/EUR)	3.35	3.68	0.78	0.88
XIX. Diluted book value per share (in PLN/EUR)	3.35	3.68	0.78	0.88
XX. Declared or paid dividend per share (in PLN/EUR)	0.05	0.1	0.01	0.02

* Balance sheet movement in cash accounting for the movement in revaluation from foreign exchange differences.

**In the case of balance sheet items, comparative data relate to the balance as at 31 December 2017, while in the case of the other items, comparative data relate to 3 quarters of 2017.

Separate statement of profit and loss and other comprehensive income

for the period from 1 January 2018 to 30 September 2018

Amounts in PLN thousand (PLN '000)

	Q3 2018	3 quarters of 2018	Q3 2018	3 quarters of 2017
Revenue	32,146	88,251	29,485	89,378
Cost of sales	29,317	77,525	24,292	74,672
Gross profit	2,829	10,726	5,192	14,706
Other income	6	11	1	159
Selling and administrative expenses	6,420	21,495	6,905	19,682
Other expenses	1,786	2,912	206	624
Profit before interest and tax	-5,372	-13,670	-1,917	-5,441
Finance income	-	2,449	13	1,932
Finance expenses	148	845	333	783
Profit from continued operations before tax	-5,520	-12,066	-2,238	-4,292
Income tax expense	-105	4	-132	-464
Profit from continued operations after tax	-5,416	-12,070	-2,106	-3,828
Profit from discontinued operations after tax	-	-	-	-
Net profit/(loss)	-5,416	-12,070	-2,106	-3,828
Other comprehensive income				
None				
Total comprehensive income	-5,416	-12,070	-2,106	-3,828

	Unit	12 months until 30 September 2018	12 months until 30 September 2017
Annualized profit/(loss)	PLN thousand	-17,128	-14,099
Weighted average number of shares	thousand shares	46,894	46,894
Basic earnings/(loss) per share from continued operations	PLN	-0.37	-0.30
Weighted average diluted number of shares	thousand shares	46,894	46,894
Diluted earnings/(loss) per share from continued operations	PLN	-0.37	-0.30

Separate statement of financial position as at 30 September 2018

Amounts in PLN thousand (PLN '000)

Assets	30.09.2018	31.12.2017	31.12.2016
Non-current assets			
Intangible assets	714	262	340
Property, plant and equipment	47,777	53,065	49,709
Investment property	5,950	7,550	7,550
Investments in related parties	58,525	58,525	58,554
Other financial assets	145	145	145
Deferred tax assets	4,916	5,964	7,404
Total non-current assets	118,027	125,511	123,702
Current assets			
Inventory	60,081	55,894	54,221
Trade and other receivables	13,925	13,103	13,395
Loans to subsidiaries	-	1,025	2,159
Receivables from current income tax	-	-	-
Other financial assets	-	-	-
Cash and cash equivalents	1,479	6,111	16,536
Other current assets	656	201	202
Total current assets	76,141	76,334	86,513
Fixed assets classified as held for sale in accordance with IFRS 5	-	-	-
Total assets	194,168	201,845	210,215

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Separate statement of financial position as at 30 September 2018 (contd.)

Amounts in PLN thousand (PLN '000)

Equity and liabilities	30.09.2018	31.12.2017	31.12.2016	
Equity				
Share capital	46,894	46,894	46,894	
Capital reserves	114,184	125,503	141,805	
Revaluation reserve	-	-	-	
Reserve capital	-	-	-	
Treasury shares	-	-	-	
Retained earnings	-12,140	-9,122	-11,890	
Total equity	148,938	163,275	176,809	
Non-current liabilities				
Borrowings	-	7,165	848	
Provision for deferred income tax	924	1,968	3,170	
Provision for employee benefits	-	-	-	
Other provisions	-	-	-	
Total non-current liabilities	924	9,133	4,018	
Current liabilities				
Trade and other payables	27,112	20,283	18,431	
Current tax liability	-	-	-	
Borrowings	12,624	2,492	4,506	
Provision for employee benefits	758	1,216	1,103	
Other provisions	3,812	5,446	5,348	
Total current liabilities	44,306	29,437	29,388	
Liabilities associated with assets classified as held for sale in accordance with IFRS 5	-	-	-	
Total liabilities	45,230	38,570	33,406	
Total equity and liabilities	194,168	201,845	210,215	
	Unit	30.09.2018	31.12.2017	31.12.2016
Book value	PLN thousand	148,938	163,275	176,809
Number of shares	thousand shares	46,894	46,894	46,894
Book value per share	PLN thousand	3.18	3.48	3.77
Diluted number of shares	thousand shares	46,894	46,894	46,894
Diluted book value per share	PLN	3.18	3.48	3.77

Separate cash flow statement

for the period from 1 January 2018 to 30 September 2018

Amounts in PLN thousand (PLN `000)

	3 quarters of 2018	3 quarters of 2017
<u>Operating activities</u>		
Net profit/(loss)	-12,070	-3,828
Amortization and depreciation	7,329	6,770
Dividend income	-2,433	-1,878
Interest revenue and expenses	278	63
Exchange rate gains/(losses)	67	2
Gain/(loss) on disposal of intangible and tangible non-current assets	151	22
Movement in provisions, write-downs, prepayments and accruals	-2,563	76
Income tax expense	4	-464
Other adjustments	1,690	-86
Cash flow from operations before movements in working capital	-7,547	677
Movement in inventory	-4,187	-1,757
Movement in receivables	-798	4
Movement in liabilities	6,127	963
Cash flow from operations before tax	-6,405	-113
Interest received from operating activities	-	-
Interest paid on operating activities	-	-1
Income tax paid	-	-
Net cash from operating activities	-6,405	-114
<u>Investing activities</u>		
Proceeds from disposal of tangible and intangible non-current assets	33	79
Received loan and subsidy repayments	991	1,200
Interest received on investing activities	49	-
Dividends received	2,433	1,878
Purchase of tangible and intangible non-current assets	-1,930	-11,923
Loans granted	-126	-
Purchase of financial assets	-	-
Net cash from investing activities	1,450	-8,766

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Separate cash flow statement (contd.)

Amounts in PLN thousand (PLN '000)

	3 quarters of 2018	3 quarters of 2017
<u>Financing activities</u>		
Proceeds from borrowings	4,731	3,761
Dividends to shareholders	-2,345	-4,689
Repayment of borrowings	-1,818	-869
Interest paid pertaining to financing activities	-293	-115
Net cash from financing activities	275	-1,912
<u>Net cash from operations</u>		
	-4,680	-10,792
Cash and cash equivalents at the beginning of the period	6,111	16,536
Exchange rate differences	48	-8
Cash and cash equivalents at the end of the period	1,479	5,736
<u>Structure of cash and cash equivalents:</u>		
Unrestricted cash	1,361	4,802
Restricted cash	118	934
	1,479	5,736

Separate statement of changes in equity

for the period from 1 January 2018 to 30 September 2018

Amounts in PLN thousand (PLN '000)

	Share capital	Capital reserves	Reserve capital	Revaluation reserve	Treasury shares	Retained earnings	Total equity
As at 1 January 2017	46,894	141,805	-	-	-	-11,653	177,046
Effects of changes to the accounting policies	-	-	-	-	-	-237	-237
As at 30 September 2017	46,894	141,805	-	-	-	-11,890	176,809
Total comprehensive income*	-	-	-	-	-	-3,828	-3,828
Coverage of loss from previous years	-	-11,123	-	-	-	11,123	-
Distribution of profit from previous years	-	-	-	-	-	-	-
Payment of dividend	-	-4,689	-	-	-	-	-4,689
Effects of the merger of CNG SA with CNG II	-	-519	-	-	-	530	11
As at 30 September 2017	46,894	125,474	-	-	-	-4,065	168,303
As at 1 January 2018	46,894	125,503	-	-	-	-9,122	163,275
Total comprehensive income*	-	-	-	-	-	-12,070	-12,070
Coverage of loss from previous years	-	-6,567	-	-	-	6,567	-
Distribution of profit from previous years	-	-	-	-	-	-	-
Payment of dividend	-	-2,345	-	-	-	-	-2,345
Effects of the merger of CNG SA with CNG II	-	-2,047	-	-	-	2,485	78
As at 30 September 2018	46,894	114,184	-	-	-	-12,140	148,938

*After 3 quarters of 2018, the amount of total comprehensive income included: net loss in the amount of PLN 12,070 thousand which decreased the amount of retained earnings. After 3 quarters of 2017, the amount of total comprehensive income included: net loss in the amount of PLN 3,828 thousand which decreased the amount of retained earnings.

Financial highlights

Euro exchange rates used to translate the items in the following table:

- as regards balance sheet data, the average exchange rates of NBP were used: 4.1709 PLN/EUR as at 31 December 2017 and 4.2714 PLN/EUR as at 30 September 2018;
- as regards data derived from the statement of comprehensive income and the cash flow statement, the following exchange rates, which constituted the arithmetic average of the NBP rates, were used: 4.2566 PLN/EUR in 3 quarters of 2017; 4.2535 PLN/EUR in 3 quarters of 2018.

The average exchange rates of the NBP for USD, used for translating the monetary items, were as follows: 3.4813 PLN/USD as at 31 December 2017 and 3.6754 PLN/USD as at 30 September 2018.

Separate data	in PLN thousand		in EUR thousand	
	3 quarters of 2018	2017 comparative data**	3 quarters of 2018	2017 comparative data**
I. Revenue	88,251	89,378	20,748	20,998
II. Profit/(loss) from operating activities	-13,670	-5,441	-3,214	-1,278
III. Profit/(loss) before tax	-12,066	-4,292	-2,837	-1,008
IV. Net profit/(loss)	-12,070	-3,828	-2,838	-899
V. Net cash flows from operating activities	-6,405	-114	-1,506	-27
VI. Net cash flows from investing activities	1,450	-8,766	341	-2,059
VII. Net cash flows from financing activities	275	-1,912	65	-449
VIII. Net cash flows (total)*	-4,632	-10,800	-1,089	-2,537
IX. Total assets	194,168	201,845	45,458	48,394
X. Liabilities and provisions for liabilities	45,230	38,570	10,589	9,247
XI. Non-current liabilities	924	9,133	216	2,190
XII. Current liabilities	44,306	29,437	10,373	7,058
XIII. Equity	148,938	163,275	34,869	39,146
XIV. Share capital	46,894	46,894	10,979	11,243
XV. Number of shares	46,893,621	46,893,621	-	-
XVI. Profit/(loss) per share (in PLN/EUR)	-0.37	-0.30	-0.09	-0.07
XVII. Diluted profit/(loss) per share (in PLN/EUR)	-0.37	-0.30	-0.09	-0.07
XVIII. Book value per share (in PLN/EUR)	3.18	3.48	0.74	0.83
XIX. Diluted book value per share (in PLN/EUR)	3.18	3.48	0.74	0.83
XX. Declared or paid dividend per share (in PLN/EUR)	0.05	0.1	0.01	0.02

*Balance sheet movement in cash accounting for the movement in revaluation from foreign exchange differences.

**In the case of off-balance sheet items, comparative data relate to the balance as at 31 December 2017, while in the case of the other items, comparative data relate to 3 quarters of 2017.

Additional Information

to the consolidated quarterly report for 3 quarters of 2018 prepared by the group of companies for which Ceramika Nowa Gala SA is their parent company, including separate quarterly financial statements of the parent company

1. Rules for the preparation of the consolidated quarterly report

When preparing the consolidated financial statements, the Company applies accounting principles compliant with the International Financial Reporting Standards. All data have been derived from the accounting records of the subsidiaries, off-balance sheet records and consolidation documents.

In the reporting period, there were changes in the structure of the Issuer's Group. On 31 August 2018, the merger of Ceramika Nowa Gala SA, as the surviving company, with Ceramika Nowa Gala II Sp. z o.o., as the target company, was registered in the National Court Register. The merger was carried out in accordance with the simplified procedure, pursuant to Article 492(1)(1) and Article 516(6) read together with Article 516(5) of the Code of Commercial Partnerships and Companies, by transferring all assets of the target company to the surviving company (combination by acquisition), with no increase in the share capital of the surviving company as the surviving company held 100% of shares in the share capital of the target company, with no exchange of shares in the target company for shares in the surviving company, and without closing the accounting records of the target company. In accordance with Article 494(1) of the Code of Commercial Partnerships and Companies, Ceramika Nowa Gala SA took over, as at the merger date, all the rights and obligations of Ceramika Nowa Gala II Sp. z o.o. under agreements binding on this company.

In the period from 1 January 2018 to 31 August 2018, the Group was composed of the following companies:

- Ceramika Nowa Gala SA – the parent company;
- Ceramika Nowa Gala II Sp. z o.o. – a subsidiary;
- Ceramika Gres SA – a subsidiary;
- CNG Luxembourg S.à.r.l. – a subsidiary;
- Energia Park Trzemoszna Sp. z o.o. – an entity controlled by the subsidiaries.

Since 31 August 2018, the Group has been composed of the following business entities whose financial statements are consolidated on a line-by-line basis:

- Ceramika Nowa Gala SA – the parent company;
- Ceramika Gres SA – a subsidiary;
- CNG Luxembourg S.à.r.l. – a subsidiary;
- Energia Park Trzemoszna Sp. z o.o. – an entity controlled by the parent company and its subsidiary.

The books of Ceramika Gres SA subsidiary are kept based on the same accounting principles as those applicable to the parent company. The accounts of CNG Luxembourg S.à.r.l. are kept in accordance with accounting standards applicable in Luxembourg, and its financial statements are subject to relevant transformations in the consolidation process. The books of Energia Park Trzemoszna are kept in accordance with Polish accounting standards provided for in the Accounting Act, and – if required – the financial statements of this company are subject to relevant transformations in the consolidation process. The financial statements of the companies are consolidated on a line-by-line basis, with due account of applicable exclusions and any conversions to the presentation currency, i.e. PLN.

These condensed interim financial statements have been drawn up in line with IAS 34. The applied accounting policies are the same as those which governed the preparation of the financial statements for 2017, except for changes resulting from the introduction of new standards (see also section 2).

These condensed consolidated interim financial statements have been prepared with the assumption that the companies which belong to the Group would continue their business in the

foreseeable future. On the day of approval of these financial statements for publication, there were no circumstances which would indicate any threat to the continuation of the business conducted by the companies of the Group.

These condensed consolidated interim financial statements do not contain all information and disclosures which are required to be included in the consolidated annual financial statements, hence all information contained herein should be read together with the consolidated financial statements of the Group for the financial year which ended on 31 December 2017, prepared in accordance with IFRSs.

2. Change in the accounting policies concerning IFRS 9 "Financial Instruments"

2.1. First time adoption of IFRS 15 "Revenue from Contracts with Customers"

The overwhelming majority of the Group's revenue comes, according to the new standard, from contracts for supplies of ceramic tiles or decorative elements. The key and only obligation to be satisfied under such a contract involves the delivery of sold products. In some cases the companies of the Group charge their customers with the cost of arranging the transport of products, but in this case this service cannot be separated from the delivery of tiles, and is rendered along with the delivery. The sale of products takes place at a specific moment – at the time of their delivery and acceptance by the customer (following which the product is under the customer's control), hence it is not revenue to be settled over time. The sales value is clearly specified in the invoice and may be recognized in the accounting records of the companies of the Group once the products have been delivered. Customers that buy contractually agreed quantities of products over a specific period (a quarter or a year) can often count on an extra discount. As at each balance sheet date, the Group estimates in a detailed manner the level of discounts due to customers, and thus calculated amounts decrease the sales result for a given period. Guarantees granted by the Group are compliant with applicable laws and do not entail any additional liabilities. Their costs, if any, are disclosed in accordance with the regulations contained in IAS 37. Therefore the application of the standard has no effect on the amount of disclosed revenue.

2.2. First time adoption of IFRS 9 "Financial Instruments"

In January 2018, the companies of the Group adopted the new IFRS 9 relating to financial instruments. In accordance with this standard, under retrospective application (with initial application on 1 January 2017), a change in identified groups of financial assets (change in the classification) and a change in the model of impairment losses on financial assets were introduced. Trade receivables maturing within maximum 12 months are the key group of financial assets. The companies of the Group use the simplified method of estimating the amount of impairment losses on trade receivables. The total portfolio of receivables is determined using a provision matrix by the past due date and the counterparty's country. Each item in this matrix is assigned the expected loss level. The amount of an estimated impairment is obtained by multiplying the amount of receivables in a given country and a given past due period by the expected loss level. As a result of applying this procedure to the receivables portfolio as at 30 September 2018, the Group made an additional impairment of receivables, using retrospective application, making thus changes to selected items in the financial statements. The changes are presented in the table below.

Effects of changes in IFRS 9 (consolidated data)	30.09.2018	31.12.2017	01.01.2017
Deferred tax assets	44	-38	77
Trade and other receivables	-233	201	-405
Retained earnings from previous years	-	-	-328
Profit/(loss) for the current year	-189	163	-

Consolidated financial statements of Ceramika Nowa Gala SA

Effects of changes in IFRS 9 (separate data)	30.09.2018	31.12.2017	01.01.2017
Deferred tax assets	27	-39	56
Trade and other receivables	-146	206	-293
Retained earnings from previous years	-	-	-237
Profit/(loss) for the current year	-119	167	-

3. 5. Application of a retrospective approach to comparative data in the condensed separate financial statements of Ceramika Nowa Gala SA

Due to the merger of Ceramika Nowa Gala SA (surviving company) and its subsidiary, Ceramika Nowa Gala II Sp. z o.o. (target company) (see section 9), without closing the accounting records of the target company, comparative data in the condensed separate financial statements are shown taking into account the merger of the companies (retrospectively). The transformed balance sheet as at 31 December 2016 was also shown.

4. Seasonal nature of the Issuer's business

Similarly to other sectors, the ceramic tile industry is characterized by seasonal demand for the goods offered by the Issuer. The lowest demand is observed in winter (1st quarter and the last two months of the year), whereas the highest demand usually falls in summer months.

5. Impact of unusual events on the financial statements

- Due to production downtime, the profit was lower by PLN 7,355 thousand. In the comparative period of 2017, this figure was PLN 4,437 thousand. The difference is mainly due to the reduction of the finished product inventory;
- payment of a dividend to shareholders of the parent company (see section 13): PLN 2,345 thousand;
- payment of a dividend in the amount of PLN 2,155 thousand by Ceramika Gres SA subsidiary to Ceramika Nowa Gala SA. The transaction affects only the separate financial statements and was eliminated from the consolidated financial statements (see section 14);
- the profit was reduced by a write-off for deferred income tax assets with respect to a loss from previous years: PLN 492 thousand;
- profit was reduced by an impairment loss relating to the sale of an investment property: PLN 1,600 thousand (see section 15.1).

6. Information on essential adjustments to provisions, including the deferred income tax provision and assets and write-downs of assets

- Creating a provision for liabilities: PLN 8,610 thousand;
- utilizing the provision for liabilities: PLN 11,821 thousand;
- increasing the provision for deferred income tax: PLN 59 thousand;
- utilizing the provision for deferred income tax: PLN 1,136 thousand;
- increasing deferred income tax assets: PLN 690 thousand;
- utilizing deferred income tax assets: PLN 2,095 thousand;
- increasing the amount of write-downs on inventory: PLN 445 thousand.

7. Business segments

The organizational structure of the Group is a functional one. Four key areas can be identified: sales, production, finance, administration and logistics. The key decisions regarding the ongoing operations and the Group's growth strategy are taken by the management. The Group specializes in the production of ceramic stoneware tiles which are sold under two brands: Ceramika Nowa Gala and Ceramika Gres. The sales policy is determined jointly for the whole Group. In accordance with the requirements of IFRS 8, only one operating segment has been identified.

7.1. Information on geographic segments

Amounts in PLN thousand (PLN '000).

	DOMESTIC		EXPORTS		TOTAL	
	Q3 2018 2018	Q3 2017 2018	Q3 2018 2018	Q3 2017 2018	Q3 2018 2018	Q3 2017 2018
Revenue	34,802	34,182	9,346	7,401	44,148	41,583
Cost of sales	26,744	23,686	7,208	5,440	33,952	29,126
Sales result	8,058	10,496	2,138	1,961	10,196	12,457
Unallocated costs					2,502	210
Gross profit					7,694	12,247

	DOMESTIC		EXPORTS		TOTAL	
	3 quarters of 2018	3 quarters of 2017	3 quarters of 2018	3 quarters of 2017	3 quarters of 2018	3 quarters of 2017
Revenue	93,556	99,551	25,838	22,214	119,394	121,765
Cost of sales	68,519	66,813	19,470	15,936	87,989	82,745
Sales result	25,037	32,738	6,368	6,278	31,405	39,016
Unallocated costs					6,892	4,182
Gross profit					24,513	34,834

Assets	DOMESTIC		EXPORTS		TOTAL	
	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017
Trade receivables	18,176	15,035	6,949	5,504	25,125	20,539
Other receivables (unallocated)					2,489	3,764
					27,614	24,303

None of the export countries exceeds 10% of the share in consolidated revenue.

All fixed assets of the companies of the Group are located in Poland. CNG Luxembourg subsidiary does not own fixed assets and does not manufacture goods or conduct trade operations.

7.2. Information on product segments

The Group specializes in the production of ceramic stoneware tiles and supplementary elements, sold within one joint offer. The remaining sales are marginal and concern raw materials or services.

Amounts in PLN thousand (PLN '000).

	CERAMIC PRODUCTS		OTHER SALES		TOTAL	
	Q3 2018 2018	Q3 2017 2018	Q3 2018 2018	Q3 2017 2018	Q3 2018 2018	Q3 2017 2018
Revenue from sales to external customers	43,665	41,546	483	37	44,148	41,583
Purchase of fixed assets	4,537	2,489	-	-	4,537	4,489

	CERAMIC PRODUCTS		OTHER SALES		TOTAL	
	3 quarters of 2018	3 quarters of 2017	3 quarters of 2018	3 quarters of 2017	3 quarters of 2018	3 quarters of 2017
Revenue from sales to external customers	118,356	121,489	1,038	276	119,394	121,765
Purchase of fixed assets	7,482	15,333	-	-	7,482	15,333

7.3. Information on significant customers

In 3 quarters of 2018, sales to none of the customers of the Group exceeded 10% of consolidated revenue from sales.

8. Loan agreements concluded within 3 quarters of 2018

8.1. Loans contracted by Ceramika Nowa Gala SA

8.1.1. Annex to the investment loan agreement concluded with Bank Pekao SA on 9 February 2017

As the credit limit was underused, Ceramika Nowa Gala SA and Bank Pekao SA signed, on 29 January 2018, an annex to the loan agreement to reduce the amount of the investment loan from EUR 912 thousand to EUR 642 thousand.

8.1.2. Annex to the overdraft facility agreement concluded with mBank SA on 15 December 2004

On 26 February 2018, Ceramika Nowa Gala SA and mBank SA signed an annex to the overdraft facility agreement to extend the deadline for the repayment of the loan from 27 February 2018 to 27 February 2019, while maintaining the existing collateral and the maximum amount of financing of PLN 500 thousand. The bank's margin was increased from 0.9 p.p. to 1.3 p.p.

8.1.3. Annex to the overdraft facility agreement concluded with Bank Pekao SA on 24 September 2013

On 27 September 2018, Ceramika Nowa Gala SA signed with Bank Pekao SA an annex to the overdraft facility agreement to extend the loan repayment deadline from 30 September 2018 to 30 September 2019. The then current line of credit was reduced from PLN 9,000 thousand to PLN 5,000 thousand, and the margin was increased from 1% to 1.2%.

8.2. Loans contracted by Ceramika Gres SA subsidiary

8.2.1. Annex No. 5 to the loan agreement concluded with ING Bank Śląski SA on 28 June 2014

On 9 February 2018, Ceramika Gres SA subsidiary signed Annex No. 5 to the loan agreement concluded with ING Bank Śląski SA, to extend the deadline for the loan repayment from 31 October 2018 to 31 October 2019, while maintaining the existing collateral and the maximum amount of financing of PLN 40.000 thousand.

9. Merger of the parent company, i.e. Ceramika Nowa Gala SA with its subsidiary, i.e. Ceramika Nowa Gala II Sp. z o.o.

On 16 April 2018, the Management Board of the parent company, i.e. Ceramika Nowa Gala SA

(surviving company), decided to merge the parent company with Ceramika Nowa Gala II Sp. z o.o. subsidiary (target company). Following this decision, the management boards of the surviving company and the target company arranged and signed a merger plan. The merger was to be carried out in accordance with Article 492(1)(1) and Article 516(6) read together with Article 516(5) of the Code of Commercial Partnerships and Companies, by transferring all assets of the target company to the surviving company (combination by acquisition). The merger plan was announced by the parent company in its Current Report 2/2018. On 18 June 2018, having got acquainted with the merger plan, the General Meeting of Shareholders adopted Resolution 15 on carrying out the merger. On 31 August 2018, the merger of Ceramika Nowa Gala SA, as the surviving company, and Ceramika Nowa Gala II Sp. z o.o., as the target company, was registered in the National Court Register. The merger was carried out in accordance with the simplified procedure, pursuant to Article 492(1)(1) and Article 516(6) read together with Article 516(5) of the Code of Commercial Partnerships and Companies, by transferring all assets of the target company to the surviving company (combination by acquisition), with no increase in the share capital of the surviving company as the surviving company held 100% of shares in the share capital of the target company, with no exchange of shares in the target company for shares in the surviving company, and without closing the accounting records of the target company. In accordance with Article 494(1) of the Code of Commercial Partnerships and Companies, Ceramika Nowa Gala SA took over, as at the merger date, all the rights and obligations of Ceramika Nowa Gala II Sp. z o.o. under agreements binding on this company.

10. Changes in off-balance sheet items relative to the annual report for 2017

There were changes in off-balance sheet items relative to the information disclosed in the latest consolidated annual report. As at the balance sheet date, contingent (off-balance sheet) liabilities under a non-recourse factoring agreement signed by the parent company amounted to PLN 10,492 thousand.

11. Signing an annex to the agreement providing for a loan granted by Ceramika Nowa Gala SA to its subsidiary

In April 2018, Ceramika Nowa Gala SA increased, by way of another annex, the amount of the loan granted to CNG Luxembourg S.a.r.l. subsidiary by EUR 30 thousand. The increased loan amount (without accrued interest) is EUR 105 thousand. The other loan terms and conditions remained unchanged.

12. Loan granted by Ceramika Gres SA to Energia Park Trzemoszna Sp. z o.o.

In April 2018, Ceramika Gres SA granted a loan to Energia Park Trzemoszna Sp. z o.o. (entity controlled, since 31 August 2018, by Ceramika Nowa Gala SA and Ceramika Gres SA) in the amount of PLN 1,100 thousand. The loan was used to finance business operations, mainly to repay the liability due to a loan granted by Ceramika Nowa Gala II Sp. z o.o. (in April 2018, Energia Park Trzemoszna Sp. z o.o. repaid in total the liability under the loan granted by Ceramika Nowa Gala II Sp. z o.o. in the amount of PLN 991 thousand with accrued interest). The loan was granted for two years, with an interest rate of 4.5% per annum.

13. Payment of a dividend to shareholders of the parent company

On 18 June 2018, the General Meeting of Shareholders resolved to pay a dividend from available accumulated profit from previous years. The amount of the dividend per share was PLN 0.05, thus the total amount to be paid was PLN 2,344,681.05. The dividend was paid on 46,893,621 shares on 10 September 2018.

14. Payment of a dividend by Ceramika Gres SA subsidiary to Ceramika Nowa Gala SA

On 18 June 2018, the General Meeting of Shareholders of Ceramika Gres SA subsidiary resolved to allocate part of profit for 2017 on the payment of a dividend in the amount to PLN 2,155 thousand

to Ceramika Nowa Gala SA. The dividend was paid on 5 September 2018.

15. Important events that took place after the balance sheet date and before the date of the publication of this report

15.1. Sale of developed real estate

On 9 October 2018, a contract was signed for the sale of developed real estate (perpetual usufruct right and ownership of buildings and structures constituting a separate property) located in Starachowice within the Starachowice Special Economic Zone, for PLN 5,950,000 net. Until 31 August 2018, this property was owned (under perpetual usufruct) by Ceramika Nowa Gala II Sp. z o.o. subsidiary; however, as a result of registration by the court of the merger of this company with Ceramika Nowa Gala SA, the surviving company, i.e. Ceramika Nowa Gala SA, became the perpetual usufructuary of this property. In the annual financial statement as at 31 December 2017, the real estate was presented as investment property, and its balance sheet value was PLN 7,550,000. The sale of the real estate resulted in a one-off accounting loss in the amount of PLN 1,600,000. The loss affected the financial result and consolidated financial result for Q3 2018. The Management Board used the proceeds from the sale to reduce the Group's debt.

15.2. Annex No. 6 to the loan agreement concluded with ING Bank Śląski SA on 28 June 2014

On 28 October 2018, Ceramika Gres SA signed with ING Bank Śląski SA Annex No. 6 to the loan agreement to reduce the debt limit to PLN 32,000. At present, the debt is within the new, reduced limit. The other loan terms and conditions, including the loan repayment deadline and the margin, remained unchanged.

16. Position of the Management Board concerning the fulfilment of earnings guidance for 2018

The Company did not publish any earnings guidance for 2018.

17. Shareholders holding at least 5% of the total number of votes at the General Meeting on the date of publishing the consolidated quarterly report

According to the information available to the Company, the following shareholders hold shares authorizing them to at least 5% of votes at the General Meeting of Shareholders. The following information is based on communications provided to the Company by the shareholders.

Shareholder	Number of shares taken up	Percentage share in the share capital	Number of votes at the General Meeting	Percentage share in votes at the General Meeting
Waldemar Piotrowski	10,806,249	23.04%	10,806,249	23.04%
MetLife Otwarty Fundusz Emerytalny	9,356,722	19.95%	9,356,722	19.95%
PTE Allianz Polska SA	6,049,157	12.90%	6,049,157	12.90%
Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK	5,834,364	12.44%	5,834,364	12.44%
Nationale-Nederlanden Otwarty Fundusz Emerytalny and Nationale-Nederlanden Dobrowolny Fundusz Emerytalny	4,687,607	9.99%	4,687,607	9.99%
VALUE Fundusz Inwestycyjny Zamknięty with Sub-fund 1	2,509,980	5.35%	2,509,980	5.35%
ING Otwarty Fundusz Emerytalny and ING Dobrowolny Fundusz Emerytalny				

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Shareholders holding at least 5% of votes at the General Meeting of Shareholders in accordance with the consolidated quarterly report for Q1 2018 published on 15 May 2018.

Shareholder	Number of shares taken up	Percentage share in the share capital	Number of votes at the General Meeting	Percentage share in votes at the General Meeting
Waldemar Piotrowski	10,806,249	23.04%	10,806,249	23.04%
MetLife Otwarty Fundusz Emerytalny	9,356,722	19.95%	9,356,722	19.95%
PTE Allianz Polska SA	6,049,157	12.90%	6,049,157	12.90%
Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK	5,834,364	12.44%	5,834,364	12.44%
Nationale-Nederlanden Otwarty Fundusz Emerytalny and Nationale-Nederlanden Dobrowolny Fundusz Emerytalny	4,687,607	9.99%	4,687,607	9.99%
VALUE Fundusz Inwestycyjny Zamknięty with Sub-fund 1	2,509,980	5.35%	2,509,980	5.35%

18. Statement of the ownership of the Company's shares or rights to shares of its managing and supervisory persons

As at the date of this Report, it follows from the information available to the Company that:

- Mr. Waldemar Piotrowski, President of the Management Board, holds: 10,806,249 shares of the Company, representing 23.04% of the share capital and authorizing their holder to the same number of votes at the General Meeting of Shareholders;
- Mr. Paweł Górnicki, Vice-President of the Management Board, holds: 352,077 shares of the Company, representing 0.75% of the share capital and authorizing their holder to the same number of votes at the General Meeting of Shareholders.

19. Information on major proceedings to which the Issuer or its subsidiary is a party

There are no such proceedings.

20. Information on entering by the Issuer or its subsidiary into one or more transactions with related parties, where such transactions were concluded on terms other than on the arm's length basis

In the period covered by this Report, no transactions were concluded with related entities by the Company or its subsidiaries, neither individually nor jointly, that would be concluded otherwise than on the arm's length basis.

21. Information on granting a loan guarantee, loan or credit sureties with a significant value by Ceramika Nowa Gala SA or its subsidiaries

Due to the refinancing of the working capital loan by Ceramika Gres SA subsidiary (see also section 8.2 and 15.2), Ceramika Nowa Gala SA and Ceramika Nowa Gala II Sp. z o.o. maintained surety bonds granted to ING Bank Śląski SA on behalf of Ceramika Gres SA, up to the amounts of: PLN 21,000 thousand and PLN 10,000 thousand. As a result of the merger of Ceramika Nowa Gala SA and Ceramika Nowa Gala II Sp. z o.o., since 31 August 2018, the parent company has been a party to the agreement on the surety granted by Ceramika Nowa Gala II subsidiary. The surety bonds are subject to remuneration charged at market rates. In both cases the bank shall have the right to pursue claims under the surety bonds until 31 October 2037. No other sureties were granted except for those granted on behalf of the companies of the Group.

Ceramika Nowa Gala SA increased the amount of the loan granted to CNG Luxembourg S.a.r.l.

subsidiary by EUR 30 thousand see also section 11).

22. Description of the Issuer's significant achievements or failures in the period covered by the report, with a list of the most important events relating to the Issuer

In 2017, the Company reorganized the production process in the Group. One of important elements of this plan was moving production from CNG II to the other two plants belonging to the Group. Following the reorganization, production that used to be carried out in three plants is carried out in two ones, which has significantly simplified production processes and reduced costs. Production consolidation was coupled with modernization in the plant of CNG SA to increase the share of large formats in sales and extend the product offering. Works in this respect cost approx. PLN 11 million, spent in 2017. Owing to this modernization, new products, mainly technical stoneware tiles and glazed ones on coloured mass are being put on the market, with a significant proportion of larger formats – 60x120 cm and similar ones. All new products were put on the market in H1 2018. Along with the introduction of modern products, a program of changes in the sales management system is also being implemented to reverse the downward trend in sales. Compared to three quarters of 2017, an increase in exports was recorded in the reporting period.

At the same time the merger of Ceramika Nowa Gala SA and Ceramika Nowa Gala II Sp. z o.o. was carried out in accordance with Article 492(1)(1) and Article 516(6) read together with Article 516(5) of the Code of Commercial Partnerships and Companies, by transferring all assets of Ceramika Nowa Gala II Sp. z o.o. (target company) to Ceramika Nowa Gala SA (surviving company – combination by acquisition), with no increase in the share capital of the surviving company. On 31 August 2018, the merger of Ceramika Nowa Gala SA, as the surviving company, and its subsidiary, i.e. Ceramika Nowa Gala II Sp. z o.o., as the target company, was registered in the National Court Register. The merger was carried out in accordance with the simplified procedure pursuant to Article 492(1)(1) and Article 516(6) read together with Article 516(5) of the Code of Commercial Partnerships and Companies, by transferring all assets of the target company to the surviving company (combination by acquisition), without closing the accounting records of the target company. In accordance with Article 494(1) of the Code of Commercial Partnerships and Companies, Ceramika Nowa Gala SA assumed, as at the merger date, all the rights and obligations of Ceramika Nowa Gala II Sp. z o.o. under agreements binding on this company (see also section 9).

23. Information which the Issuer finds relevant to the assessment of its staffing situation and financial standing as well as its financial performance and changes therein, and information which is relevant to the assessment of the feasibility of the Issuer's obligations

After the 2017 modernization of the production lines in the plant of the parent company (see section 22) and a temporary increase in inventory related to e.g. production of new products, there was an increase in the Group's net debt, which will be systematically repaid in subsequent periods. As regards this year, only minor replacement investments are planned. All of them are financed with the Group's own funds. Major lines of revolving loans are renewed and the companies of the Group satisfy their all financial liabilities.

In Q3 2018, the Group managed to significantly halt the downward trend in its sales. The Group's sales in Q3 2018 were 6% higher YoY, therefore the cumulated decrease in sales for 9 months in this year was 2%. At the same time, there was a significant increase in production inputs, which translated into a decrease in profitability and deterioration in the Group's financial performance. There was also a decrease in production to reduce the inventory of finished products, which resulted in deterioration in the performance. The operating result was reduced also by an impairment loss relating to the sale of investment property (see section 15.1). It was decided to increase from 1 October this year the sales prices of the Group's products and a program to reduce operating costs was launched.

As regards the HR situation, the most significant change was made to the composition of the Supervisory Board. On 11 May 2018, the Company received a notice from Mr. Grzegorz Ogonowski, member of the Supervisory Board, in which he informed about resignation from this function, effective as at:

- the next General Meeting of Shareholders, or
- 30 June 2018, whichever is earlier.

The resignation was due to the loss of the independence attribute within the meaning of Article 129 of the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Supervision, due to the expiry of the maximum permissible period of sitting on a supervisory board, specified for independent members.

On 18 June 2018, the General Meeting of the Issuer's Shareholders appointed Mr. Michał Hulboj Member of the Supervisory Board.

As at the date of publication of these financial statements, the Company's Supervisory Board was composed of:

- Mr. Paweł Marcinkiewicz – Chairman of the Supervisory Board;
- Mr. Wojciech Włodarczyk – Deputy Chairman of the Supervisory Board;
- Mr. Łukasz Żuk – Member of the Supervisory Board;
- Mr. Jacek Tomasiak – Member of the Supervisory Board;
- Mr. Michał Hulbój – Member of the Supervisory Board.

24. Factors which the Company believes to affect the financial performance of the Group within at least the next quarter

Factors which may influence the Group's financial performance in the nearest future include:

- foreign exchange volatility;
- growing costs of the purchase of the basic groups of raw materials, including rapidly growing prices of gas and electricity;
- increase in product prices;
- growth of sales of new product lines;
- change in the sales management rules;
- cost reduction program;
- seasonal decrease in sales in Q4.

As regards the parent company, no circumstances occurred that could have had an impact on the assessment of its financial position but were not disclosed in these financial statements.