

REPORT OF THE INDEPENDENT STATUTORY AUDITOR ON THE AUDIT for the Shareholders and the Supervisory Board of Unimot S.A.

Report on the audit of the annual consolidated financial statements

Opinion

We have audited the annual consolidated financial statements of the capital group (the "Group") where Unimot S.A. is the parent company ("Parent Company") including the consolidated statement of financial standing as at 31 December 2018 and the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended on the same day and additional information containing the description of adopted accounting policies and other explanatory information ("consolidated financial statements").

In our opinion, the Abridged quarterly consolidated financial statements:

- present a reliable and clear view of the Group's economic and financial standing as at 31 December 2018 and of its financial result and cash flows for the year then ended on that day, in accordance with applicable International Financial Reporting Standards approved by the European Union and the adopted accounting principles (policy);
- are compliant in terms of their form and content with the legal regulations binding the Company and the provisions of the Parent Company Articles of Association.

This opinion is consistent with the additional report for the Audit Committee we issued on 29 March 2019.

Background for the opinion

Our audit was conducted in accordance with the International Standards on Auditing in the version adopted as the National Standards on Auditing by the National Council of Statutory Auditors ("KSB") and in accordance with the Act of 11 May 2017 on statutory auditors, audit firms and public supervision ("Act on statutory auditors" - Journal of Laws of 2017, item 1089, as amended) and Regulation (EU) No. 537/2014 of 16 April 2014 on detailed requirements regarding statutory audits of financial statements of public interest entities ("EU Regulation" OJ L 158). Our responsibility in accordance with these standards is further described in the section of our report entitled *Auditors' responsibility for the audit of the consolidated financial statements*.

We are independent from the Group companies in accordance with the Code of Professional Ethics for Accountants of the International Federation of Accountants ("IFAC Code") adopted by a resolution of the National Council of Statutory Auditors and other ethical requirements applicable to the audit of financial statements in Poland. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IFAC Code. During the audit, the key statutory auditor and the audit firm remained independent from the Group companies in accordance with the independence requirements set out in the Act on Statutory Auditors and the EU Regulation.

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

Significant uncertainties regarding the going concern

We draw your attention to note 3.2 of the additional information to the financial statements which indicates that the Company in the case of short-term loans of PLN 222.4 million constituting 37% of the balance sheet total, did not meet the terms of the agreement indicating the required level of financial ratios as at 31 December 2018. The above indications, together with other information described in the aforementioned note, confirm the existence of significant uncertainty which may cause serious doubts as to the Company's ability to continue as a going concern. Our opinion does not contain a reservation on this point.

Key audit issues

Key audit issues are those which, according to our professional judgement, were most significant in the audit of the consolidated financial statements for the current financial year. These include the most significant assessed risks of material misstatement, including the assessed risks of material misstatement caused by fraud. We have addressed these matters in the context of our audit of the consolidated financial statements as a whole and in the formulation of our opinion and have summarised our response to these risks and, where we consider it appropriate, we presented key observations in relation to these risks. We do not express a separate opinion on these matters.

Key audit issue	How did our audit refer to this issue
<p style="text-align: center;"><i>Analysis of impairment of the Company assets</i></p> <p>In part 4.3 of the financial statements for 2018, the Company presented disclosures concerning the procedures relating to the conducted analysis of premises and impairment tests of the Company assets.</p> <p>In accordance with the IFRS, the Management Board of the Parent Company assesses premises of impairment at the end of each financial year. If any premises of impairment are identified, the Management Board of the Parent Company performs impairment tests on assets related to making judgements, e.g. regarding the adopted calculation methodology and the necessity to adopt a number of different assumptions.</p> <p>The question of whether to carry out an analysis of the premises and impairment tests was subject to our procedures because of the complexity of the processes and the high level of judgement required to determine the current value of assets.</p>	<p>Our audit procedures included in particular:</p> <ul style="list-style-type: none"> - understanding and evaluation of internal control in the area of procedures for identification and verification of premises related to impairment of assets and assessment of the accuracy of the applied test method in accordance with the relevant standards of financial reporting, - verification of mathematical accuracy and methodological consistency of valuation models prepared by the Management Board, - analysis of key assumptions adopted by the Management Board regarding future cash flows in the context of current and expected market conditions.

<p><i>Recognition of sales revenues in the correct reporting period</i></p> <p>In part 4.3 of the consolidated financial statements for 2018, the Management Board of the Parent Company presented a description of the accounting policy applied for the recognition of revenue from sales in the Capital Group. The conditions defining the moment of recognition of revenue in the Group's financial data were indicated.</p> <p>The Group companies sell goods on the basis of various delivery term, referred to as Incoterms and the associated different timing of risk and benefit transfer to the counterparty. As part of the procedures for closing the reporting period, the Management Board of the Parent Company carries out the procedure for verifying open sales.</p> <p>The issue of the correct recognition of sales revenues in the period was the subject of our analysis due to the significance of the positions in the consolidated financial statements of the Company and the susceptibility to the risk of intentional misstatement.</p>	<p>Our audit procedures included in particular:</p> <ul style="list-style-type: none"> - understanding and evaluating the internal control environment in the area of the system used to reflect the terms of the transaction (Incoterms) in the process of recognising the revenues and identification of the moment of proper recognition of risk transfer and benefits - assessment of regularity, on the selected sample of transactions from the turn of the year, recognising sales in the relevant reporting period in accordance with the delivery terms and conditions transfer of risks and benefits to the counterparty.
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Responsibility of the Management Board and Supervisory Board of the Parent Company for the consolidated financial statements

The Management Board of the Parent Company is responsible for the preparation of the consolidated financial statements that give a true and fair view of the Group's financial position and results in accordance with applicable International Financial Reporting Standards as adopted by the European Union, with accounting principles (policy) and with the laws and regulations applicable to the Group as well as with the Parent Company's Articles of Association and for such internal control as the Management Board of the Parent Company considers necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Management Board of the Parent Company is responsible for assessing the Group's ability to continue as a going concern, disclosing, if applicable, matters related to the going concern and adopting the going concern principle as the basis for accounting, except when the Management Board of the Parent Company either intends to liquidate the Group or discontinue operations or has no viable alternative to liquidation or discontinuation of operations.

The Management Board of the Parent Company and members of the Supervisory Board of the Parent Company are obliged to ensure that the consolidated financial statements meet the requirements of the Accounting Act of 29 September 1994 ("Accounting Act" - Journal of Laws of 2019 item 351). Members of the Supervisory Board of the Parent Company are responsible for supervising the financial reporting process.

Statutory Auditor's responsibility for the audit of the consolidated financial statements

Our goal is to obtain reasonable assurance that the consolidated financial statements as a whole do not contain material misstatement due to fraud or error and to issue an audit report that includes our opinion. Reasonable assurance means a high level of confidence but does not guarantee that a test conducted in accordance with KSB will always detect the existing material misstatement. Misstatements can arise from fraud or error and are deemed material when it can be reasonably expected that they, individually or in combination, could influence the economic decisions of users made on the basis of these consolidated financial statements.

The scope of the audit does not include assurances as to the Group's future profitability or the effectiveness or efficiency of the Group's operations conducted by the Management Board of the Parent Company at present or in the future.

During the audit compliant with KSB, we apply professional judgement and maintain professional scepticism, as well as:

- identify and assess the risks of material misstatement of consolidated financial statements arising from fraud or error, design and perform audit procedures that are appropriate to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of failure to detect a material misstatement resulting from fraud is greater than that resulting from error, since fraud may involve collusion, counterfeiting, intentional omissions, misrepresentation or circumvention of internal control;
- we obtain understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we assess the adequacy of the applied accounting principles (policy) and the legitimacy of accounting estimates and related disclosures made by the Management Board of the Parent Company;
- we draw a conclusion on the adequacy of applying the going concern principle by the Management Board of the Parent Company as a basis for accounting and, based on the obtained evidence, to examine whether there is a material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we come to the conclusion that there is a material uncertainty, we are required to draw the statutory auditor's attention in our report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our auditor's report, however, future events or conditions may cause the Group to discontinue its operations;
- we evaluate the overall presentation, structure and content of the consolidated financial statements, including disclosures and whether the consolidated financial statements present underlying transactions and events in a manner that ensures a reliable presentation;
- we obtain sufficient audit evidence regarding the financial information of the entities or business activities within the Group in order to express an opinion on the consolidated financial statements. We are responsible for the management, supervision and conduct of the Group's audit and remain solely liable for our audit opinion.

We provide the Supervisory Board of the Parent Company with information about, inter alia, the planned scope and timing of the audit and significant findings of the audit, including any significant internal control weaknesses that we identify during the audit.

We submit a statement to the Supervisory Board of the Parent Company confirming that we observed the relevant ethical requirements regarding the independence and that we will inform it of all relationships and other matters that could reasonably be deemed to pose a threat to our independence and, where applicable, we inform it of the safeguards applied.

Among the issues submitted to the Supervisory Board of the Parent Company, we identified those aspects which were most significant during the audit of the consolidated financial statements for the current financial year and therefore we considered them as key audit issues. We describe these issues in our statutory auditor's report unless law or regulations prohibit public disclosure or, in exceptional circumstances, we determine that the issue should not be presented in our report because it would be reasonable to expect that the adverse consequences would outweigh the public interest benefits of such information.

Other information, including the activity report

Other information includes the report on the Group's activities for the financial year ended 31 December 2018. ("Report on the activities"), including the corporate governance statement, which is a separate part of this report.

Responsibility of the Management Board and the Supervisory Board

The Management Board of the Parent Company is responsible for preparing Other information in accordance with the provisions of law.

The Management Board of the Parent Company and members of the Supervisory Board of the Parent Company are obliged to ensure that the Report on the activities including the separated parts meets the requirements provided for in the Accounting Act.

Liability of the statutory auditor

Our audit opinion on the consolidated financial statements does not cover Other information . In connection with the audit of the financial statements, it is our responsibility to review Other Information and to consider whether Other Information is not materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit or otherwise appears to be materially misstated. If, on the basis of the work performed, we identify material misstatements in Other Information, we shall be bound to inform you thereof in our audit report. Our responsibility under the requirements of the Audit Act is also to express an opinion as to whether the Report on the Company's activities was prepared in accordance with the regulations and whether it is consistent with the information contained in the consolidated financial statements. In addition, we are required to issue our opinion as to whether the Group has included the required information in its corporate governance statement.

We have received the Report on the activities prior to the date of this audit report.

Opinion on the Report on the activities

On the basis of the work carried out during the audit, in our opinion, the Report on the activities:

- has been drawn up in accordance with Article 49 of the Accounting Act, and paragraph 71 of the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information provided by issuers of securities

and on conditions under which information required by legal regulations of a third country may be recognised as equivalent ("Regulation on Current Information" - Journal of Laws of 2018, item 757),

- is consistent with the information contained in the consolidated financial statements.

Moreover, in light of the knowledge of the Group and its environment obtained during our audit, we declare that we have not found any material misstatements in the Report.

Opinion concerning the application of the statement of corporate governance

In our opinion, in the statement of corporate governance the Group included information specified in paragraph 70(6)(5) of the Regulation on current information. Moreover, in our opinion, the information referred to in paragraph 70(6)(5)(c)-(f), (h) and (i) of this Regulation contained in the statement of corporate governance is compliant with the applicable regulations and information contained in the consolidated financial statements.

Statement on non-audit services provided

To the best of our knowledge and belief, we declare that the non-audit services we have provided to the Parent Company and its subsidiaries are compliant with the laws and regulations in force in Poland and that we have not provided non-audit services that are prohibited under Article 5(1) of the EU Regulation and Article 136 of the Act on Statutory Auditors. Non-audit services provided to the Parent Company and its subsidiaries in the audited period are listed in section 7.1 of the Report on the activities.

Selection of the audit firm

We were selected to audit the consolidated financial statements of the Group pursuant to Resolution of the Parent Company No. 05/06 of the Supervisory Board of Unimot S.A. of 20 June 2017. We have audited the consolidated financial statements of the Group continuously starting from the financial year ended 31 December 2017; this is our second year of audit.

The key statutory auditor responsible for the audit resulting in this independent statutory auditor's report is Adrian Karaś.

Acting on behalf of Deloitte Audyt Spółka z ograniczoną odpowiedzialnością Sp. k. with its registered office in Warsaw, entered in the list of audit firms under number 73, on behalf of which the key statutory auditor audited the consolidated financial statements:

**Adrian
Karaś**

Digitally signed by
Adrian Karaś Date:
29 March 2019
20:35:48+01'00'

Adrian Karaś
Key Statutory Auditor
no. 12194

Warsaw, 29 March 2019