

**IPOPEMA Securities S.A.
ul. Próżna 9
00-107 Warsaw, Poland**

**Auditor's opinion and report
on the financial statements
for the financial year January 1st-December 31st 2013**

AUDITOR'S OPINION

for the General Meeting and the Supervisory Board of IPOPEMA Securities S.A.

We have audited the attached financial statements of IPOPEMA Securities S.A., registered office at ul. Próźna 9, Warsaw, Poland, including:

- introduction to the financial statements;
- balance sheet as at December 31st 2013, showing a balance-sheet total of PLN **322,486** thousand;
- income statement for the financial year January 1st-December 31st 2013, showing a net profit of PLN **5,619** thousand;
- statement of changes in equity for the financial year January 1st-December 31st 2013, showing an increase in equity of PLN **6,552** thousand;
- statement of cash flows for the financial year January 1st-December 31st 2013, showing a decrease in net cash of PLN **200,918** thousand.

The Company's Management Board was responsible for the preparation of the financial statements and the Directors' Report in compliance with the applicable regulations.

The Company's Management Board and members of the Supervisory Board are responsible for ensuring that the financial statements and the Directors' Report comply with the requirements of the Polish Accountancy Act of September 29th 1994 (Dz.U. of 2013, item 330, as amended), hereinafter referred to as the 'Accountancy Act'.

Our responsibility was to audit the financial statements and issue an opinion on whether the financial statements comply with the applicable accounting policies, whether they fairly and clearly reflect, in all material respects, the assets, financial standing and financial result of the Company, and whether the accounting records which were the basis for the preparation of the financial statements were properly maintained.

Our audit of the financial statements was performed in accordance with:

- 1/ chapter 7 of the Polish Accountancy Act,
- 2/ Polish financial auditing standards, issued by the National Council of Statutory Auditors (Krajowa Rada Biegłych Rewidentów).

We planned and performed our audit in such a manner as to obtain a reasonable basis to issue an opinion on the financial statements. In particular, our audit included an assessment of the accounting policies and significant estimates used by the Company, an examination - largely on a test basis - of accounting evidence and records relevant to the amounts and disclosures in the financial statements, as well as an assessment of the overall presentation of the financial statements.

We believe that our audit provided us with sufficient evidence to issue the opinion.

In our opinion, the audited financial statements, in all material respects:

- a) present fairly and clearly all the information which is material for the assessment of the Company's assets and financial standing as at December 31st 2013, as well as of its financial result for the financial year January 1st-December 31st 2013;
- b) were prepared in compliance with the applicable accounting policies and on the basis of properly maintained accounting records;
- c) comply with the applicable laws and the relevant provisions of the Company's Articles of Association.

The Directors' Report on the Company's operations is complete within the meaning of Art. 49.2 of the Polish Accountancy Act and conforms to the provisions of the Regulation of the Minister of Finance on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated February 19th 2009 (Dz. U. of January 28th 2014, item 133). The information contained in the Directors' Report which is sourced from the audited financial statements is consistent with the financial statements.

Warsaw, March 20th 2014

BDO Sp. z o.o.
ul. Postępu 12
02-676 Warsaw, Poland
Qualified auditor of financial statements, Reg. No. 3355

Chief auditor performing the audit:

Anna Bernaziuk, PhD
Qualified Auditor
Reg. No. 173

Person acting on behalf of BDO Sp. z o.o.:

André Helin, PhD
President of the Management Board
Qualified Auditor, Reg. No. 90004

**Auditor's report
on the financial statements of
IPOPEMA Securities S.A.

for the financial year
January 1st-December 31st 2013**

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I. GENERAL INFORMATION

1. Details of the Company

1.1. Name and form of incorporation

The Company operates under the name IPOPEMA Securities Spółka Akcyjna (joint-stock company) and may use the abbreviated name of IPOPEMA Securities S.A.

1.2. Registered office

The Company's registered office is at ul. Próżna 9, Warsaw, Poland.

1.3. Business profile

Pursuant to the entry in the relevant register, and the Company's Articles of Association, the Company's business includes:

- brokerage activities on the securities and commodity markets,
- other financial services not elsewhere classified, except insurance and pension fund services,
- other business and management consultancy.

During the period under analysis, the Company's operations consisted mainly in brokerage activities on the securities market.

1.4. Legal basis for the Company's activities

IPOPEMA Securities S.A. operates on the basis of:

- the Articles of Association drawn up in the form of a notarial deed on March 2nd 2005 (Rep. A No. 2640/2005), as amended,
- brokerage licence No. DDM-M-4020-60-1/2005 granted by the Polish Securities and Exchange Commission on June 30th 2005, authorising the Company to conduct brokerage activities within the scope stipulated therein, and
- the Polish Commercial Companies Code.

1.5. Court registration

On March 22nd 2005, the Company was entered into the National Court Register at the District Court for the Capital City of Warsaw, 12th Commercial Division, under entry No. KRS 0000230737.

1.6. Registration at the Tax Office and the Provincial Statistics Office

NIP (Tax Identification Number)	527-24-68-122
REGON (Industry Identification Number)	140086881

1.7. Share capital and equity

As at December 31st 2013, the Company's share capital amounted to PLN 2,994 thousand and was divided into 29,937,836 shares with a par value of PLN 0.10 per share.

As at December 31st 2013, the shareholder structure of IPOPEMA Securities S.A., according to the information provided by the Management Board, was as follows:

Shareholder	Number of shares and votes at GM	% of total vote at GM
PRE-IPO FIZAN ¹	2,990,789	9.99%
Meritum 1 Nova SPV Sp. z o.o. SKA ²	2,990,789	9.99%
OFE PZU Złota Jesień*	2,950,000	9.85%
IPOPEMA 10 FIZAN ³	2,851,420	9.52%
Katarzyna Lewandowska	2,086,749	6.97%
Aviva OFE Aviva BZ WBK*	1,815,000	6.06%
Quercus Parasolowy SFIO*	1,754,164	5.86%
Other shareholders	12,498,925	41.76%
Total shareholders	29,937,836	100.00%

* Based on notifications received by the Company from the shareholders.

¹ The main investors in the fund are Jacek Lewandowski, President of the Company's Management Board, and Katarzyna Lewandowska.

² Subsidiary of Jacek Lewandowski, President of the Company's Management Board.

³ The only investor in the fund is Stanisław Waczkowski, Vice-President of the Company's Management Board.

For more details on the shareholder structure, see notes to the Company's financial statements.

In 2013, the share capital was increased within the limit of conditional share capital by PLN 19 thousand.

On February 13th and February 21st 2013, 185,714 Series C ordinary registered shares with a par value of PLN 0.10, increasing the Company's share capital by PLN 19 thousand, were acquired under the Company's Incentive Scheme. The shares were issued within the limit of conditional share capital, from a separate pool of shares representing Share Option Plan II under the Incentive Scheme.

As at the date of this opinion, the shareholders holding over 5% of shares in IPOPEMA Securities S.A., according to the information provided by the Management Board, were as follows:

Shareholder	Number of shares and votes at GM	% of total vote at GM
PRE-IPO FIZAN ¹	2,990,789	9.99%
Meritum 1 Nova SPV Sp. z o.o. SKA ²	2,990,789	9.99%
OFE PZU Złota Jesień*	2,950,000	9.85%
IPOPEMA 10 FIZAN ³	2,851,420	9.52%
Katarzyna Lewandowska	2,136,749	7.14%
Quercus Parasolowy SFIO*	1,754,164	5.86%
Total shareholders holding over 5% of the share capital	15,673,911	52.35%

* Based on notifications received by the Company from the shareholders.

¹ The main investors in the fund are Jacek Lewandowski, President of the Company's Management Board, and Katarzyna Lewandowska.

² Subsidiary of Jacek Lewandowski, President of the Company's Management Board.

³ The only investor in the fund is Stanisław Waczkowski, Vice-President of the Company's Management Board.

In addition, as at December 31st 2013, the Company's equity included:

- statutory reserve funds PLN 57,288 thousand
- revaluation capital reserve PLN -7 thousand
- net profit for current year PLN 5,619 thousand

As at December 31st 2013, the Company's equity was PLN 65,894 thousand.

1.8. Management Board

As at December 31st 2013, the composition of the Company's Management Board was as follows:

- Jacek Lewandowski - President of the Management Board
- Mirosław Borys - Vice-President of the Management Board
- Mariusz Piskorski - Vice-President of the Management Board
- Stanisław Waczkowski - Vice-President of the Management Board

In the period under analysis and as at the audit completion date, there were no changes in the composition of the Management Board.

1.9. Supervisory Board

As at December 31st 2013, the composition of the Supervisory Board was as follows:

- Jacek Jonak - Chairman of the Supervisory Board,
- Janusz Diemko - Secretary of the Supervisory Board,
- Bogdan Kryca - Member of the Supervisory Board,
- Zbigniew Mrowiec - Member of the Supervisory Board.

Małgorzata Adamkiewicz resigned from her post on the Supervisory Board, with effect from August 31st 2013. On February 10th 2014, the General Meeting appointed Mr Michał Dobak as member of the Supervisory Board.

1.10. Information on related entities

The Company is the parent of the IPOPEMA Securities Group and prepares consolidated financial statements.

The Company's related entities are the following companies of the IPOPEMA Securities Group:

- IPOPEMA Towarzystwo Funduszy Inwestycyjnych S.A., a wholly-owned subsidiary of IPOPEMA Securities S.A.,
- IPOPEMA Asset Management S.A., a wholly-owned subsidiary of IPOPEMA Securities S.A.,
- IPOPEMA Outsourcing Sp. z o.o., a wholly-owned subsidiary of Ipopema Business Consulting Sp. z o.o.,
- IPOPEMA Business Consulting Sp. z o.o., a subsidiary in which IPOPEMA Securities S.A. holds a 50.02% equity interest,
- IPOPEMA Business Services Kft., a wholly-owned subsidiary of IPOPEMA Securities S.A.

2. Information on the audited financial statements

The audit covered the financial statements of IPOPEMA Securities S.A. for the financial year January 1st-December 31st 2013, consisting of:

- introduction to the financial statements;
- balance sheet as at December 31st 2013, showing a balance-sheet total of PLN **322,486** thousand;
- income statement for the financial year January 1st-December 31st 2013, showing a net profit of PLN **5,619** thousand;
- statement of changes in equity for the financial year January 1st-December 31st 2013, showing an increase in equity of PLN **6,552** thousand;
- statement of cash flows for the financial year January 1st-December 31st 2013, showing a decrease in net cash of PLN **200,918** thousand.

3. Information on the auditing firm and the qualified auditor performing the audit

The IPOPEMA Securities S.A.'s financial statements for 2013 were audited by BDO Sp. z o.o., registered office at ul. Postępu 12, Warsaw, Poland, entered in the list of qualified auditors of financial statements maintained by the National Chamber of Statutory Auditors (Krajowa Izba Biegłych Rewidentów) under Reg. No. 3355.

The auditing firm was selected by the Supervisory Board of the Company by virtue of its resolution dated August 23rd 2007.

The audit was performed under an agreement for audit services, dated July 9th 2013, by chief qualified auditor Anna Bernaziuk, PhD (Qualified Auditor Reg. No. 173). The audit was performed at the Company's registered office intermittently between March 3rd 2013 and the date of the auditor's opinion. The audit was preceded by a review of the Group's financial statements for H1 2013 and by a preliminary audit.

We hereby represent that BDO Sp. z o.o. and its Management Board, as well as the auditor and audit team performing the audit, satisfy the relevant criteria for issuing an objective and independent opinion on the audited statements, in accordance with the provisions of Art. 56.3 and 56.4 of the Act on Qualified Auditors, their Self-Government, Qualified Auditors of Financial Statements and on Public Supervision (Dz.U. of 2009, No. 77, item 649).

During the audit, the Company provided the auditor with the required data, information and explanations necessary to carry out the audit, and represented that no material events occurred in the period from the balance-sheet date to the date of the representation.

The scope of the audit was not limited and the auditor was not restricted in any way as to the choice of methods applied during the audit.

4. Information on the financial statements for the previous year

The opening balances were determined on the basis of the financial statements for the period January 1st-December 31st 2012, which were audited by BDO Sp. z o.o. and on which an unqualified opinion was issued.

The Company's financial statements for the period January 1st-December 31st 2012 were approved by virtue of Resolution No. 5 of the Annual General Meeting, dated June 20th 2013.

By virtue of Resolution No. 7 of the General Meeting, the Company's net profit of PLN 8,528 thousand, earned in the period January 1st-December 31st 2012, was allocated in full to statutory reserve funds.

The financial statements for 2012 were filed with the National Court Register on July 16th 2013.

II. FINANCIAL ANALYSIS OF THE COMPANY

Below are presented selected items of the Company's balance sheet and income statement, as well as key financial ratios, in comparison with the corresponding figures for previous years.

1. Key balance-sheet items (PLN '000)

	<u>Dec 31 2013</u>	<u>% of balance- sheet total</u>	<u>Dec 31 2012</u>	<u>% of balance- sheet total</u>	<u>Dec 31 2011</u>	<u>% of balance- sheet total</u>
ASSETS						
Cash and other financial assets	41,485	12.9	246,510	32.0	90,339	14.8
Current receivables	262,540	81.4	505,380	65.7	500,709	82.4
Financial instruments held for trading	218	0.1	330	0.1	1,522	0.3
Current prepayments and accrued income	665	0.2	464	0.1	441	0.1
Financial instruments available for sale	6,825	2.1	7,003	0.9	7,007	1.2
Non-current receivables	2,336	0.7	1,434	0.2	372	0.1
Non-current loans advanced	794	0.2	1,520	0.2	2,433	0.4
Intangible assets	2,121	0.7	2,211	0.3	1,946	0.3
Property, plant and equipment	4,212	1.3	3,289	0.4	1,348	0.2
Non-current prepayments and accrued income	1,290	0.4	1,126	0.1	1,169	0.2
TOTAL ASSETS	322,486	100.0	769,267	100.0	607,286	100.0
EQUITY AND LIABILITIES						
Current liabilities	249,870	77.5	704,423	91.6	535,269	88.1
Non-current liabilities	2	0.0	0	0.0	0	0.0
Accruals and deferred income	0	0.0	150	0.0	0	0.0
Provisions for liabilities	6,720	2.1	5,352	0.7	6,716	1.1
Equity	65,894	20.4	59,342	7.7	65,301	10.8
TOTAL EQUITY AND LIABILITIES	322,486	100.0	769,267	100.0	607,286	100.0

2. Key items of the income statement (PLN' 000)

	Year ended Dec 31 2013	% of revenue	Year ended Dec 31 2012	% of revenue	Year ended Dec 31 2011	% of revenue
Revenue from brokerage activities	57,700	100.0	52,057	100.0	72,767	100.0
Cost of brokerage activities	48,178	83.5	43,080	82.8	51,164	70.3
Profit (loss) on brokerage activities	9,522	16.5	8,977	17.2	21,603	29.7
Income from financial instruments held for trading	714	1.2	3,350	6.4	2,495	3.4
Cost related to financial instruments held for trading	3,740	6.5	4,181	8.0	5,248	7.2
Gain (loss) on transactions in financial instruments held for trading	(3,026)	-5.2	(831)	(1.6)	(2,753)	(3.8)
Income from financial instruments available for sale	1,016	1.8	4,901	9.4	0	0.0
Cost related to financial instruments available for sale	46	0.1	0	0.0	0	0.0
Gain (loss) on transactions in financial instruments available for sale	970	1.7	4,901	9.4	0	0.0
Other income	679	1.2	639	1.2	1,188	1.6
Other expenses	1,056	1.8	595	1.1	1,544	2.1
Difference between provisions for and impairment losses on receivables	-21	0.0	279	0.5	121	0.2
Operating profit (loss)	7,068	12.2	13,370	25.7	18,615	25.6
Finance income	2,853	4.9	3,758	7.2	4,410	6.1
Finance costs	2,790	4.8	7,596	14.6	3,564	4.9
Profit (loss) before extraordinary items	7,131	12.4	9,532	18.3	19,461	26.7
Extraordinary gains (losses)	0	0.0	0	0.0	0	0.0
Pre-tax profit (loss)	7,131	12.4	9,532	18.3	19,461	26.7
Income tax	1,512	2.6	1,004	1.9	3,876	5.3
Net profit (loss)	5,619	9.7	8,528	16.4	15,585	21.4

3. Key financial ratios

	<u>As at Dec 31 2013</u>	<u>As at Dec 31 2012</u>	<u>As at Dec 31 2011</u>
Current ratio			
<u>Total current assets*</u> Current liabilities	1.2	1.1	1.1
Net margin			
<u>Net profit (loss)</u> Revenue from brokerage activities	9.7%	16.4%	21.4%
Return on assets			
<u>Net profit (loss)</u> Total assets	1.7%	1.1%	2.6%
Return on equity			
<u>Net profit (loss)</u> Equity	8.5%	14.4%	23.9%
Book value per share			
<u>Equity</u> Number of shares	2.20	1.99	2.21
Earnings per share			
<u>Net profit (loss)</u> Number of shares	0.19	0.29	0.53

* Current assets included: cash and cash equivalents, current receivables, financial instruments held for trading, and current prepayments and accrued income.

4. Comments

Current receivables (accounting for 81.4% of the balance-sheet total) and cash and cash equivalents (accounting for 12.9% of the balance-sheet total) represented the largest proportion of assets. Current liabilities (77.5% of the balance-sheet total) and equity (20.4% of the balance-sheet total) represented the largest proportion of equity and liabilities.

The balance-sheet total fell 58.1% year on year.

In the period under analysis, the Company generated net profit of PLN 5,619 thousand (2012: PLN 8,528 thousand), with profit on brokerage activities of PLN 9,522 thousand (2012: PLN 8,977 thousand). Revenue from brokerage activities rose by 10.8% year on year, while costs related to brokerage activities increased by 11.8% over the same period.

Current ratio grew relative to the previous year by 0.1, to 1.2, but stayed within a range considered sound.

Net margin and return on equity ratios recorded a year-on-year decline and stood at 9.7% (2012: 16.4%) and 8.5% (2012: 14.4%), respectively. Return on assets increased from 1.1% in 2012 to 1.7% in 2013. The increase is attributable to significantly lower balance-sheet total.

In the period covered by the audit, the higher equity yielded higher book value per share. In 2013, the book value per share was 2.20 vs. 1.99 in 2012.

Earnings per share fell to 0.19 (2012: 0.29).

The results posted by the Company and its overall financial standing indicate no threat to the Company's continuing as a going concern within the meaning of the Polish Accountancy Act.

III. DETAILED INFORMATION

1. Assessment of the accounting and internal audit system

1.1 Accounting system

The Company maintains documentation approved by the Company's Management Board, which describes the accounting policies adopted by the Company.

The methods used in measurement of assets, equity and liabilities disclosed in the balance sheet as well as the methods used to compute the financial result are applied consistently and in keeping with the applicable regulations. During the period under analysis, no changes occurred with respect to the policies for measurement of assets, equity and liabilities, revenues and costs.

Accounting records are maintained on an ongoing basis in a reliable, error-free and verifiable manner, on the basis of source documents.

During the audit, no irregularities were revealed in the accounting books which might have a material effect on the audited financial statements. The foregoing refers to the accounting policies documentation, the reliability, completeness and transparency of records documenting business transactions, proper classification of business transactions for the purpose of their disclosure in the accounting books, correctness of the opening of the accounting books, completeness and correctness of entries posted therein, as well as matching of the entries with source documents and financial statements.

The adopted procedures provide for the security of data and electronic data processing system, the latter being technically viable and interconnected with the Company's chart of accounts to ensure verifiability of data contained in the accounting books.

The Company complies with the requirements stipulated by the Polish Accountancy Act with respect to documentation and electronic data archiving.

1.2 Internal audit

The Company's Management Board is responsible for the development and operation of an internal audit system, as well as for prevention and detection of any irregularities.

When planning and performing the audit of the Company's financial statements for the period ended December 31st 2013, we took account of the internal audit system procedures in order to determine our own procedures required for issuing a reliable opinion on the audited financial statements.

The organisation of the audit system enables:

- identification and correct recording of business transactions,
- detailed description of business transactions allowing for proper classification in the process of preparing the financial statements,
- entering business transactions into the accounting books in the relevant reporting period,

- appropriate presentation of business transactions in the financial statements.

Our review of the internal audit system might not have revealed all the material weaknesses of the system. No significant defects of the internal audit system were revealed during the audit.

2. Introduction and notes to the financial statements

The Company prepared supplementary information, comprising the introduction and notes to the financial statements, in compliance with the provisions of the Polish Accountancy Act and the secondary legislation thereto, as well as the provisions of the Regulation of the Minister of Finance on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated February 19th 2009 (Dz. U. of January 28th 2014, item 133), related to the scope of disclosures made.

Figures contained in the introduction and notes are sourced from the accounting records and correspond to the data disclosed in the financial statements.

3. Statement of changes in equity

The data contained in the statement of changes in equity is correctly related to the balance sheet and the accounting records, and gives a true and fair view of the changes in the Company's equity.

4. Statement of cash flows

The statement of cash flows was prepared by the Company using an indirect method, in compliance with the requirements of Art. 48b of the Polish Accountancy Act, and is correctly related to the relevant items of the balance sheet, income statement and accounting records.

5. Directors' Report on the Company's operations

Pursuant to Art. 49 of the Polish Accountancy Act, and the Regulation of the Polish Minister of Finance on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated February 19th 2009 (Dz.U. of January 28th 2014, item 133), the Management Board prepared the Directors' Report on the Company's operations.

The information contained in the Directors' Report is consistent with the data presented in the audited financial statements.

6. Representation by the Company's management

The management of the Company submitted a written representation to the effect that the data contained in the accounting records was disclosed fully and completely, that all contingent liabilities were disclosed and that no material events occurred after the balance-sheet date other than those discussed in the financial statements.

Warsaw, March 20th 2014

BDO Sp. z o.o.
ul. Postępu 12
02-676 Warsaw, Poland
Qualified auditor of financial statements, Reg. No. 3355

Chief auditor performing the audit:

Anna Bernaziuk, PhD

Qualified Auditor

Reg. No. 173

Person acting on behalf of BDO Sp. z o.o.:

André Helin, PhD

President of the Management Board

Qualified Auditor, Reg. No. 90004