ANTOLIN TRNAVA, s.r.o.

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2018

AND

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

This is an English language translation of the original Slovak language document.

ANTOLIN TRNAVA, S.R.O., TRSTÍNSKA CESTA 8, 917 58 TRNAVA

2018 Annual Report

Antolin Trnava, s.r.o.

Annual report prepared in accordance with Article 20 of Act No. 431/2002 Coll. on Accounting as amended

Legislative framework for the annual report

The Company has an obligation to perform an audit pursuant to Article 19 of Act No. 431/2002 Coll. on Accounting as amended, and therefore has the obligation to prepare an annual report pursuant to Article 20 of the Act on Accounting.

This annual report is also subject to auditor verification within one year of the end of the reporting period. This annual report shall be electronically submitted in the register of the financial statements and in this way to the collection of documents of the Business Register as provided for in Article 23 (2) and Article 23b (4) of the Act on Accounting.

Annual report contents:

1) Identification data
2) Mandatory information
3) Other information
4) Mandatory annexes
5) Other annexes

1) Identification data – Basic information

Business name:	Antolin Trnava, s.r.o. (hereinafter the "Company")
Company ID (IČO):	48169668
TAX ID:	2120073021
VAT ID:	SK2120073021
Address:	Trstínska cesta 8, 917 58 Trnava
Business register:	Business Register of the District Court in Trnava, Section: Sro, Insert No.: 37307/T
Company executive:	Jesus Pascual Santos, Fernando Sanz Gimenez - Rico
Company authorized agent	Ing. Darina Kovačicová, Ing. Bohuslav Toráč
Web site of the Company, email:	www:grupoantolin.com; darina.kovacicova@grupoantolin.com

The statutory body of ANTOLIN TRNAVA, s.r.o. consists of the Company executives and Company authorized agents in the scope of the procuration. The Company has neither the obligation nor has voluntarily established a Supervisory Board. Activities of the Company are regulated by its Statute.

Identification data – Additional information

Results of operations for 2018	Loss – EUR 5 690 877
Paid-up share capital (account no. 411)	EUR 17 709 000
Legal reserve fund (account no. 417 and 421)	EUR 0
Average number of employees	576
Main activities:	Manufacture of parts and accessories for motor vehicles

The Company reporting period is a calendar year. The Company does not have a branch or any organizational unit in the Slovak Republic or abroad. The Company does not own a business share in another company, nor is it owned by another company.

2) Mandatory information

a) Information on Company development and specialisation

The Company was established in 2015 by the acquisition of a part of MAGNA SLOVTECA, s.r.o.

The Company is a subsidiary of GRUPO ANTOLIN – IRAUSA SOCIEDAD ANONIMA /S.A./ with its registered office at Carretera Madrid-Irún, km.244, Barrio de Vilafria, Burgos 090 07, Kingdom of Spain. GRUPO ANTOLIN - IRAUSA SOCIEDAD ANONIMA /S.A./ prepares consolidated financial statements for the largest group of companies in the consolidated group.

Since its incorporation, ANTOLIN TRNAVA, s.r.o. has maintained a stable position in the industry in which it operates. 2015 was the first year of the Daimler C190 project. It was the first project to supply finished parts directly to end customers and it accounted for 25% of total sales. The remaining 75% of our production was distributed to fellow subsidiaries for completion and final sale to customers. In 2015, our development centre at the headquarters cooperated with Porsche in the development of the Door Panel project for Porsche Panamera G2. Serial production for this project was launched in May 2016 and the planned volumes for 2018 and 2019 were 53 thousand vehicles per year. The actual amount of vehicles sold was 30% lower with the customer recognising this decrease. Despite the lower volumes, the Panamera G2 project is our key project and it accounted for 41% of total sales in 2017 and 45% in 2018. In December 2016 and June 2017, we launched serial production of two BMW projects: Mini Cooper F60 with an annual volume of 58 thousand vehicles and Grand Tourer G32 with a volume of 33 thousand vehicles. Another milestone in the development of the Company was the relocation of the third project for BMW from our fellow subsidiary, Antolin Libáň - the G1X project with a projected volume of 21 thousand vehicles. All the products for the BMW F60, G32 and G1X projects are distributed to our fellow subsidiaries in Germany for final completion and subsequently sold to BMW.

The manufacturing process consists of various technological processes, especially: leather processing, marking and cutting, functional and decorative sewing of the cut out leather parts, adhesive application, manual lamination to plastic, machine lamination and assembly of components. Our business activities are largely dependent on manual work that cannot be replaced by other technological solutions; therefore, a stable and qualified work force is a key attribute of our success and a guarantee of our product quality.

In 2018, the Company employed 576 own employees and 261 agency staff and thus contributed to local employment. The Company also employs 15 people with disabilities. In 2016 and 2017, the Company faced a large shortage of qualified staff and fluctuation in manufacturing personnel. Therefore, Company goals for 2018 included stabilising the situation, increasing employee loyalty and decreasing fluctuation.

In 2018, we achieved these goals and the situation has been stabilised and fluctuation of internal employees was 1.29%. Despite the effort to continuously train our employees and an increase in training costs by 59%, the number of training hours in 2018 was only 10 hours per person (target - 15 hours per person). Not all the planned training courses could be carried out due to operational reasons.

BALANCE SHEET
Selected indicators of assets and liabilities

ASSETS (net assets in whole euro)	**2018**	**2017**
TOTAL ASSETS	20 032 958	28 878 791
A. **Non-current assets**	5 184 554	7 056 434
A.1 Non-current intangible assets	2 062 670	3 300 270
A.II Non-current tangible assets	3 121 884	3 756 164
A.III Non-current financial assets	-	-
B. Current assets	12 785 022	21 191 338
B.I Inventory	5 538 918	5 376 833
B.II Non-current receivables	949 759	1 069 333
B.III Current receivables	6 087 907	13 546 967
B.IV Current financial assets	-	-
B. V Financial accounts	208 438	1 198 205
C. Accruals/deferrals	2 063 382	631 019

LIABILITIES AND EQUITY (in whole euro)	2018	2017
TOTAL EQUITY AND LIABILITIES	20 032 958	28 878 791
A. Equity	2 930 202	4 621 079
A.1 Share capital	17 709 000	13 709 000
A.II Share premium	-	-
A.III Other capital funds	-	-
A.IV Legal reserve funds	-	-
A.V Other funds from profit	-	-
A.VI Asset revaluation reserve	-	-
A.VII Profit/loss of previous years	(9 087 921)	(2 507 316)
A. VIII Profit/loss for the reporting period after tax	(5 690 877)	(6 580 605)
B. Liabilities	16 906 412	24 249 712
B.I Non-current liabilities	7 528 002	1 202 511
B.II Long-term provisions for liabilities	1 217 994	1 217 994
B.III Long-term bank loans	-	-
B. IV Short-term liabilities	6 448 887	19 668 923
B.V Short-term provisions for liabilities	1 711 684	2 160 284
B.VI Current bank loans	-	-
B.VII Short-term financial assistance	-	-
C. Accruals/deferrals	196 344	8 000

Commentary on the balance sheet - assets:

The Company manages its own non-current tangible assets (not leased). Non-current tangible assets are already worn (depreciation/amortization) at 41%.

Non-current intangible assets consist mainly of other non-current assets in the amount of EUR 6,188 thousand consisting mainly of existing concluded contracts with customers, which were identified during the purchase of MAGNA SLOVTECA, s.r.o., with its seat at Rybárska 1, 915 01 Nové Mesto nad Váhom (branch MAGNA SLOVTECA, s.r.o, o.z. Magna Trnava) and Goodwill in the amount of EUR 882 thousand, representing the difference between the purchase price and the identifiable parts of the assets and liabilities valued at fair value. The provision for non-current assets was created in the total amount of EUR 803 445, consisting of the amount of EUR 299 492 for tangible assets and EUR 503 953 for goodwill.

The Company has no non-current assets under lien, or with restricted handling.

The Company does not own any shares or share in another company.

Inventory developed unfavourably and its amount increased, mainly due to a 437% increase in the stock of tools for the C190 project. These tools will be sold to the customer after the project is completed. Impairment of the value-in-use of the inventories was reflected in creating a provision. The value-in-use of inventories decreased primarily due to a change of product range and surplus of inventory. No right of lien was established over inventories in favour of the bank.

The trend of short-term receivables is favourable, with their total volume decreased, as well as the volume of receivables outstanding after maturity. Overdue receivables amount to EUR

2 408 051, mainly due to invoicing of tools to the customer at the end of the reporting period, with the invoices for tools paid in January and February 2019. During the reporting period, the Company recognised no provision for assets.

There are no receivables under lien. Non-current tangible assets owned by a third party are not pledged in favour of the Company.

The Company has no receivables with restricted handling by the Company.

Deferred expenses and accrued income comprise deferred expenses, in particular – insurance premiums paid in advance and engineering costs, which increased by 620% due to the development of a new version of a vehicle for Daimler, and also current accrued income.

Commentary on the balance sheet - liabilities and equity:

The Company's share capital as at 31 December 2018 is EUR 17 709 000.

(as at 31 December 2017: EUR 13 209 000).

The share capital increased by EUR 4 000 000 during the 2018 reporting period.

The share capital was paid in full and registered in the Business Register on 21 December 2018.

Total liabilities amount to EUR 16 906 412. Liabilities are not covered by the lien.

The short-term provisions in the amount of EUR 1 711 684 include in particular, a provision for various unbilled services including agency services for temporary employment, a provision for price deviations, a provision for unused vacation days and the related social and health insurance payments.

The Company does not have any bank loans, but has long-term financial assistance from the parent company in the amount of EUR 7 521 958.

INCOME STATEMENT
Selected indicators of profit/loss

(in whole euro)	**2018**	**2017**
TOTAL NET TURNOVER	52 601 142	70 537 353
Revenue from operations	52 044 654	71 660 484
I. Revenue from the sale of merchandise	497 791	8 092 040
II. Revenue from the sale of own products	50 757 207	59 954 387
III. Revenue from sales of services	1 346 144	2 490 926
IV. Changes in internal inventory	(723 931)	824 725
V. Activation	-	-
VI. Revenue from the sale of non-current assets and inventory	3 516	10 219
VII. Other revenue from operations	163 927	288 187
Total costs of operations	57 340 878	78 354 219
A. Cost of merchandise sold	562 296	4 740 143
B. Consumed raw materials, energy consumption, and consumption of other non-inventory supplies	29 074 099	35 668 565
C. Provisions for inventory	150 586	15 995
D. Services	13 509 970	20 130 769

E. Personnel expenses	11 189 241	12 148 098
G. Depreciation and provisions for non-current assets	2 136 111	3 180 650
H. Net book value of sold merchandise and inventory	-	-
I. Provisions for receivables	(2 621)	2 471
J. Other costs of operations	713 095	2 466 440
Profit/loss from operations	(5 296 224)	(6 693 735)
Revenues from financial activities	2 282	2
Costs of financial activities	277 361	389 228
Profit/loss from financial activities	(275 079)	(389 226)
Profit/loss for the reporting period before tax	(5 571 303)	(7 082 961)
Current income tax	-	2 880
Deferred income tax:	119 574	(505 236)
PROFIT/LOSS FOR THE REPORTING PERIOD AFTER TAX	(5 690 877)	(6 580 605)

Comment on the income statement (profit/loss statement):

The Company recorded a 27% decrease in operating revenues due to the completion of the serial production of two projects and a decrease in sales in the Mercedes MFA project, which is in its last phase, and will be completed in 2019. The Panamera project also decreased y/y by 7%. As a result, there was a decrease in raw material consumption and the raw materials to costs ratio improved by 2.3%. The main reason for the improved ratio of the costs of raw materials was the decreased error rate, which is closely related to the stabilisation of direct manufacturing employees and a 2/3 decrease in stock-take differences. This positive effect was partly compensated by increased consumption of raw materials in the starting BMW G1X project, which has a higher raw materials to costs ratio and a lower wages and salaries to costs ratio compared to other ongoing projects. The error rate also increased in this project due to initial operator training. Our manufacturing process is mostly manual and the long training period for new operators is reflected in the increased number of defective products.

Similarly, the costs of services related mainly to the launch of new projects, ie personnel lease, consulting, legal services and transportation, also decreased. The direct wages and salaries ratio also improved by 3.6%, mainly due to the increased productivity in the BMW projects, which were in the start-up phase in 2017, whereas 2018 was a year of stabilisation. Profit/loss for the reporting period before tax is the loss of EUR 5 571 303.

b) Information on significant events after the end of the reporting period.

The Company did not identify any significant subsequent events (until the date of signing of the financial statements).

c) Information about the expected future development of the reporting entity.

2019 will be a year of optimisation for the Company. The Company's goal is to stabilise the number of manufacturing employees at an average of 450 people and we seek to increase the ratio of internal employees to agency staff. By stabilisation of manufacturing employees, their requalification and increasing the self-control rate, we aim to significantly reduce the error rate and eliminate expenses on external companies carrying out quality control. Another aim is to progressively increase productivity in loss-risk bearing projects, and projects with a positive contribution margin. The Company also aims to decrease fixed costs, mainly by the optimisation of the number of indirect employees in line with the decrease in volumes in projects approaching their completion. It is a Company priority to retain IATF audit certification, a re-certification audit will be performed by an independent organisation in July 2019.

(d) Information on R & D expenditure – **no information available.**

e) Information on the acquisition of own shares, interim certificates, ownership interests and shares, interim certificates and ownership interests of the parent entity – **no information available.**

f) Information on the proposal for distribution of profit or settlement of loss
For 2018, the Company incurred an accounting loss after tax in the amount of EUR 5 690 877 Therefore, a proposal will be submitted to the General Meeting for the following use of the loss – transfer to *Account 429 – Accumulated losses from previous years.*

g) Information about the data required by special regulations – **no information available.**

h) Information on whether the reporting entity has an organizational unit abroad.
The Company has no organisational unit abroad.

i) Information on the annual report on payments to public authorities (Article 20 (2) of the Act on Accounting) – **no information available.**

j) Financial instruments (Article 20 (5) of the Act on Accounting)
The Company does not use financial instruments (e.g. transferable securities, financial derivative contracts, derivatives) under Act No. 566/2001 Coll. on Securities as amended – and therefore, it is not required to provide specific **information on the objectives and methods of risk management**.

k) Securities traded on a regulated market (Article 20 (6) and (7) of the Act on Accounting)
The Company did not issue securities (shares) which were admitted for trading on a regulated market (e.g. the Bratislava Stock Exchange). Therefore, the Company is not obliged to declare any structured information in the annual report according to Article 20 (6) and (7) of the Act on Accounting, for example – **corporate government statement.**

l) Public interest entity (Article 20 (9) and (14) of the Act on Accounting)
The Company is not a public interest entity as defined by Article 2 (14) of the Act on Accounting (e.g. issuer of securities on a regulated market, bank, insurance company, securities broker, collective investment undertaking).

3) Other information

- In 2018, the Company had an average of 576 own employees and 261 agency staff, of which 39% were men and 61% were women. As the share of agency staff is still high (31%), the Company's goal for 2019 is to increase the number of internal employees and decrease the share of agency staff to 10%. To increase the stability of the workforce, the Company has adopted a number of measures – it built a modern training centre directly on the

Company's premises and introduced a new position of "Trainer" to facilitate new hires training directly on the production line. The Company increased starting salaries and other hourly rates and continues to introduce new motivation programmes. It is still our priority to improve working conditions so as to increase work comfort and minimise the risk of accidents. The Company actively cooperates with the Employee Board to improve the working environment and increase its attractiveness as an employer.

- The Company is the holder of the ISO quality certificate:

  ISO/TS 16949:2009

  GB8410-2006 and CNCA-C11-09:2014

  IATF 16949

- The Company settles its tax liabilities to the state and liabilities to the social and health insurance company in due time.

4) Mandatory annexes

The annual report includes the following annexes:
Financial statements of the Company for 2018 (Balance Sheet, Income Statement and Notes)
Auditor's report on the verification of Financial Statements for 2018

5) Other annexes

Deloitte.

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Id. Nr.: 31 343 414
VAT Id. Nr.: SK2020325516

ANTOLIN TRNAVA, s.r.o.

INDEPENDENT AUDITOR'S REPORT

To the Partners and Executives of ANTOLIN TRNAVA, s.r.o.:

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified Opinion

We have audited the financial statements of ANTOLIN TRNAVA, s.r.o. (the "Company"), which comprise the balance sheet as at 31 December 2018, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter stated in the "Basis for Qualified Opinion" paragraph, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2018, and its financial performance for the year then ended in accordance with the Act on Accounting No. 431/2002 Coll. as amended (the "Act on Accounting").

Basis for Qualified Opinion

The company has not prepared detailed analysis of recoverability of the deferred tax asset recognised on the balance sheet line 052 in the amount of 774 thousand EUR. Therefore, we were not able to obtain sufficient audit evidence to support the valuation of the deferred tax asset as of 31 December 2018.

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the provisions of Act No. 423/2015 Coll. on Statutory Audit and on Amendment to and Supplementation of Act No. 431/2002 Coll. on Accounting, as amended (hereinafter the "Act on Statutory Audit") related to ethical requirements, including the Code of Ethics for Auditors that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Act on Accounting, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on Information Disclosed in the Annual Report

The statutory body is responsible for information disclosed in the annual report prepared under the requirements of the Act on Accounting. Our opinion on the financial statements stated above does not apply to other information in the annual report.

In connection with the audit of financial statements, our responsibility is to gain an understanding of the information disclosed in the annual report and consider whether such information is materially inconsistent with the financial statements or our knowledge obtained in the audit of the financial statements, or otherwise appears to be materially misstated.

We evaluated whether the Company's annual report includes information whose disclosure is required by the Act on Accounting.

Based on procedures performed during the audit of the financial statements, in our opinion:

- Information disclosed in the annual report prepared for 2018 is consistent with the financial statements for the relevant year; and

- The annual report includes information pursuant to the Act on Accounting.

Furthermore, based on our understanding of the Company and its position, obtained in the audit of the financial statements, we are required to disclose whether material misstatements were identified in the annual report, which we received prior to the date of issuance of this auditor's report. There are no findings that should be reported in this regard.

Bratislava, 24 June 2019

Ing. Peter Jaroš, FCCA
Responsible Auditor
Licence UDVA No. 1047

On behalf of
Deloitte Audit s.r.o.
Licence SKAu No. 014

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Úč POD

Annex No.1 do Decree No. MF/23377/2014-74

FINANCIAL STATEMENTS

of Enterprises in the Double-Entry Bookkeeping System

Prepared as at 31 . 12 . 2018

Figures are rounded on the right, other data are written from the left. Unfilled lines remain blank.
Data are filled in using block letters (as shown below) by a typewriter or a printer machine in black or dark blue.

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Tax Registration Number	Financial Statements	Reporting Entity		Month	Year
2120073021	[x] Ordinary	[ ] Small	For the Period From	01	2018
Identificatio 48169668	[ ] Extraordinary	[x] Large	To	12	2018
SK NACE 29.32.0	[ ] Interim	(Mark with X)	Immediately-Preceding Period From	01	2017
			To	12	2017

Accompanying Parts of Finacial Statements

x Balance Sheet (Úč POD 1-01) (in whole Euro)
x Income Statement (Úč POD 2-01) (in whole Euro)
x Notes (Úč POD 3-01) (in whole Euro)

Business Name (Name) of the Reporting Entity

ANTOLIN TRNAVA, s.r.o.

Seat of the Reporting Entity

Street: Trstinska cesta
Number: 8
Postal Code: 91758
Municipality: Trnava

Commercial Register and Number of Entry of the Company

Okresný súd Trnava, oddiel: Sro, vložka číslo 37307/T

Phone Number /

Fax Number /

E-mail Address

Prepared on:	Approved on:	Signature of a Member of the Statutory Body of the Reporting Entity or a Natural Person Acting as a Reporting Entity:
. . 20	. . 20	

Records of the Tax Authority

Place for Registration Number

Presentation Stamp of the Tax Authority

MF SR č. 18009/2014

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Balance Sheet
Úč POD 1 - 01

DIČ 2 1 2 0 0 7 3 0 2 1

IČO 4 8 1 6 9 6 6 8

Description a	ASSETS b	Line c	Current Reporting Period 1: Gross - Part 1 / Correction - Part 2	Current Reporting Period: Net 2	Immediately-Preceding Reporting Period: Net 3
	Total assets (l. 02 + l. 33 + l. 74)	01	27842871	20032958	
			780913		28878791
A.	Non-current assets (l. 03 + l. 11 + l. 21)	02	12833044	5184554	
			7648490		7056434
A.I.	Total non-current intangible assets (l. 04 to l. 10)	03	7072006	2062670	
			5009336		3300270
A.I.1.	Capitalised development costs (012) - /072, 091A/	04			
2.	Software (013) - /073, 091A/	05	2086	4	
			2082		4
3.	Valuable rights (014) - /074, 091A/	06			
4.	Goodwill (015) - /075, 091A/	07	881920		
			881920		
5.	Other non-current intangible assets (019, 01X) - /079, 07X, 091A/	08	6188000	2062666	
			4125334		3300266
6.	Non-current intangible assets in acquisition (041) - 093	09			
7.	Advance payments for non-current intangible assets (051) - /095A/	10			
A.II.	Total non-current tangible assets (l. 012 tol. 020)	11	5761038	3121884	
			2639154		3756164
A.II.1.	Land (031) - 092A	12			
2.	Structures (021) - /081, 092A/	13	320370	219691	
			100679		256659
3.	Separate movable assets and sets of movables (022) - /082, 092A/	14	5385276	2846801	
			2538475		3293720

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Balance Sheet
Úč POD 1 - 01

DIČ 2 1 2 0 0 7 3 0 2 1

IČO 4 8 1 6 9 6 6 8

Description a	ASSETS b	Line c	Current Reporting Period 1: Gross - Part 1	Current Reporting Period 1: Correction - Part 2	Current Reporting Period: Net 2	Immediately-Preceding Reporting Period: Net 3
4.	Perennial crops (025) - /085, 092A/	15				
5.	Livestock and draught animals (026) - /086, 092A/	16				
6.	Other non-current tangible assets (029, 02X, 032) - /089, 08X, 092A/	17				
7.	Non-current tangible assets in acquisition (042) - 094	18	36240		36240	186633
8.	Advance payments for non-current tangible assets (052) - /095A/	19	19152		19152	19152
9.	Correction item to acquired assets (+/- 097) +/- 098	20				
A.III.	**Total non-current financial assets (l. 22 to l. 32)**	21				
A.III.1.	Shares and ownership interests in group companies (061A, 062A, 063A) - /096A/	22				
2.	Shares and ownership interests with a participating interest except for group companies (062A) - /096A/	23				
3.	Other held-for-sale securities and ownership interests (063A) - /096A/	24				
4.	Loans to group companies (066A) - /096A/	25				
5.	Loans within a participating interest except to group companies (066A) - /096A/	26				
6.	Other loans (067A) - /096A/	27				
7.	Debt securities and other non-current financial assets (065A, 069A, 06XA) - /096A/	28				

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Balance Sheet
Úč POD 1 - 01

DIČ 2120073021

IČO 48169668

Description a	ASSETS b	indexIC11 c	Current Reporting Period: Gross - Part 1 / Correction - Part 2	Current Reporting Period: Net 2	Immediately-Preceding Reporting Period: Net 3
8.	Loans and other non-current financial assets with remaining maturity of up to one year (066A, 067A, 069A, 06XA) - /096A/	29			
9.	Bank accounts bound for period exceeding one year (22XA)	30			
10.	Non-current financial assets in acquisition (043) - /096A/	31			
11.	Advance payments for non-current financial assets (053) - /095A/	32			
B.	**Current assets (l. 34 + l. 41 + l. 53 + l. 66 + l. 71)**	33	12946445	12785022	
			161423		21191338
B.I.	**Total inventory (l. 35 to l. 40)**	34	5700341	5538918	
			161423		5376833
B.I.1.	Raw materials (112, 119, 11X) - /191, 19X/	35	3130616	3041495	
			89121		3370846
2.	Work-in-progress and semi-finished goods (121, 122, 12X) - /192, 193, 19X/	36	1054647	1015373	
			39274		1188865
3.	Finished goods (123) - 194	37	769079	736051	
			33028		646532
4.	Livestock (124) - 195	38			
5.	Merchandise (132, 133, 13X, 139) - /196, 19X/	39	745999	745999	
					170590
6.	Advance payments for inventory (314A) - /391A/	40			
B.II.	**Total non-current receivables (l. 42 + l. 46 to l. 52)**	41	949759	949759	
					1069333
B.II.1	**Total trade receivables (l. 43 to l. 45)**	42	175650	175650	
					175650

Balance Sheet
Úč POD 1 - 01

DIČ 2 1 2 0 0 7 3 0 2 1

IČO 4 8 1 6 9 6 6 8

Označenie a	ASSETS b	Line c	Current Reporting Period: Gross - Part 1 / Correction - Part 2 (1)	Current Reporting Period: Net 2	Immediately-Preceding Reporting Period: Net 3
1.a.	Trade receivables from group companies (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	43			
1.b.	Trade receivables within a participating interest except for receivables from group companies (311A,312A,313A, 314A, 315A, 31XA) - /391A/	44			
1.c.	Other trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	45	175650	175650	
					175650
2.	Net construction contract value (316A)	46			
3.	Other receivables from group companies (351A) - /391A/	47			
4.	Other receivables within a participating interest except for receivables from group companies (351A) - /391A/	48			
5.	Receivables from partners, members and participants in an association (354A, 355A, 358A, 35XA) - /391A/	49			
6.	Receivables from derivative transactions (373A, 376A)	50			
7.	Other receivables (335A, 336A, 33XA, 371A, 374A, 375A, 378A) - /391A/	51			
8.	Deferred tax asset (481A)	52	774109	774109	
					893683
B.III.	**Total current receivables (l. 54 + l. 58 to l. 65)**	53	6087907	6087907	
					13546967
B.III.1.	**Total trade receivables (l. 55 to l. 57)**	54	5708396	5708396	
					13007081
1.a.	Trade receivables from group companies (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	55	3156283	3156283	
					2549034
1.b.	Trade receivables within a participating interest except for receivables from group companies (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	56			

Balance Sheet
Úč POD 1 - 01

DIČ 2120073021

IČO 48169668

Description a	ASSETS b	Line c	Current Reporting Period 1: Gross - Part 1	Current Reporting Period 1: Correction - Part 2	Current Reporting Period: Net 2	Immediately-Preceding Reporting Period: Net 3
1.c.	Other trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	57	2552113		2552113	10458047
2.	Net construction contract value (316A)	58				
3.	Other receivables from group companies (351A) - /391A/	59				
4.	Other receivables within a participating interest except for receivables from group companies (351A) - /391A/	60				
5.	Receivables from partners, members and participants in an association (354A, 355A, 358A, 35XA, 398A) - /391A/	61				
6.	Social security insurance (336A) - /391A/	62				
7.	Tax assets and subsidies /341, 342, 343, 345, 346, 347) - /391A/	63	84107		84107	176394
8.	Receivables from derivative transactions (373A, 376A)	64				
9.	Other receivables (335A, 33XA, 371A, 374A, 375A, 378A) - /391A/	65	295404		295404	363492
B.IV.	**Total current financial assets (l. 67 to l. 70)**	66				
B.IV.1.	Current financial assets in group companies (251A, 253A, 256A, 257A, 25XA) - /291A, 29XA/	67				
2.	Current financial assets excluding current financial assets in group companies (251A, 253A, 256A, 257A, 25XA) - /291A, 29XA/	68				
3.	Treasury stock and treasury shares (252)	69				
4.	Current financial assets in acquisition (259, 314A) - /291A/	70				

Balance Sheet
Úč POD 1 - 01

DIČ 2 1 2 0 0 7 3 0 2 1

IČO 4 8 1 6 9 6 6 8

Description a	ASSETS b	Line c	Current Reporting Period 1 Gross - Part 1	Current Reporting Period 1 Correction - Part 2	Current Reporting Period Net 3	Immediately-Preceding Reporting Period Net 3
B.V.	**Financial accounts l. 72 + l. 73**	71	2 0 8 4 3 8		2 0 8 4 3 8	1 1 9 8 2 0 5
B.V.1.	Cash on hand (211, 213, 21X)	72	1 0 6 0		1 0 6 0	1 0 5 9
2.	Bank accounts (221A, 22X, +/- 261)	73	2 0 7 3 7 8		2 0 7 3 7 8	1 1 9 7 1 4 6
C.	**Total accruals and deferrals (l. 75 to l. 78)**	74	2 0 6 3 3 8 2		2 0 6 3 3 8 2	6 3 1 0 1 9
C.1.	Non-current deferred expenses (381A, 382A)	75	5 3 8 4 5 8		5 3 8 4 5 8	4 5 8 2 3 2
2.	Current deferred expenses (381A, 382A)	76	6 3 4 7 4 9		6 3 4 7 4 9	1 7 2 7 8 7
3.	Non-current accrued income (385A)	77				
4.	Current accrued income (385A)	78	8 9 0 1 7 5		8 9 0 1 7 5	

Description a	EQUITY AND LIABILITIES b	Line c	Current Reporting Period 4	Immediately-Preceding Reporting Period 5
	TOTAL EQUITY AND LIABILITIES l. 80 + l. 101 + l. 141	79	2 0 0 3 2 9 5 8	2 8 8 7 8 7 9 1
A.	Equity l. 80 + l. 85 + l. 86 + l. 87 + l. 90 + l. 93 + l. 97 + l. 100	80	2 9 3 0 2 0 2	4 6 2 1 0 7 9
A.I.	**Total registered capital (l. 82 to l. 84)**	81	1 7 7 0 9 0 0 0	1 3 7 0 9 0 0 0
A.I.1.	Registered capital (411 or +/- 491)	82	1 7 7 0 9 0 0 0	5 7 0 9 0 0 0
2.	Changes in the registered capital +/- 419	83		8 0 0 0 0 0 0
3.	Receivables for subscribed capital (/-/353)	84		
A.II.	**Share premium (412)**	85		
A.III.	**Other capital funds (413)**	86		
A.IV.	**Legal reserve funds l. 88 + l. 89**	87		
A.IV.1.	Legal reserve fund and non-distributable fund (417A, 418, 421A, 422)	88		
2.	Reserve fund for treasury stock and treasury shares (417A, 421A)	89		

Balance Sheet
Úč POD 1 - 01

DIČ 2120073021 IČO 48169668

Description a	EQUITY AND LIABILITIES b	Line c	Current Reporting Period 4	Immediately-Preceding Reporting Period 5
A.V.	**Other funds from profit l. 91 + l. 92**	90		
A.V.1.	Statutory funds (427, 42X)	91		
2.	Other funds (427, 42X)	92		
A.VI.	**Total revaluation reserves (l. 94 to l. 96)**	93		
A.VI.1	Asset and liability revaluation reserve (+/- 414)	94		
2.	Financial investments revaluation reserve (+/- 415)	95		
3.	Revaluation reserve from fusions, mergers and separations (+/- 416)	96		
A.VII.	**Profit/loss from previous years l. 98 + l. 99**	97	-9087921	-2507316
A.VII.1.	Retained earnings from previous years (428)	98		
2.	Accumulated losses from previous years (/-/429)	99	-9087921	-2507316
A.VIII.	**Profit/loss for the current reporting period after taxation /+-/ l. 01 - (l. 81 + l. 85 + l. 86 + l. 87 + l. 90 + l. 93 + l. 97 + l. 101 + l. 141)**	100	-5690877	-6580605
B.	**Liabilities l. 102 + l. 118 + l. 121 + l. 122 + l. 136 + l. 139 + l. 140**	101	16906412	24249712
B.I.	**Total non-current liabilities (l. 103 + l. 107 to l. 117)**	102	7528002	1202511
B.I.1.	**Total long-term trade payables (l. 104 to l. 106)**	103		
1.a.	Trade payables to group companies (321A, 475A, 476A)	104		
1.b.	Trade payables within a participating interest except for payables to group companies (321A, 475A, 476A)	105		
1.c.	Other trade payables (321A, 475A, 476A)	106		
2.	Net construction contract value (316A)	107		
3.	Other payables to group companies (471A, 47XA)	108	7521958	1192657
4.	Other payables within a participating interest except for payables to group companies (471A, 47XA)	109		
5.	Other long-term payables (479A, 47XA)	110		
6.	Long-term advance payments received (475A)	111		
7.	Long-term bills of exchange to be paid (478A)	112		
8.	Bonds issued (473A/-/255A)	113		
9.	Social fund payables (472)	114	6044	9854
10.	Other non-current payables (336A, 372A, 474A, 47XA)	115		
11.	Long-term payables from derivative transactions (373A, 377A)	116		
12.	Deferred tax liability (481A)	117		

UZPODv14_9

Balance Sheet (Úč POD 1-01) DIČ 2120073021 IČO 48169668

Description a	EQUITY AND LIABILITIES b	Line c	Current Reporting Period 4	Immediately-Preceding Reporting Period 5
B.II.	**Long-term provisions for liabilities l. 119 + l. 120**	118	1217839	1217994
B.II.1.	Legal provisions for liabilities (451A)	119		
2.	Other provisions for liabilities (459A, 45XA)	120	1217839	1217994
B.III.	**Long-term bank loans (461A, 46XA)**	121		
B.IV.	**Total current liabilities (l. 123 + l. 127 to l. 135)**	122	6448887	19668923
B.IV.1	**Total trade payables (l. 124 to l. 126)**	123	5635540	8083342
1.a.	Trade payables to group companies (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA)	124	2499310	1686427
1.b.	Trade payables within a participating interest except for payables to group companies (321A, 322A, 324A, 325A, 32XA, 475A, 476A, 478A, 47XA)	125		
1.c.	Other trade payables (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA)	126	3136230	6396915
2.	Net construction contract value (316A)	127		
3.	Other payables to group companies (361A, 36XA, 471A, 47XA)	128		9231550
4.	Other payables within a participating interest except for payables to group companies (361A, 36XA, 471A, 47XA)	129		
5.	Payables to partners and participants in an association (364, 365, 366, 367, 368, 398A, 478A, 479A)	130		
6.	Payables to employees (331, 333, 33X, 479A)	131	443191	575719
7.	Social security insurance payables (336A)	132	288820	376267
8.	Tax liabilities and subsidies (341, 342, 343, 345, 346, 347, 34X)	133	67872	1393860
9.	Payables from derivative transactions (373A, 377A)	134		
10.	Other payables (372A, 379A, 474A, 475A, 479A, 47XA)	135	13464	8185
B.V.	**Short-term provisions for liabilities l. 137 + l. 138**	136	1711684	2160284
B.V.1.	Legal provisions for liabilities (323A, 451A)	137	295614	307138
2.	Other provisions for liabilities (323A, 32X, 459A, 45XA)	138	1416070	1853146
B.VI.	**Current bank loans (221A, 231, 232, 23X, 461A, 46XA)**	139		
B.VII.	**Short-term financial assistance (241, 249, 24X, 473A, /-/255A)**	140		
C.	**Total accruals and deferrals (l. 142 to l. 145)**	141	196344	8000
C.1.	Non-current accrued expenses (383A)	142		
2.	Current accrued expenses (383A)	143		
3.	Non-current deferred income (384A)	144		
4.	Current deferred income (384A)	145	196344	8000

UZPODv14_10

Income Statement
Úč POD 2 - 01

DIČ 2 1 2 0 0 7 3 0 2 1

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Description a	Item b	Line c	Actual: Current Reporting Period 1	Actual: Immediately-Preceding Reporting Period 2
*	Net turnover (a portion of Accounting Class 6 under the Act)	01	52601142	70537353
**	Total operating revenues (l. 03 to l. 09)	02	52044654	71660484
I.	Revenues from the sale of merchandise (604, 607)	03	497791	809204 0
II.	Revenues from the sale of own products (601)	04	50757207	59954387
III.	Revenues from the sale of services (602, 606)	05	1346144	2490926
IV.	Changes in inventories (+/- Accounting Group 61)	06	-723931	824725
V.	Own work capitalised (Accounting Group 62)	07		
VI.	Revenues from the sale of non-current intangible assets, non-current tangible assets and raw materials (641, 642)	08	3516	10219
VII.	Other operating revenues (644, 645, 646, 648, 655, 657)	09	163927	288187
**	Total operating expenses (l. 11 + l. 12 + l. 13 + l. 14 + l. 15 + l. 20 + l. 21 + l. 24 + l. 25 + l. 26)	10	57340878	78354219
A.	Costs of the acquisition of merchandise sold (504, 507)	11	562296	4740143
B.	Consumed raw materials, energy and other non-inventory supplies (501, 502, 503)	12	29074099	35668565
C.	Provisions for inventories (+/-) (505)	13	15586	15995
D.	Services (Accounting Group 51)	14	13509970	20130769
E.	Total personnel expenses (l. 16 to l. 19)	15	11189241	12148098
E.1.	Wages and salaries (521, 522)	16	7950922	8643065
2.	Remuneration of members of company bodies and co-operative (523)	17		
3.	Social insurance expenses (524, 525, 526)	18	2778054	3020265
4.	Social expenses (527, 528)	19	460265	484768
F.	Taxes and fees (Accounting Group 53)	20	8101	1088
G.	Amortisation and depreciation, and provisions for non-current intangible and non-current tangible assets (l. 22 + l. 23)	21	2136111	3180650
G.1.	Amortisation and depreciation of non-current intangible and non-current tangible assets (551)	22	2318709	2194608
2.	Provisions for non-current intangible and non-current tangible assets (+/-) (553)	23	-182598	986042
H.	Net book value of non-current assets and raw materials sold (541, 542)	24		
I.	Provisions for receivables (+/-) (547)	25	-2621	2471
J.	Other operating expenses (543, 544, 545, 546,548, 549, 555, 557)	26	713095	2466440
***	Operating profit or loss (+/-) (l. 02 - l. 10)	27	-5296224	-6693735

Income Statement
Úč POD 2 - 01

DIČ 2 1 2 0 0 7 3 0 2 1

IČO 4 8 1 6 9 6 6 8

Description a	Item b	Line c	Actual – Current Reporting Period 1	Actual – Immediately-Preceding Reporting Period 2
*	**Added value (l. 03 + l. 04 + l. 05 + l. 06 + l. 07) - (l. 11 + l. 12 + l. 13 + l. 14)**	28	858 0260	1080 6606
**	**Total revenues from financing activities (l. 30 + l. 31 + l. 35 + l. 39 + l. 42 + l. 43 + l. 44)**	29	2282	2
VIII.	Revenues from the sale of securities and ownership interests (661)	30		
IX.	Total revenues from non-current financial assets (l. 32 to l. 34)	31		
IX.1.	Revenues from securities and ownership interests from group companies (665A)	32		
2.	Revenues from securities and ownership interests within a participating interest except for revenues from group companies (665A)	33		
3.	Other revenues from securities and ownership interests (665A)	34		
X.	Total revenues from current financial assets (l. 36 to l. 38)	35		
X.1.	Revenues from current financial assets from group companies (666A)	36		
2.	Revenues from current financial assets within a participating interest except for revenues from group companies (666A)	37		
3.	Other revenues from current financial assets (666A)	38		
XI.	Interest income (l. 40 + l. 41)	39		
XI.1.	Interest income from group companies (662A)	40		
2.	Other interest income (662A)	41		
XII.	Foreign exchange gains (663)	42	2282	2
XIII.	Gains on revaluation of securities and revenues from derivative transactions (664, 667)	43		
XIV.	Other revenues from financing activities (668)	44		
**	**Total costs of financing activities (l. 46 + l. 47 + l. 48 + l. 49 + l. 52 + l. 52 + l. 53 + l. 54)**	45	277361	389228
K.	Securities and ownership interests sold (561)	46		
L.	Expenses related to current financial assets (566)	47		
M.	Provisions for financial assets (+/-) (565)	48		
N.	Interest expense (l. 50 + l. 51)	49	266943	382588
N.1.	Interest expense for group companies (562A)	50	266943	382588
2.	Other interest expense (562A)	51		
O.	Foreign exchange losses (563)	52	5347	1273
P.	Expenses for revaluation of securities and expenses related to derivative transactions (564, 567)	53		
Q.	Other costs of financing activities (568, 569)	54	5071	5367

UZPODv14_12

Income Statement Úč POD 2 - 01

DIČ 2120073021 IČO 48169668

Description a	Item b	Line c	Actual Current Reporting Period 1	Actual Immediately-Preceding Reporting Period 2
***	Profit/loss from financing activities (+/-) (l. 29 - l. 45)	55	-275079	-389226
****	Profit/loss for the reporting period before taxation (+/-) (l. 27 + l. 55)	56	-5571303	-7082961
R.	Income tax (l. 58 + l. 59)	57	119574	-502356
R.1.	Current income tax (591, 595)	58		2880
2.	Deferred income tax (+/-) (592)	59	119574	-505236
S.	Profit/loss of partnership transferred to partners (+/- 596)	60		
***	Profit/loss for the reporting period after taxation (+/-) (l. 56 - l. 57 - l. 60)	61	-5690877	-6580605

Note:

The notes include information stipulated by the regulations relating to the content of the notes to the separate financial statements, for which the reporting entity has the content. All data and information disclosed in these notes arise from the bookkeeping and are linked to the separate financial statements. Value figures are in whole euro unless stipulated otherwise.

I. GENERAL INFORMATION

1. Company Details

Business name and seat	ANTOLIN TRNAVA, s r.o. (hereinafter the "Company") Trstínska cesta 8, 917 58 Trnava
Date of establishment	7 May 2015
Date of incorporation (according to the Business Register)	16 May 2015
Business activities	– Purchase of goods for resale to end customers (retail) or to other traders (wholesale); – Production of standard window systems under a general trade licence; – Encapsulation of glass in plastic and rubber and plastic-glass joining; and – Manufacture of parts and accessories for motor vehicles.

Since its establishment until 12 November 2015, the Company had its registered office at Tallerova 10, 811 02 Bratislava.

2. Employees

Item	*2018*	*2017*
Full-time equivalent	576	547
Number of employees as at the reporting date	514	630
Of which: Managers	*2*	*7*

3. Unlimited Guarantee

The Company is not an unlimited liability shareholder in other companies pursuant to Article 56 (5) of the Commercial Code or pursuant to similar provisions of other regulations.

4. Basis of Preparation for the Financial Statements

These financial statements represent the annual separate financial statements of Antolin Trnava s.r.o. The financial statements were prepared for the reporting period from 1 January to 31 December 2018 in compliance with Slovak legislation, ie the Act on Accounting and Accounting Procedures for Businesses.

The financial statements for the immediately-preceding reporting period were prepared as the annual financial statements for the period from 1 January 2017 to 31 December 2017.

The financial statements are intended for general use and information; they are not intended for any specific user or consideration of any specific transactions. Accordingly, users should not rely exclusively on these financial statements when making decisions.

5. Approval of the 2017 Financial Statements

The Company' financial statements for 2017 were approved by the Annual General Meeting held on 11 July 2018.

6. Consolidated Financial Statements

The Company is a subsidiary of GRUPO ANTOLIN – IRAUSA SOCIEDAD ANONIMA /S.A./ with its registered office at Carretera Madrid-Irún, km.244, Barrio de Vilafria, Burgos 090 07, Kingdom of Spain. GRUPO ANTOLIN - IRAUSA SOCIEDAD ANONIMA /S.A./ prepares consolidated financial statements for the largest group of companies in the consolidation group.

The consolidated financial statements of GRUPO ANTOLIN - IRAUSA SOCIEDAD ANONIMA /S.A./ are available at its registered seat.

The Company is not a parent company of another reporting entity and is not obliged to prepare consolidated financial statements.

II. ACCOUNTING PRINCIPLES AND METHODS APPLIED

1. The Company applies accounting principles and procedures pursuant to the Act on Accounting and Accounting Procedures for Businesses effective in the Slovak Republic. The accounting books are kept in the monetary units of the Slovak currency, ie euro.

2. The 2018 financial statements were prepared based on the going-concern assumption.

3. Revenues and costs are recognised as they are earned or incurred under the accrual basis of accounting. All revenues and expenses related to the reporting period are used as a basis regardless of their settlement date.

4. When measuring assets and liabilities, the prudence principle is followed, ie all risks, losses, and impairments related to assets and liabilities and known as at the reporting date are used as a basis.

5. Research costs are not capitalised and are expensed in reporting periods in which they are incurred. Non-current intangible assets created by development or during their development are capitalised if it is possible to document:
   a. The possibility of their technical completion so they can be used or sold;
   b. The purpose of their completion, use or sale;
   c. The Company's ability to use and sell the assets;
   d. The method for creating future economic benefits and the existence of a market for the outputs of non-current intangible assets or non-current intangible assets, or if applied internally by the Company, the usability of the assets;
   e. The availability of appropriate technical, financial and other resources to complete the development, use or sale of the assets; and
   f. Reliable measurement of costs associated with the acquisition of assets during their development.

   Development costs are capitalised if they do not exceed an amount likely to be obtained from future economic benefits, net of additional development, sale and administrative costs related directly to marketing or processes. Capitalised development costs are amortised over a maximum of five years. If the capitalisation of development costs is not possible, they are recognised in expenses in the reporting period in which they were incurred.

6. Revenue recognition – revenues are recognised when the delivery terms are fulfilled, since at that moment significant risks and ownership rights are transferred to the customer.

   Revenues from the sale of own outputs and merchandise do not include VAT. They are also net of discounts and deductions (rebates, bonuses, discounts, credit notes etc), regardless of whether the customer was entitled to the discount in advance or whether the discount was acknowledged additionally.

   Revenues from the sale of finished goods and merchandise are recognised as at the supply execution date in line with the Commercial Code, Incoterms or other contractually agreed terms and conditions.

   Revenues from the sale of services are disclosed in the reporting period in which such services were provided.

   Interest income is accrued on a straight-line basis.

7. Non-current and current receivables, payables, loans, and interest-bearing borrowings – receivables and payables are disclosed on the balance sheet as either non-current or current following their residual maturities as at the reporting date. Portions of non-current receivables and portions of non-current payables due within one year of the reporting date are disclosed on the balance sheet as current receivables and current payables, as appropriate.

8. Estimates made – when compiling financial statements, the Company's management is required to prepare estimates and assumptions that influence the recognised amounts of assets and liabilities, and the disclosure of contingent assets and liabilities as at the reporting date, and the disclosed amounts of revenues and expenses during the year. Actual results may differ from these estimates.

9. Reported tax – Slovak tax legislation is relatively new, lacks precedents, and is subject to continuous amendments. Since various interpretations of tax laws and regulations in the application thereof to various transaction types exist, the amounts disclosed in the financial statements may later change, based on the ultimate opinion of the tax authorities.

10. Recognition of Individual Items of Assets And Liabilities – Initial Measurement

Upon acquisition, the cost principle is applied (ie the historical cost convention). The measurement of individual items of assets and liabilities is as follows:

a) Purchased non-current tangible and intangible assets – at cost. The cost is the price given to acquire the assets including the related incidental costs (customs duties, transportation, assembly, insurance premium, etc) and all price reductions (credit notes, discounts, rebates, price reductions, bonuses, etc).

b) The cost of non-current assets does not include loan interest accrued before the placement of non-current assets into service.

c) Non-current intangible assets generated internally – at own costs. Own costs include direct costs associated with production or other activities and indirect costs attributable to production or other activities.

d) Non-current tangible assets generated internally – at own costs. Own costs include direct costs associated with production or other activities and indirect costs attributable to production or other activities.

e) Non-current intangible and tangible assets acquired by other means –
- Non-current assets acquired for no consideration – at fair value.
- Assets newly identified during a stocktake and not yet recoded in accounting books – at fair value.
- Assets acquired by the contracting authority for no consideration from a concessionaire for performance in the form of a concession for construction work – at fair value.
- Assets acquired by the purchase of a business or part thereof, and acquired through a contribution of a business or part thereof and assets acquired through an exchange – at fair value.

f) Lease (the Company as a Lessee)

Finance lease is the acquisition of non-current tangible assets under a lease agreement with an agreed title to purchase the leased assets for agreed payments during the agreed lease term. Assets leased under a finance lease are recognised in the lessee's assets and are depreciated by the lessee rather than the owner.

The agreed payments also include the purchase price for which the ownership title to the leased assets is transferred from the lessor to the lessee at the end of the agreed finance lease term.

The agreed lease term is at least 60% of the depreciation period pursuant to tax regulations. In the event of the lease of land, the lease term is at least 60% of the depreciation period of tangible assets included in depreciation groups 5 or 6 (buildings and structures, depreciation period for tax purposes 20 or 40 years).

The receipt of assets by the lessee is debited to the relevant account of assets in the lessee's accounting books on the day of the receipt of such assets with a counter entry credited to Account 474 – Payables under lease in the amount of the agreed payments, net of unrealised finance costs.

Each lease payment is allocated between the payment of the principal and finance costs calculated using the effective interest rate method. Finance costs are debited to Account 562 – Interest.

Operating lease. Assets leased under an operating lease are recognised in the owner's assets, not in the lessee's assets. The lease of assets under an operating lease is recognised in expenses on an on-going basis over the lease agreement term.

g) Inventories are measured at the lower of the following values: cost (purchased inventories) or own costs (inventories developed internally), or net realisable value.

h) Purchased inventory:
- Purchased raw materials – at cost. If identical inventories are disposed of, the FIFO method is used. Incidental costs include customs duties, transportation costs, and commissions. Incidental costs are allocated as a variance using the ratio between the total of the balances and additions to variances on the total of the balances and additions to inventories.
- Purchased merchandise – at cost. If identical inventories are disposed of, the FIFO method is used. Incidental costs include transportation costs, customs duties, and commissions.

i) Inventories developed internally:
- Work-in-progress, semi-finished goods, and finished goods are measured at own costs, which includes direct costs associated with production or other activities, and/or also a portion of indirect costs attributable to production or other activities.
- Own costs include direct costs (direct raw materials, direct wages and salaries and other direct costs) and a portion of indirect costs related directly to the internal development of inventories (production overheads). Production overheads are included in own costs depending on the percentage of completion of these inventories. Administration overheads and costs of sales are not included in own costs. Own costs do not comprise interest on loans.

j) The impairment of inventories is reflected by creating provisions.

k) Receivables:
- When incurred – at face value.
- Where acquired (assigned) for consideration or through a contribution to the registered capital – at cost including the related incidental costs.

For non-interest-bearing non-current receivables and non-current borrowings, the provision is included in the Correction column where the values of the receivable and interest-bearing borrowing are adjusted to their present value. The present value of the receivable is calculated as the sum of the products of future cash inflows and the relevant discount factors.

l) Financial accounts comprise cash on hand, stamps and vouchers, and balances on bank accounts; they are measured at face value. The impairment is reflected by a provision.

m) Deferred expenses and accrued income – at the anticipated face value.

Deferred expenses and accrued income are disclosed in an amount necessary to comply with the accrual principle of accounting.

n) Payables:
- When incurred – at face value.
- Where assumed – at cost;
- Where acquired by the purchase of a business or part thereof, and acquired through a contribution of a business or part thereof, and acquired through an exchange – at fair value.

If it is determined during a stocktake that the amount of payables is other than their carrying amount, payables are recognised at the identified amount in the accounting books and in the financial statements.

o) Provisions for liabilities – at the anticipated amount payable or applying actuarial methods.

p) Accrued expenses and deferred income – at the anticipated face value.

Accrued expenses and deferred income are disclosed in an amount necessary to comply with the accrual principle of accounting.

q) Current income taxes – pursuant to the Slovak Income Tax Act, current income taxes are determined based on the pre-tax accounting profits at the rate of 21% after adjustments for certain items for tax purposes.

r) Deferred income taxes are recognised when temporary differences arise between the carrying amount of assets and liabilities as disclosed on the balance sheet and their tax base, with the possibility of carrying forward tax losses and of transferring the unclaimed tax loss deductions into future periods. To determine the amount of deferred income taxes, the tax rate applicable in the subsequent reporting period was applied, ie 21%.

A deferred tax asset or deferred tax liability is not recognised for:

- Temporary differences upon the initial recognition of assets or liabilities in the accounting books if at the moment of the initial recognition such an accounting transaction has no effect on profit/(loss) or a tax base and it is not a business combination (ie an accounting transaction of the buyer upon the acquisition of a business or part thereof, recipient of a contribution to a business or part thereof, or a successor company upon the merger, amalgamation or division);
- Temporary differences relating to ownership interests in subsidiaries, joint ventures and associates if the company is able to affect the settlement of such temporary differences and such temporary differences are not likely to be settled in the near future; and
- Temporary differences upon the initial recognition of goodwill or negative goodwill.

A deferred tax asset from tax-deductible temporary differences, unused tax losses, unclaimed tax deductions and other tax claims is only recognised if the future tax base against which it will be utilised is likely to be achieved. A deferred tax asset is reviewed at each reporting date and decreased by an amount by which it is not probable that the tax base will be sufficient. The income tax rate expected to be applicable at the deferred tax settlement date is used to calculate deferred tax.

Deferred tax assets and deferred tax liabilities are recognised separately in the balance sheet. If a deferred tax asset or deferred tax liability applies to a deferred income tax of the same taxpayer and relates to the same tax authority, only the final balance of Account 481 - Deferred Tax Liability/Deferred Tax Asset may be recognised.

11. Recognition of Individual Items of Assets And Liabilities – Subsequent Measurement

a) Estimated risks, losses, and impairments related to assets and liabilities are reflected in provisions for liabilities, provisions for assets, and depreciation charges.

- Provisions for liabilities represent the Company's existing obligations from past events which are likely to decrease its future economic benefits. Provisions for liabilities are of uncertain timing or amount and are measured by estimating the amount necessary to meet an existing obligation as at the reporting date.

  Provisions for liabilities are recorded in the relevant expense or asset account to which the liability is related. The use of a provision is debited to the relevant account of provisions for liabilities and a counter entry is credited to the relevant liability account. The reversal of an unnecessary provision, or portion thereof, is recorded as a counter entry to the entry which recognised the creation of the provision.

  The provision for bonuses, rebates, discounts and refunds of the purchase price in the event of customer complaints is created as a decrease in originally-generated revenues with a counter entry in the account of provisions for liabilities.

- Provisions for assets are recorded in the amount of a justifiable assumption of the impairment of assets when compared to their valuation in the accounting books as follows:

  Provisions for assets are created based on the prudence principle if it is reasonable to assume that there has been an impairment of assets compared to their carrying amount. Provisions for assets are recorded in the amount of a justifiable assumption of the impairment of assets compared to their carrying amount.

Factors considered important when assessing the impairment of assets are:

- Technological progress;
- Very poor operating results compared with historical or planned operating results;
- Significant changes to the method of using the Company's assets or an overall change in the Company's strategy; and
- Obsolescence of products.

If it can be assumed based on the existence of one or more impairment indicators that assets are impaired compared with their carrying amount, the Company calculates the impairment of assets by estimating projected net discounted cash flows arising from the assets including their sale, if any. Estimated impairment may be insufficient if analyses overstate cash flows, or if conditions change in the future.

When recognising goodwill, the Company identifies the amount by which the economic benefits related to goodwill will increase in the future. As at 31 December 2018, the Company identified indicators evidencing a future decrease of economic benefits and as a result, a provision for goodwill was recognised. Goodwill reassessment will be performed annually.

Impairment of non-current assets and inventories

As at each reporting date, the carrying amount of the Company's assets other than deferred tax assets is assessed to identify whether there are any indicators of potential impairment. If such indicators exist, expected future economic benefits related to the assets are estimated.

Provisions for assets recognised in the previous periods are remeasured at each reporting date to identify whether there are any indicators of change to the assumption of impairment of assets, or whether such an assumption ceased to exist. If the assumptions used to identify the estimated economic benefits from assets change, the provision for assets is cancelled. The provision for assets is only cancelled to the extent the carrying amount of assets does not exceed the carrying amount that would be recognised after considering depreciation charges if the provision for assets was not recognised.

- Depreciation/amortisation plan

Non-current tangible and intangible assets are depreciated/amortised according to a depreciation/amortisation plan that takes into account an estimate of their actual useful lives. Assets are depreciated/amortised over their estimated useful lives corresponding to the consumption of future economic benefits arising from such assets. The straight-line accounting depreciation/amortisation method is applied. Assets are depreciated starting in the month in which they are placed into service.

Low-value non-current intangible assets with a cost (or own costs) of EUR 2 400 or less are treated as expenses and recognised directly in Account 518 – Other services. Low-value non-current tangible assets with a cost (or own costs) of EUR 1 700 or less are written off when placed into service.

Depreciation/amortisation methods, useful lives and net book values are reassessed as at the reporting date and adjustments are made if necessary.

Depreciation charges for non-current tangible assets are determined based on the estimated useful life of the assets and their anticipated wear and tear.

The average useful lives according to the depreciation/amortisation plan are as follows:

Type of Assets	*Useful Life*	*Annual Depreciation Rate*
Goodwill	7	14%
Software	4 – 5	20 – 25%
Buildings and structures	20	5%
Machines and equipment	Various	Various

Tax depreciation is applied using rates as per the Income Tax Act effective for straight-line depreciation.

12. Translation of Amounts Denominated in Foreign Currency to Slovak Currency

Assets and liabilities denominated in a foreign currency are translated to euro using the reference exchange rate determined and announced by the European Central Bank (ECB) or the National Bank of Slovakia (NBS) on the date preceding the transaction date, on the reporting date and on the date of the decisive date on which the assets and liabilities are assumed from a foreign legal entity being wound-up. Advances received and made in a foreign currency are not translated as at the reporting date. For foreign currency purchases and sales in euro, and upon transfers of funds from an account established in a foreign currency to an account established in euro and from an account established in euro to an account established in a foreign currency, the exchange rates at which these amounts were purchased or sold were applied. If the sale or purchase of a foreign currency is performed at an exchange rate other than that offered by a commercial bank in its foreign exchange list, the exchange rate offered by such a commercial bank in its foreign exchange list on the transaction settlement date is used. If the sale or purchase is not performed with a commercial bank, the reference exchange rate determined and announced by the ECB or the NBS on the date preceding the transaction settlement date is used.

13. Changes in Accounting Principles and Accounting Methods

In 2018, there were no changes in accounting principles and accounting methods.

14. Correction of Material Errors of Previous Reporting Periods

The Company recognised no corrections of material errors of previous periods in 2018.

III. DATA DISCLOSED ON THE ASSETS SIDE OF THE BALANCE SHEET

1. Non-Current Intangible and Tangible Assets

1.1. Movements in the Accounts of Non-Current Intangible Assets, Accumulated Depreciation, Provisions, and Net Book Value

31 December 2018

	Capitalised Development Cost	*Software*	*Valuable Rights*	*Goodwill*	*Other Non-Current Intangible Assets*	*Non-Current Intangible Assets in Acquisition*	*Advance Payments Made*	*Total*
Initial Measurement								
At 1 Jan 2018	-	2 086	-	881 920	6 188 000	-	-	7 072 006
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
At 31 Dec 2018	-	2 086	-	881 920	6 188 000	-	-	7 072 006
Accumulated Depreciation								
At 1 Jan 2018	-	2 082	-	251 978	2 887 734	-	-	3 141 794
Additions	-	-	-	125 989	1 237 600	-	-	1 363 589
Disposals	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
At 31 Dec 2018	-	2 082	-	377 967	4 125 334	-	-	4 505 383
Provision								
At 1 Jan 2018	-	-	-	629 942	-	-	-	629 942
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	(125 989)	-	-	-	(125 989)
Transfers								
At 31 Dec 2018	-	-	-	503 953	-	-	-	503 953
Net Book Value								
At 1 Jan 2018	-	4	-	-	3 300 266	-	-	3 300 270
At 31 Dec 2018	-	4	-	-	2 062 666	-	-	2 062 670

31 December 2017

	Capitalised Development Cost	*Software*	*Valuable Rights*	*Goodwill*	*Other Non-Current Intangible Assets*	*Non-Current Intangible Assets in Acquisition*	*Advance Payments Made*	*Total*
Initial Measurement								
At 1 Jan 2017	-	2 086	-	881 920	6 188 000	311 838	-	7 383 844
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	(311 838)	-	(311 838)
Transfers	-	-	-	-	-	-	-	-
At 31 Dec 2017	-	2 086	-	881 920	6 188 000	-	-	7 072 006
Accumulated Depreciation								
At 1 Jan 2017	-	2 082	-	125 989	1 650 134	-	-	1 778 205
Additions	-	-	-	125 989	1 237 600	-	-	1 363 589
Disposals	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
At 31 Dec 2017	-	2 082	-	251 978	2 887 734	-	-	3 141 794
Provision								
At 1 Jan 2017	-	-	-	-	-	-	-	-
Additions	-	-	-	629 942	-	-	-	629 942
Disposals	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
At 31 Dec 2017	-	-	-	629 942	-	-	-	629 942
Net Book Value								
At 1 Jan 2017	-	4	-	755 931	4 537 866	311 838	-	5 605 639
At 31 Dec 2017	-	4	-	-	3 300 266	-	-	3 300 270

As non-current intangible assets the Company recognises other non-current assets in the amount of EUR 6 188 thousand that mainly comprise the existing signed contracts with customers identified upon the purchase of a part of the business of MAGNA SLOVTECA, s. r. o. with its registered office at Rybárska 1, 915 01 Nové Mesto nad Váhom (MAGNA SLOVTECA, s. r. o., o.z. Magna Trnava) and goodwill of EUR 881 thousand representing a difference between the purchase price and identifiable components of assets and liabilities measured at a fair value.

1.2. Movements in the Accounts of Non-Current Tangible Assets, Accumulated Depreciation, Provisions, and Net Book Value

31 December 2018

	Land	*Structures*	*Separate Movable Assets and Sets of Movables*	*Perennial Crops*	*Livestock and Draught Animals*	*Other Non-Current Tangible Assets*	*Non-Current Tangible Assets in Acquisition*	*Advance Payments Made*	*Total*
Initial Measurement									
At 1 Jan 2018	-	320 370	4 975 765	-	-	-	186 633	19 152	5 501 920
Additions	-	-	-	-	-	-	264 233	-	264 233
Disposals	-	-	(5 115)	-	-	-	-	-	(5 115)
Transfers	-	-	414 626	-	-	-	(414 626)	-	-
At 31 Dec 2018	-	320 370	5 385 276	-	-	-	36 240	19 152	5 761 038
Accumulated Depreciation									
At 1 Jan 2018	-	63 711	1 325 945	-	-	-	-	-	1 389 656
Additions	-	36 968	918 153	-	-	-	-	-	955 121
Disposals	-	-	(5 115)	-	-	-	-	-	(5 115)
Transfers	-	-	-	-	-	-	-	-	-
At 31 Dec 2018	-	100 679	2 238 983	-	-	-	-	-	2 339 662
Provision									
At 1 Jan 2018	-	-	356 100	-	-	-	-	-	356 100
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	(56 608)	-	-	-	-	-	(56 608)
Transfers	-	-	-	-	-	-	-	-	-
At 31 Dec 2018	-	-	299 492	-	-	-	-	-	299 492
Net Book Value									
At 1 Jan 2018	-	256 659	3 293 720	-	-	-	186 633	19 152	3 756 164
At 31 Dec 2018	-	219 691	2 846 801	-	-	-	36 240	19 152	3 121 884

31 December 2017

	Land	*Structures*	*Separate Movable Assets and Sets of Movables*	*Perennial Crops*	*Livestock and Draught Animals*	*Other Non-Current Tangible Assets*	*Non-Current Tangible Assets in Acquisition*	*Advance Payments Made*	*Total*
Initial Measurement									
At 1 Jan 2017	-	262 503	3 576 478	-	-	-	283 983	-	4 122 964
Additions	-	-	-	-	-	-	1 367 206	19 152	1 386 358
Disposals	-	-	(7 402)	-	-	-	-	-	(7 402)
Transfers	-	57 867	1 406 689	-	-	-	(1 464 556)	-	-
At 31 Dec 2017	-	320 370	4 975 765	-	-	-	186 633	19 152	5 501 920
Accumulated Depreciation									
At 1 Jan 2017	-	29 408	536 629	-	-	-	-	-	566 037
Additions	-	34 303	796 718	-	-	-	-	-	831 021
Disposals	-	-	(7 402)	-	-	-	-	-	(7 402)
Transfers	-	-	-	-	-	-	-	-	-
At 31 Dec 2017	-	63 711	1 325 945	-	-	-	-	-	1 389 656
Provision									
At 1 Jan 2017	-	-	-	-	-	-	-	-	-
Additions	-	-	356 100	-	-	-	-	-	356 100
Disposals	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
At 31 Dec 2017	-	-	356 100	-	-	-	-	-	356 100
Net Book Value									
At 1 Jan 2017	-	233 095	3 039 849	-	-	-	283 983	-	3 556 927
At 31 Dec 2017	-	256 659	3 293 720	-	-	-	186 633	19 152	3 756 164

Based on the existing impairment indicators, the Company calculates the impairment of assets by estimating projected net discounted cash flows arising from the assets including their sale, if any. The provision for assets was recorded in the amount of a justifiable assumption of the impairment of assets compared to their carrying amount.

1.3. Assets Under Lien and Restricted Handling of Non-Current Intangible and Tangible Assets

The Company has no non-current assets under lien or with restricted handling.

1.4. R&D Activities

Item	*2018*	*2017*
Research costs	-	-
Non-capitalised development costs	-	-
Capitalised development costs (041, 012)	-	-

2. Inventories

2.1. Overview of Provisions per Individual Balance Sheet Items

Item	*1.1.2018*	*Creation*	*Reversal Owing to the Cessation of Justifiability*	*Reversal Owing to the Derecognition of Assets*	*31.12.2018*
Raw materials	8 448	89 121	(8 448)		89 121
Work-in-progress and semi-finished goods	15 823	39 274	(15 823)		39 274
Finished goods	24 232	33 028	(24 232)		33 028
Livestock	-				
Merchandise	-				
Real estate for sale	-				
Advance payments made	-				
Total	**48 503**	**161 423**	**(48 503)**	**-**	**161 423**

The impairment of the value-in-use of inventories was reflected by creating a provision. The value-in-use of inventories mainly decreased due to a change in the product range, excessive inventories, and a decrease in selling prices.

2.2. Assets Under Lien and Restricted Handling of Inventories

No inventories were pledged in favour of a bank.

3. Receivables

3.1. Ageing Structure of Receivables

31 December 2018

Item	*Maturity*		*Total*
	Within Maturity	*Overdue*	
Current receivables			
Trade receivables from group companies	1 487 786	1 668 497	3 156 283
Other trade receivables	2 107 963	444 150	2 552 113
Other receivables from group companies	-	-	-
Other receivables within a participating interest except for receivables from group companies	-	-	-
Receivables from partners, members and participants in an association	-	-	-
Social security insurance	-	-	-
Tax assets and subsidies	84 107	-	84 107
Other receivables	-	295 404	295 404
Total current receivables	**3 679 856**	**2 408 051**	**6 087 907**

31 December 2017

Item	*Maturity*		*Total*
	Within Maturity	*Overdue*	
Current receivables			
Trade receivables from group companies	1 605 841	943 193	2 549 034
Other trade receivables	8 621 866	1 836 181	10 458 047
Other receivables from group companies	-	-	-
Other receivables within a participating interest except for receivables from group companies	-	-	-
Receivables from partners, members and participants in an association	-	-	-
Social security insurance	-	-	-
Tax assets and subsidies	176 394	-	176 394
Other receivables	363 492	-	363 492
Total current receivables	**10 767 593**	**2 779 374**	**13 546 967**

3.2. Provisions for Receivables

During the reporting period, the Company created nor reversed any provision for receivables.

3.3. Assets Under Lien and Restricted Handling of Receivables

There are no receivables under lien. No non-current tangible assets owned by a third party are pledged in favour of the Company.

The Company records no receivables with restricted handling by the Company.

3.4. Deferred Tax Asset

Item	*31.12.2018*	*31.12.2017*
Temporary differences between the carrying amount of assets and the tax base:	911 219	1 109 904
Tax-deductible	*964 867*	*1 109 904*
Taxable	*(53 648)*	-
Temporary differences between the carrying amount of liabilities and the tax base:	2 775 009	3 145 727
Tax-deductible	*2 775 009*	*3 145 727*
Taxable	-	-
Possibility of carrying forward tax loss	7 957 397	3 295 208
Possibility of transferring unclaimed tax deductions	-	-
Income tax rate (in %)	21	21
Deferred tax asset	2 445 161	1 585 676
Claimed tax asset:	*774 109*	*893 683*
Recognised as a decrease in expenses	*119 574*	*(505 236)*
Recognised in equity	-	-
Deferred tax liability	-	-
Change in a deferred tax liability:	-	-
Recognised as an expense	-	-
Recognised in equity	-	-

4. Financial Accounts

4.1. Breakdown of the Company's Financial Assets

Item	*31.12.2018*	*31.12.2017*
Cash		
Cash on hand, stamps and vouchers	1 060	1 059
Current accounts in a bank or a branch of a foreign bank	207 378	1 197 146
Bank accounts – term deposits		-
Cash in transit		-
Total	**208 438**	**1 198 205**

Financial accounts comprise cash on hand, cash in bank accounts and stamps and vouchers. The Company may use the bank accounts freely.

5. Accruals and Deferrals

Item	*31.12.2018*	*31.12.2017*
Non-current deferred expenses, of which:	538 458	458 232
Engineering	*538 458*	*458 232*
Current deferred expenses, of which:	634 749	172 787
Engineering	*620 579*	*99 978*
Lease of a building	-	-
Warranties	-	*34 397*
Insurance premium	*11 896*	*18 878*
Other	*2 274*	*19 534*
Non-current accrued income	-	-
Current accrued income, of which:	890 175	-
Compensation	*890 175*	
Total	**2 063 382**	**631 019**

IV. DATA DISCLOSED ON THE LIABILITIES SIDE OF THE BALANCE SHEET

1. Equity

1.1. Description of Equity

The Company's registered capital is EUR 17 709 000 as at 31 December 2018 (31 December 2017: EUR 13 709 000). The registered capital increased by EUR 4 000 000 during the 2018 reporting period.

The registered capital was fully paid and recorded in the Business Register on 22 December 2018.

1.2. Distribution of Accounting Profit or Settlement of Loss for 2017

Item	*2017*
Accounting Loss	(6 580 605)

Settlement of Accounting Loss	*2018*
From the legal reserve fund	-
From statutory and other funds	-
From retained earnings of previous years	-
Settlement of a loss by partners	-
Transfer to accumulated loss from previous years	(6 580 605)
Other	
Total	

1.3. Proposal for Distribution of Accounting Profit or Settlement of Loss for 2018

A decision on the settlement of the 2018 loss will be made by the General Meeting in 2019. The statutory body's proposal to the General Meeting is as follows:
- Transfer of EUR 5 690 877 to the accumulated loss from previous years.

2. Provisions for Liabilities

2.1. Legal and Other Provisions for Liabilities

31 December 2018

Item	1.1.2018	Creation	Use	Cancella-tion	31.12.2018
Long-term provisions for liabilities					
Legal long-term provisions for liabilities	-				
Other long-term provisions for liabilities, of which:	1 217 994	-	155	-	1 217 839
Retirement payment	*4 994*	-	*155*	-	*4 839*
Provision for loss-making projects	*1 213 000*	-	-	-	*1 213 000*
Legal short-term provisions for liabilities, of which:	307 138	295 614	307 138	-	295 614
Wages and salaries for vacation days, including social security	*307 138*	*295 614*	*307 138*	-	*295 614*
Other short-term provisions for liabilities, of which:	1 853 146	2 096 390	742 374	1 791 092	1 416 070
Other customer provisions	60 000	34 397	34 397	60 000	-
Customer differences	1 511 334	695 190	527 714	983 620	695 190
Provisions for unbilled services	60 000	34 397	34 397	60 000	-

31 December 2017

Item	1.1.2017	Creation	Use	Cancella-tion	31.12.2017
Long-term provisions for liabilities					
Legal long-term provisions for liabilities	-	-	-	-	-
Other long-term provisions for liabilities, of which:	6 292	1 213 000	1 298	-	1 217 994
Retirement payment	*6 292*	-	*1 298*	-	*4 994*
Provision for loss-making projects	-	*1 213 000*	-	-	*1 213 000*
Legal short-term provisions for liabilities, of which:	175 553	307 138	175 553	-	307 138
Wages and salaries for vacation days, including social security	*175 553*	*307 138*	*175 553*	-	*307 138*
Other short-term provisions for liabilities, of which:	937 718	2 179 083	1 263 655	-	1 853 146
Other customer provisions	*22 935*	*60 000*	*22 935*	-	*60 000*
Supplier differences	*38 292*	-	*38 292*	-	-
Customer differences	*53 644*	*584 107*	*355 939*	-	*281 812*
Tooling	*165 786*	*23 642*	*189 428*	-	-
Provisions for unbilled services	*657 061*	*1 511 334*	*657 061*	-	*1 511 334*

3. Liabilities

3.1. Liabilities Within and After Maturity Including the Group and Breakdown of Liabilities by Residual Maturity

Item	31.12.2018	31.12.2017
Non-current liabilities:		
Liabilities with residual maturity of over 5 years		-
Liabilities with residual maturity of between 1 and 5 years	7 528 002	1 202 511
Total non-current liabilities	**7 528 002**	**1 202 511**
Current liabilities:		
Liabilities within maturity	5 327 581	16 575 428
Overdue liabilities	1 121 306	3 093 495
Total current liabilities	**6 448 887**	**19 668 923**

3.2. Liabilities Secured by Lien or Another Form of Security

There are no liabilities under lien.

3.3. Social Fund Payables

	31.12.2018	*31.12.2017*
Initial balance	9 854	11 823
Creation of the social fund debited to costs	42 748	45 591
Creation of the social fund from profit	-	-
Other creations in the social fund	-	-
Total creation of the social fund	42 748	45 591
Drawing from the social fund	46 558	47 560
Closing balance	**6 044**	**9 854**

V. REVENUES

1. Operating Revenues

1.1. Revenues from the Sale of Merchandise, Own Products and Services/Net Turnover

Revenues from the Sale of Own Outputs and Merchandise by Major Business Segment and by Major Geographical Segment:

Type of Products, Merchandise and Services/Country	*Slovakia*		*Abroad (EU)*		*Total*	
	2018	*2017*	*2018*	*2017*	*2018*	*2017*
Parts and accessories for motor vehicles	*192 815*	-	50 564 392	*59 954 387*	50 757 207	59 954 387
Engineering services	-	-	553 699	*1 497 120*	553 699	1 497 120
Other services	*29 213*	8 453	763 232	*985 353*	792 445	993 806
Tooling	-	-	*497 791*	*8 092 040*	*497 791*	8 092 040
Total net turnover	**222 028**	**8 453**	**52 379 114**	**70 528 900**	**52 601 142**	**70 537 353**

1.2. Changes in Inventories

Item	*2018*	*2017*		*Changes in Inventories*	
	31.12.2018	*31.12.2017*	*1.1 2017*	*2018*	*2017*
Work-in-progress and semi-finished goods	1 015 373	1 188 865	638 118	(173 492)	550 747
Finished goods	736 051	646 532	670 587	89 519	(24 055)
Livestock	-	-	-	-	-
Total	**1 751 424**	**1 835 397**	**1 308 705**	**(83 973)**	**526 692**
Shortages and damages				-	-
Balance of finished goods upon the purchase of a business				-	-
Inventory differences				224 858	788 031
Other				(864 816)	-489 998
Changes in inventories on the income statement				**(723 931)**	**824 725**

Other movements in changes in inventories are mainly due the purchase of semi-finished goods.

1.3. Revenues from the Capitalisation of Costs and Operating Revenues, Revenues from Financing Activities and Revenues of Extraordinary Scope or Occurrence

Item	*2018*	*2017*
Material items from the capitalisation of costs		-
Other operating revenues	167 443	298 406
Revenues from financing activities, of which:	*2 282*	2
Foreign exchange gains, of which:	(2 282)	-
Foreign exchange gains as at the reporting date		-
Other material items of revenues from financing activities	4 564	4
Revenues of extraordinary scope or occurrence		-

VI. EXPENSES

1. Operating Expenses

1.1. Costs of Services, Other Operating Expenses, Finance Costs and Expenses of Extraordinary Scope or Occurrence

Item	*2018*	*2017*
Costs of services provided, of which:	13 509 970	20 130 769
Cost of the auditor, audit firm, of which:	*32 000*	*30 000*
Costs of audit of separate financial statements	*32 000*	*30 000*
Other assurance audit services		-
Related audit services		-
Tax advisory		-
Other non-audit services		-
Other material items of costs of services provided, of which:	13 477 970	20 100 769
Repairs and maintenance	125 616	*242 779*
Travel expenses	247 366	*125 311*
Entertainment	54 892	*114 401*
External consultations	209 478	*1 458 120*
Servicing fee	1 274 588	*1 206 457*
IT services	131 243	*186 791*
Costs of separation	888 517	*1 376 009*
Personnel lease	6 058 845	*10 218 428*
Advisory	71 850	*189 520*
Lease	1 058 990	*1 042 531*
Transportation	1 286 685	*2 039 337*
Training courses	46 959	*29 541*
Development costs	527 775	*190 339*
Project management	197 006	*74 433*
Telephones	31 957	*48 549*
Waste management	93 624	*74 028*
Legal services	6 124	*27 224*
Other	1 166 454	*1 456 971*
Other material items of operating expenses, of which:	43 830 908	58 294 606
Costs of the acquisition of merchandise sold	562 296	*4 740 143*
Consumption of raw materials, energy	29 074 099	*35 668 565*
Amortisation and depreciation and provisions for non-current assets	2 136 111	*3 180 650*
Other operating expenses	869 161	*2 485 994*
Total personnel expenses:	11 189 241	12 148 098
Wages and salaries	7 950 922	*8 643 065*
Other expenses for dependent activities	10 535	*45 450*
Social insurance	1 978 381	*2 126 679*
Health insurance	789 138	*847 816*
Social security	449 359	*485 088*
Finance costs, of which:	277 361	389 228
Foreign exchange losses, of which:	5 347	*1 273*
Foreign exchange losses as at the reporting date	-	-
Other material items of finance costs, of which:	272 014	*387 955*
Interest expense for group companies	*266 943*	*382 588*
Other finance costs	*5 071*	*5 367*
Expenses of extraordinary scope or occurrence		-

VII. INCOME TAX

The income tax rate for 2018 is 21%. The Company applied no tax relief.

The corporate income tax rate amounting to 21%, effective from 1 January 2017, was used for the deferred tax calculation.

Item	*2018*	*2017*
Amount of deferred tax assets recognised as expenses or revenues resulting from a change in the income tax rate	-	-
Amount of deferred tax liabilities recognised as expenses or revenues resulting from a change in the income tax rate	-	-
Amount of deferred tax assets related to tax losses carried forward, unclaimed tax deductions and other claims, as well as temporary differences from prior reporting periods, in respect of which no deferred tax assets were recognised in the prior periods		
Amount of deferred tax liabilities originating due to non-recognition in the current period of a portion of the deferred tax assets recognised in previous reporting periods	-	-
Amount of unclaimed tax losses carried forward, unclaimed tax deductions and other claims, as well as deductible temporary differences, in respect of which no deferred tax assets were recorded	7 957 397	3 234 277
Amount of deferred income tax related to items recognised directly in equity accounts with no disclosure in expenses and revenues	-	-

	2018			*2017*		
	Tax Base	*Tax*	*Tax in %*	*Tax Base*	*Tax*	*Tax in %*
Profit/loss prior to taxation, of which:	(5 571 303)			(7 082 961)		
Theoretical tax		*(1 169 974)*	21%		*(1 487 422)*	21%
Tax non-deductible expenses (permanent differences)	578 546	*121 495*	-2%	1 324 171	278 076	-4%
Revenues exempt from taxation (permanent differences)	-	-	0%	-	-	0%
Effect of an unrecognised deferred tax asset	5 562 156	*1 168 053*	-21%	3 352 906	704 110	-10%
Change in the tax rate	-	-	0%	-	-	0%
Tax licence	-	-	0%	-	2 880	0%
Other	-	-	0%	-	-	0%
Total	**569 398**	**119 574**	**-2%**	**(2 405 884)**	**(502 356)**	**7%**
Current income tax		-	0%		2 880	0%
Deferred income tax		119 574	-2%		(505 236)	7%
Total income tax		**119 574**	**-2%**		**(502 356)**	**7%**

VIII. OTHER ASSETS AND OTHER LIABILITIES

1. Contingent Liabilities

Tax returns remain open and may be subject to review over a five-year period. The fact that a certain period or tax return related to this period was subject to review does not eliminate the possibility of this period being subject to a potential further review over the five-year period. Accordingly, as at 31 December 2018, the Company's tax returns for 2014 to 2018 remain open and may be subject to review.

2. Off-Balance Sheet Accounts

The Company leases a portion of its office premises from a third party. The lease agreement will expire in 2024 and the Company has a renewal option. The annual rent is EUR 822 826.

The Company leases eight motor vehicles (operating lease). In 2018, lease payments totalled EUR 41 860.

IX. INCOME AND BENEFITS OF MEMBERS OF THE STATUTORY, SUPERVISORY AND OTHER BODIES OF THE COMPANY

Key management comprises persons with competence and responsibility for direct or indirect planning, management and supervision over the entity's activity, including executive directors and other entity's directors. In 2017, the average number of key managers was 2.

During 2018, key managers were not provided with any significant payments, benefits or borrowings, except for salaries and bonuses.

In 2018, neither the members of the statutory bodies, nor the members of the supervisory bodies were provided with borrowings, guarantees or other forms of security, funds or other supplies for private purposes.

X. RELATED PARTIES

Related parties include shareholders, members of the Board of Directors, fellow subsidiaries, and companies in which the share in the registered capital exceeds 20% (subsidiaries, associates and joint ventures).

Transactions between the aforementioned parties and the Company are made on an arm's length basis and at market prices. The Board of Directors makes all decisions on related-party transactions. These transactions are commented on in the relevant notes to the financial statements.

31 December 2018

Related Party	*Transaction Type*	*Receivables*	*Payables*	*Expenses*	*Revenues*
Parent company					
Grupo Antolín-Irausa, S.A.	*Financing*	-	7 521 958	381 242	-
	Services	-	1 592 744	-	97 505
Other related parties					
GA Bamberg	*Purchase of raw materials*	-	22 400	244 227	-
Antolin Ebergassing GmbH	*Services*	-	9 174	9 174	-
Antolin Süddeutschland	*Sales of finished goods*	2 466 580	227 905	-	7 871 630
Grupo Antolín-Ingeniería, S.A.	*Development services*	-	137 716	-	-
Antolin Hungary, kft	*Sales of finished goods, purchase of raw materials*	206 387	45 599	250 996	4 344 409
Antolin Liban s.r.o.	*Services*	46 018	198 690	817 968	
Antolin Massen GmbH	*Sales of finished goods*	423 712	97 085	128 511	8 080 547
Grupo Antolín-RyA, S.A.		320	-	-	5 940
Grupo Antolin Bratislava		-	-	3 238	2 713
Antolin Straubing GmbH	*Sales of finished goods, purchase of raw materials*	3 568	74 836	445 671	1 353 103
Grupo Antolín Turnov	*Services*	-	42 021	254 392	30 255
Antolin Deutschland GmbH	*Development services*	9 694	-	-	18 805

31 December 2017

Related Party	*Transaction Type*	*Receivables*	*Payables*	*Expenses*	*Revenues*
Parent company					
Grupo Antolín-Irausa, S.A.	*Financing*	-	*10 424 207*	*382 588*	-
	Services	-	*1 294 206*	*1 373 884*	-
Other related parties					
GA Bamberg	*Purchase of raw materials*	*650*	*47 842*	*325 284*	*2 100*
Antolin Ebergassing GmbH	*Services*	-	*6 001*	*16 454*	-
Antolin Süddeutschland	*Sales of finished goods*	*849 861*	*1 187*	-	*8 829 325*
Grupo Antolín-Ingeniería, S.A.	*Development services*	-	*66 205*	*126 127*	-
Antolin Hungary, kft	*Sales of finished goods, purchase of raw materials*	*310 307*	*10 268*	*295 158*	*5 216 420*
Antolin Liban s.r.o.	*Services*	-	-	-	*10 779*
Antolin Massen GmbH	*Sales of finished goods*	*577 214*	*36 565*	*332 792*	*8 479 514*
Grupo Antolín-RyA, S.A.		-	*25 891*	*202 282*	-
Antolin Silesia		-	*5 778*	*22 011*	-
Antolin Straubing GmbH	*Sales of finished goods, purchase of raw materials*	*768 944*	*52 233*	*518 979*	*6 190 905*
Grupo Antolín Turnov	*Services*	*42 059*	*79 925*	*414 942*	*42 059*
Antolin Deutschland GmbH	*Development services*	-	-	-	*1 500*

XI. EVENTS THAT OCCURRED BETWEEN THE REPORTING DATE AND THE DATE ON WHICH THE FINANCIAL STATEMENTS WERE AUTHORISED FOR ISSUE

From 31 December 2018 up to the issue date of the financial statements, there were no such events that would have a significant impact on the Company's assets and liabilities, except for those referred to above and resulting from the ordinary business operations.

XII. CHANGES IN EQUITY

31 December 2018

Item	*Balance as at 1 Jan 2018*	*Additions*	*Disposals*	*Transfers*	*Balance as at 31 December 2018*
Registered capital	5 709 000	-	-	12 000 000	17 709 000
Treasury shares and treasury stock	-	-	-	-	-
Change in the registered capital	8 000 000	4 000 000	-	(12 000 000)	-
Amounts receivable for subscribed capital	-	-	-	-	-
Share premium	-	-	-	-	-
Other capital funds	-	-	-	-	-
Legal reserve fund (non-distributable fund) from capital contributions	-	-	-	-	-
Revaluation reserve from the revaluation of assets and liabilities	-	-	-	-	-
Revaluation reserve from capital contributions	-	-	-	-	-
Revaluation reserve from fusions, mergers and separations	-	-	-	-	-
Legal reserve fund	-	-	-	-	-
Non-distributable fund	-	-	-	-	-
Statutory funds and other funds	-	-	-	-	-
Retained earnings of previous years	-	-	-	-	-
Accumulated loss from previous years	(2 507 316)	-	-	(6 580 605)	(9 087 921)
Profit/loss for the current period	(6 580 605)	(5 690 877)	-	6 580 605	(5 690 877)
Dividends paid	-	-	-	-	-
Other equity items	-	-	-	-	-
Account 491 – Sole proprietor's equity	-	-	-	-	-

The Company's registered capital is EUR 17 709 000 as at 31 December 2018 (31 December 2017: EUR 13 709 000).

The registered capital increased by EUR 4 000 000 during the 2018 reporting period. The increase of EUR 8 000 000was not registered in the Business Register as at 31 December 2017; therefore, it was recognised in the financial statements under "Changes in the registered capital".

The registered capital was fully paid-up and recorded in the Business Register on 22 December 2018.

31 December 2017

Item	*Balance as at 1 Jan 2017*	*Additions*	*Disposals*	*Transfers*	*Balance as at 31 December 2017*
Registered capital	2 209 000	-	-	3 500 000	5 709 000
Treasury shares and treasury stock	-	-	-	-	-
Change in the registered capital	3 500 000	8 000 000	-	(3 500 000)	8 000 000
Amounts receivable for subscribed capital	-	-	-	-	-
Share premium	-	-	-	-	-
Other capital funds	-	-	-	-	-
Legal reserve fund (non-distributable fund) from capital contributions	-	-	-	-	-
Revaluation reserve from the revaluation of assets and liabilities	-	-	-	-	-
Revaluation reserve from capital contributions	-	-	-	-	-
Revaluation reserve from fusions, mergers and separations	-	-	-	-	-
Legal reserve fund	-	-	-	-	-
Non-distributable fund	-	-	-	-	-
Statutory funds and other funds	-	-	-	-	-
Retained earnings of previous years	-	-	-	-	-
Accumulated loss from previous years	(999 330)	-	-	(1 507 985)	(2 507 316)
Profit/loss for the current period	(1 507 985)	(6 580 605)	-	1 507 985	(6 580 605)
Dividends paid	-	-	-	-	-
Other equity items	-	-	-	-	-
Account 491 – Sole proprietor's equity	-	-	-	-	-

The Company's registered capital is EUR 13 709 000 as at 31 December 2017 (31 December 2016: EUR 5 709 000).

The registered capital increased by EUR 8 000 000 during the 2017 reporting period. The increase was not registered in the Business Register as at 31 December 2017; therefore, it is recognised in the financial statements under "Changes in the registered capital".

The registered capital was fully paid-up and recorded in the Business Register on 13 January 2017.

XIII. CASH FLOW STATEMENT

The cash flow statement is included in Table 1 in the Appendix.

Cash comprises cash on hand, cash equivalents, and cash in banks, ie current accounts, overdraft facility, and a portion of cash in transit.

Cash equivalents comprise current financial assets that are readily convertible at an amount of cash known in advance and that are subject to an insignificant risk of changes in their value within the next three months, as at the reporting date.

Breakdown of cash and cash equivalents:

Item	*Account*	*31.12.2018*	*31.12.2017*
Cash	211	1 050	469
Stamps and vouchers	213	10	590
Bank accounts	221	207 378	1 197 146
Overdraft facility	221	-	-
Cash and cash equivalents		**208 438**	**1 198 205**
Total financial accounts		**208 438**	**1 198 205**
Difference		-	-

The Company used the indirect method of presenting cash flows from operations.

Annexes:
Table 1 – Cash Flow Statement

Table 1 - Cash Flow Statement

Item	Description	Actual amount in EUR	
		Current Reporting Period	Previous Reporting Period
Cash flows from operating activities			
Z/S	**Profit/loss from ordinary activities before income tax (+/-)**	**(5 571 303)**	**(7 082 961)**
A.1.	**Non-cash transactions affecting profit/loss from ordinary activities before income tax (+/-)**	**1 451 183**	**6 826 320**
	Amortisation and depreciation of non-current intangible and tangible assets (+)	2 318 709	2 194 608
	Change in provisions for liabilities (+/-)	(448 755)	2 258 715
	Change in provisions for assets (+/-)	(69 677)	967 446
	Change in expense and revenues accruals (+/-)	(1 244 019)	(126 795)
	Interest charged to expenses (+)	266 943	382 588
	Profit/loss on sales of non-current assets except for those assets considered as cash equivalents (+/-)	399	-
	Other non-cash items (+/-)	627 583	1 149 758
A.2.	**Effect of changes in working capital on profit/loss from ordinary activities**	**2 387 782**	**8 079 931**
	Change in receivables from operations (-/+)	7 282 666	6 548 211
	Change in payables from operations (+/-)	(3 992 296)	1 505 107
	Change in inventories (-/+)	(902 588)	26 613
	Cash flow from operating activities, except for income and expenditures listed separately in other sections of the cash flow statement (+/-), (total Z/S+A.1.+A.2.)	**(1 732 338)**	**7 823 290**
	Interest paid (-)	(266 943)	(382 588)
	Income tax paid (-/+)	176 394	(367 084)
A.	**Net cash flow from operating activities**	**(1 822 887)**	**7 073 618**
Cash flow from investing activities			
	Expenditures for acquisition of non-current intangible assets (-)	-	311 838
	Expenditures for acquisition of non-current tangible assets (-)	(264 232)	(1 386 356)
	Income on sale of non-current intangible assets (+)	(399)	-
B.	**Net cash flow from investing activities**	**(264 631)**	**(1 074 518)**
Cash flows from financing activities			
C.1.	**Cash flows in equity**	**4 000 000**	**8 000 000**
	Income on subscribed shares and ownership interests (+)	4 000 000	8 000 000
C.2.	**Cash flows arising on non-current and current payables from financing activities**	**(2 902 249)**	**(13 007 667)**
	Repayment of borrowings (-)	(2 902 249)	(13 007 667)
C.	**Net cash flows from financing activities**	**1 097 751**	**(5 007 667)**
D.	**Net increase or net decrease in cash and cash equivalents (+/-) (aggregate A+B+C)**	**(989 767)**	**991 433**
E.	Cash and cash equivalents at the beginning of the reporting period	1 198 205	206 772
F.	Cash and cash equivalents at the end of the reporting period prior to reflecting foreign exchange gains/losses quantified as at the reporting date (+/-)	208 438	1 198 205
G.	Foreign exchange gains/losses quantified to cash and cash equivalents as at the reporting date (+/-)	-	-
H.	**Cash and cash equivalents at the end of the reporting period adjusted for foreign exchange gains/losses quantified as at the reporting date (+/-) (total of D + E + G)**	**208 438**	**1 198 205**