

**Independent Auditor's Report  
on review of interim condensed consolidated financial statements  
for the 6 months period ended 30 June 2018**

**To the Shareholders and Supervisory Board of LPP S.A.**

*Introduction*

We have reviewed the accompanying interim condensed consolidated financial statements of LPP S.A. Group (the 'Group'), with its parent company LPP S.A. (the 'Company') located in Gdańsk at Łąkowa 39/44 Street as of 30 June 2018, including the consolidated condensed interim statement of financial position as at 30 June 2018, the consolidated condensed interim statement of comprehensive income, the consolidated condensed interim statement of changes in equity, the consolidated condensed interim cash flow statement for the period from 1 January 2018 to 30 June 2018 and other explanatory notes (the 'interim condensed consolidated financial statements').

The Company's Management is responsible for the preparation and presentation of the accompanying interim condensed consolidated financial statements in accordance with the requirements of International Accounting Standard 34 *Interim Financial Reporting* as adopted by the European Union.

Our responsibility is to express a conclusion on the accompanying interim condensed consolidated financial statements based on our review.

*Scope of review*

We conducted our review in accordance with National Review Standard 2410 in the wording of the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* ('standard'), adopted by the resolution no. 2041/37a/2018 of the National Council of Statutory Auditors of 5 March 2018. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with National Auditing Standards in the wording of the International Auditing Standards adopted by the resolution no. 2041/37a/2018 of the National Council of Statutory Auditors of 5 March 2018 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with the requirements of International Accounting Standard 34 *Interim Financial Reporting* as adopted by the European Union.

*Emphasis of matter*

Without qualifying our auditor's report, we draw your attention to the note 23.2 of the additional information to the accompanying interim condensed consolidated financial statements, in which the Company's Management informed about the current status of the ongoing tax proceeding in relation to the treatment as tax deductible costs in the CIT declaration for the year 2012 of license fees paid for the usage of the Group's trademarks that have been contributed in kind to the Company's subsidiary with its seat in Cyprus. In the above mentioned note the Company's Management has also presented its assessment of the impact of this case on the interim condensed consolidated financial statements of the Group. Taking into account the current stage of the ongoing proceeding, we draw attention to the uncertainty connected with the final outcome of the conducted proceeding, the impact of the obtained decisions as well as the outcome of the dispute with the tax authorities on the tax settlements of the Company in the following years.

Key Certified Auditor

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Marcin Zieliński  
certified auditor  
no in the register: 10402

on behalf of  
Ernst & Young Audyt Polska spółka  
z ograniczoną odpowiedzialnością sp. k.  
Rondo ONZ 1, 00-124 Warsaw  
no on the audit firms list: 130

Warsaw, 31 August 2018