

**SEMI ANNUAL FINANCIAL REPORT**  
**As of the 30<sup>th</sup> of June 2017**

# mFinance France

## SEMI-ANNUAL FINANCIAL REPPORT As of the 30<sup>th</sup> of June 2017

### Table of Contents

<b>Semi-annual activity report</b> .....	<b>3</b>
<b>I. Presentation of the semi-annual accounts</b> .....	<b>3</b>
<b>2. Company’s Activity</b> .....	<b>4</b>
<b>Semi-annual financial reports</b> .....	<b>5</b>
<b>1. Balance Sheet</b> .....	<b>5</b>
<b>2. Income Statement</b> .....	<b>7</b>
<b>3. Notes</b> .....	<b>8</b>
<b>III. Statutory auditors report</b> .....	<b>25</b>
<b>VI. Responsibility Statement for the semi-annual report</b> .....	<b>27</b>

## **mFinance France**

A société anonyme with a management board and a supervisory board  
with a capital of EUR 500 000

Registered office: 23 rue de la Paix – 3 place de l’Opéra - 75002 Paris  
449 370 584 RCS Paris

### **Semi-annual activity report**

(First half 2017)

#### **I. Presentation of the semi-annual accounts**

##### **1.1 Result account**

The turnover of the semester amounted to EUR 194,861.

The operating expenses of the semester amounted to EUR 564,554.

The operating result was therefore a negative amount of EUR 369,679.

After taking into account:

- Financial products of EUR 18,263,022

- Financial expenses of EUR 18,245,533

The result of the semester is a negative amount of EUR 352,190.

##### **1.2 Balance sheet**

The total balance sheet amounted to EUR 1,929,016,023.

It was mainly made with:

- Assets: Loans in an amount of EUR 1,897,259,035

- Liabilities: Bonds issuance in an amount of EUR 1,902,875,224

The Shareholders’ equity decreased from EUR 529,669 as of 31<sup>st</sup> December 2016 to EUR 177,479 as of 30<sup>th</sup> June 2017 due to the loss of EUR 352,190 in the first semester of 2017.

## **2. Company's Activity**

### **2.1 Situation and development of the company's activities during the semester**

The principal activity of the company is the issuance of bonds and the secondment of the loaned funds to the parent company.

During the first half of 2017, the Company issued on the 28<sup>th</sup> of March 200 Million CHF senior unsecured fixed rate notes due 28<sup>th</sup> of March 2023. The coupon of the bond is 1,005%, which translates into a spread of 115 bps above the corresponding swap rate.

There were no redemptions of bonds in the first half of 2016 either.

The existing EMTN issuance programme was updated and approved in March 2017 in the same structure as before and is now valid until March 2018.

According to the transfer pricing agreement that was agreed and signed by the company with the shareholder and guarantor of the issuance programme mBank SA last year, the company was compensated on the bond issued the 28<sup>th</sup> of March 2017 in April 2017 and on the outstanding bonds.

The company received a Tax compliance statement upon its request stating that it complied with the tax authorities for the reassessment of the previous years.

### **2.2 Analysis of the results, of the financial situation and of the company's debts**

The Company reporting shows a net loss of 352.190 EUR as of June 30<sup>th</sup>, 2017.

### **2.3 Progress made or difficulties encountered**

The company performed its statutory tasks to a satisfactory level.

### **2.4 Important events which have taken place since the end of the semester**

No important events have taken place since the end of the semester.

### **2.5 Future prospects and developments**

The Company plans to issue senior unsecured bonds in Q3 or Q4/2017 depending on market conditions.

Made on 20 September 2017

The Management Board

## Semi-annual financial reports

## Balance Sheet

	Gross	Depreciations	Net as of 30/06/2017	Net as of 31/12/2016
<b>ASSETS</b>				
Uncalled subscribed capital				
Intangible Assets				
Establishment fees				
Research and Development fees				
Concessions, patents and similar rights				
Goodwill				
Other Intangible Assets				
Tangible Assets				
Land				
Buildings				
Technical installations, plant and equipment				
Other Tangible Assets				
Construction work in progress/Advance P				
Financial Investments				
Investment & related advances & down p				
Other Investments				
Loans	1 897 259 035		1 897 259 035	1 711 224 839
Other Financial Assets				
<b>CAPITAL ASSETS</b>	<b>1 897 259 035</b>		<b>1 897 259 035</b>	<b>1 711 224 839</b>
Inventory				
Raw materials & Other supplies				
Work in progress goods				
Work in progress services				
Intermediate & Finished goods				
Commodities				
Accounts Receivable				
Clients & related accounts				
Suppliers				
Employee				
State, Taxes on Income	9 218		9 218	9 218
State, Taxes on Turnover				
Other accounts receivable	3 335		3 335	930
Miscellaneous				
Advances & Down payments on Orders				
Short terms investments				
Cash	549 681		549 681	762 974
Prepaid expenses	91 733		91 733	33 803
<b>CURRENT ASSETS</b>	<b>653 966</b>		<b>653 966</b>	<b>806 926</b>
Cost of loan issues				
Redemption premium on bonds	6 001 786		6 001 786	6 289 482
Translation adjustment – Assets	25 101 236		25 101 236	23 732 739
<b>TOTAL ASSETS</b>	<b>1 929 016 023</b>		<b>1 929 016 023</b>	<b>1 742 053 986</b>

## Balance Sheet

	Net as of 30/06/2017	Net as of 31/12/2016
<b>LIABILITIES AND EQUITY</b>		
Share Capital	500 000	500 000
Premiums, share premiums, ...		
Revaluation adjustments	17 094	16 433
Legal reserve		
Statutory or contractual reserves		
Regulated reserves		
Other reserves		
Retained earnings	12 574	-181 922
<b>Annual Balance</b>	<b>-352 190</b>	<b>195 159</b>
Capital grants		
Regulated provisions		
SHAREHOLDER'S EQUITY	177 479	529 669
Revenue of securities issue		
Avances conditionnées		
<b>Other Equities</b>		
Provisions for risks	104 174	120 983
Provisions for expanses		
<b>PROVISIONS FOR RISKS AND EXPENSES</b>	<b>104 174</b>	<b>120 983</b>
Convertible bonded debts		
Other bonded debts	1 902 875 224	1 717 635 304
Loans		
Uncovered balance and accommodation		
Loans and debts with credit institutions		
Miscellaneous financial loans & debts		
Miscellaneous financial loans & debts – Associates		
Advances & Down payments received on current orders		
Supplier debts & related accounts	148 479	100 579
Employee	3 800	945
Social organisms	22 073	17 662
State, Taxes on Income		
State, Taxes on Turnover		
State, Guaranteed bonds		
Other Fiscal & Social debts	3 100	37 087
Fiscal & Social debts	28 973	55 695
Debts on Capital assets & related accounts		
Other Debts		
Deferred revenue	194 861	
<b>DEBTS</b>	<b>1 903 722 606</b>	<b>1 717 791 577</b>
Translation adjustment – Liabilities	25 011 764	23 611 756
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1 929 016 023</b>	<b>1 742 053 986</b>

## Income Statement

	From 01/01/17 till 30/06/17 6 months	From 01/01/16 till 31/12/16 12 months
REVENUE		
Sales of goods		
Sold production	194 861	1 869 664
Stored production		
Operating subsidies		
Other revenue	15	1
<b>Total</b>	<b>198 876</b>	<b>1 869 665</b>
Consumption of goods & raw materials		
Purchases of goods		
Stock variation (goods)		
Raw materials purchases & other supplies		
Stock variation (raw materials)		
Other purchases & external expenses	435 503	897 223
<b>Total 435 503 248 377</b>	<b>435 503</b>	<b>897 223</b>
<b>MARGIN ON GOODS &amp; RAW MATERIALS</b>	<b>-240 627</b>	<b>972 442</b>
EXPENSES		
Taxes and assimilated payments	10 835	111 247
Salaries and Treatments	71 154	147 380
Social expenses	35 060	72 328
Depreciations and provisions		
Other expenses	12 003	1 002
<b>Total</b>	<b>129 052</b>	<b>331 957</b>
OPERATING INCOME	-369 679	640 485
Financial revenue	18 263 022	30 391 750
Financial expenses	18 245 533	30 401 467
<b>Financial result</b>	<b>17 489</b>	<b>-9 716</b>
Operations in common		
<b>Income</b>	<b>-352 190</b>	<b>630 769</b>
Exceptional revenue		
Exceptional expenses		30 236
<b>Exceptional result</b>		<b>-30 236</b>
Employees' profit-sharing		
Taxes on Income		405 374
<b>NET PROFIT/LOSS</b>	<b>-352 190</b>	<b>195 159</b>

(translated from French)

## Notes

To the balance sheet presented before net income appropriation for the financial semester ending June 30th, 2017, with a total of € 1 929 016 023 and to the income statement for the period, presented as a list and showing a loss of € 352 190. During this period, the turnover amounts to € 194 861.

### ACTIVITY OF THE COMPANY

The principal activity of the company is the issuance of bonds and the secondment of the loaned funds to the parent company.

### RELEVANT FACTS

The company mFinance France SA issued on March 28th, 2017, Senior unsecured fixed rate notes at nominal value of 200 000 000 CHF for a maturity of six years with a redemption premium. The issue price amounts to 199 275 000 CHF and the redemption premium amounts to 725 000 CHF.

At the same date, the company has made available a loan amounting to 199 275 000 CHF for MBANK SA.

### ACCOUNTING RULES AND PRINCIPLES

The Statutory Accounts are established in accordance with regulation n°2016-07 of the ANC (replacing N°99-03) and with the French commercial code, article from L123-12 to L123-24.

General accounting conventions were applied, whilst respecting the prudent principle, according to the following basic assumptions:

- going concern status,
- consistent accounting methods,
- conservatism,

And in accordance with the general rules for establishing and presenting annual financial statements.

The Statutory Accounts are prepared under the historical cost convention.

No change of accounting method occurred during the period.

The notes and statements below are an integral part of the Annual Accounts.



(translated from French)

The main accounting policies adopted are described below.

### **1. Operation in foreign currency**

Receivable and payable accounts denominated in foreign currency in balance sheets at closing are converted by exchange rates prevailing at that date.

Liabilities, accounts receivable and cash in foreign currencies other than the euro are revalued on balance sheet at year-end exchange rates. The difference resulting from the revaluation of liabilities and accounts receivable in foreign currencies at the latter rate is recorded in the “Translation adjustment”.

For any net unrealized losses, a provision is recorded.

As of June 30th, 2017, unrealized exchange gains and losses amounts respectively to 25 101 235,79 € and 25 011 763,53 €.

It was considered that, because of mirror transactions (bond and loan to the parent company, the same currency and for the same maturity), the risk of unrealized currency exchange loss was covered by the unrealized exchange gain.

The accrual related to foreign exchange loss rises to € 104 173,92.

### **2. Current income**

The items relating to the current activities, even if they are extraordinary as a result of their frequency or of their amount, are registered in the current income.

### **3. Auditor fees**

All the 2017 auditors fees of € 17 400 relate exclusively to statutory auditing. This amount includes the 2016 PwC fees accrual for € 7 200 and the 2017 PwC fees accrual for € 10 200 in accordance with the terms of the engagement letter.

(translated from French)

#### **4. Loan**

Loans are valued at their nominal value.

On March 28th, 2017, the company entered into a loan agreement with MBANK SA company for the total amount of 200 000 000 CHF.

As of June 30th, 2017, the accrued interests for the loans agreements with MBANK S.A. amount to:

- CHF loan signed on October 2013: € 3 341 974,
- CZK loan signed on December 2013: € 252 149,
- EUR loan signed on April 2014: € 2 960 616,
- EUR loan signed on November 2014: € 5 945 205,
- EUR loan signed on September 2016: €5 323 890,
- CHF loan signed on March 2017: € 475 069.

#### **5. Redemption premium**

The redemption premium is written down in equal amounts over the term of the issues, regardless of the repayment intervals.

As at June 30th, 2017, the amortizations of the redemptions premiums for the bonds amount to:

- redemption premium of the CHF bond signed on October 2013: € 626 737,
- redemption premium of the EUR bond signed on April 2014: € 2 537 715,
- redemption premium of the EUR bond signed on November 2014: € 1 625 282,
- redemption premium of the EUR bond signed on September 2016: € 238 014,
- redemption premium of the CHF bond signed on March 2017: € 29 412.

(translated from French)

## **6. Bonds**

### **CHF bond**

The company issued, during the 2013 financial year, Senior Unsecured Notes out of the Euro Medium Term Programme of € 3 000 000 000 with a redemption premium. The main characteristics of this tranche are presented below:

- Nominal value: 200 000 000 CHF (182 982 617 € at closing date) ;
- Issue price: 198 967 000 CHF (182 037 511 € at closing date);
- Redemption premium: 1 033 000 CHF (840 931 €);
- Interest: interest is annually calculated at the rate of 2,50 %;
- Issue date: October 8th 2013;
- Period: until October 8th 2018;
- Amortization of the bonds: bonds are amortized ultimately.

As of June 30th, 2017, the accrued interests amounts to € 3 341 974.

### **CZK bond**

The company issued, during the 2013 financial year, Senior Unsecured Notes out of the EMTN Programme. The main characteristics of this tranche are presented below:

- Nominal value: 500 000 000 CZK (19 086 155 € at closing date);
- Issue price: 500 000 000 CZK (19 086 155 € at closing date);
- Interest: interest is annually calculated at the rate of 2,32 %;
- Issue date: December 6th 2013;
- Period: until December 6th 2018;
- Amortization of the bonds: bonds are amortized ultimately;
- No share premium has been recorded.

As of June 30th, 2017, the accrued interests amounts to € 252 149.

(translated from French)

### **EUR bond**

The company issued, during the 2014 financial year, Senior Unsecured Notes out of the EMTN Programme with a redemption premium. The main characteristics of this tranche are presented below:

- Nominal value: 500 000 000 EUR;
- Issue price: 496 095 000 EUR;
- Redemption premium: 3 905 000 EUR;
- Interest: interest is annually calculated at the rate of 2,375 %;
- Issue date: April 1st 2014;
- Period: until April 1st 2019;
- Amortization of the bonds: bonds are amortized ultimately.

As of June 30th, 2017, the accrued interests amounts to € 2 960 616.

### **EUR bond**

The company issued, during the 2014 financial year, Senior Unsecured Notes out of the EMTN Programme with a redemption premium. The main characteristics of this tranche are presented below:

- Nominal value: 500 000 000 EUR;
- Issue price: 495 615 000 EUR;
- Redemption premium: 4 385 000 EUR;
- Interest: interest is annually calculated at the rate of 2 %;
- Issue date: November 26th 2014 ;
- Period: until November 26th 2021;
- Amortization of the bonds: bonds are amortized ultimately.

As of June 30th, 2017, the accrued interests amounts to € 5 945 205.

### **EUR bond**

The company issued, during the 2016 financial year, Senior Unsecured Notes out of the EMTN Programme with a redemption premium. The main characteristics of this tranche are presented below:

- Nominal value: 500 000 000 EUR;
- Issue price: 498 750 000 EUR;
- Redemption premium: 1 250 000 EUR;
- Interest: interest is annually calculated at the rate of 1.398 %;
- Issue date: September 26th 2016;
- Period: until September 26th 2020;
- Amortization of the bonds: bonds are amortized ultimately.

As of June 30th, 2017, the accrued interests amounts to € 5 323 890.

(translated from French)

### **CHF bond**

The company issued, during the 2017 financial year, Senior Unsecured Notes out of the EMTN Programme with a redemption premium. The main characteristics of this tranche are presented below:

- Nominal value: 200 000 000 CHF (€ 182 982 617 at closing date);
- Issue price: 198 275 000 CHF (€ 182 319 305 at closing date);
- Redemption premium: 725 000 CHF (€ 840 931);
- Interest: interest is annually calculated at the rate of 2,50 %;
- Issue date: March 28th 2017;
- Period: until March 28th 2023;
- Amortization of the bonds: bonds are amortized ultimately.

As of June 30<sup>th</sup> 2017, the accrued interests amounts to € 475 069.

### **7. Accounts payable at the end of the financial year**

In accordance with the requirements of articles L441-6-1 and D441-4 of the French Commercial Code, a breakdown of payables as of June 30<sup>th</sup>, 2017, by due date, is presented below:

Maturity of payables in euros:

	<b>0 to 30 days</b>	<b>31 to 60 days</b>
MBank fees	€ 14 142	
Primexis fees	€ 3 440	

### **8. Structure of the turnover**

The turnover until the end of 2015 was composed of the margin on the cost recharges to MBANK S.A in connection with the loan granted to MBANK SA.

As of January, 1<sup>st</sup> 2016, a new transfer price agreement has been concluded. The company is compensated on a margin basis computed on the total volume of bonds issued since 2012.

As of June 30<sup>th</sup> 2017, the company received its remuneration based on the transfer price agreement of the value of € 194 861.

(translated from French)

## 9. Events subsequent to the financial year closing

None

## 10. Cash flow

### Cash flow of M FINANCE France S.A

	<b>In Euro</b>	
	<b>2017</b>	<b>2016</b>
Net profit (A)	-352 190	195 159
Amortization and provisions (B)	948 900	1 667 186
<b>Cash flows (A) + (B) + (C)</b>	<b>596 710</b>	<b>1 862 344</b>
Change in working capital	-810 003	-1 515 716
Capital increase		
<b>Net cash from operations</b>	<b>-213 293</b>	<b>346 628</b>
Cash as at January 1st	762 974	416 347
Cash as at June 30th	549 681	
Cash as at December 31st		762 974
<b>Variation in Cash</b>	<b>-213 293</b>	<b>346 628</b>

## 11. Exceptional charges and products

The exceptional charges and products include elements that are not related to the normal activity of the company

(translated from French)

**FIXED ASSETS****In Euro**

	<i>Gross value beginning of period</i>	<i>Increase Revaluation</i>	<i>Increase Acquisitions</i>
<b>Intangible fixed assets</b>			
Start-up expenses			
Other intangible fixed assets			
<b>Tangible fixed assets</b>			
Machinery & equipment			
General installations and various fixtures			
Transportation equipment			
Office equipment, computers and furniture			
Fixed assets in-progress			
<b>Investments</b>			
Other controlling interests			
Loans and Other long term investments			
	1 711 224 839		204 623 573
<b>TOTAL</b>	<b>1 711 224 839</b>		<b>204 623 573</b>

	<i>Decrease By transfer</i>	<i>Decrease By sale</i>	<i>Gross value end of period</i>	<i>Revaluation Value of origin</i>
<b>Intangible fixed assets</b>				
Other intangible fixed assets				
Start-up expenses				
<b>Tangible fixed assets</b>				
Machinery & equipment				
General installations and various fixtures				
Transportation equipment				
Office equipment, computers and furniture				
Fixed assets in-progress				
<b>Investments</b>				
Other controlling interests				
Loans and Other long term investments		18 589 377	1 897 259 035	1 897 259 035
<b>TOTAL</b>		<b>18 589 377</b>	<b>1 897 259 035</b>	<b>1 897 259 035</b>

(translated from French)

## AMORTIZATION

	<i>Gross value beginning of period</i>	<i>Increase (straight-line method)</i>	<i>Decrease</i>	<b>In Euro</b> <i>Gross value end of period</i>
<b>Intangible fixed assets</b>				
Start-up expenses				
Other intangible fixed assets				
<b>Tangible fixed assets</b>				
Machinery & equipment				
General installations and various fixtures				
Transportation equipment				
Office equipment, computers and furniture				
Redemption premium	6 289 482	678 014	965 710	6 001 786
<b>TOTAL</b>	<b>6 289 482</b>	<b>678 014</b>	<b>965 710</b>	<b>6 001 786</b>



(translated from French)

## PROVISION AND DEPRECIATION

	<i>Gross value beginning of period</i>	<i>Increase (straight-line method)</i>	<i>Decrease</i>	<b>In Euro</b> <i>Gross value end of period</i>
<b>Regulated provisions</b>				
<b>Provisions for liabilities</b>				
Provision for exchange losses	120 983		16 809	104 174
<b>Redemption premium</b>				
	<b>120 983</b>		<b>16 809</b>	<b>104 174</b>

(translated from French)

## ACCOUNTS RECEIVABLE

	<i>Gross amount</i>	<i>In Euro</i>	
		<i>Within 1 year</i>	<i>Beyond 1 year</i>
Loans (1)	1 897 259 035	18 298 904	1 878 960 130
Doubtful accounts, receivables in dispute			
Other trade accounts and notes receivable			
Personnel and related accounts			
Tax and social receivable			
Income tax	9 218	9 218	
VAT			
Current accounts - group and associates			
Other receivables	3 335	3 335	
Prepaid expenses	91 733	91 733	
<b>TOTAL</b>	<b>1 897 363 320</b>	<b>18 403 190</b>	<b>1 878 960 130</b>

(1) loans granted during the year: € 182 319 305

## ACCOUNTS PAYABLE

	<i>Gross amount</i>	<i>In Euro</i>		
		<i>Within 1 year</i>	<i>Between 1 and 5 years</i>	<i>Beyond 5 years</i>
Bond issues (1)	1 903 350 293	18 298 904	1 702 068 772	182 982 617
Bank borrowings				
- within 1 year at the origin				
- beyond 1 year at the origin				
Accounts payables	148 479	148 479		
Personnel and related accounts	3 800	3 800		
Tax and social liabilities	22 073	22 073		
Income tax				
VAT				
Other taxes	3 100	3 100		
Payables to fixed assets suppliers				
Current accounts - group and associates				
Other payables				
Prepaid income	194 861	194 861		
<b>TOTAL</b>	<b>1 903 722 606</b>	<b>18 671 217</b>	<b>1 702 068 772</b>	<b>182 982 617</b>

(1) loans taken during the year: € 182 982 617

(translated from French)

## ACCRUED RECEIVABLES

	<b>In Euro</b>	
	<i>30/06/2017</i>	<i>31/12/2016</i>
Loans		
Accrued interest S2 T1 CHF	3 341 974	1 073 450
Accrued interest S3 T1 CZK	252 149	29 812
Accrued interest S4 T1 EUR	2 960 616	8 946 918
Accrued interest S5 T1 EUR	5 945 205	986 301
Accrued interest S6 T1 EUR	5 323 890	1 857 616
Accrued interest S7 T1 CHF	475 069	
Capitalization premium SI T2 CHF	626 737	543 335
Capitalization premium SI T4 EUR	2 537 715	2 150 425
Capitalization premium SI T5 EUR	1 625 282	1 314 642
Capitalization premium SI T6 EUR	238 014	83 048
Capitalization premium SI T7 CHF	29 412	
<b>Trades and accounts receivables</b>	<b>23 356 064</b>	<b>16 985 547</b>
Accrued income		
<b>TOTAL</b>	<b>23 356 064</b>	<b>16 985 547</b>

(translated from French)

## ACCRUED LIABILITIES

	<b>In Euro</b>	
	<i>30/06/2017</i>	<i>31/12/2016</i>
<b>Bonds</b>		
Accrued interest S2 T1 CHF	3 341 974	1 073 450
Accrued interest S3 T1 CZK	252 149	29 812
Accrued interest S4 T1 EUR	2 960 616	8 946 918
Accrued interest S5 T1 EUR	5 945 205	986 301
Accrued interest S6 T1 EUR	5 323 890	1 857 616
Accrued interest S7 T1 CHF	475 069	
<b>Accounts payable and related</b>	<b>18 298 905</b>	<b>12 894 098</b>
Accrued Primexis fees	17 480	17 240
Accrued auditors fees	23 400	6 000
Accrued rating agencies fees	81 247	
Accrued advisors fees		11 685
Accrued rent fees	8 770	14 017
	<b>130 898</b>	<b>48 942</b>
<b>Fiscal debts</b>		
Accrued tax	865	19 959
Accrued tax on salary	1 030	14 944
Accrued withholding tax	367	376
Accrued tax for professional formation	374	809
Accrued apprenticeship tax	463	1 000
Accrued social debt	5 510	1 370
	<b>8 610</b>	<b>38 458</b>
<b>TOTAL</b>	<b>18 438 412</b>	<b>12 981 497</b>

## PREPAID CHARGES

	<b>In Euro</b>	
	<i>30/06/2017</i>	<i>31/12/2016</i>
Prepaid charges	91 733	33 803
<b>TOTAL</b>	<b>91 733</b>	<b>91 733</b>

The prepaid charges are including annual administrative fees for loans

(translated from French)

## PREPAID INCOME

	<i>30/06/2017</i>	<b>In Euro</b> <i>31/12/2016</i>
Prepaid income	194 861	
<b>TOTAL</b>	<b>194 861</b>	

## SHARE CAPITAL

<i>Type of securities</i>	<i>Nominal value</i>		<i>Number of shares</i>			
	<i>Beginning of period</i>	<i>End of period</i>	<i>Beginning of period</i>	<i>Created during the period</i>	<i>Refunded during the period</i>	<i>End of period</i>
Shares	10	10	50 000			50 000

(translated from French)

## ITEMS RELATING TO SEVERAL BALANCE HEADINGS

In Euro

	<i>Amounts concerning the companies</i>		<i>Amounts of payables and receivables represented by trade notes</i>
	<i>Affiliated companies</i>	<i>Companies with controlling interests</i>	
<b>Investments</b>			
Equity participation			
Loans		1 897 259 035	
Other investments			
<b>Total fixed assets</b>		<b>1 897 259 035</b>	
<b>Receivables</b>			
Trade notes and accounts receivable			
Other receivables			
<b>Total receivables</b>			
<b>Short term investments</b>			
<b>Cash</b>		<b>549 681</b>	
<b>Liabilities</b>			
Various debts and liabilities			
Trade notes and accounts payable		14 142	
<b>Total liabilities</b>		<b>14 142</b>	

## UNREALIZED FOREIGN EXCHANGE GAINS AND LOSSES

	<i>Amount</i>
Unrealized FX Loss	25 101 235,79
Unrealized FX Gain	(25 011 763,53)
	<b>- 89 472,25</b>

Unrealized FX Loss correspond to the loans in CHF S2T1 (€ 20 065 029,90), and in CZK (€ 891 103,96) and the bond in CHF S7T1 (€ 4 055 632,67).

Unrealized FX Gain correspond to the bonds in CHF S2T1 (€ 20 169 200,83) and in CZK (891 103,96) and the loan in CHF S7T1 (€ 4 040 931).

(translated from French)

## EQUITY VARIANCE

	<b>In Euro</b>
	<b>AMOUNTS</b>
EQUITY YEAR -1, AFTER RESULT AND BEFORE SHAREHOLDER'S MEETING (-) DISTRIBUTIONS	529 669
<b>EQUITY AT BEGINNING OF PERIOD</b>	<b>529 669</b>
VARIANCE OF SHARE CAPITAL VARIANCE OF PAID IN CAPITAL VARIANCE FOR LONG TERM INVESTMENTS AND REGULATED PROVISIONS OTHER VARIANCE	
<b>CONTRIBUTION RECEIVED WITH RETROACTIVE EFFECT TO THE BEGINNING OF PERIOD</b>	
<b>EQUITY AT BEGINNING OF PERIOD AFTER CONTRIBUTION WITH RETROACTIVE EFFECT</b>	<b>529 669</b>
VARIANCE OF SHARE CAPITAL VARIANCE OF PAID IN CAPITAL VARIANCE OF REVALUATION DIFFERENCE VARIANCE OF LEGAL RESERVE , STATUTORY, CONTRACTUAL AND OTHER	661
VARIANCE OF REGULATED RESERVES	195 496
VARIANCE OF RETAINED EARNINGS	(195 159)
VARIANCE OF INVESTMENT SUBSIDIES AND REGULATED PROVISION RESULT YEAR-1 ALLOCATED IN EQUITY (WITHOUT DISTRIBUTION)	(195 159)
<b>VARIANCE DURING PERIOD</b>	<b>0</b>
<b>EQUITY AT ENDING OF PERIOD</b>	
<b>RESULT FOR PERIOD</b>	<b>(352 190)</b>
<b>EQUITY FOR PERIOD AFTER RESULT AND BEFORE SHAREHOLDER'S MEETING</b>	<b>177 479</b>

(translated from French)

**IDENTITY OF PARENT COMPANIES CONSOLIDATING THE COMPANY'S  
ACCOUNTS**

<i>Corporate name</i>	<i>Legal form</i>	<i>Capital</i>	<i>Head office</i>
MBANK S.A	SA	169 015 724 PLN	Senatorska 18, 00-950 VARSOVIE POLOGNE





## **STATUTORY AUDITORS' REVIEW REPORT ON THE 2017 HALF-YEAR FINANCIAL INFORMATION**

*This is a free translation into English of the Statutory Auditors' review report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders  
**mFinance France**  
23 rue de la Paix  
75002 Paris

In compliance with the assignment entrusted to us by your general assembly and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying half-year financial statements of mFinance France, for the six months period from 01/01/2017 to 30/06/2017 ;
- the verification of the information contained in the half-year management report.

These half-year financial statements are the responsibility of the managing board. Our role is to express a conclusion on these financial statements based on our review.

### **1. Conclusion on the financial statements**

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France 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.

*PricewaterhouseCoopers Audit, SAS, 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex  
Téléphone: +33 (0)1 56 57 58 59, Fax: +33 (0)1 56 57 58 60, www.pwc.fr*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-year financial statements do not give a true and fair view of the assets and liabilities and of the financial position of the company as at the end of the semester and of the results of its operations for the six-month period then ended.

## **2. Specific verification**

We have also verified the information given in the half-year management report on the half-year financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the half-year financial statements.

Neuilly-sur-Seine, Octobre 19<sup>th</sup>, 2017

Le commissaire aux comptes  
PricewaterhouseCoopers Audit

Pierre Clavié  
Associé

CERTIFICATE OF THE RESPONSIBLE  
OF THE SEMI-ANNUAL FINANCIAL REPORT

I hereby certify that the condensed interim consolidated semi-annual financial statements are prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, financial situation and the results of the company and of all the undertakings that are included in the consolidated financial statements, and that the accompanying semi-annual report presents fairly the significant events occurred during the first six months of the financial year, their impact on the financial statements, the principal related parties' transactions and a description of the main risks and uncertainties for the remaining six months of the year.

Paris 20<sup>th</sup> September 2017



Oliver Koepke  
President of the Management Board