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AmRest Holdings Spółka Europejska
50-365 Wrocław, pl. Grunwaldzki 25-27

Audit Report
on the year-end financial statements
for the period from 1 January 2017 to 31 December 2017

BDO Sp. z o.o. Sąd Rejonowy dla M. St. Warszawy, XIII Wydział Gospodarczy, KRS: 0000293339, Kapitał zakładowy: 1.000.000 PLN, NIP: 108-000-42-12. Biura regionalne BDO: Katowice 40-007, ul. Uniwersytecka 13, tel.: +48 32 661 06 00, katowice@bdo.pl; Kraków 31-548, al. Pokoju 1, tel.: +48 12 378 69 00, krakow@bdo.pl; Poznań 60-650, ul. Piątkowska 165, tel.: +48 61 622 57 00, poznan@bdo.pl; Wrocław 53-332, ul. Powstańców Śląskich 7a, tel.: +48 71 734 28 00, wroclaw@bdo.pl

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INDEPENDENT AUDITOR'S REPORT
ON THE YEAR-END FINANCIAL STATEMENTS
for the General Meeting and Supervisory Board of
AmRest Holdings Spółka Europejska

We have audited the accompanying year-end financial statements of AmRest Holdings Spółka Europejska [European Company] ("the Company") with its registered office in Wrocław, pl. Grunwaldzki 25-27, consisting of: the year-end separate statement of financial position prepared as at 31 December 2017, the year-end separate profit and loss account, the year-end separate statement of comprehensive income, the year-end separate statement of cash flows and the year-end separate statement of changes in equity for the period from 1 January to 31 December 2017, as well as additional information on significant accounting policies and notes to the financial statements ("the financial statements").

Responsibilities of the Company's Management Board and Supervisory Board for the Financial Statements

The Company's Management Board is responsible for the preparation of the financial statements on the basis of properly kept books of account and for their fair presentation in accordance with International Accounting Standards, International Financial Reporting Standards and the related interpretations announced in the form of European Commission regulations, as well as other binding legal regulations and the Company's Statute. The Company's Management Board is also responsible for such internal controls as it considers necessary to ensure that the financial statements are free from material misstatements resulting from fraud or error.

In accordance with the Accounting Act of 29 September 1994 (2018 Journal of Laws item 395 with subsequent amendments ("the Accounting Act"), the Company's Management Board and members of its Supervisory Board are required to ensure that the financial statements meet the requirements of the Accounting Act.

Responsibilities of the Auditor

Our responsibility was to express an opinion whether the financial statements present truly and fairly the Company's financial position and financial result in accordance with the applicable International Accounting Standards, International Financial Reporting Standards and the related interpretations announced in the form of European Commission regulations, as well as with the accounting methods adopted by the Company.

We performed the audit of the financial statements in accordance with the provisions of:

- 1) the Act of 11 May 2017 on certified auditors, audit firms and on public supervision (2017 Journal of Laws, item 1089) ("the Certified Auditors Act"),
- 2) National Standards on Auditing in the wording of International Standards on Auditing, adopted in Resolution No. 2783/52/2015 passed by the National Council of Certified Auditors on 10 February 2015 with subsequent amendments,
- 3) Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (Official Journal of the EU L 158 of 27 May 2014, page 77 and Official Journal of the EU L 170 of 11 June 2014, page 66) ("Regulation 537/2014").

These regulations require us to comply with ethical requirements and to plan and perform the audit in a manner that allows us to obtain sufficient assurance that the financial statements are free from material misstatements.

The objective of an audit is to obtain sufficient assurance about whether the financial statements as a whole are free from material misstatements due to fraud or error, and to issue an independent auditor's report that includes our opinion. Sufficient assurance is a high level of assurance, but it is not a guarantee that an audit performed in accordance with the above standards will always detect an existing material misstatement. Misstatements can arise from fraud or error and are considered material if it could be reasonably expected that they, individually or in aggregate, could influence the economic decisions of users made on the basis of these financial statements. The risk of not detecting a material misstatement resulting from fraud or other irregularities is higher than the risk of not detecting a material misstatement resulting from error, because fraud may involve collusion, forgery, deliberate omission, misrepresentation or circumvention of internal controls, and may pertain to every area of law and regulations, not just those that have a direct impact on the financial statements.

The audit consisted of performing procedures aimed at obtaining audit evidence on the amounts and information disclosed in the financial statements. We choose the procedures based on our judgement, including an assessment of the risk of material misstatements in the financial statements due to fraud or error. In assessing this risk we consider the internal controls related to the preparation and fair presentation of the financial statements in order to plan our audit procedures, and not to express an opinion on the effectiveness of the Company's internal controls. An audit also includes assessing the appropriateness of the accounting policies used and the reasonableness of the estimates made by the Company's Management, as well as evaluating the overall presentation of the financial statements.

The scope of the audit does not include an assurance regarding the Company's future profitability, or regarding the Management's effectiveness in the handling of the Company's matters now or in the future.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our opinion is consistent with the additional report for the Audit Committee issued on the date of the present audit report.

Independence

During the audit the auditor in charge and the audit firm remained independent of the audited entity in accordance with the provisions of the Certified Auditors Act, Regulation 537/2014 and the ethical standards adopted by the National Council of Certified Auditors.

To the best of our knowledge and belief we declare that we have provided no non-audit services forbidden by the provisions of Article 136 of the Certified Auditors Act and Article 5 point 1 of Regulation 537/2014.

Selection of Auditor

We were selected as the auditor of the Company's financial statements in a resolution passed by the Company's Supervisory Board on 8 June 2017. We have audited the Company's financial statements continually since the financial year ended 31 December 2017; i.e. for one consecutive year.

A handwritten signature in blue ink, consisting of a stylized 'D' followed by a checkmark-like stroke.

Most Significant Types of Risk

In the course of the audit we identified the below described most significant types of risk of material misstatement, including from fraud, and have designed audit procedures appropriate for those types of risk. In cases where we found it appropriate in order to obtain an understanding of an identified risk and of the procedures performed by the auditor, we have also included the most important observations associated with such types of risk.

| RISK OF MATERIAL MISSTATEMENT | PROCEDURES PERFORMED IN RESPONSE TO IDENTIFIED RISK AND MOST SIGNIFICANT OBSERVATIONS RELATED TO SUCH RISKS |
|---|---|
| <p>1 Risk of impairment of interests in subsidiaries</p> <p>In its separate financial statements prepared as at 31 December 2017 the Company lists interests in subsidiaries in the amount of PLN 1.369.850 thousand.</p> <p>The details of the Group's accounting policies on the valuation of shares and performance of impairment tests, as well as the results of the performed tests are presented in points "g" and "j" of information about the Company and significant accounting methods, as well as in Note 2 to the separate financial statements.</p> <hr/> <p>The matter has been classified as a risk of material misstatement due the significant value of shares of subsidiaries in the total value of assets and liabilities and the significant effect of the adopted assumptions on the final result of impairment tests.</p> | <p>As part of our audit procedures we in particular:</p> <ul style="list-style-type: none"> • Obtained an understanding of the methods used by the Company to test shares for impairment. We verified the correctness of the model used and the rationality of the key assumptions adopted, • Analyzed if the rules used to determine the recoverable amount of the shares is consistent with the Group's accounting policies and IFRS, • Performed sensitivity analyses of test results in terms of key assumptions adopted in the tests, which we have critically assessed, • Assessed the impairment tests performed on shares for completeness, • Assessed the correctness and completeness of the disclosures made in the financial statements about the performed tests. |

| RISK OF MATERIAL MISSTATEMENT | PROCEDURES PERFORMED IN RESPONSE TO IDENTIFIED RISK AND MOST SIGNIFICANT OBSERVATIONS RELATED TO SUCH RISKS |
|---|---|
| <p>2 Incentive program of employee share options</p> <p>The Company has share-based incentive programs for the key employees of its subsidiaries and management staff.</p> <p>information about the applied accounting policies and the effect of the programs on the financial statements is presented in, among others, point "m" of information about the Company and significant accounting methods, as well as in Notes 6 and 7 to the separate financial statements.</p> <hr/> <p>The matter has been classified as a risk of material misstatement due to its significant effect on the Company's financial position for the year 2017 and the complexity of the accounting methods relating to incentive programs.</p> | <p>As part of our audit procedures we in particular:</p> <ul style="list-style-type: none"> • Analyzed the terms of the incentive programs, • Assessed the correctness of the applied accounting methods and their consistency with the prior financial year, • Performed detailed tests on a sample of option assignments and option exercises performed in the audited period, • Assessed the accuracy of the main assumptions underlying the valuations of the programs, • Assessed if the disclosures in the financial statements are appropriate and consistent with the information obtained in the course of the audit. |

Opinion

In our opinion, the accompanying year-end financial statements:

- give a true and fair view of the Company's financial position as at 31 December 2017, as well as of its financial result for the period from 1 January to 31 December 2017, in accordance with International Accounting Standards, International Financial Reporting Standards and the related interpretations announced in the form of European Commission regulations, as well as the adopted accounting methods (policies),
- have been prepared on the basis of books of account properly kept in accordance with the provisions of Chapter 2 of the Accounting Act,
- are consistent, in content and in form, with the requirements of the Minister's of finance Decree of 19 February 2009 on the current and periodic information provided by the issuers of securities and on the conditions for recognizing as equally valid the information required by the regulations of a state that is not a member state ("the Decree" - 2014 Journal of Laws, item 133 with subsequent amendments), as well as with other applicable laws and regulations and with the Company's Statute.

Report on Other Legal and Regulatory Requirements

Opinion on the Directors' Report on the Company's Activities

Our opinion on the financial statements does not cover the Directors' Report on the Company's activities.

The Company's Management Board and members of its Supervisory Board are responsible for the preparation of the Directors' Report on the Company's activities in accordance with binding regulations.

In accordance with the requirements of the Certified Auditors Act, our responsibility was to issue an opinion whether the Directors' Report on the Company's activities, with the exception of the "Declaration on non-financial information" section, has been prepared in accordance with binding regulations, and whether it is consistent with the information presented in the year-end financial statements.

It was also our responsibility to report whether, based on our knowledge obtained during the audit about the entity and its environment, we have identified any material misstatements in the Directors' Report on the Company's activities, as well as to indicate the nature of each such misstatement.

In our opinion, the information contained in the Directors' Report on the Company's activities complies with the provisions of Article 49 of the Accounting Act and is consistent with the information presented in the year-end financial statements. Furthermore, based on our knowledge obtained during the audit about the Company and its environment we have identified no material misstatements in the Directors' Report on the Company's activities.

Opinion on the Declaration on the Application of Corporate Governance

The Company's Management Board and members of its Supervisory Board are responsible for the preparation of a declaration on the application of corporate governance in accordance with binding regulations.

In connection with our audit of the financial statements it was our responsibility under the Certified Auditors Act to express an opinion on whether an issuer required to file a declaration on the application of corporate governance, which constitutes a separate section of the Directors' Report on the Company's activities, included in this declaration the information required by legal regulations, and - with respect to certain information indicated in the regulations - to report on whether this information is consistent with the applicable regulations and with the information contained in the financial statements.

In our opinion, the Company's declaration on the application of corporate governance contains the information specified in paragraph 91 section 5 point 4 letters a, b, g, j, k and l of the Minister's of finance Decree of 19 February 2009 on the current and periodic information provided by the issuers of securities and on the conditions for recognizing as equally valid the information required by the regulations of a state that is not a member state (2014 Journal of Laws, item 133 with subsequent amendments). The information indicated in paragraph 91 section 5 point 4 letters c-f, h and i of the Decree contained in the declaration on the application of corporate governance is consistent with the applicable regulations and with the information contained in the financial statements.

Katowice, 8 March 2018

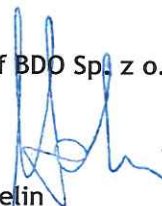
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Auditor in charge:



Rafał Domicz
Certified Auditor
No. 12115

On behalf of BDO Sp. z o.o.:



Dr. André Helin
Managing Partner
Certified Auditor No. 90004