

**AmRest Holdings Spółka Europejska**  
**Independent Registered Auditor's Report**  
**Financial Statements**  
**Report on Company's operations**  
**Registered Auditor's Report on the audit of the financial**  
**statements**  
**For the year from 1 January to 31 December 2016**

**Content:**

**Independent Registered Auditor's Report**

prepared by PricewaterhouseCoopers Sp. z o.o.

**Financial Statements**

prepared by AmRest Holdings Spółka Europejska

**Report on Company's operations**

prepared by Management Board of AmRest Holdings Spółka Europejska

**Registered Auditor's Report on the audit of the financial**  
**statements**

prepared by PricewaterhouseCoopers Sp. z o.o.



*Translation note:*

*This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.*

# **AmRest Holdings Spółka Europejska**

**Registered auditor's report on the audit of the financial statements for the year from 1 January to 31 December 2016**



*Translation note:*

*This version of our report is a translation from the original, which was prepared in Polish language. All possible matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.*

**Registered auditor's report on the audit of the financial statements  
for the year from 1 January to 31 December 2016**

**To the General Shareholders' Meeting and the Supervisory Board of  
AmRest Holdings Spółka Europejska**

**This report contains 7 consecutively numbered pages and consists of:**

	Page
I. General information about the Company .....	1
II. Information about the audit.....	4
III. The Company's results, financial position and significant items of financial statements ..	5
IV. The independent registered auditor's statements.....	7
V. Final information .....	8



*Translation note:*

*This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.*

**AmRest Holdings SE Group**  
**Registered auditor's report on the audit of the consolidated financial**  
**statements for the year from 1 January to 31 December 2016**

---

**I. General information about the Company**

- a. AmRest Holsings Spółka Europejska (“the Company”) has its seat in Wrocław, pl. Grunwaldzki 25-27.
- b. AmRest Holdings Spółka Europejska was established in the Netherlands in October 2000 as joint-stock company. On 19 September 2008, Commercial Chamber in Amsterdam registered the change in the legal status of the Company to a European Company (Societas Europaeae) and of its name to AmRest Holdings Spółka Europejska. On 22 December 2008, the Company was entered in the Register of Businesses maintained by the District Court for Wrocław-Fabryczna VI Business Department of the National Court Register, with the reference number KRS 0000320252. The Court also registered the amendments to the Company’s Articles of Association relating to the Company’s registered office being moved to Poland.
- c. On 16 January 2009 the Company was assigned a tax identification number (NIP) 101-00-02-998 for the purpose of making tax settlements. On 5 January 2009 the Company was assigned a REGON number 020891041 for statistical purposes.
- d. As at 31 December 2016, and at the report signing date, the Company’s share capital amounted to EUR 212,138.93 and consisted of 21,213.893 shares, with a nominal value of EUR 0,01 each. Total equity as at that date was positive and amounted to PLN 836,091 thousand.
- e. As at 31 December 2016, and at the report signing date, the Company’s shareholders were:

<b>Shareholder's name</b>	<b>Number of shares held</b>	<b>Par value of shares held (PLN '000)</b>	<b>Type of shares held</b>	<b>Votes (%)</b>
FCapital Dutch B.V.	13,121,152	442	ordinary	61.85
Nationale-Nederlanden Otwarty Fundusz Emerytalny	2,034,893	68	ordinary	9.60
Gosha Holding S.à.r.l.	1,242,056	42	ordinary	5.85
Others	4,815,792	162	ordinary	22.70
	<b>21,213,893</b>	<b>714</b>		<b>100.00</b>

*Translation note:*

*This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.*

**AmRest Holdings SE Group**  
**Registered auditor's report on the audit of the consolidated financial**  
**statements for the year from 1 January to 31 December 2016**

---

**I. General information about the Company (cont.)**

As at 31 December 2015 the Company's shareholders were:

<b>Shareholder's name</b>	<b>Number of shares held</b>	<b>Par value of shares held (PLN '000)</b>	<b>Type of shares held</b>	<b>Votes (%)</b>
FCapital Dutch B.V. Nationale-Nederlanden	6,726,790	227	ordinary	31.71
Otwarty Fundusz Emerytalny	2,539,429	85	ordinary	11.97
PZU Powszechne Towarzystwo Emerytalne*	2,779,734	94	ordinary	13.10
Aviva Otworthy Fundusz Emerytalny	2,100,000	71	ordinary	9.90
Others	7,067,940	237	ordinary	33.32
	<b>21,213,893</b>	<b>714</b>		<b>100.00</b>

f. In the audited year, the Company engaged mainly in holding operations, having shares in the following subsidiaries:

- AmRest Sp. z o.o. (Poland);
- AmRest s.r.o (Czech Republic);
- AmRest EOOD (Bulgaria);
- AmRest Acquisition Subsidiary, Inc. (USA);
- AmRest HK Limited (China);
- Blue Horizon Hospitality Group PTE Ltd. (China), the entity formed Group, which includes companies located mainly in China;
- AmRest FSVC, LLC (USA).

g. During the year the Management Board of the Company comprised:

- Mark Chandler Board Member;
- Drew O'Malley Board Member;
- Wojciech Mroczyński Board Member;
- Jacek Trybuchowski Board Member;
- Oksana Staniszevska Board Member;
- Olgierd Danielewicz Board Member.

On January 31, 2017 Mr. Jacek Trybuchowski resigned from the function of the member of AmRest Management Board, effective February 1st, 2017

*Translation note:*

*This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.*

**AmRest Holdings Spółka Europejska**  
**Registered auditor's report on the audit of the financial statements**  
**for the year from 1 January to 31 December 2016**

---

**I. General information about the Company (cont.)**

- h. The Company has the following related entities:
- FC Capital Lux (company exercising significant influence on the Company as defined in IAS 28),
  - FCapital Dutch B.V. (immediate parent entity as defined in IFRS 10),
  - Grupo Finaccess SA PL de CV (indirect parent entity as defined in IFRS 10),
  - Grupo Far-Luca, S.A. de CV (ultimate parent entity as defined in IFRS 10),
  - The companies which form the capital groups of parent entities together with their affiliates,
  - Company's key management personnel and entities controlled by members of management and supervisory authorities,
  - Carlos Fernández González (ultimate controlling party).
- i. The Company is an issuer of securities admitted for trading on the Warsaw Stock Exchange. In accordance with the choice of selecting accounting policies permitted by the Accounting Act, the Company has decided to prepare its financial statements in accordance with IFRS as adopted by the European Union as of 2008.
- The decision to prepare the Company's financial statements in accordance with these standards was made by the Company's Management Board on 11 December 2008 and approved by resolution of the Supervisory Board on 12 December 2008.
- j. As the parent company of the Group, the Company has also prepared consolidated financial statements according to IFRS as adopted by the European Union as at 16 March 2017. To better understand the Company's financial position and its results of operations as the Parent Company, the financial statements should be read in conjunction with the consolidated financial statements.

*Translation note:*

*This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.*

**AmRest Holdings SE Group**  
**Registered auditor's report on the audit of the consolidated financial statements for the year from 1 January to 31 December 2016**

---

**II. Information about the audit**

- a. The audit of the financial statements for the year from 1 January to 31 December 2016 was conducted by PricewaterhouseCoopers Sp. z o.o. with its seat in Warsaw, Al. Armii Ludowej 14, registered audit company no. 144. The audit was conducted on behalf of the registered audit company under the supervision of the key registered auditor Katarzyna Ignaszak (no. 11715).
- b. PricewaterhouseCoopers Sp. z o.o. was appointed registered auditor to the Company by Resolution No. 1/02/2015 of the Supervisory Board AmRest Holdings Spółka Europejska dated 23 February 2015 in accordance with paragraph 12 p. 1 d. of the Company's Memorandum of Association.
- c. PricewaterhouseCoopers Sp. z o.o. and the key registered auditor conducting the audit are independent of the audited entity within the meaning of art. 56, clauses 2-4 of the Act dated 7 May 2009 on registered auditors and their self-government, registered audit companies and on public supervision (Journal of Laws of 2016, item 1000 as amended).
- d. The audit was conducted in accordance with an agreement dated June 18, 2015, in the following periods:
  - interim audit from 15 October 2016 to 25 November 2016;
  - final audit from 23 January 2017 to 16 March 2017.
- e. An audit was conducted in accordance with International Standards on Auditing as adopted by the National Council of Certified Auditors as the National Standards on Audit and Assurance with a resolution dated 10 February 2015. The scope of an audit was influenced by an application of materiality. In accordance with these auditing standards, the concept of materiality is applied by the auditor at the planning stage and when conducting the audit as well as to evaluate the effect of misstatements identified and adjusted (if any) on the financial statements, and to form the opinion in the Independent Registered Auditor's Report.

An audit was designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. The misstatements are considered to be material, if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on a professional judgement, the certain quantitative thresholds for materiality were determined and documented, including the overall materiality for the financial statements as a whole. These, together with qualitative considerations, helped to determine the scope of the audit and the nature, timing and extent of the audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole. Therefore, all statements included in the Independent Registered Auditor's Report, including those related to the other legal and regulatory requirements, have been expressed considering the materiality determined in accordance with those auditing standards and the auditor's judgement.

*Translation note:*

*This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.*

**AmRest Holdings Spółka Europejska**  
**Registered auditor's report on the audit of the financial statements**  
**for the year from 1 January to 31 December 2016**

**III. The Company's results, financial position and significant items of financial statements**

**STATEMENT OF FINANCIAL POSITION**  
**as at 31 December 2016 (selected lines)**

	31.12.2016 PLN '000	31.12.2015 PLN '000	Change		Structure	
			PLN '000	(%)	31.12.2016 (%)	31.12.2015 (%)
<b>ASSETS</b>						
Non-current assets	1,072,723	1,065,603	7,120	0.7	94.5	96.4
Current assets	62,735	39,637	23,098	58.3	5.5	3.6
<b>Total assets</b>	<b>1,135,458</b>	<b>1,105,240</b>	<b>30,218</b>	<b>2.7</b>	<b>100.0</b>	<b>100.0</b>
<b>LIABILITIES AND EQUITY</b>						
Equity	836,091	800,728	35,363	4.4	73.7	72.5
Long-term liabilities	291,110	301,113	(10,003)	(3.3)	25.6	27.2
Short-term liabilities	8,257	3,399	4,858	142.9	0.7	0.3
<b>Total liabilities and equity</b>	<b>1,135,458</b>	<b>1,105,240</b>	<b>30,218</b>	<b>2.7</b>	<b>100.0</b>	<b>100.0</b>

**STATEMENT OF COMPREHENSIVE INCOME**  
**for the year from 1 January to 31 December 2016 (selected lines)**

	2016 PLN '000	2015 PLN '000	Change	
			PLN '000	(%)
Administrative expenses	(1,919)	(6,810)	4,891	(71.8)
Other operating income	35,564	13,521	22,043	>100.0
Other operating expenses	(7,829)	(10,919)	3,090	(28.3)
Finance income	32,367	18,148	14,219	78.4
Finance costs	(12,001)	(12,714)	713	(5.6)
<b>Gross profit on sales</b>	<b>46,182</b>	<b>1,226</b>	<b>44,956</b>	<b>&gt;100.0</b>
Income tax expense	(383)	(579)	196	(33.9)
<b>Net profit</b>	<b>45,799</b>	<b>647</b>	<b>45,152</b>	<b>&gt;100.0</b>
Other comprehensive income	-	-	-	-
<b>Total net comprehensive income</b>	<b>45,799</b>	<b>647</b>	<b>45,152</b>	<b>&gt;100.0</b>

*Translation note:*

*This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.*



**AmRest Holdings Spółka Europejska**  
**Registered auditor's report on the audit of the financial statements**  
**for the year from 1 January to 31 December 2016**

---

**III. The Company's results, financial position and significant items of financial statements (cont.)**

The following comments are based on information obtained during the audit of the financial statements.

- At the end of the financial year, the Company's total assets amounted to PLN 1,135,458 thousand. During the year total assets increased by PLN 30,218 thousand, i.e. by 2.7%. This increase was financed mainly by generated net profit of PLN 45,799 thousand, with a simultaneous decrease in long-term trade payables and other liabilities of PLN 10,048 thousand.
- Administrative expenses in 2016 amounted to PLN 1,919 thousand and decreased by PLN 4,891 thousand, i.e. by 71.8%.
- In 2016 other operating income amounted to PLN 35,564 thousand and was a result of settlement of share based payment plan that exists within the Group.
- In 2016 other operating expenses amounted to PLN 7,829 thousand and comprised mainly provisions for accounts receivable and shares.
- In 2016 financial income amounted to PLN 32,367 thousand and comprised mainly dividends received in the amount of PLN 21,750 and financial interest income in the amount of PLN 10,107 thousand. An increase of financial income by PLN 14,219 thousand, i.e. by 78.4% compared to previous financial year was mainly due to an increase in dividends received of PLN 15,444 thousand.
- In 2016 financial costs amounted to PLN 12,001 thousand and comprised mainly financial interest expense of PLN 11,674 thousand.

The financial statements have been prepared on the assumption that the Company will continue in operation as a going concern.

*Translation note:*

*This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.*

**AmRest Holdings Spółka Europejska**  
**Registered auditor's report on the audit of the financial statements**  
**for the year from 1 January to 31 December 2016**

---

**IV. The independent registered auditor's statement**

- a. The Management Board of the Company provided all the information, explanations, and representations requested in the course of the audit and provided a representation letter confirming the completeness of the data included in the accounting records and the disclosure of all contingent liabilities and post balance-sheet events which occurred up to the date on which that letter was signed.
- b. The scope of the audit was not limited.
- c. The financial statements of the Company for the year from 1 January to 31 December 2015 were approved by Resolution No. 4 passed by the General Shareholders' Meeting on 7 June 2016 and filed with the National Court Register in Wrocław in 1 July 2016.
- d. We have assessed the operation of the accounting system. Our assessment covered in particular:
  - the accuracy of the documentation relating to business transactions;
  - the fairness, accuracy and verifiability of the books of account, including computerised books of account;
  - the methods used for controlling access to data and the computerised data processing system;
  - the safeguarding of the accounting documentation, books of account, and financial statements.

This assessment, together with our verification of individual items of the financial statements, provides the basis for expressing an overall and comprehensive opinion on these financial statements. The audit was not intended to provide a comprehensive opinion on the operations of the said system.

- e. The notes to the financial statements present all significant information required by IFRS as adopted by the European Union.
- f. The information in the Report on Company's operations for the year ended 31 December 2016 has been prepared in accordance with the provisions of the Decree of the Minister of Finance dated 19 February 2009 concerning the publication of current and periodic information by issuers of securities and the conditions of acceptance as equal information required by the law of other state, which is not a member state (Journal of Laws of 2014, item 133 as amended) and is consistent with that presented in the financial statements.

*Translation note:*

*This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.*

**AmRest Holdings Spółka Europejska**  
**Registered auditor's report on the audit of the financial statements**  
**for the year from 1 January to 31 December 2016**

---

**V. Final information**

This report has been prepared in connection with our audit of the financial statements of AmRest Holdings Spółka Europejska, pl. Grunwaldzki 25-27, Wrocław. The financial statements were signed by the Company's Management Board on 16 March 2017.

This report should be read in conjunction with the Independent Registered Auditor's Report dated 16 March 2017 to the General Shareholders' Meeting and the Supervisory Board of AmRest Holdings Spółka Europejska, that includes the unqualified audit opinion on the said financial statements. The opinion on the financial statements expresses a general conclusion drawn from the audit and involves assessing the materiality of individual audit findings rather than being a sum of all the evaluations of individual financial statement components. This assessment takes account of the impact of the facts noted on the truth and fairness of the financial statements as a whole.

Person conducting the audit on behalf of PricewaterhouseCoopers Sp. z o.o., Registered Audit Company No. 144:

Katarzyna Ignaszak

Key Registered Auditor  
No. 11715

Wrocław, 16 March 2017



*Translation note:*

*This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes*