

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

Introduction

We have reviewed the interim condensed consolidated financial statements of LPP S.A. Group (the 'Group'), for which the holding company is LPP S.A. (the 'Company') located in Gdańsk at Łąkowa 39/44 St., containing: the interim condensed consolidated statement of financial position as at 30 June 2019, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of cash flows, the interim condensed consolidated statement of changes in equity for the period from 1 January 2019 to 30 June 2019 and other explanatory notes and disclosures to the interim condensed consolidated financial statements (the 'interim condensed consolidated financial statements').

The Company's Management is responsible for the preparation and presentation of the 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 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 National Council of Statutory Auditors. 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 National Council of Statutory Auditors in Poland 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 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 24.1 of the additional information to the attached interim condensed consolidated financial statements, in which the Company's Management informs about the current status of the ongoing tax proceedings in relation to the treatment as tax deductible costs in the CIT settlements of license fees paid for the usage of the 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 those cases on the interim condensed consolidated financial statements of the Company. Taking into account current stage of the ongoing proceedings, we draw attention to the uncertainty connected with the final outcome of those, 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

Marcin Zieliński
certified auditor
no in the register: 10402

on behalf of:
Ernst & Young Audyt Polska spółka
z ograniczoną odpowiedzialnością sp. k.
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Warsaw, 11 September 2019