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CAPITAL GROUP
of which the parent company is
PROCHEM Spółka Akcyjna
ul. Łopuszańska 95
02-457 Warsaw

**Report on review of interim summary consolidated financial
statements**
for the period of 6 months ended on 30 June 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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Report of independent certified auditor on review of interim summary consolidated financial statements for the Shareholders and Supervisory Board of Prochem S.A.

Introduction

We have performed a review of the accompanying interim consolidated financial statements of the Capital Group of Prochem S.A. (hereinafter: "the Group"), whose parent company is Prochem S.A. ("the Company") with registered office in Warsaw at 95 Łopuszańska Street, consisting of:

- the consolidated statement of financial activities as at 30 June 2017;
- the consolidated profit and loss account for the period from 1 January 2017 to 30 June 2017;
- the consolidated total income statement for the period from 1 January 2017 to 30 June 2017;
- the consolidated statement of changes in equity for the period from 1 January 2017 to 30 June 2017;
- the consolidated cash flow statement for the period from 1 January 2017 to 30 June 2017;
- notes to the financial statements.

The parent entity's manager is responsible for the preparation and presentation of the interim summary consolidated financial statements pursuant to the International Accounting Standard No. 34 *Interim Financial Reporting* promulgated as regulations of the European Commission.

Our responsibility is to formulate a conclusion on the interim summary consolidated financial statements on the basis of our review.

Scope of the review

We have performed the review in accordance with the National Auditing Standard 2410 *Review of interim financial information performed by the independent auditor of the entity* in the wording of the International Standard on Review Engagements 2410, adopted by Resolution No. 2783/52/2015 of the National Chamber of Certified Auditors of 10 February 2015 as amended.

The review of interim financial statements consists in directing enquiries mainly to persons responsible for financial and accounting matters, and in carrying out analytical and other review procedures.



The scope of the review is materially narrower compared to an audit carried out in accordance with the National Auditing Standards and the International Standards on Auditing. For this reason, the review is not sufficient to acquire assurance that all material issues that would be identified during an audit have been disclosed. Therefore, we do not formulate an audit opinion on the accompanying interim summary consolidated financial statements.

Conclusion

Based on our review we conclude that we have identified nothing to suggest that the accompanying interim summary consolidated financial statements fail, in all material aspects, to give a true and fair view of the Group's property and financial position as at 30 June 2017 and its financial result and cash flows for the period from 1 January to 30 June 2017 pursuant to IAS 34.

Supplementary explanations

Making no reservations, we wish to point to the issues presented in Notes 7 and 28 to the accompanying interim consolidated financial statements. The Capital Group of Prochem S.A. recognized its receivables from PERN S.A. on account of security deposits of the book value of PLN 17,364 thousand, which are the subject matter of a litigation relating to settlement of a contract for construction of "Pipeline route ST-1 Adamowo-Baza Surowca Plebanka". The final outcome of the litigation is not known.

Warsaw, 31 August 2017

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Authorized Audit Company No. 3355

Auditor in charge:

Artur Staniszewski
Audit Partner
Certified Auditor No. 9841

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

André Helin, PhD
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