



MCI.TechVentures 1.0 sub-fund  
of MCI.PrivateVentures  
Fundusz Inwestycyjny Zamknięty  
**Opinion and Report**  
**of the Independent Auditor**  
**Financial Year ended**  
**31 December 2016**

**OPINION OF THE INDEPENDENT AUDITOR**



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## **OPINION OF THE INDEPENDENT AUDITOR**

*To the Investors' Meeting of MCI.PrivateVentures Fundusz Inwestycyjny Zamknięty*

### **Opinion on the Financial Statements**

We have audited the accompanying separate financial statements of MCI.TechVentures 1.0 sub-fund of MCI.PrivateVentures Fundusz Inwestycyjny Zamknięty, with its registered office in Warsaw, Plac Europejski 1 ("the Sub-fund"), which comprise: the statement of investment portfolio and the balance sheet as at 31 December 2016, the statement of operating result, the statement of changes in net assets and the cash flow statement for the year then ended and explanatory notes and additional information.

#### *Management's and Supervisory Board's Responsibility for the Separate Financial Statements*

Management of the MCI Capital Towarzystwo Funduszy Inwestycyjnych S.A. ("the Company") is responsible for the preparation, on the basis of properly maintained accounting records, of separate financial statements that give a true and fair view in accordance with the Accounting Act dated 29 September 1994 (Official Journal from 2016, item 1047 with amendments) ("the Accounting Act") and related bylaws, and other applicable regulations. Management of the Company is also responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

According to the Accounting Act, Management of the Company and members of the Supervisory Board are required to ensure that the separate financial statements are in compliance with requirements set forth in the Accounting Act.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with section 7 of the Accounting Act and International Standards on Auditing as adopted by the resolution dated 10 February 2015 of the National Council of Certified Auditors as National Standards on Assurance. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of separate financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management of the Company, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Opinion*

In our opinion, the accompanying separate financial statements of MCI.TechVentures 1.0 sub-fund of MCI.PrivateVentures Fundusz Inwestycyjny Zamknięty:

- give a true and fair view of the financial position of the Sub-fund as at 31 December 2016 and of its financial performance and its cash flows for the year then ended in accordance with the accounting principles applicable to the territory of the Republic of Poland as set out in the Accounting Act and related bylaws;
- comply, in all material respects, with applicable regulations and the provisions of the Sub-fund's articles of association that apply to the Fund's financial statements; and
- have been prepared from accounting records that, in all material respects, have been properly maintained.

On behalf of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k  
Registration No. 3546  
ul. Inflancka 4A  
00-189 Warsaw

*Signed on the Polish original*

.....  
Mariola Szczesiak  
Key Certified Auditor  
Registration No. 9794  
Limited Liability Partner  
with power of attorney

14 March 2017

**REPORT OF THE INDEPENDENT AUDITOR**



MCI.TechVentures 1.0 sub-fund  
of MCI.PrivateVentures  
Fundusz Inwestycyjny Zamknięty

**Report on the audit  
of the separate financial statements**

**Financial Year ended**

**31 December 2016**



**MCI.TechVentures 1.0 sub-fund of MCI.PrivateVentures Fundusz Inwestycyjny Zamknięty**

The report on the audit of the separate financial statements  
for the financial year ended 31 December 2016

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## **1. General**

### **1.1. General information about the Sub-fund**

#### **1.1.1. Sub-fund's name**

MCI.TechVentures 1.0

#### **1.1.2. Legal status of the Sub-fund**

MCI.TechVentures 1.0 is a Sub-fund of MCI.PrivateVentures Fundusz Inwestycyjny Zamknięty

MCI.TechVentures 1.0 (hereafter referred to as the Sub-fund) is not a legal entity.

The Sub-fund has been established for an indefinite period.

### **1.2. General information about the Fund**

#### **1.2.1. Fund name**

MCI.PrivateVentures Fundusz Inwestycyjny Zamknięty

The Fund is also entitled to use abbreviated name MCI.PrivateVentures FIZ (hereafter "the Fund").

#### **1.2.2. Registered office**

Plac Europejski 1  
00-844 Warsaw

#### **1.2.3. Registration in the Register of Investment Funds**

Registration court:	District Court in Warsaw, VII Civil and Register Department
Date:	7 January 2008
Registration number:	RFi 347

### **1.3. General information on the Company managing the Fund**

#### **1.3.1. Legal status of the Company**

The Fund is managed by MCI Capital Towarzystwo Funduszy Inwestycyjnych S.A. (hereafter "the Company") seated in Warsaw, Plac Europejski 1.

The Company conducts activities based on the Polish Financial Supervision Authority decision No. DFL/4030/29/12/07/V/KNF/44-1/AG dated 3 July 2007.

According to the Company's statute, the Company has been established for an indefinite period.





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### 1.3.2. Registration in the National Court Register

Registration court: District Court for the Capital City of Warsaw in Warsaw,  
XII Commercial Department of the National Court Register  
Date: 4 September 2006  
Registration number: KRS 0000263112  
Share capital as at  
the balance sheet date: PLN 21 125 000,00

### 1.3.3. Management of the Company

The Management Board is responsible for management of the Company.

At 31 December 2016, the Management Board of the Company was comprised of the following members:

- Cezary Smorszczewski – President of the Management Board,
- Tomasz Czechowicz – Vice President of the Management Board,
- Sylwester Janik – Member of the Management Board,
- Tomasz Danis – Member of the Management Board,
- Ewa Ogryczak – Member of the Management Board,
- Krzysztof Konopiński – Member of the Management Board.

According to the resolution of the Management Board dated 7 July 2016 Mr. Krzysztof Konopiński was appointed to the position of Member of the Management Board.

## 1.4. Key Certified Auditor and Audit Firm Information

### 1.4.1 Key Certified Auditor information

Name and surname: Mariola Szczesiak  
Registration number: 9794

### 1.4.2 Audit Firm information

Name: KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.  
Address of registered office: ul. Inflancka 4A, 00-189 Warsaw  
Registration number: KRS 0000339379  
Registration court: District Court for the Capital City of Warsaw in Warsaw,  
XII Commercial Department of the National Court Register  
NIP number: 527-26-15-362

KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. is entered into the register of audit firms, maintained by the National Council of Certified Auditors, under number 3546.

## 1.5. Prior period financial statements

The separate financial statements of the Sub-fund for the financial year ended 31 December 2016 were audited by KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. and received an unmodified opinion.



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The aggregated financial statements of MCI.PrivateVentures Fundusz Inwestycyjny Zamknięty, together with the Sub-funds' separate financial statements of Sub-funds separated from MCI.PrivateVentures Fundusz Inwestycyjny Zamknięty were approved at the Investors' Meeting on 28 April 2016.

The aggregated financial statements of MCI.PrivateVentures Fundusz Inwestycyjny Zamknięty together with the Sub-funds' separate financial statements of Sub-funds separated from MCI.PrivateVentures Fundusz Inwestycyjny Zamknięty were submitted to the Registration Court on 29 April 2016.

## **1.6. Audit scope and responsibilities**

The separate financial statements have been audited in accordance with the contract dated 13 July 2015. The resolution of the Supervisory Board on the appointment of the auditor was taken on 7 July 2016.

We conducted our audit in accordance with section 7 of the Accounting Act dated 29 September 1994 (Official Journal from 2016, item 1047 with amendments) ("the Accounting Act") and International Standards on Auditing as adopted by the resolution dated 10 February 2015 of the National Council of Certified Auditors as National Standards on Assurance.

We audited the separate financial statements at the Fund during the period from 20 February to 10 March 2017.

Management of the Company is responsible for preparation, on the basis of properly maintained accounting records, of separate financial statements that give a true and fair view in accordance with the Accounting Act and related bylaws, and other applicable regulations.

Our responsibility is to express an opinion and to prepare a report on the audit of the separate financial statements based on our audit.

Management of the Company submitted a statement, dated as at the same date as this report, as to the preparation of the separate financial statements that give a true and fair view, which confirmed that there were no undisclosed matters, which could significantly influence the information presented in the separate financial statements.

All required statements, explanations and information were provided to us by Management of the Company and all our requests for additional documents and information necessary for expressing our opinion and preparing the report have been fulfilled.

The scope of the work planned and performed has not been limited in any way. The method and scope of our audit is detailed in working papers prepared by us and retained in the offices of the Audit Firm.

The Key Certified Auditor and the Audit Firm are independent of the audited Sub-fund, Fund and the Company in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants' as adopted by the resolution of National Council of Certified Auditors dated 13 June 2011 ("IESBA Code") and the impartiality and independence requirements as described in Art. 56 points 3 and 4 of the Act on Certified Auditors and Their Self-Governance, Audit Firms authorized to Audit Financial Statements and Public Oversight dated 7 May 2009 (Official Journal from 2016, item 1000) and have fulfilled other ethical responsibilities in accordance with these regulations and the IESBA Code.



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## 2. Financial analysis of the Sub - fund

### 2.1. Summary analysis of the separate financial statements

#### 2.1.1. Balance sheet

	31.12.2016	31.12.2015
	PLN '000	PLN '000
<b>Assets</b>	<b>1,024,674</b>	<b>1,020,041</b>
Cash and cash equivalents	2,120	29,463
Receivables	138,125	100,178
Investment components quoted on an active market	55,950	61,074
Investment components not quoted on an active market	828,240	829,110
Other assets	239	216
<b>Liabilities</b>	<b>34,426</b>	<b>80,105</b>
<b>Net Assets</b>	<b>990,248</b>	<b>939,936</b>
<b>Sub-fund capital</b>	<b>696,091</b>	<b>617,821</b>
Capital paid in	830,696	675,486
Capital paid out	(134,605)	(57,665)
<b>Retained income</b>	<b>160,766</b>	<b>(479)</b>
Accumulated, net undistributed income from investments	(151,264)	(119,052)
Accumulated, undistributed realised profits/(losses) on the sale of investments	323,727	118,573
<b>Increase/(decrease) in the value of investments in relation to purchase price</b>	<b>133,391</b>	<b>322,594</b>
<b>Sub-fund capital and accumulated operating results</b>	<b>990,248</b>	<b>939,936</b>
Number of registered investment certificates	4,752,071	4,447,948
Net asset value per investment certificate (PLN)	210.84	211.32
Anticipated number of investment certificates	4,750,621	4,566,076
Diluted net asset value per investment certificate (PLN)	208.45	212.14
Number of investment certificates, broken down into certificate series		
series A	760,826	760,826
series B	35,328	35,328
series C	508,856	508,856
series D	210,027	210,027
series E	147,337	147,337
series H	25,060	25,060
series I	17,506	17,506
series J	11,610	11,610
series K	9,791	9,791
series L	8,641	8,641
series M	17,394	18,394
series N	34,849	42,257
series O	43,950	50,021
series P	85,711	85,711
series R	24,896	26,534
series S	26,527	28,232
series T	28,933	32,482
series U	29,388	37,950
series W	14,546	23,120
series Y	51,881	63,236
series Z	12,911	48,742
series A1	1,022,680	1,022,680



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series B1	19,390	26,101
series C1	3,169	3,169
series D1	39,207	59,924
series E1	-	7,687
series F1	123,941	177,396
series G1	105,069	136,454
series H1	75,030	94,204
series I1	86,957	105,257
series J1	150,507	164,696
series K1	71,439	94,329
series L1	38,206	41,524
series M1	15,199	18,147
series N1	92,632	107,595
series O1	93,926	102,689
series P1	90,860	94,435
series R1	31,569	-
series S1	81,698	-
series T1	172,179	-
series U1	35,667	-
series W1	70,224	-
series Y1	38,321	-
series Z1	90,671	-
series A2	49,199	-
series B2	29,588	-
series C2	9,456	-
series D2	2,947	-
series E2	6,372	-
Net asset value per investment certificate (PLN)		
series A	206.64	211.05
series B	206.64	211.05
series C	206.64	211.05
series D	206.64	211.05
series E	204.73	211.02
series H	191.43	198.27
series I	191.43	198.27
series J	207.45	214.34
series K	172.90	179.08
series L	194.82	201.79
series M	196.78	203.35
series N	214.20	221.97
series O	215.68	222.65
series P	226.94	233.91
series R	224.11	231.44
series S	224.20	231.66
series T	218.73	226.62
series U	220.29	228.33
series W	217.79	225.88
series Y	215.79	223.63
series Z	221.14	230.25
series A1	171.52	173.17
series B1	220.89	228.97
series C1	223.27	231.25
series D1	224.05	232.34
series E1	-	235.37



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series F1	228.10	236.48
series G1	226.72	234.98
series H1	229.30	237.65
series I1	230.89	239.26
series J1	231.09	239.41
series K1	232.70	241.21
series L1	232.53	240.89
series M1	232.10	240.51
series N1	232.48	240.89
series O1	232.52	240.89
series P1	231.71	240.78
series R1	229.39	-
series S1	234.51	-
series T1	234.49	-
series U1	231.64	-
series W1	234.95	-
series Y1	234.51	-
series Z1	234.87	-
series A2	234.45	-
series B2	237.29	-
series C2	236.05	-
series D2	235.12	-
series E2	252.71	-

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**MCI.TechVentures 1.0 sub-fund of MCI.PrivateVentures Fundusz Inwestycyjny Zamknięty**

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**2.1.2. Statement of operating result**

	1.01.2016 - 31.12.2016 PLN '000	1.01.2015 - 31.12.2015 PLN '000
<b>Income from investments</b>	<b>4,678</b>	<b>3,424</b>
Dividends and other shares in profits	61	1,328
Interest income	2,786	1,958
Foreign exchange gains	1,333	-
Others	498	138
<b>Sub-fund expenses</b>	<b>36,890</b>	<b>53,615</b>
Management company remuneration	23,572	40,399
Depository fees	156	81
Fees associated with the register of the sub-fund's assets	307	295
Fees for permits and registration	302	413
Accounting services	96	147
Legal services	5,644	3,742
Interest expenses	1,910	542
Foreign exchange losses	-	1,047
Others, including:	4,903	6,949
remuneration under contracts loan guarantees	840	346
remuneration for Helix Ventures FIZ (Mediasoft Sp. z o.o.)	-	5,364
remuneration for the finalization sales transaction of Mediasoft Sp. z o.o.	-	1,223
<b>Expenses covered by the management company</b>	<b>-</b>	<b>-</b>
<b>Sub-fund net expenses</b>	<b>36,890</b>	<b>53,615</b>
<b>Net Income from investments</b>	<b>(32,212)</b>	<b>(50,191)</b>
<b>Realised and unrealised profits/(losses)</b>	<b>4,254</b>	<b>157,210</b>
Realised profits/(losses) on the sale of investments, including:	193,457	29,724
— foreign exchange differences	(40)	(730)
Increase/(decrease) in unrealised profits/ (losses) from investment revaluation including:	(189,203)	127,486
— foreign exchange differences	12,844	11,511
<b>Operating result</b>	<b>(27,958)</b>	<b>107,019</b>
Operating result per investment certificate (PLN)	(5.88)	24.06
series A	(6.46)	26.76
series B	(6.46)	26.76
series C	(6.46)	26.76
series D	(6.46)	26.76
series E	(6.40)	26.76
series H	(5.98)	25.14
series I	(5.98)	25.14
series J	(6.49)	27.18
series K	(5.41)	22.71
series L	(6.09)	25.59
series M	(6.15)	25.79
series N	(6.70)	28.15
series O	(6.74)	28.23
series P	(7.09)	29.66
series R	(7.01)	29.35
series S	(7.01)	29.38



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series T	(6.84)	28.74
series U	(6.89)	28.95
series W	(6.81)	28.64
series Y	(6.75)	28.36
series Z	(6.91)	29.20
series A1	(2.43)	10.06
series B1	(6.91)	29.04
series C1	(6.98)	29.32
series D1	(7.00)	29.46
series E1	-	29.85
series F1	(7.13)	29.99
series G1	(7.09)	29.80
series H1	(7.17)	30.14
series I1	(7.22)	30.34
series J1	(7.22)	30.36
series K1	(7.27)	30.59
series L1	(7.27)	30.55
series M1	(7.26)	30.50
series N1	(7.27)	30.55
series O1	(7.27)	30.55
series P1	(7.24)	30.53
series R1	(7.17)	-
series S1	(7.33)	-
series T1	(7.33)	-
series U1	(7.24)	-
series W1	(7.35)	-
series Y1	(7.33)	-
series Z1	(7.34)	-
series A2	(7.33)	-
series B2	(7.42)	-
series C2	(7.38)	-
series D2	(7.35)	-
series E2	(7.90)	-
Diluted operating result per investment certificate (PLN)	(5.88)	23.44



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**2.2. Selected financial ratios**

	2016	2015	2014
Investment Portfolio (PLN '000)	884,190	890,184	548,799
Sub-fund net assets value (PLN '000)	990,248	939,936	710,794
Sub-fund net assets value per investment certificate (PLN)	210.84	211.32	181.08
Operating result (PLN '000)	(27,958)	107,019	59,468
Fund net expenses / Average Subfund net assets in the reporting period (%)*	4%	6%	3%
Change in the value of investment certificate (%) (for particular certificate series)**			
series A	-2%	18%	15%
series B	-2%	18%	15%
series C	-2%	18%	15%
series D	-2%	18%	15%
series E	-3%	18%	15%
series H	-3%	15%	14%
series I	-3%	15%	14%
series J	-3%	17%	15%
series K	-3%	17%	15%
series L	-3%	17%	15%
series M	-3%	17%	15%
series N	-4%	17%	15%
series O	-3%	17%	11%
series P	-3%	18%	15%
series R	-3%	17%	14%
series S	-3%	17%	15%
series T	-3%	17%	13%
series U	-4%	17%	14%
series W	-4%	16%	15%
series Y	-4%	17%	10%
series Z	-4%	17%	17%
series A1	-1%	4%	-
series B1	-4%	16%	13%
series C1	-3%	17%	10%
series D1	-4%	17%	11%
series E1	-	16%	4%
series F1	-4%	17%	3%
series G1	-4%	17%	1%
series H1	-4%	17%	2%
series I1	-3%	18%	-
series J1	-3%	2%	-
series K1	-4%	3%	-
series L1	-3%	3%	-
series M1	-3%	3%	-
series N1	-3%	2%	-
series O1	-3%	1%	-
series P1	-4%	-	-
series R1	-4%	-	-
series S1	-4%	-	-
series T1	-4%	-	-
series U1	-5%	-	-





**MCI.TechVentures 1.0 sub-fund of MCI.PrivateVentures Fundusz Inwestycyjny Zamknięty**

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series W1	-5%	-	-
series Y1	-6%	-	-
series Z1	-7%	-	-
series A2	-7%	-	-
series B2	-6%	-	-
series C2	-7%	-	-
series D2	-8%	-	-
series E2	-2%	-	-

\* Average Fund net assets in the reporting periods is calculated as an average of net assets on each official valuation date.

\*\*Changes are annualized. If the period does not equal 12 months, the changes are presented in comparison to the issuing value.



***MCI.TechVentures 1.0 sub-fund of MCI.PrivateVentures Fundusz Inwestycyjny Zamknięty***

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for the financial year ended 31 December 2016

*TRANSLATION*

### **3. Detailed report**

#### **3.1. Accounting system**

The Sub-fund maintains current documentation describing the applied accounting principles adopted by the Management Board of the Company to the extent required by article 10 of the Accounting Act and the Decree of the Minister of Finance dated 24 December 2007 on the specific accounting principles for investment funds (Official Journal from 2007 No. 249, item 1859) ("Decree").

On the basis of the work performed, we have not identified any material irregularities in the accounting system which have not been corrected and that could have a material effect on the separate financial statements. Our audit was not conducted for the purpose of expressing a comprehensive opinion on the operation of the accounting system.

On behalf of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k  
Registration No. 3546  
ul. Inflancka 4A  
00-189 Warsaw

*Signed on the Polish original*

.....  
Mariola Szczesiak  
Key Certified Auditor  
Registration No. 9794  
Limited Liability Partner  
with power of attorney

14 March 2017

**SEPARATE ANNUAL FINANCIAL STATEMENTS OF THE MCI.TECHVENTURES 1.0 SUBFUND  
MCI.PRIVATEVENTURES CLOSED-END INVESTMENT FUND  
FOR THE PERIOD FROM 1 JANUARY 2016 TO 31 DECEMBER 2016**



In accordance with article 52 clause 2 of the Accounting Act of 29 September 1994 (Journal of Laws of 2016, item 1047, as amended) and Regulation of the Minister of Finance of 24 December 2007 on the specific accounting principles for investment funds (Journal of Laws of 2007 No 249, item 1859, as amended), the Management Board of MCI Capital Towarzystwo Funduszy Inwestycyjnych S.A. would like to present the separate annual financial statements of the MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund, comprising:

- A. introduction to the separate annual financial statements;**
- B. statement of investments with the total value of PLN 881,881 thousand, as at 31 December 2016, with supplementary and additional tables;**
- C. balance sheet as at 31 December 2016, showing net assets of PLN 1,001,945 thousand;**
- D. statement of operations for the period from 1 January 2016 to 31 December 2016, presenting a negative result of operations of PLN 16,261 thousand;**
- E. statement of changes in net assets;**
- F. cash flow statement;**
- G. explanatory notes;**
- H. supplementary information.**

The following documents are also enclosed to the separate annual financial statements of the MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund:

- I. Statement of the Depositary.**
- II. Opinion and the supplementary report of the independent statutory auditor.**

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**On behalf of MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund – MCI Capital Towarzystwo Funduszy Inwestycyjnych S.A. represented by:**

Tomasz Czechowicz  
President of the Management Board

Sylwester Janik

Board Member

Tomasz Danis  
Board Member

Ewa Ogryczak  
Board Member

Krzysztof Konopiński  
Board Member

Maciej Kowalski  
Board Member

**On behalf of the entity responsible for keeping accounting records and drawing up the financial statements – PKO BP Finat Sp. z o.o.:**

Marcin Kosiński  
Vice President of the Management Board

Anna Marcinkowska  
Holder of a commercial power of attorney

PKO BP Finat Sp. z o.o.

PKO BP Finat Sp. z o.o.

Warsaw, 14 March 2017

**A. Introduction to the separate annual financial statements of the MCI.TechVentures 1.0 Subfund separated within the MCI.PrivateVentures Closed-End Investment Fund**

**1. Name of the Subfund**

MCI.PrivateVentures Closed-End Investment fund (hereinafter: "Fund") is a closed-end investment fund of non-public assets with separated Subfunds: MCI.EuroVentures 1.0. and MCI.TechVentures 1.0 (hereinafter: "Subfund"). The Fund was entered into the register of investment funds with the number RFI 347. The Fund was registered on 7 January 2008 r. The first valuation took place on 14 January 2008.

The Fund is a closed-end investment fund of non-public assets within the meaning of the Act of 27 May 2004 on investment funds and management of alternative investment funds (Journal of Laws of 2016, item 1896, as amended), hereinafter referred to as the "Act." The Fund was established for an indefinite period.

Legal basis of activities

The Fund is a closed-end investment fund issuing only investment certificates that will not be offered within the framework of a public offering, admitted to trading on a regulated market or introduced to an alternative trading system. The Fund is not a public closed-end investment fund referred to in Article 2 point 39 of the Act.

The Fund has been organised and operates in keeping with the principles set in the aforementioned Act and the Articles of Association bestowed by MCI Capital Towarzystwo Funduszy Inwestycyjnych S.A.

The registered office and address of the Fund is the same as the registered office and address of the Company: pl. Europejski 1, 00-844 Warszawa.

Registration with the Commercial Court

The MCI.TechVentures 1.0 Subfund separated within the framework of the MCI.PrivateVentures Closed-End Investment Fund was entered into the Register of Investment funds kept by the District Court in Warsaw, 7th Civil and Registry Division, with the number RFI 347, on 7 January 2008. The first valuation took place on 14 January 2008.

The Fund acquired legal personality upon entering the Fund into the Register of Investment Funds.

Articles of Association of the Fund

The Articles of Association of the Fund were bestowed by MCI Capital Towarzystwo Funduszy Inwestycyjnych S.A.

The Articles of Association were approved by the Polish Financial Supervision Authority.

The last amendments pertaining to the MCI.TechVentures 1.0. Subfund took place on 6 December 2016 and pertained to terms and conditions of the fifty first issue of Investment Certificates series E2, related to this Subfund. After the balance sheet date, the last amendments to the Articles of Association took place on 15 February 2017 and pertained to terms and conditions of the fifty second issue of Investment Certificates series F2, related to this Subfund.

Until the date of drawing up these statements, Investment Certificates series F2 were not allocated.

The Articles of Association specify the objective and principles for the functioning of the Fund, rights and obligations of the Fund Participants, as well as rights and obligations of MCI Capital Towarzystwo Funduszy Inwestycyjnych S.A.

**2. Company managing the Fund**

The Fund (including the Subfund) is managed by MCI Capital Towarzystwo Funduszy Inwestycyjnych S.A., with its registered office in Warsaw, pl. Europejski 1 (entered into the register of entrepreneurs kept by the District Court for the capital city of Warsaw, 12th Commercial Division of the National Court Register with the number KRS 263112), hereinafter referred to as the "Company."

The Company mandated PEM Asset Management Sp. z o.o. (formerly: MCI Asset Management Sp. z o.o. Sp. j.), with its registered office at ul. Rondo Organizacji Narodów Zjednoczonych 1, 00-124 Warszawa, with the management of the investment portfolio of the Fund.

In accordance with the agreement on sale of MCI Asset Management Sp. z o.o. Sp. j. to PEM Asset Management Sp. z o.o. of 29 October 2015, the management entity changed. At present, the Subfund is managed by PEM Asset Management Sp. z o.o.

**3. Investment objective of the Subfund**

The objective of the Subfund is to increase the value of assets of the Subfund as a result of a growth of the value of investments. The Subfund does not guarantee that the investment objective will be achieved.

The Subfund shall endeavour to achieve the investment objective primarily by purchasing and acquiring shares in non-public companies.

#### **4. Principles of the investment policy of the Subfund, criteria for the selection of investment and main investment limitations**

1. The Subfund shall invest the Assets in:
  - 1) securities;
  - 2) debt, except for debt to natural persons;
  - 3) shares in limited liability companies;
  - 4) Money Market Instruments;
  - 5) currencies;
  - 6) derivatives, including non-standardised derivatives, provided that they are transferable; and
  - 7) bank deposits;
  - 8) units and investment certificates of investment funds having their registered offices on the territory of the Republic of Poland, and participation titles issued by undertakings for collective investments having their registered offices abroad.
2. The Subfund shall invest no less than 80% of the value of the Assets of the Subfund in assets other than:
  - 1) the ones subject to a public offering, unless the securities became subject to a public offering after their acquisition by the Subfund;
  - 2) securities admitted to trading on a regulated market, unless the securities were admitted to trading on a regulated market after their acquisition by the Subfund;
  - 3) Money Market Instruments, unless they were issued by non-public companies, whose shares make up the investment portfolio of the Subfund.
3. Main criteria for the selection of investments referred to in point 1 shall include:
  - 1) macroeconomic analysis, assessment of market trend, economic growth pace, and the analysis of investment risk on the level of particular countries and industries;
  - 2) fundamental analysis as a basis for valuation and selection of companies to the portfolio, in particular the analysis of historical and forecast financial results, taking into account valuation of assets, as well as the analysis of the company's business plan. Other key elements of the analysis shall include the evaluation of: products offered by the particular company, its management staff, market position, distribution network, development perspectives, including cross-border perspectives, potential industry consolidation;

- 3) legal and tax analysis of the companies and their environment aimed at identifying and mitigating investment risk;
  - 4) the Subfund shall search for investments with above-average growth potential during the period of 3-7 years.
4. The main criterion for the selection of investment other than listed in point 1, shall be their liquidity, taking into account the following provisions.
  5. When selecting investments in Money Market Instruments and debt securities, the Subfund shall take into account the following criteria:
    - 1) degree of risk of a drop in the market value of Money Market Instruments and securities;
    - 2) MoneyMarket Instruments and securities growth potential;
    - 3) current and forecast level of market interest rates and the inflation rate;
    - 4) liquidity risk level of Money Market Instruments and securities, and volatility of their prices.
  6. When selecting investments in deposits, the Subfund shall take into account the following criteria:
    - 1) liquidity risk level of the investment;
    - 2) level of the interest rate on the investment vs. its maturity;
    - 3) current and forecast level of market interest rate and the inflation rate.
  7. The main criterion for the selection of investments in currencies shall be the analysis of FX risk related to investments, the income or prices of which will be indexed to a foreign currency. The Subfund will endeavour to mitigate such a risk by investing in foreign currencies.
  8. The main criterion for the selection of investments in case of units and investment certificates of investment funds, as well as participation titles issued by undertakings for collective investments with their registered offices abroad shall include: assessment of results of investment funds and undertakings for collective investments carried out based on ratios used to analyse results, taking into account maximisation of the rate of return, while maintaining the security of the investment, assessment of the risk of lack of liquidity of the investment in units or investment certificates, the level of fees collected from participants of the Subfund.

#### **5. Rules governing diversification of investments of the Subfund**

1. Securities or Money Market Instruments issued by a single entity, debt to this entity and shares in this entity shall not exceed 20% of the Assets of the Subfund, subject to point 2.
  - 1a. Units or certificates of a single investment fund or participation titles issued by a single undertaking for collective investments with its registered office abroad shall not exceed 50% of the value of Assets of the Subfund.

- 1b. The Subfund can acquire units in other investment funds managed by the Company, and certificates of another closed-end investment fund managed by the Company, whereas certificates of another closed-end investment fund managed by the Company shall not exceed 20% of the value of Assets of the Subfund and cannot be acquired within the framework of the first issue of securities of this fund.
2. Limitations referred to in point 1 shall not apply to securities issued or guaranteed by the State Treasury, National Bank of Poland, OECD countries and international financial institutions, the members of which include the Republic of Poland or at least one of OECD countries.
  3. Foreign currency of a single country shall not exceed 20% of the value of Assets of the Subfund.
  4. EUR shall not exceed 20% of the of value of Assets of the Subfund.
  5. Mortgage bonds issued by a single mortgage bank shall not exceed 25% of the of value of Assets of the Subfund.
  6. The Subfund shall maintain part of its Assets on bank accounts, within the scope necessary to satisfy current liabilities of the Subfund.
  7. Deposits in a single national bank, foreign bank or a credit institution shall not exceed 20% of the of value of Assets of the Subfund.
  8. The Subfund may invest in money market instruments denominated in foreign currencies, including foreign Money Market Instruments.
    - 8a. Total investments in Money Market Instruments and debt securities issued, guaranteed or secured by the State Treasury or the National Bank of Poland, shall not exceed 80% of the Value of Assets that are not investments referred to in Article 43 section 1 points 1)-3) as well as 6) and 8) of the Fund's Articles of Association.
  9. The Subfund may incur, only at banks, loans and borrowings the total value of which shall not exceed 75% of the Net Asset Value of the Subfund, upon incurring these loans and borrowings. The Fund, on account of the Subfund, can issue bonds the value of which shall not exceed 15% of the Net Asset Value of the Subfund as at the day preceding the day on which the Meeting of Investors passes the resolution on the issue of bonds. In case of issuing bonds by the Fund, the total value of loans, borrowings and bonds issued shall not exceed 75% of the Net Asset Value of the Fund.
  10. The Subfund may, having due regard to its investment objective:
    - 1) grant cash loans of up to 50% of the value of the Subfund's Assets, provided that any cash loan granted to a single entity shall not exceed 20% of the value of the Subfund's Assets;
    - 2) issue warranties and/or guarantees of up to 50% of the value of the Subfund's assets, provided that the amount of the warranty and/or guarantee for the liabilities of a single entity shall not exceed 20% of the value of the Subfund's Assets.
  11. The Subfund shall grant loans and issue warranties and/or guarantees on the following terms:
    - 1) loans, warranties and/or guarantees shall be granted or issued to entities, whose shares make up the investment portfolio, or when the Subfund intends to purchase the shares, and granting a loan or issuing a warranty and/or guarantee arises from the structure of the transaction involving the acquisition of shares, including by the intent to purchase shares as a result of the debt to equity conversion;
    - 2) taking into account point 4 if the Subfund concludes that establishing a collateral is necessary, the following types of collaterals of loans, warranties and/or guarantees granted or issued by the Subfund may be used:
      - a) pledge on shares;
      - b) mortgage;
      - c) assignment of debt, including future debt;
      - d) guarantees and warranties of third parties;
      - e) securities blocking;
    - 3) the value of the collateral shall equal at least:
      - a) in case of a loan – 50% of the cash loan value on each Subfund's Asset Valuation Day until the day on which the lent securities are returned;
      - b) in case of a warranty or guarantee – 50% of the value of the warranty or guarantee issued on each Subfund's Asset Valuation Day until the day on which the warranty or guarantee expires.
    - 4) The Subfund cannot require providing a collateral for loans, warranties or guarantees granted or issued by the Subfund if the following conditions are jointly met:
      - a) the situation of the entity guarantees that this entity will satisfy its obligations to the Subfund;
      - b) creditworthiness of the entity is on a high level;
      - c) the transaction partner is reliable;
    - 5) a loan, warranty or guarantee can be granted or issued for the period of up to 36 months;
    - 6) the loan repayment terms shall be regulated in detail by the loan agreement, specifying whether the principal together with interest will be repaid in instalments or on a one-off basis on the maturity date.
  12. When applying investment limits referred to in sections 1, 3, 4, the Subfund shall take into account the value of securities or Money Market Instruments, or underlying currencies used for the Derivatives, provided that it shall not apply to Derivatives in case of which recognised indices are used as underlying instruments. Shall a security or a Money Market Instrument contain an embedded Derivative, this instrument shall be taken into account when applying investment limits by the Subfund.



13. Activities carried out in breach of the limitations referred to in the rules governing diversification of investments of the Subfund shall be valid.
14. Taking into account section 15, the Subfund, in case of carrying out the activities referred to in section 13, shall be obliged to immediately adjust the structure of its assets to the requirements set in the Articles of Association and the Act, having due regard to interests of the Subfund Participants.
15. The Subfund shall be obliged to adjust the structure of the investment portfolio to the requirements set in the Act and the Articles of Association of the Fund within 36 months of the date of the Fund's registration. In particular, in relation to the establishment of the Subfund, the investments of the Subfund may not comply with the condition set in Article 43 section 2 of the Articles of Association for the period referred to in the previous sentence.
16. Shall the Subfund exceed the investment limitations imposed in the Articles of Association, but not provided for in the Act, the Subfund shall be obliged to immediately adjust the structure of its Assets to the requirements of the Articles of Association, having due regard to interests of the Subfund Participants.

**6. Changes in accounting principles (policies) during the reporting period**

In the present financial statements, with respect to the comparable period, the method of the classification of overnight deposits was changed vs. the method of recognition in the financial statements for 2015, in order to better reflect the economic character of overnight deposits and improve the transparency of cash flows. Overnight deposits were considered an element of investments and recognised in the cash flow statement under inflows and outflows from operating activities. In 2016, overnight deposits were classified as cash and cash equivalents, and recognised in changes of cash and cash equivalents. As a result of the aforementioned change, the data for the comparative period were restated. Details of the change of the presentation of deposits are disclosed in the Additional Information to these financial statements.

**7. Reporting period and the balance sheet date**

The separate annual financial statements were prepared as at 31 December 2016 and for the period from 1 January 2016 to 31 December 2016.

**8. Going concern**

The separate annual financial statements have been prepared on the assumption that the Fund and the Subfund will continue as a going concern into the foreseeable future, for no less than 12 months from the balance sheet date.

As at the date of signing the financial statements, the Management Board of the Company does not find any facts or circumstances which would indicate a threat to the Fund's and the Subfund's ability to continue as a going concern.

**9. Details of the entity entitled to and the statutory auditor carrying out the audit of the financial statements**

The separate annual financial statements were audited by KPMG Audył Spółka z ograniczoną odpowiedzialnością sp.k., with its registered office at ul. Inflancka 4A, 00-189 Warszawa.

KPMG Audył Spółka z ograniczoną odpowiedzialnością sp.k. is entered under number 3546 into the list of entities entitled to audit financial statements, kept by the National Chamber of Statutory Auditors.

**10. Details of the entity responsible for the preparation of the annual financial statements and for keeping the accounting records**

The preparation of the separate annual financial statements is the responsibility of the Management Board of MCI Capital TFI S.A. Keeping the accounting records of the Subfund is the responsibility of PKO BP Finat Sp. z o.o., with its registered office at ul. Grójecka 5, 02-019 Warszawa.

**11. Description of certificates**

Until the registration date, the MCI.TechVentures 1.0. Subfund has issued investment certificates series: A, B, C, D, E, H, I, J, K, L, M, N, O, P, R, S, T, U, W, Y, Z, A1, B1, C1, D1, E1, F1, G1, H1, I1, J1, K1, L1, M1, N1, O1, P1, R1, S1, T1, U1, W1, Y1, Z1, A2, B2, C2, D2, E2. Certificates series F and G were not taken over.

Investment certificates of various series grant different rights to participants of the Subfund. Investment certificates are not listed on an active market.

Until the date of preparation of these financial statements, the following changes in the number of investment certificates of the Subfund took place:

	Allocation date	Redemption date			

			Number of investment certificates	Issue value of the one investment certificate (PLN)	Value of investment certificates issued/redeemed (PLN)
A	2007-12-17		760,826	100.00	76,082,600.00
B	2008-04-11		35,328	48.12	1,699,983.36
C	2008-07-02		508,856	48.12	24,486,150.72
D	2008-10-02		210,027	48.41	10,167,407.07
E	2009-01-14		152,299	46.12	7,024,029.88
E		2013-06-30	-4,962	148.46	-736,658.52
H	2009-12-16		28,048	57.05	1,600,138.40
H		2015-10-30	-2,988	196.68	-587,679.84
I	2010-06-15		20,199	74.27	1,500,179.73
I		2013-09-30	-2,693	146.25	-393,851.25
J	2010-12-21		12,136	94.75	1,149,886.00
J		2015-12-16	-526	213.33	-112,211.58
K	2011-04-04		12,791	95.00	1,215,145.00
K		2015-04-30	-1,000	162.52	-162,520.00
K		2015-07-31	-2,000	174.31	-348,620.00
L	2011-09-29		9,531	116.58	1,111,123.98
L		2014-12-31	-890	172.87	-153,854.30
M	2011-09-29		23,488	116.58	2,738,231.04
M		2014-05-26	-1,887	156.53	-295,372.11
M		2015-06-30	-3,207	197.94	-634,793.58
M		2016-04-29	-1,000	206.71	-206,710.00
N	2012-03-21		56,007	121.67	6,814,371.69
N		2013-12-31	-1,353	165.46	-223,867.38
N		2014-05-26	-805	171.14	-137,767.70
N		2015-06-30	-1,365	216.31	-295,263.15
N		2015-07-31	-1,361	216.02	-294,003.22
N		2015-10-30	-1,500	220.17	-330,255.00
N		2015-11-25	-1,612	221.30	-356,735.60
N		2015-12-16	-1,644	220.94	-363,225.36
N		2015-12-31	-4,110	220.21	-905,063.10
N		2016-08-01	-178	230.36	-41,004.08
N		2016-03-31	-3,380	220.16	-744,140.80
N		2016-12-31	-3,850	217.01	-835,488.50
N		2017-02-09	-1,450	212.72	-308,444.00
O	2012-06-28		82,500	138.17	11,399,025.00
O		2013-10-31	-1,303	160.21	-208,753.63
O		2014-04-30	-15,707	172.91	-2,715,897.37
O		2014-10-31	-3,620	188.33	-681,754.60
O		2015-03-31	-2,798	201.74	-564,468.52

O		2015-10-30	-9,051	220.80	-1,998,460.80
O		2016-04-29	-6,071	226.33	-1,374,049.43
P	2012-07-11		85,711	151.08	12,949,217.88
R	2012-09-29		45,304	152.80	6,922,451.20
R		2013-10-31	-430	167.58	-72,059.40
R		2014-10-31	-8,268	195.92	-1,619,866.56
R		2015-04-30	-1,000	209.77	-209,770.00
R		2015-10-30	-9,072	229.59	-2,082,840.48
R		2016-10-31	-1,618	240.22	-388,675.96
R		2016-10-31	-20	240.22	-4,804.40
S	2012-12-28		31,452	154.51	4,859,648.52
S		2015-10-30	-3,220	229.69	-739,601.80
S		2016-04-29	-1,260	235.48	-296,704.80
S		2016-10-31	-445	240.36	-106,960.20
T	2013-04-09		44,981	160.06	7,199,658.86
T		2014-03-31	-1,060	179.52	-190,291.20
T		2014-06-30	-1,249	193.84	-242,106.16
T		2015-04-30	-1,200	206.97	-248,364.00
T		2015-06-30	-3,600	220.93	-795,348.00
T		2015-09-30	-5,390	222.70	-1,200,353.00
T		2016-03-31	-2,499	224.83	-561,850.17
T		2016-09-30	-1,050	233.43	-245,101.50
U	2013-05-07		43,851	162.19	7,112,193.69
U		2014-09-30	-3,417	192.15	-656,576.55
U		2015-09-30	-2,484	224.33	-557,235.72
U		2016-03-31	-1,826	226.53	-413,643.78
U		2016-09-30	-6,736	235.21	-1,584,374.56
W	2013-06-27		37,600	161.15	6,059,240.00
W		2014-06-30	-2,732	189.42	-517,495.44
W		2015-03-31	-1,241	206.39	-256,129.99
W		2015-06-30	-7,966	220.30	-1,754,909.80
W		2015-09-30	-2,541	221.94	-563,949.54
W		2016-03-31	-3,080	224.10	-690,228.00
W		2016-06-30	-4,873	234.75	-1,143,936.75
W		2016-09-30	-621	232.43	-144,339.03
Y	2013-09-27		76,531	164.05	12,554,910.55
Y		2014-06-30	-4,238	189.78	-804,287.64
Y		2015-03-31	-4,237	204.15	-864,983.55
Y		2015-06-30	-2,990	217.90	-651,521.00
Y		2015-09-30	-1,830	219.69	-402,032.70
Y		2016-03-31	-1,243	221.87	-275,784.41

Y		2016-09-30	-10,112	230.39	-2,329,703.68
Z	2013-12-18		49,932	168.04	8,390,573.28
Z		2015-06-30	-1,190	224.33	-266,952.70
Z		2016-03-31	-31,317	228.44	-7,154,055.48
Z		2016-06-30	-2,358	238.35	-562,029.30
Z		2016-09-30	-2,156	236.09	-509,010.04
A1	2014-01-03		1,022,680	166.23	170,000,096.40
B1	2014-03-27		40,008	173.22	6,930,185.76
B1		2014-06-30	-1,154	191.98	-221,544.92
B1		2015-03-30	-2,154	209.21	-450,638.34
B1		2015-06-30	-1,000	223.30	-223,300.00
B1		2015-09-30	-9,599	225.15	-2,161,214.85
B1		2016-03-31	-5,238	227.17	-1,189,916.46
B1		2016-09-30	-1,473	235.76	-347,274.48
C1	2014-04-30		6,502	180.00	1,170,360.00
C1		2014-09-30	-3,333	195.01	-649,968.33
D1	2014-06-27		71,339	179.25	12,787,515.75
D1		2015-03-31	-1,100	212.13	-233,343.00
D1		2015-06-30	-7,531	226.44	-1,705,319.64
D1		2015-09-30	-2,784	228.25	-635,448.00
D1		2016-03-31	-8,550	230.51	-1,970,860.50
D1		2016-06-30	-3,276	241.46	-791,022.96
D1		2016-09-30	-8,891	239.23	-2,126,993.93
E1	2014-07-28		7,687	195.13	1,499,964.31
E1		2016-03-31	-7,687	233.52	-1,795,068.24
F1	2014-09-26		223,055	196.44	43,816,924.20
F1		2015-06-30	-9,405	230.53	-2,168,134.65
F1		2015-09-30	-36,254	232.42	-8,426,154.68
F1		2016-03-31	-28,244	234.62	-6,626,607.28
F1		2016-06-30	-8,636	245.76	-2,122,383.36
F1		2016-09-30	-16,575	243.49	-4,035,846.75
G1	2014-10-29		166,922	198.93	33,205,793.46
G1		2015-06-30	-10,555	229.05	-2,417,622.75
G1		2015-09-30	-19,913	230.92	-4,598,309.96
G1		2016-03-31	-19,173	233.13	-4,469,801.49
G1		2016-06-30	-6,361	244.22	-1,553,483.42
G1		2016-09-30	-5,851	241.97	-1,415,766.47
H1	2014-12-17		118,764	200.17	23,772,989.88
H1		2015-03-31	-831	217.02	-180,343.62
H1		2015-06-30	-8,379	231.66	-1,941,079.14
H1		2015-09-30	-15,350	233.54	-3,584,839.00

H1		2016-03-31	-7,363	235.78	-1,736,048.14
H1		2016-06-30	-9,841	247.03	-2,431,022.23
H1		2016-09-30	-1,970	244.71	-482,078.70
I1	2015-03-31		108,957	202.16	22,026,747.12
I1		2015-06-30	-78	233.11	-18,182.58
I1		2015-09-30	-3,622	235.05	-851,351.10
I1		2016-03-31	-5,203	237.38	-1,235,088.14
I1		2016-06-30	-2,539	248.73	-631,525.47
I1		2016-09-30	-10,558	246.46	-2,602,124.68
J1	2015-06-26		164,696	233.82	38,509,218.72
J1		2016-03-31	-6,260	237.52	-1,486,875.20
J1		2016-06-30	-1,487	248.89	-370,099.43
J1		2016-09-30	-6,442	246.63	-1,588,790.46
K1	2015-07-29		94,329	233.23	22,000,352.67
K1		2016-03-31	-643	239.31	-153,876.33
K1		2016-06-30	-13,007	250.78	-3,261,895.46
K1		2016-09-30	-9,240	248.40	-2,295,216.00
L1	2015-09-14		41,524	234.23	9,726,166.52
L1		2016-03-31	-854	238.99	-204,097.46
L1		2016-09-30	-2,464	248.17	-611,490.88
M1	2015-09-30		18,147	233.60	4,239,139.20
M1		2016-03-31	-2,098	238.62	-500,624.76
M1		2016-09-30	-850	247.72	-210,562.00
N1	2015-10-30		107,595	236.94	25,493,559.30
N1		2016-03-31	-1,525	238.99	-364,459.75
N1		2016-06-30	-1,619	250.44	-405,462.36
N1		2016-09-30	-11,819	248.16	-2,933,003.04
O1	2015-11-25		102,689	239.21	24,564,235.69
O1		2016-06-30	-3,914	250.46	-980,300.44
O1		2016-09-30	-4,849	248.16	-1,203,327.84
P1	2015-12-15		94,435	240.45	22,706,895.75
P1		2016-06-30	-2,093	249.55	-522,308.15
P1		2016-09-30	-1,482	247.27	-366,454.14
R1	2016-02-01		36,113	239.30	8,641,840.90
R1		2016-09-30	-4,544	244.88	-1,112,734.72
S1	2016-02-26		82,015	244.96	20,090,394.40
S1		2016-09-30	-317	250.25	-79,329.25
T1	2016-03-30		172,485	244.33	42,143,260.05
T1		2016-06-30	-249	252.52	-62,877.48
T1		2016-09-30	-57	250.23	-14,263.11
U1	2016-04-28		35,767	242.72	8,681,366.24

U1		2016-09-30	-100	247.18	-24,718.00
W1	2016-05-30		74,261	247.73	18,396,677.53
W1		2016-09-30	-4,037	250.75	-1,012,277.75
Y1	2016-06-29		38,321	250.61	9,603,625.81
Z1	2016-08-01		90,671	253.04	22,943,389.84
A2	2016-09-01		49,199	252.71	12,433,079.29
B2	2016-09-30		29,588	253.25	7,493,161.00
C2	2016-10-28		9,456	253.25	2,394,732.00
D2	2016-11-28		2,947	254.52	750,070.44
E2	2016-12-29		6,372	257.04	1,637,858.88
<b>Total:</b>			<b>4,750,621</b>		<b>695,782,224.98</b>

Investment certificates series A1 were not fully paid up. In accordance with amendments to the Articles of Association announced on 28 January 2014, investment certificates series A1 participate in the income of the MCI.TechVentures 1.0. Subfund, revenues from disposal of investments of the MCI.TechVentures 1.0. Subfund and in these costs of the Fund that are charged to all series of Investment Certificates related to the MCI.TechVentures 1.0. Subfund, only in part equivalent to the issue price of the Investment Certificates of these series paid up currently.

On 28 April 2015, the payment was made for part of investment certificates series A1, in the amount of PLN 58,006,409.60. Then, on 13 October 2015, another payment was made for part of investment certificates series A1, in the amount of PLN 15,994,715.20.

Payments for certificates series A1 not fully paid-up shall be settled in accordance with provisions of the Articles of Association of the Fund and the issue terms, and within the time frame set in the Articles of Association of the Fund.

As at 31 December 2016, the value of unpaid investment certificates series A1 was PLN 95,988,744.80 (as at 31 December 2015: PLN 95,988,744.80).

## B. STATEMENT OF INVESTMENTS

Prepared for the MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund as at 31 December 2016 (PLN '000)

### MAIN TABLE

Investment components	Value as at 31-12-2016			Value as at 31-12-2015		
	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)
	(restated data)					
	<b>746,599</b>	<b>881,881</b>	<b>86.03</b>	<b>550,844</b>	<b>889,772</b>	<b>87.67</b>
Shares	224,935	174,791	17.05	195,217	425,423	41.93
Subscription warrants	0	0	0.00	0	0	0.00
Rights to shares	0	0	0.00	0	0	0.00
Pre-emptive rights	0	0	0.00	0	0	0.00
Depository receipts	0	0	0.00	0	0	0.00
Mortgage bonds	0	0	0.00	0	0	0.00
Debt securities	0	0	0.00	0	0	0.00
Derivatives*)	0	26,879	2.62	0	33,960	3.33
Shares in limited liability companies	422,981	606,294	59.16	342,764	416,033	41.00
Participation units	0	0	0.00	0	0	0.00
Investment certificates	0	0	0.00	0	0	0.00
Participation titles issued by undertakings for collective investments having their registered offices abroad	0	0	0.00	0	0	0.00
Debts	37,973	12,206	1.18	12,863	14,356	1.41
Promissory notes	60,710	61,711	6.02	0	0	0.00
Bank deposits	0	0	0.00	0	0	0.00
Currencies	0	0	0.00	0	0	0.00
Real estate	0	0	0.00	0	0	0.00

Sea vessels	0	0	0.00	0	0	0.00
Other	0	0	0.00	0	0	0.00

\* Negative revaluation of the value of derivatives is disclosed in the balance sheet under liabilities.

\*\* As a result of incorrect presentation for the comparable period of shares in Mika Tur Seyahat Acenteligi ve Yurzim An as interests (shares in limited liability companies), relevant reclassifications between the items were made.

\*\*\* The presentation of overnight deposits in the comparable period changed vs. the presentation in the financial statements for 2015, as these are disclosed under cash and cash equivalents. Details of presentation changes are disclosed in the Additional Information to these financial statements.

This table shall be analysed together with the explanatory notes and the additional information which constitute an integral part of the separate annual financial statements.

## SUPPLEMENTARY TABLES

SHARES	Market type	Name of the market	Number of shares	Country of the registered office of the issuer	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)
<b>Listed on an active market</b>							
<b>Listed on an active market, total</b>					<b>90,068</b>	<b>55,950</b>	<b>5.46</b>
Digital Avenue SA (PLDGTAV00013)	Alternative trading system	NEW CONNECT	3,928,620	Poland	6,632	1,100	0.11
Optizen Labs S.A. (PLTLCMD00018)	Alternative trading system	NEW CONNECT	2,517,704	Poland	10,848	529	0.05
windeln.de AG (DE000WNDL110)	Active market – regulated market	Frankfurt Stock Exchange	4,092,899	Germany	72,588	54,321	5.30
<b>Not listed on an active market</b>							
<b>Not listed on an active market, total</b>					<b>134,867</b>	<b>118,842</b>	<b>11.59</b>
Auctionata AG (Auctionata AG)	Not listed on an active market	N/A	194,868	Germany	45,833	0	0.00
Frisco S.A. (Frisco S.A.)	Not listed on an active market	N/A	12,642,494	Poland	28,627	57,023	5.56
Geewa a.s. (Geewa a.s.)	Not listed on an active market	N/A	195,588	Czech Republic	12,377	5,262	0.51



Optizen Labs S.A. series E (Optizen Labs S.A. series E)	Not listed on an active market	N/A	1,666,667	Poland	1,000	350	0.03
Mika Tur Seyahat Acenteligi ve Yurzim An	Not listed on an active market	N/A	494,000	Turkey	47,030	56,207	5.49
<b>Total:</b>			<b>25,238,840</b>		<b>224,935</b>	<b>174,792</b>	<b>17.05</b>

DERIVATIVES	Market type	Name of the market	Issuer	Country of the registered office of the issuer	Underlying instrument	Number	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date* (PLN '000)	Percentage share in total assets / Percentage share in equity and liabilities (%)
<b>Non-standardised derivatives</b>							-	-	-
<b>Not listed on an active market</b>						-	<b>0</b>	<b>26,880</b>	<b>2.62</b>
CALL option for shares in 21Diamonds GmbH – preferred return – open-ended	Not listed on an active market	N/A	shareholders of 21Diamonds GmbH	Germany	shares in 21Diamonds GmbH; value: PLN 369 thousand	-	0	0	0.00
CALL option for shares in Asgoodasnew electronic GmbH – preferred return – open-ended	Not listed on an active market	N/A	shareholders of asgoodasnew electronics GmbH	Germany	shares in asgoodasnew electronic GmbH.; value: PLN 18,100 thousand	-	0	3,727	0.36
CALL option for conversion of the loan to Auctionata AG – open-ended	Not listed on an active market	N/A	shareholders of Auctionata	Germany	loan to Auctionata AG; value: PLN 0 thousand	-	0	0	0.00
CALL option for shares in Auctionata AG – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Auctionata AG	Germany	shares in Auctionata AG; value: PLN 0 thousand	-	0	0	0.00
CALL option for shares in AZIMO LTD – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Azimo Limited	United Kingdom	shares in AZIMO LTD; value: PLN 25,052 thousand	-	0	0	0.00
CALL option for shares in Blacksquare Investments Limited – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Blacksquare Investments Limited	Republic of Cyprus	shares in Blacksquare Investments Limited; value: PLN 75,237 thousand	-	0	12,393	1.21
CALL option for shares in Ganymede Group Sp. z o.o. – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Ganymede Group Sp. z o.o.	Poland	shares in Ganymede Group Sp. z o.o.; value: PLN 23,295 thousand	-	0	1,544	0.15
CALL option for conversion of the loan to Geewa a.s. – open-ended	Not listed on an active market	N/A	Geewa a.s.	Czech Republic	loan to Geewa a.s.; value: PLN 1,025 thousand	-	0	0	0.00

CALL option for shares in Geewa a.s. – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Geewa	Czech Republic	shares in Geewa a.s.: value: PLN 5,262 thousand	-	0	352	0.03
CALL option for shares in GT Gettaxi Limited – preferred return – open-ended	Not listed on an active market	N/A	shareholders of GT Gettaxi Limited	Republic of Cyprus	shares in GT Gettaxi Limited; value: PLN 127,024 thousand	-	0	7,975	0.78
CALL option for shares in iZettle AB – preferred return – open-ended	Not listed on an active market	N/A	shareholders of iZettle AB	Sweden	shares in iZettle AB; value: PLN 30,268 thousand	-	0	0	0.00
PUT option for shares in Mika Tur – short position – expiration date: 2017-12-31	Not listed on an active market	N/A	MCI.TechVentures 1.0	Poland	shares in Mika Tur; value: PLN 56,207 thousand (short position)	-	0	-250	-0.02
CALL option for shares in Naviexpert Sp. z o.o. – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Naviexpert Sp. z o.o.	Poland	shares in Naviexpert Sp. z o.o.; value: PLN 29,377 thousand	-	0	0	0.00
CALL option for conversion of the loan to Oktogo Holding Limited – open-ended	Not listed on an active market	N/A	Oktogo Holding Limited	Republic of Cyprus	loan to Oktogo Holding Limited; value: PLN 0 thousand	-	0	0	0.00
CALL option for conversion of the loan to Oktogo Holding Limited – conversion date 2017-12-30	Not listed on an active market	N/A	Oktogo Holding Limited	Republic of Cyprus	loan to Oktogo Holding Limited; value: PLN 0 thousand	-	0	0	0.00
CALL option for shares in Oktogo Holding Limited – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Oktogo Holding Limited	Republic of Cyprus	shares in Oktogo Holding Limited; value: PLN 0 thousand	-	0	0	0.00
CALL option for shares in SHLD Limited – preferred return – open-ended	Not listed on an active market	N/A	shareholders of SHLD	Republic of Cyprus	shares in SHLD Limited; value: PLN 18,384 thousand	-	0	1,755	0.17
CALL option for conversion of the loan to SHLD Limited – open-ended	Not listed on an active market	N/A	shareholders of SHLD	Republic of Cyprus	loan to SHLD Limited; value: PLN 4,569 thousand	-	0	0	0.00
CALL option for shares in UAB Pigu – preferred return – open-ended	Not listed on an active market	N/A	shareholders of UAB Pigu	Lithuania	shares in UAB Pigu; value: PLN 101,474 thousand	-	0	0	0.00
CALL option for shares in UAB Pigu – preferred return – short position	Not listed on an active market	N/A	MCI.TechVentures 1.0	Poland	shares in UAB Pigu; value: PLN 101,474 thousand (short position)	-	0	-2,058	-0.20
CALL option for shares in Wearco Sp. z o.o. – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Wearco Sp. z o.o.	Poland	shares in Wearco Sp. z o.o.; value: PLN 48,374 thousand	-	0	0	0.00
CALL option for shares in Morele.net – open-ended	Not listed on an active market	N/A	shareholders of Morele.net	Poland	shares in Morele.net; value: PLN 16,995 thousand	-	0	1,442	0.14

<b>Total:</b>							0	26,880	2.62
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\*) Negative valuation of the value of derivatives is disclosed in the balance sheet under liabilities of the Subfund.

\*\*) The table does not include the number of underlying instruments when this number can change over time. In particular, preferred return options pertain to all shares in the portfolio of the Subfund as at the particular time, while the underlying for the option for conversion of the loan shall be the number of shares arising from the value of the loan together with interest accrued as at the particular valuation day. In case of the preferred return option, it is a financial instrument arising from provisions of the investment agreement/agreements pertaining to the distribution of funds upon sale or winding-up of the company, other than the pro rate distribution. This instrument does not meet the definition of a typical option within the meaning of financial instruments.

Shares in limited liability companies	Company name	Registered office of the company	Country of the registered office of the company	Number of shares	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)
21Diamonds GmbH	21Diamonds GmbH	Munich	Germany	5,214	2,391	369	0.04
Asgoodasnew electronics GmbH	Asgoodasnew electronics GmbH	Frankfurt	Germany	86,027	17,532	18,100	1.77
Azimo Limited	Azimo Limited	London	United Kingdom	6,329,988	23,670	25,052	2.44
Market Invoice Limited	Market Invoice Ltd	London	United Kingdom	2,906,977	32,232	30,867	3.01
Belysio Sp. z o.o.	Belysio Sp. z o.o.	Wrocław	Poland	652	1,100	0	0.00
Biotech Varsovia Pharma Sp. z o.o.	Biotech Varsovia Pharma Sp. z o.o.	Warsaw	Poland	59,438	752	0	0.00
Biznes.net Sp. z o.o.	Biznes.net Sp. z o.o.	Warsaw	Poland	13,687	640	0	0.00
Blacksquare Investments Limited	Blacksquare Investments Limited	Limassol	Republic of Cyprus	87,944	81,460	75,237	7.34
Ganymede Group Sp. z o.o.	Ganymede Group Sp. z o.o.	Kraków	Poland	946	25,155	23,295	2.27
GMZ.co Sp. z o.o.	GMZ.co Sp. z o.o.	Warsaw	Poland	627	5,245	1,141	0.11
GT Gettaxi Limited	GT Gettaxi Limited	Limassol	Republic of Cyprus	10,967,317	71,974	127,024	12.40
iZettle AB	iZettle AB	Stockholm	Sweden	75,301	29,061	30,268	2.95
MCI.ImmoVentures Sp. z o.o.	MCI.ImmoVentures Sp. z o.o.	Wrocław	Poland	100	0	0	0.00

Morele.net Sp. z o.o.	Morele.net Sp. z o.o.	Kraków	Poland	2,308	17,516	74,391	7.26
NaviExpert Sp. z o.o.	NaviExpert Sp. z o.o.	Poznań	Poland	1,655	1,802	29,377	2.87
Oktogo Holding Limited	Oktogo Holding Limited	Limassol	Republic of Cyprus	1,428,572	10,469	0	0.00
SHLD Limited	SHLD Limited	Pafos	Republic of Cyprus	2,359,647	19,809	18,384	1.79
Śpiący Rycerz Sp. z o.o.	Śpiący Rycerz Sp. z o.o.	Wrocław	Poland	105	2,936	2,940	0.29
UAB Pigu	UAB Pigu	Vilnius	Lithuania	35,237	47,301	101,474	9.90
Wearco Sp. z o.o.	Wearco Sp. z o.o.	Kraków	Poland	3,681	31,936	48,374	4.72
<b>Total:</b>				<b>24,365,423</b>	<b>422,981</b>	<b>606,293</b>	<b>59.16</b>

DEBTS	Name and type of the entity	Country of the registered office of the entity	Maturity	Performance type	Value of the performance in PLN '000	Number of loans	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)
Loan; agreement of 2015-12-18 tranche no 7; legal person; no collateral; Auctionata AG	Auctionata AG	Germany	31-12-2016	Loan agreement, cash performance	877	1	877	0	0.00
Loan; agreement of 2015-12-18 tranche no 6; legal person; no collateral; Auctionata AG	Auctionata AG	Germany	31-12-2016	Loan agreement, cash performance	3,502	1	3,502	0	0.00
Loan; agreement of 2015-12-18 tranche no 5; legal person; no collateral; Auctionata AG	Auctionata AG	Germany	31-12-2016	Loan agreement, cash performance	2,573	1	2,573	0	0.00
Loan; agreement of 2015-12-18 tranche no 4; legal person; no collateral; Auctionata AG	Auctionata AG	Germany	31-12-2016	Loan agreement, cash performance	2,611	1	2,611	0	0.00
Loan; agreement of 2015-12-18 tranche no 3; legal person; no collateral; Auctionata AG	Auctionata AG	Germany	31-12-2016	Loan agreement, cash performance	1,298	1	1,298	0	0.00
Loan; agreement of 2015-12-18 tranche no 2; legal person; no collateral; Auctionata AG	Auctionata AG	Germany	01-01-2017	Loan agreement, cash performance	6,733	1	6,733	0	0.00

Loan; agreement of 2009-11-16; legal person; collateral: blank own promissory note with promissory note declaration; BIZNES.NET Sp. z o.o.	BIZNES.NET Sp. z o.o.	Poland	06-08-2012	Loan agreement, cash performance	10	1	10	0	0.00
Loan; agreement of 2014-06-02; Annex of 2015-07-01; legal person; no collateral; Geewa a.s.	Geewa a.s.	Czech Republic	30-06-2016	Loan agreement, cash performance	294	1	294	341	0.03
Loan; agreement of 2014-06-02; Annex of 2015-11-02; legal person; no collateral; Geewa a.s.	Geewa a.s.	Czech Republic	30-06-2016	Loan agreement, cash performance	298	1	298	331	0.03
Loan; agreement of 2014-07-18; legal person; collateral: standard and registered pledge on shares of the Borrower; GMZ.co Sp. z o.o.	GMZ.co Sp. z o.o.	Poland	26-02-2016	Loan agreement, cash performance	2,500	1	2,500	2,977	0.29
Loan; convertible loan agreement of 2015-09-24 (2nd tranche); legal person; collateral: standard and registered pledge on shares of the Borrower; Oktogo Holding Limited	Oktogo Holding Ltd.	Republic of Cyprus	31-10-2018	Loan agreement, cash performance	3,597	1	3,597	0	0.00
Loan; convertible loan agreement of 2015-09-24 (1st tranche); legal person; collateral: standard and registered pledge on shares of the Borrower; Oktogo Holding Limited	Oktogo Holding Ltd.	Republic of Cyprus	31-10-2018	Loan agreement, cash performance	3,404	1	3,404	0	0.00
Loan; bridge loan agreement of 2013-08-01; Annex of 2015-09-24; legal person; collateral: standard and registered pledge on shares of the Borrower; Oktogo Holding Limited	Oktogo Holding Ltd.	Republic of Cyprus	02-12-2017	Loan agreement, cash performance	2,507	1	2,507	0	0.00

Loan; bridge loan agreement of 2015-08-01; legal person; collateral: standard and registered pledge on shares of the Borrower; Oktogo Holding Limited	Oktogo Holding Ltd.	Republic of Cyprus	10-04-2016	Loan agreement, cash performance	108	1	108	0	0.00
Loan; convertible loan agreement of 2016-11-17; legal person; collateral: standard and registered pledge on shares of the Borrower; SHLD Limited	SHLD Limited	Republic of Cyprus	31-12-2017	Loan agreement, cash performance	3,919	1	3,919	4,020	0.39
Loan; convertible loan agreement of 2015-12-09; legal person; collateral: standard and registered pledge on shares of the Borrower; SHLD Limited	SHLD Limited	Republic of Cyprus	31-12-2017	Loan agreement, cash performance	3,742	1	3,742	4,536	0.44
<b>Total:</b>						<b>16</b>	<b>37,973</b>	<b>12,205</b>	<b>1.18</b>

PROMISSORY NOTES	ISSUER	Due date	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)
Debt type: promissory note; debt kind: legal person, collateral type: no collateral, original creditor: MCI.PrivateVentures Closed-End Investment Fund, MCI.TechVentures 1.0. Subfund	LOANVENTURES Sp. z o.o.	14-10-2017	39,310	39,657	3.87
Debt type: promissory note; debt kind: legal person, collateral type: no collateral, original creditor: MCI.PrivateVentures Closed-End Investment Fund, MCI.TechVentures 1.0. Subfund	MCI Ventures Project Sp. z o.o. IX SKA	08-04-2017	21,400	22,054	2.15
<b>Total:</b>			<b>60,710</b>	<b>61,711</b>	<b>6.02</b>

## ADDITIONAL TABLES

Guaranteed investment components	Type	Total quantity	Value based on the purchase price	Value based on the valuation as at the balance sheet date	Percentage share in total assets
<b>Total:</b>	Not applicable		-	-	-

Money Market Instruments	Issuer	Redemption date	Interest	Nominal value	Quantity	Value based on the purchase price	Value based on the valuation as at the balance sheet date	Percentage share in total assets
<b>Total:</b>	Not applicable					-	-	-

Capital groups referred to in Article 98 of the Act	Value based on the valuation as at the balance sheet date	Percentage share in total assets
<b>Total:</b>	Not applicable	-

Investment components purchased from entities referred to in Article 107 of the Act	Value based on the valuation as at the balance sheet date	Percentage share in total assets
Not applicable	0	0.00
<b>Total:</b>	<b>0</b>	<b>0.00</b>

Securities issued by international financial institutions, the members of which include the Republic of Poland or at least one of OECD countries	Name of the issuer	Country of the registered office of the issuer	Market type	Name of the market	Quantity	Value based on the purchase price	Value based on the valuation as at the balance sheet date	Percentage share in total assets
Active unregulated market	Not applicable					-	-	-
Active regulated market	Not applicable					-	-	-
Not listed on an active market	Not applicable					-	-	-
<b>Total:</b>						-	-	-



### C. Balance sheet

Prepared for the MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund as at 31 December 2016  
(data expressed in PLN thousand except for the number of Investment Certificates expressed in units and the Net Asset Value per Investment Certificate expressed in PLN)

No	Description	Value as at 31-12-2016	Value as at 31-12-2015 (restated data)
<b>I.</b>	<b>Assets</b>	<b>1,024,674</b>	<b>1,020,041</b>
1)	Cash and cash equivalents	2,120	29,463
2)	Receivables	138,125	100,178
3)	Transactions with the repurchase obligation of the other party	0	0
4)	Investment components listed on an active market, including:	55,950	61,074
	Debt securities	0	0
5)	Investment components not listed on an active market, including:	828,240	829,110
	Debt securities	0	0
6)	Real estate	0	0
7)	Other assets	239	216
<b>II.</b>	<b>Liabilities</b>	<b>34,426</b>	<b>80,105</b>
<b>III.</b>	<b>Net assets (I-II)</b>	<b>990,248</b>	<b>939,936</b>
<b>IV.</b>	<b>Subfund's capital</b>	<b>696,091</b>	<b>617,821</b>
1)	Paid-in capital	830,696	675,486
2)	Capital distributed (negative value)	-134,605	-57,665
<b>V.</b>	<b>Retained earnings</b>	<b>160,766</b>	<b>-479</b>
1)	Accumulated, undistributed net income from investments	-151,264	-119,052
2)	Accumulated, undistributed realised profit (loss) on disposal of investments	312,030	118,573
<b>VI.</b>	<b>Appreciation (depreciation) of investments vs. the purchase price</b>	<b>133,391</b>	<b>322,594</b>
<b>VII.</b>	<b>Capital of the Subfund and accumulated result of operations (IV+V+/-VI)</b>	<b>990,248</b>	<b>939,936</b>
	Number of registered investment certificates	4,752,071	4,447,948
	Net asset value per investment certificate	208.38	211.32
	Anticipated number of investment certificates	4,750,621	4,566,076
	Diluted net asset value per investment certificate	208.45	212.14
	Number of investment certificates by certificate series:		
	series A	760,826	760,826
	series B	35,328	35,328
	series C	508,856	508,856
	series D	210,027	210,027
	series E	147,337	147,337
	series H	25,060	25,060
	series I	17,506	17,506
	series J	11,610	11,610
	series K	9,791	9,791
	series L	8,641	8,641
	series M	17,394	18,394
	series N	34,849	42,257
	series O	43,950	50,021
	series P	85,711	85,711

series R	24,896	26,534
series S	26,527	28,232
series T	28,933	32,482
series U	29,388	37,950
series W	14,546	23,120
series Y	51,881	63,236
series Z	12,911	48,742
series A1	1,022,680	1,022,680
series B1	19,390	26,101
series C1	3,169	3,169
series D1	39,207	59,924
series E1	-	7,687
series F1	123,941	177,396
series G1	105,069	136,454
series H1	75,030	94,204
series I1	86,957	105,257
series J1	150,507	164,696
series K1	71,439	94,329
series L1	38,206	41,524
series M1	15,199	18,147
series N1	92,632	107,595
series O1	93,926	102,689
series P1	90,860	94,435
series R1	31,569	-
series S1	81,698	-
series T1	172,179	-
series U1	35,667	-
series W1	70,224	-
series Y1	38,321	-
series Z1	90,671	-
series A2	49,199	-
series B2	29,588	-
series C2	9,456	-
series D2	2,947	-
series E2	6,372	-
Net asset value per investment certificate series		
series A	206.64	211.05
series B	206.64	211.05
series C	206.64	211.05
series D	206.64	211.05
series E	204.73	211.02
series H	191.43	198.27
series I	191.43	198.27
series J	207.45	214.34
series K	172.90	179.08
series L	194.82	201.79
series M	196.78	203.35

series N	214.20	221.97
series O	215.68	222.65
series P	226.94	233.91
series R	224.11	231.44
series S	224.20	231.66
series T	218.73	226.62
series U	220.29	228.33
series W	217.79	225.88
series Y	215.79	223.63
series Z	221.14	230.25
series A1	171.52	173.17
series B1	220.89	228.97
series C1	223.27	231.25
series D1	224.05	232.34
series E1	0.00	235.37
series F1	228.10	236.48
series G1	226.72	234.98
series H1	229.30	237.65
series I1	230.89	239.26
series J1	231.09	239.41
series K1	232.70	241.21
series L1	232.53	240.89
series M1	232.10	240.51
series N1	232.48	240.89
series O1	232.52	240.89
series P1	231.71	240.78
series R1	229.39	-
series S1	234.51	-
series T1	234.49	-
series U1	231.64	-
series W1	234.95	-
series Y1	234.51	-
series Z1	234.87	-
series A2	234.45	-
series B2	237.29	-
series C2	236.05	-
series D2	235.12	-
series E2	252.71	-

\* The presentation of overnight deposits in the comparable period changed vs. the presentation in the financial statements for 2015, as these are disclosed under cash and cash equivalents. Details of presentation changes are disclosed in the Additional Information to these financial statements.

\*\* Investment certificates series A1 were not fully paid up. In accordance with amendments to the Articles of Association announced on 28 January 2014, investment certificates series A1 participate in the income of the MCI.TechVentures 1.0. Subfund, revenues from disposal of investments of the MCI.TechVentures 1.0. Subfund and in these costs of the Fund that are charged to all series of Investment Certificates related to the MCI.TechVentures 1.0. Subfund, only in part equivalent to the issue price of the Investment Certificates of these series paid up currently.

On 28 April 2015, the payment was made for part of investment certificates series A1, in the amount of PLN 58,006,409.60. Then, on 13 October 2015, another payment was made for part of investment certificates series A1, in the amount of PLN 15,994,715.20.

As at 31 December 2016, the value of unpaid investment certificates series A1 was PLN 95,988,744.80 (as at 31 December 2015: PLN 95,988,744.80).

The balance sheet shall be analysed together with the explanatory notes and the additional information which constitute an integral part of the separate annual financial statements.

#### **D. Income statement**

Prepared for the MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund for the period from 1 January 2016 to 31 December 2016 (data expressed in PLN thousand except for the result of operations per Investment Certificate expressed in PLN)

No	Description	Value for the period from 01-01-2016 to 31-12-2016	Value for the period from 01-01-2015 to 31-12-2015
<b>I.</b>	<b>Investment income</b>	<b>4,678</b>	<b>3,424</b>
1	Dividends and other shares in profits	61	1,328
2	Interest income	2,786	1,958
3	Real estate income	0	0
4	Positive balance of exchange differences	1,333	0
5	Other	498	138
<b>II.</b>	<b>Costs of the Subfund</b>	<b>36,890</b>	<b>53,615</b>
1	Fees for the investment fund company	23,572	40,399
2	Fees for entities in charge of distribution	0	0
3	Fees for the depositary	156	81
4	Fees related to keeping the register of assets of the Subfund	307	295
5	Permits and registration fees	302	413
6	Accounting services	96	147
7	Services involving the management of the Subfund's assets	0	0
8	Legal services	5,644	3,742
9	Publishing services, including printing services	0	0
10	Interest costs	1,910	542
11	Real estate costs	0	0
12	Negative balance of exchange differences	0	1,047
13	Other, of which:	4,903	6,949
	fee for loan guarantee agreements	840	346
	fee for Helix Ventures Partners FIZ (re Mediasoft Sp. z o.o.)	0	5,364
	fee for the finalisation of the transaction of sale of Mediasoft Sp. z o.o.	0	1,223
<b>III.</b>	<b>Costs covered by the investment fund company</b>	<b>0</b>	<b>0</b>
<b>IV.</b>	<b>Net costs of the Subfund (II-III)</b>	<b>36,890</b>	<b>53,615</b>
<b>V.</b>	<b>Net investment income (I-IV)</b>	<b>-32,212</b>	<b>-50,191</b>
<b>VI.</b>	<b>Realised and unrealised profit (loss)</b>	<b>4,254</b>	<b>157,210</b>
1	Realised profit (loss) on disposal of investments, including:	193,457	29,724
	from exchange differences	-40	-730
2	Increase (decrease) of unrealised profit (loss) on valuation of investments, including:	-189,203	127,486
	from exchange differences	12,844	11,511

<b>VII.</b>	<b>Result of operations</b>	<b>-27,958</b>	<b>107,019</b>
	Result of operations per investment certificate	-5.88	24.06
	series A	-6.46	26.76
	series B	-6.46	26.76
	series C	-6.46	26.76
	series D	-6.46	26.76
	series E	-6.40	26.76
	series H	-5.98	25.14
	series I	-5.98	25.14
	series J	-6.49	27.18
	series K	-5.41	22.71
	series L	-6.09	25.59
	series M	-6.15	25.79
	series N	-6.70	28.15
	series O	-6.74	28.23
	series P	-7.09	29.66
	series R	-7.01	29.35
	series S	-7.01	29.38
	series T	-6.84	28.74
	series U	-6.89	28.95
	series W	-6.81	28.64
	series Y	-6.75	28.36
	series Z	-6.91	29.20
	series A1	-2.43	10.06
	series B1	-6.91	29.04
	series C1	-6.98	29.32
	series D1	-7.00	29.46
	series E1	-	29.85
	series F1	-7.13	29.99
	series G1	-7.09	29.80
	series H1	-7.17	30.14
	series I1	-7.22	30.34
	series J1	-7.22	30.36
	series K1	-7.27	30.59
	series L1	-7.27	30.55
	series M1	-7.26	30.50
	series N1	-7.27	30.55
	series O1	-7.27	30.55
	series P1	-7.24	30.53
	series R1	-7.17	-
	series S1	-7.33	-
	series T1	-7.33	-
	series U1	-7.24	-
	series W1	-7.35	-
	series Y1	-7.33	-
	series Z1	-7.34	-
	series A2	-7.33	-

series B2	-7.42	-
series C2	-7.38	-
series D2	-7.35	-
series E2	-7.90	-
Diluted result of operations per investment certificate	-5.88	23.44

The calculation of the result of operations per investment certificate is based on the result of operations and the number of investment certificates as at the end of the reporting period.

The statement of operations shall be analysed together with the explanatory notes and the additional information which constitute an integral part of the separate annual financial statements.

## E. Statement of changes in net assets

Prepared for the MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund for the period from 1 January 2016 to 31 December 2016 (data expressed in PLN thousand except for the number of Investment Certificates expressed in units and the Net Asset Value per Investment Certificate expressed in PLN)

No	Description	Value for the period from 01-01-2016 to 31-12-2016	Value for the period from 01-01-2015 to 31-12-2015
<b>I.</b>	<b>Change in net asset value</b>		
1.	Net asset value as at the end of the previous reporting period	939,936	710,794
2.	Results of operations for the reporting period (total), including:	-27,958	107,019
	a) net investment income	-32,212	-50,191
	b) realised profit (loss) on disposal of investments	193,457	29,724
	c) increase (decrease) of unrealised profit (loss) on valuation of investments	-189,203	127,486
3.	Change in net assets due to the result of operations	-27,958	107,019
4.	Distribution of the income (revenues) of the Subfund (total):	0	0
	a) from net investment income	0	0
	b) from realised profit on disposal of investments	0	0
	c) from income from disposal of investments	0	0
5.	Changes in capital during the reporting period (total), including:	78,270	122,123
	a) change in the paid-in capital (capital increase due to investment certificates issued)	155,210	169,266
	a) change in the capital distributed (capital decrease due to investment certificates redeemed)	-76,940	-47,143
6.	Total change in net assets during the reporting period (3-4±5)	50,312	229,142
7.	Net asset value as at the end of the reporting period	990,248	939,936
8.	Average net asset value in the reporting period*	1,021,979	851,290
<b>II.</b>	<b>Change in the number of investment certificates</b>		
1.	Change in the number of investment certificates during the reporting period:	304,123	522,694
	a) number of investment certificates issued	627,195	732,372
	b) number of investment certificates redeemed	323,072	209,678
	c) balance of changes	304,123	522,694
2.	Number of investment certificates cumulatively since the beginning of the Subfund's operations:	4,752,071	4,447,948
	a) number of investment certificates issued	5,343,922	4,716,727
	b) number of investment certificates redeemed	591,851	268,779
	c) balance of changes	4,752,071	4,447,948
3.	Anticipated number of investment certificates	4,750,621	4,566,076
<b>III.</b>	<b>Change in net asset value per investment certificate</b>		

1.	Net asset value per investment certificate as at the end of the comparative reporting period	211.32	181.08
2.	Net asset value per investment certificate as at the end of the current reporting period	208.38	211.32
3.	Percentage change in net asset value per investment certificate during the reporting period	-1.39%	16.70%
4.	Minimum net asset value per investment certificate during the reporting period (including the valuation date)	208.38	180.27
		31-12-2016	11-03-2015
5.	Maximum net asset value per investment certificate during the reporting period (including the valuation date)	223.87	210.42
		30-11-2016	16-12-2015
6.	Net asset value per investment certificate based on the last valuation during the reporting period* (including the valuation date)	208.38	209.83
		31-12-2016	31-12-2015
7.	Diluted net asset value per investment certificate	208.45	212.14
<b>IV.</b>	<b>Percentage share of costs of the fund in the average net asset value during the year, including:</b>	3.61	6.30
1.	Percentage share of the fee for the company	2.31	4.75
2.	Percentage share of the fee for entities in charge of distribution	0.00	0.00
3.	Percentage share of the fees for the depositary	0.02	0.01
4.	Percentage share of the fees related to keeping the register of assets of the fund	0.03	0.03
5.	Percentage share of the fees for accounting services	0.01	0.02
6.	Percentage share of the fees for services involving the management of the Subfund's assets	0.00	0.00

\* The official valuation of the Subfund confirmed by the Depositary.

This statement of changes shall be analysed together with the explanatory notes and the additional information which constitute an integral part of the separate annual financial statements.

## F. Cash flow statement

Prepared for the MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund for the period from 1 January 2016 to 31 December 2016 (PLN '000)

No	Description	Value for the period from 01-01-2016 to 31-12-2016	Value for the period from 01-01-2015 to 31-12-2015 (restated data)
<b>A.</b>	<b>Cash flows from operating activities (I-II)</b>	<b>-53,265</b>	<b>-257,399</b>
<b>I.</b>	<b>Cash inflows</b>	<b>622,957</b>	<b>268,172</b>
1.	From investments held	328	21,975
2.	From disposal of investment components, including:	621,514	246,195
	Deposits	325,390	133,339
3.	Other	1,115	2
<b>II.</b>	<b>Outflows</b>	<b>676,222</b>	<b>525,571</b>
1.	From investments held	0	0
2.	From acquisition of investment components, including:	638,317	483,744
	Deposits	325,390	131,279
3.	Due to the fees paid to the company	29,310	32,283
4.	Due to the fees paid to entities in charge of distribution	0	0
5.	Due to the fees paid to the depository	154	108
6.	Due to the fees paid related to keeping the register of assets of the Subfund	299	312
7.	Due to the fees paid for permits and registration	0	0
8.	Due to accounting services	122	131
9.	Due to services involving the management of the Subfund's assets	0	0
10.	Due to legal services	6,088	4,266
11.	Due to real estate held	0	0
12.	Other	1,932	4,727
<b>B.</b>	<b>Cash flows from financing activities (I-II)</b>	<b>26,168</b>	<b>257,835</b>
<b>I.</b>	<b>Cash inflows</b>	<b>157,260</b>	<b>307,198</b>
1.	Due to issue of investment certificates	157,249	244,277
2.	Due to loans incurred	0	34,514
3.	Due to borrowings incurred	0	0
4.	Due to repayment of loans granted	0	0
5.	Interest	11	11
6.	Other, of which:	0	28,396
	due to issue of bonds	0	25,000
	due to the handling fee	0	3,007
<b>II.</b>	<b>Outflows</b>	<b>131,092</b>	<b>49,363</b>
1.	Due to redemption of investment certificates	77,409	46,321
2.	Due to repayment of loans drawn	21,948	0
3.	Due to repayment of borrowings drawn	0	0
4.	Due to bonds issued	26,025	0



5.	Due to the income distribution	0	0
6.	Due to loans granted	0	0
7.	Interest	1,032	485
8.	Other	4,678	2,557
<b>C.</b>	<b>Impact of changes in exchange rates of cash and cash equivalent</b>	<b>-246</b>	<b>-902</b>
<b>D.</b>	<b>Net change in cash (A+/-B)</b>	<b>-27,343</b>	<b>-466</b>
<b>E.</b>	<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>29,463</b>	<b>29,940</b>
<b>F.</b>	<b>Cash and cash equivalents at the end of the reporting period (E+/-D)</b>	<b>2,120</b>	<b>29,474</b>

\* The presentation of overnight deposits in the comparable period changed vs. the presentation in the financial statements for 2015, as these are disclosed under cash and cash equivalents. Details of presentation changes are disclosed in the Additional Information to these financial statements.

The cash flow statement shall be analysed together with the explanatory notes and the additional information which constitute an integral part of the separate annual financial statements.

## G. Explanatory notes

Values in tables in PLN '000

### NOTE 1. ACCOUNTING POLICY OF THE SUBFUND

#### 1. Legal regulations governing the Fund's accounting

The registers of assets and liabilities of the Fund and the assets and liabilities of the Fund are kept based on applicable acts and regulations, including in particular:

- Accounting Act of 29 September 1994 (Journal of Laws of 2016, item 1047, as amended);
- Act of 27 May 2004 on investment funds and management of alternative investment funds (consolidated text: Journal of Laws of 2016, item 1896, as amended);
- Regulation of the Minister of Finance of 24 December 2007 on the specific accounting policies for investment funds (Journal of Laws of 2007 No 249, item 1859).

#### 2. Principles for disclosure and presentation of information in the financial statements

The Company conducts subjective assessments and makes certain assumptions which affect the accounting principles applied and the presented amounts of assets and liabilities, as well as revenues and costs disclosed in the financial statements. Such estimations are made based on the best knowledge of the Company, i.e. based on available historical data, data that can be observed on the market or other factors considered relevant in the specific circumstances. They provide a basis for estimation of the value of particular investment components that

cannot be explicitly specified based on information from an active market. Estimations and assumptions made are subject to regular review by the Company that assesses whether e.g. impairment should not be recognised and the respective impairment write-down for specific investment components.

The financial statements were prepared:

- In Polish language and in Polish currency (amounts expressed in PLN thousand, except for the value per investment certificates, result of operations per investment certificate – these items are disclosed to full groszy (0,01 PLN), and the number of investment certificates expressed in units).
- Based on accounting records as at the balance sheet date, taking into account post-balance sheet events pertaining to the reporting period.
- In accordance with regulations on fund accounting pertaining to determining the result of operations, including: (a) net investment income; and (b) realised profit (loss) on disposal of investments; and (c) unrealised profit (loss) on the valuation of investments.
- In accordance with accounting principles specified in the fund's accounting policy and valuation methods binding as at the balance sheet date.
- In the format consistent with the Regulation of the Minister of Finance of 24 December 2007 on the specific accounting policies for investment funds (Journal of Laws of 2007 No 249, item 1859).

### 3. Recognition of operations pertaining to the Fund in accounting records

1. Operations pertaining to the Subfund are recorded in the accounting records for the period to which they refer.
2. On the valuation date, assets are measured, and liabilities are stated at a reliably estimated fair value, except for debt securities measures at the adjusted purchase prices using the effective interest rate.
3. The net asset value of the Subfund equals the value of all assets of the Subfund less the value of liabilities of the Subfund as at the valuation day.
4. The day of recognising changes in the capital paid-in or capital distributed in the accounting records shall be the day of the issuance or redemption of investment certificates.
5. For the purposes of determining the net asset value per investment certificate as at the particular valuation date, changes in the capital paid-in or capital distributed related to payments or distributions recorded in accordance with point 4 are disregarded.
6. Investment components purchased are recorded in accounting records at their purchase price. The purchase price of investment components acquired free of charge shall be zero.
7. Open forward contracts shall be recorded in the Subfund's accounting records at book value equal zero; the brokerage commission and other costs relating to the opening thereof shall reduce unrealised profit (increase unrealised loss) from the contract valuation; the brokerage commission and other costs relating to the closing thereof shall reduce realised profit (increase realised loss) from the forward contract.
8. Investment components of the Subfund received in exchange for other investment components have the purchase price assigned resulting from the purchase price of these investment components for which they were exchanged, adjusted for potential additional payments or cash received.
9. In case of debt securities with interest accrued, the value determined with respect to their nominal value and the value of interest accrued are disclosed in the Separate financial statements jointly and presented jointly as an investment component of the Subfund.
10. Income from bank deposits is determined using the effective interest rate method, taking into account the amount of interest on the deposit as well as conditions and timing of the interest payment, and it is recorded in the accounting records of the Fund starting the day following the deposit opening date until the interest capitalisation date inclusive.
11. Profit or loss on disposal of investment is calculated using the (HIFO) "highest in first out" method, involving assigning the highest purchase price of the particular investment components to the sold items, and in case of instruments measured as adjusted purchase price – the highest current book value (this does not apply to securities purchased with the repurchase obligation of the other party). In case of expiration of obligations under options written, it is concluded that the liabilities expire starting the ones on which the lowest net premium was received. Profit or loss on sale of foreign currencies is calculated using the "highest in first out" method.
12. When transactions involving sale and purchase of the particular security are concluded on the same day, the purchase of the component held is recognised as the first.
13. The pre-emptive right to shares listed on an active market, due based on the resolution of the general meeting of shareholders, shall be recognised in accounting records on the day, on which the price disregarding the value of this right is used for the first time for the purposes of the valuation of these shares. Non-exercised pre-emptive right shall be considered disposed at zero value, on the day following the date of expiry of this right.
14. The dividend due from shares listed on an active market shall be recognised in accounting records on the day, on which the market price disregarding the value of the right to dividend is used for the first time for the purposes of the valuation of these shares.
15. The right to dividend on shares not listed on an active market and the pre-emptive right to shares not listed on an active market shall be recognised in the accounting records on the day following the day on which these rights were determined.
16. A change in the nominal value of purchased shares which does not give rise to a change in the issuer's share capital shall be recognised in sub-ledger registers, where the number of shares held and the unit purchase price are changed.
17. Unrealised profit (loss) on valuation of investments impacts the increase (decrease) of the result of operations.
18. Purchase or disposal of investment components by the Subfund are recorded in the accounting records as at the date of the agreement. Investment components purchased or disposed by the Subfund after 11:00 pm. on the valuation date or investment components for which by 11:00 pm. the Subfund did not receive a confirmation of the transaction conclusion are recorded on the next valuation date of the Subfund's assets and determination of its liabilities, when it is possible.

19. Operations involving the Subfund are recognised in the currency in which they are expressed and, additionally after conversion for the Polish currency, according to the applicable average exchange rate determined for a given currency by the National Bank of Poland as at the day of recognition of these operations in accounting records of the Subfund. If operations pertaining to the Subfund are expressed in currencies for which the National Bank of Poland does not publish the exchange rate, their value shall be determined taking into account the currency selected by the Subfund for which the average exchange rate is published by the National Bank of Poland.
20. Investment income shall include, in particular: dividends and other shares in profits, interest income and positive balance of exchange difference resulting from the valuation of cash, receivables and liabilities in foreign currencies.
21. Costs of the Subfund shall include in particular: fee of the Company for managing the Subfund and management results, costs of legal services, fee for the Depositary, fees related to keeping the register of the Subfund's Assets, accounting services, fees for permits and registration fees, interest costs (including effect of the premium amortisation making up the valuation of assets not listed on an active market using the adjusted purchase price method based on the effective interest rate), and negative balance of exchange difference resulting from the valuation of cash, receivables and liabilities in foreign currencies.
22. Interest income from debt securities measured at fair value is calculated in accordance with the principles specified for these securities by the issuer, and is disclosed as a component of investments listed or not listed on an active market. Interest income on bank deposits is calculated using the effective interest rate and disclosed under receivables in the separate financial statements of the Subfund respectively.
23. In case of costs of the Subfund, a provision is created for expected costs. Cost payments reduce the provision created previously. The preliminary cost estimate includes items of justified value, calculated based on regular rates taking into account the frequency of determination of net asset value on valuation dates.
24. Interest costs due to loans and borrowings incurred by the Subfund are settled over time using the effective interest rate.

#### 4. Main valuation principles used

1. Assets are measured, and liabilities are stated as at the valuation date specified in the Articles of Association.
2. The Subfund accepted 23:00 hours, local time in Poland, as the valuation time at which the latest

available rates are obtained allowing estimating fair value of investments held by the Subfund on the particular valuation date.

3. Assets of the Subfund are measured, and liabilities of the Subfund are stated as at the reliably estimated fair value, subject to the following principles:

3.1. The fair value of investment components listed on an active market shall be the last price available from the active market as at the valuation moment.

3.2. The value of debt securities not listed on an active market is estimated based on adjusted purchase price using the effective interest rate that, due to market level of interest rates of the instruments, constitutes a reliable estimation of the fair value.

3.3. Deposits opened by the Subfund are measured at adjusted purchase price using the effective interest rate that, due to market level of interest rates of the instruments, constitutes a reliable estimation of the fair value.

3.4. The value of promissory notes accepted by the Subfund is determined at adjusted purchase price using the effective interest rate.

3.5. Debt due to loans and borrowings granted are measured at the fair value.

Due to market level of interest rates for loans and borrowings, the effective interest rate model can be considered a reliable estimation of the fair value.

3.6. The fair value of shares in companies not listed on an active market is determined using generally accepted valuation methods, taking into account various factors, based on the latest information available as at the valuation moment (not older than 6 months before the valuation date), including direct contacts with companies in which the Fund invests, experience and knowledge of the company and the market on which the company operates, as well as other information to which the Fund has access.

Principles followed by the Fund in the valuation process:

##### 3.6.1. Lack of changes of the valuation for the first 12 months:

As a rule, the Fund does not expect any changes in the valuation for the first 12 months after making the investment. However, investments are monitored on a current basis in order to confirm that the Company is on the correct development path and its management fulfils its obligations. If any material events take place during the first 12 months of the valuation that in the opinion of the Fund have an impact on the valuation, the Fund will revalue (update) such a valuation.

##### 3.6.2. Revaluation (update of the valuation):

- a) Revaluation can take place in case of a significant increase in revenues or

profitability of an enterprise that can sustain in the future, interest in acquisition that indicates an increase in the valuation of an enterprise vs. the value recorded in accounting records, or any other factors that in the opinion of the Fund result in a permanent appreciation of the enterprise and should be reflected in fair value.

- b) Negative revaluation usually takes place in the following instances:
- when the enterprise loses its financial liquidity and experience problems in acquiring new financial resources;
  - deteriorating financial results or market position.

**3.6.3. Valuation methods:** After 12 months from making the investment or, in justified instances, after a longer period, the Fund can change the valuation method to one of the following methods:

**3.6.3.1. Last comparable transaction method:** Valuation based on the last transaction of purchase/sale of shares in the company, with a high probability of being repeated on similar terms.

**3.6.3.2. Comparable method:** The fair value of the enterprise subject to the valuation is determined by comparing it to similar companies, the shares of which are listed on stock exchanges or that were subject to transactions. Companies with the business profile as close as possible to the company subject to the valuation are taken into account for the valuation purposes. This method involves the calculation of indices (multiplier) reflecting the prices set by the market for a profit or sales unit. Medians of indices applied are used when calculating final multipliers. Such indices are then used to multiply the profit or sales of the company subject to the valuation, which allows to calculate its current market value. Then, to arrive to the final valuation outcome, the weighted average of the values calculated is taken into account (when the value of the company calculated based on the particular index significantly varies from the value determined based on other indices, it is possible to reduce the weight of this index or exclude it from the analysis). The value calculated in this way is additionally reduced by the discount for lack of liquidity. The discount for lack of liquidity related to the investment in a private company reflects more limited options for selling the shares by the owners due to lack of the existing market of shares in private companies. Its value ranges from 5% to 30%. The discount level depends, inter alia, on the status of works related to admitting the company to public

trading or sale to another financial, strategic or industry investor.

**3.6.3.3. Adjusted net asset method:** The fair value of net assets of the company is determined by adjusting balance sheet items in order to ensure that their book values match their market values.

**3.6.3.4. Discounted cash flow method:** The value of the enterprise is estimated based on the value of expected free cash flows that the enterprise will generate in the future or when the grounds to apply this method exist.

**3.6.3.5. Invested capital method:** The valuation is based on the prices of a share within the framework of a new or subsequent equity financing round that took place recently, taking into account the exchange rate as at the valuation moment in case of investments in foreign currencies.

The Fund shall select the method of the valuation of shares in entities not listed on an active market taking into account the following factors:

- stage of the company development;
- ability to generate stable net profit, EBIT, EBITDA, revenues;
- availability of information on comparable companies;
- characteristics of the sector in which the company operates;
- availability of reliable financial data and forecasts for the analysed company as well as the market and sector in which the company operates;
- information and events typical only for the analysed company;
- information on the situation on and condition of financial markets;
- information on the situation on and condition of the merger and acquisition market, in particular in the context of the number of transactions concluded.

When there is more than one valuation method, the application of which seem reasonable in the particular circumstances, a few methods can be used. Using more than one method allows better estimating the value of the company. The ultimate selection of the valuation method should depend on the aforementioned factors and on other factors that might be material from the point of view of estimation of the value of the company. Valuation methods and models applied by the Fund are assessed and verified on a regular basis. In case of using a few valuation methods, the arithmetic average of individual valuation results is used to calculate the ultimate value of the company.

**3.6.4. The preferred return option** is a very important additional element influencing the value. The Fund invests mainly in enterprises at the initial stage of their development, which involve

an increased risk. For that reason, the Fund endeavours to negotiate the transaction parameters in such way as to protect the capital invested. Such a possibility is provided by so-called preferred return options, i.e. options that grant the Fund the priority right to fully recover invested resources when exiting the investment before other investors (both existing and new). As part of negotiations, in addition to the right to recover the capital invested, such options very often enable the Fund to receive additional resources allowing achieving a predetermined minimum level of the investment rate of return within a stipulated investment horizon (IRR).

3.7. The fair value of derivatives not listed on a active market is determined using generally known and applied estimation models, such as e.g. the Black-Scholes model, finite difference method. When the complete valuation model cannot be applied, including in particular for preferred return derivatives arising from investment agreements, the derivative is measured at its internal value.

4. In case of securities listed on more than one active market, the fair value shall be the price determined on the main market. The Subfund selects main markets at the end of each calendar month.
5. Long-term assets and liabilities in foreign currencies are measured in the currency in which they are listed on an active market. In case of long-term assets or liabilities in foreign currencies not listed on an active market, they are measured in the currency, in which the particular instrument is denominated. Long-term assets and liabilities in foreign currencies are stated in Polish currency after translation based on the last available average exchange rate announced for the particular foreign currency by the National Bank of Poland, as at the valuation moment.
6. Securities purchased with the repurchase obligation of the other party shall be measured,

starting the date of concluding the purchase agreement, using the adjusted purchase price method based on the effective interest rate. Obligations to sell securities in case of the Subfund's obligation to repurchase, shall be measured, starting the date of concluding the sale agreement, using the method of adjustment of the difference between the repurchase price and the sale price, based on the effective interest rate.

7. Cash as well as receivables and liabilities that are not denominated in PLN shall be recognised in the balance sheet in PLN after translation from the original currency using the relevant exchange rate (information in notes).
8. In accordance with provisions of the Articles of the Association of the Fund and issue terms, the Subfund issued the series A1 certificates. These certificates were not fully paid up and shall be paid up in line with provisions of the Articles of Association of the Fund. In accordance with Article 137 section 7 of the Act, investment certificates that are not fully paid-up shall constitute the receivables of the Subfund and are disclosed under its assets, and recognised as a capital paid-in. The net asset value per certificate in case of certificates not fully paid up shall be initially presented at the issue value, in accordance with the issue terms. Than, these certificates participate in the income of the Subfund, revenues from disposal of investments of the Subfund and in these costs of the Fund that are charged to all series of Investment Certificates related to the Subfund, only in part equivalent to the issue price of the Investment Certificates of these series paid up currently. The net asset value per certificate in case of other certificates (fully paid-up) disregards the receivables due to certificates not paid-up. The net asset value per certificate is measured in line with the procedure for the calculation of net asset value per certificate subject to agreement with the Depositary and in line with the issue terms.

**NOTE 2. RECEIVABLES OF THE SUBFUND**

	Receivables	Value as at 31-12-2016	Value as at 31-12-2015
1	Due to investments disposed	25,640	3,021
2	Due to derivatives	0	0
3	Due to investment certificates issued	95,989	95,988
4	Due to dividends	0	0
5	Due to interest	0	0
6	Due to real estate held, including rent	0	0
7	Due to loans granted	0	0
8	Other, of which:	16,496	1,169

a) due to subscription	15,493	0
<b>Total:</b>	<b>138,125</b>	<b>100,178</b>

### NOTE 3. LIABILITIES OF THE SUBFUND

	Liabilities	Value as at 31-12-2016	Value as at 31-12-2015
1	Due to assets purchased	67	2,764
2	Due to transactions with the repurchase obligation of the Subfund	0	0
3	Due to derivatives	2,310	412
4	Due to payments for investment certificates	0	1,833
5	Due to investment certificates redeemed	869	976
6	Due to the Subfund's income distribution	0	0
7	Due to the Subfund's revenue distribution	0	0
8	Due to bonds issued*)	0	25,243
9	Due to short-term loans and borrowings	0	0
10	Due to long-term loans and borrowings	13,272	34,731
11	Due to guarantees or warranties	0	0
12	Due to provisions, of which:	17,908	11,882
	- for fixed fees	6,109	11,709
	- for the fees for management results	2	105
	- for the claim related to sale of Invia	11,697	0
	- other provisions	100	68
13	Other liabilities	0	2,264
	<b>Total:</b>	<b>34,426</b>	<b>80,105</b>

\*) Registered Bonds series D issued; the original issue volume – 25,000 bonds, early redemption on 11.04.2016 – 7,500 bonds; the current issue volume – 17,500 bonds; nominal value of each Bond is PLN 1,000; the issue price is PLN 1,000 per one Bond; the issue date: 2015-11-05; redemption date: 2019-11-05; interest: WIBOR for 3M deposits (WIBOR 3M) of the issue date, i.e. 1.73% plus 4.5% per year on the nominal value, starting the issue date inclusive; Bond collateral; debts under the bonds have no collateral.

#### NOTE 4. CASH AND CASH EQUIVALENTS

I. Structure of cash at banks	Value as at 31-12-2016			Value as at 31-12-2015		
	Currency ('000)	Value in the particular currency as at the balance sheet date ('000)	Value in the currency of the financial statements as at the balance sheet date (PLN '000)	Currency ('000)	Value in the particular currency as at the balance sheet date ('000)	Value in the currency of the financial statements as at the balance sheet date (PLN '000)
				(restated data)		
I. Banks:						
ING Bank Śląski S.A.	PLN	4	4	PLN	28,453	28,453
ING Bank Śląski S.A.	EUR	0	0	EUR	1	5
RAIFFEISEN BANK POLSKA SA	PLN	1,957	1,957	PLN	0	0
RAIFFEISEN BANK POLSKA SA	EUR	2	11	EUR	1	5
ALIOR BANK	PLN	58	58	PLN	1,005	1,005
ALIOR BANK	EUR	20	90	EUR	0	0
<b>Total:</b>			<b>2,120</b>			<b>29,463</b>

II. Average level of cash maintained to cover current liabilities during the reporting period	Value as at 31-12-2016			Value as at 31-12-2015		
	Currency ('000)	Value in the particular currency as at the balance sheet date ('000)	Value in the currency of the financial statements as at the balance sheet date (PLN '000)	Currency ('000)	Value in the particular currency as at the balance sheet date ('000)	Value in the currency of the financial statements as at the balance sheet date (PLN '000)
Average level of cash during the reporting period*):	PLN	25,797	25,797	PLN	15,110	15,110
	EUR	9,456	41,050	EUR	950	3,966
	CZK	0	0	CZK	34	5
<b>Total:</b>			<b>66,847</b>			<b>19,081</b>

III. Cash equivalents	Value as at 31-12-2016	Value as at 31-12-2015
	Value in the particular currency as at the balance sheet date ('000)	Value in the currency of the financial statements as at the balance sheet date (PLN '000)
Cash equivalents by type	not applicable	not applicable

\* The presentation of overnight deposits in the comparable period changed vs. the presentation in the financial statements for 2015, as these are disclosed under cash and cash equivalents. Details of presentation changes are disclosed in the Additional Information to these financial statements.

\*\* The average level of cash during the reporting period is calculated based on the arithmetic average of cash and overnight deposits on official valuation dates of the Subfund.



## NOTE 5. RISKS

a. Market and other risk factors

As at 31 December 2016, the portfolio investments of the Subfund included non-liquid, not listed securities that are exposed at risk of loss of the capital invested by the Subfund, in part or in whole. Risks having an impact on the Subfund's investments include:

b. General economic risk – the investment portfolio of the Subfund includes companies over which the Subfund has limited control, having their registered offices and carrying out their activities in Poland. The aforementioned investments involve the risk resulting from adverse changes in currency exchange rates, political situation development, legislative situation, market situation, exchange and restrictions of capital flows, regulations that may hinder the implementation of development strategies, cost reductions or productivity improvements by portfolio companies or may in any other way increase the value of the Subfund's investments in such portfolio companies.

c. Risk related to the investment subject – the Subfund's investments in portfolio companies are subject to risk of competitiveness increase, decrease in the market demand, exchange rate volatility and other risks, such as e.g. credit risk or counterparty risk, that might have an adverse impact on results of operations of these companies. Additionally, portfolio companies may require significant additional capital outlays and additional bank financing in order to support their development or refinance their previous loan liabilities. Terms on which such additional financing is provided may not be favourable.

d. Liquidity risk – the investment portfolio of the Subfund contains non-liquid securities that are not admitted to public trading. Consequently, there is a risk that the Subfund may be unable to achieve its investment objectives by selling or disposing in any other way portfolio investments reflecting the current carrying amount of investments of the Subfund.

Consequently, the Subfund may incur losses on part or all of its investments.

e. Interest rate risk – the level of interest rates is one of the most significant drivers of prices of debt and equity securities. Changes in market interest rate levels, inter alia as a result of changes in macroeconomic parameters, may result in significant shifts of value of Investment Certificates. It should be emphasized that the relationship between the prices of debt securities

and the level of interest rates shows features of an inversely proportional relationship. The interest rate level is also an important factor from the point of view of the profitability of companies that use bank loans for the purposes of their activities. A growth of interest rate may result in an increase in interest costs and deterioration of the profitability of the company, which subsequently may result in a drop of the company value.

f. Credit risk – risk of insolvency of business partners related to permanent or temporary loss of their ability to satisfy liabilities incurred, including permanent or temporary inability to pay interest on liabilities. Such a situation may occur as a result of deterioration of the financial standing of a business partner due to both internal factors of the business partner and external conditions (economic parameters, legal environment, etc.) A deterioration of the financial position of the business partner is reflected in a drop of prices of debt securities issued by this entity. This risk category also includes risk related to a decrease of the credit rating of the business partner by rating agencies and resulting drop in prices of debt securities due to higher risk premium expected by investors.

g. A deterioration of the financial standing of issuers of securities making up the investments of the Subfunds or reduction of ratings of these securities or the issuers thereof may result in a drop of the value of Investment Certificates.

h. FX risk – the level of currency exchange rate is an additional risk factor in case of the Subfund making investments on foreign markets, and investments in securities denominated in foreign currencies. Changes in the exchange rate of PLN to foreign currencies may result in fluctuations of prices of such securities, expressed in PLN, which in turn may lead to fluctuations and drops of the value of Investment Certificates.

Information included in these financial statements are presented by the Company in good faith and they reflect the recoverable value estimated using the selected valuation method and assumptions adopted, but there is a risk pertaining to values that will be ultimately recovered in the future.

As at the balance sheet date, investment components not listed on an active market made up 80.57% of the assets of the Subfund.

Risks	Value as at 31-12-2016	Value as at 31-12-2015  (restated data)
<b>1) Level of interest rate risk burden on assets and liabilities of the Subfund, by balance sheet category, including:</b>	<b>87,188</b>	<b>49,087</b>
a) assets subject to fair value risk due to interest rate*)	73,916	14,356
b) assets subject to cash flow risk due to interest rate**)	0	0
c) liabilities subject to cash flow risk due to interest rate***)	13,272	34,731
<b>2) Level of credit rate risk burden on assets and liabilities of the Subfund, by balance sheet category, including:</b>	<b>337,029</b>	<b>273,945</b>
a) amounts reflecting the maximum credit risk burden as at the balance sheet date if transaction parties fail to satisfy their obligations, whereas fair values of additional collaterals are disregarded in the description****)	241,041	177,957
Cash	2,120	29,463
Deposits	0	0
Receivables	138,125	100,178
Non-standardised derivatives	26,880	33,960
Debts	12,205	14,356
Promissory notes	61,711	0
b) information on existing instances of significant concentration of credit risk in specified investment categories*****)	95,988	95,988
Investment certificates unpaid	95,988	95,988
<b>3) Level of FX risk burden on assets and liabilities of the Subfund, including the information on instances of significant concentration of FX risk in specified investment categories</b>	<b>578,678</b>	<b>708,150</b>
cash in EUR	101	5
derivatives	26,202	24,924
shares in companies having their registered offices abroad	115,790	399,532
interests in companies having their registered offices abroad	426,775	297,191
debts to companies having their registered offices abroad	9,810	11,422

\*) The presentation of overnight deposits in the comparable period changed vs. the presentation in the financial statements for 2015, as these are disclosed under cash and cash equivalents. Details of presentation changes are disclosed in the Additional Information to these financial statements.

\*\*) Fixed-coupon bonds, zero-coupon bonds, treasury bills, fixed coupon mortgage bonds, fixed-coupon deposit certificates, promissory notes and fixed-interest debts were recognised as the assets subject to fair value risk due to interest rate.

\*\*\*) Floating-coupon bonds, floating-coupon mortgage bonds, floating-coupon deposit certificates, floating-interest derivatives with a positive value as at the balance sheet date and floating interest debts were recognised as the assets subject to cash flow risk due to interest rate.

\*\*\*\*) Floating-interest derivatives with a negative value as at the balance sheet date and loans and borrowings incurred were recognised as the liabilities subject to cash flow risk due to interest rate.

\*\*\*\*\*) Credit risk includes the risk of the business partner default on securities issued (fixed-, floating- and zero-coupon bonds, treasury bills and mortgage bonds), loans, deposits making up the investment portfolio, cash in bank, and the business party default on transactions concluded, in particular for non-standardised derivatives (disclosed in an absolute value) and buy-sell-back transactions.

\*\*\*\*\*) The level of 10% share of the particular issuer in total assets for particular investment categories and other balance sheet items was considered a significant concentration of credit risk.

The Subfund managers take active steps in order to mitigate the aforementioned risks. These steps include, inter alia:

a) introduction of investment limitations defining maximum exposure to the particular investment

type and ongoing monitoring of the exposure level;

b) requirement to provide collaterals for the loans, guarantees and warranties granted, except the

- situation when all the following conditions are met:
- o the situation of the entity guarantees that this entity will satisfy its obligations to the Subfund;
  - o creditworthiness of the entity is on a high level;
  - o the transaction partner is reliable;
  - c) introduction of maximum levels of the Subfund's indebtedness and limitation of the

possibility to incur debts only to bank loans and issuance of bonds;

d) carrying out the economic analysis of each investment component (in particular the ones not listed on a public market), risk identification and adjustment of the target exposure to the particular investment to results of the analysis performed at the stage before making the investment decision.

## NOTE 6. DERIVATIVES

Derivatives	Value as at 31-12-2016							
	Position taken type	Derivative type	Purpose of the position opening	Value of the open position	Values and timing of future cash flows	Amount providing a basis for future payments*	Derivative maturity or expiration date**	Derivative execution date***
CALL option for shares in 21Diamonds GmbH – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Asgoodasnew electronic GmbH – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	3,727	-	-	-	-
CALL option for conversion of the loan to Auctionata AG – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Auctionata AG – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in AZIMO LTD – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Blacksquare Investments Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	12,393	-	-	-	-
CALL option for shares in Ganymede Group Sp. z o.o. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	1,544	-	-	-	-
CALL option for conversion of the loan to Geewa a.s. – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Geewa a.s. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	352	-	-	-	-
CALL option for shares in GT Gettaxi Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	7,975	-	-	-	-
CALL option for shares in iZettle AB – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
PUT option for shares in Mika Tur – short position – expiration date: 2017-12-31	PUT option purchased	PUT option	investment portfolio management	-250	-	-	31-12-2017	-

CALL option for shares in Naviexpert Sp. z o.o. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for conversion of the loan to Oktogo Holding Limited – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for conversion of the loan to Oktogo Holding Limited – conversion date 2017-12-30	CALL option purchased	CALL option	investment portfolio management	0	-	-	30-12-2017	-
CALL option for shares in Oktogo Holding Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in SHLD Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	1,755	-	-	-	-
CALL option for conversion of the loan to SHLD Limited – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in UAB Pigu – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in UAB Pigu – preferred return – short position	PUT option purchased	PUT option	investment portfolio management	-2,058	-	-	-	-
CALL option for shares in Wearco Sp. z o.o. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Morele.net – open-ended	CALL option purchased	CALL option	investment portfolio management	1,442	-	-	-	-
<b>Total:</b>				<b>26,880</b>	-	-		-

Derivatives	Value as at 31-12-2015							
	Position taken type	Derivative type	Purpose of the position opening	Value of the open position	Values and timing of future cash flows	Amount providing a basis for future payments*	Derivative maturity or expiration date**	Derivative execution date***
CALL option for shares in 21Diamonds GmbH – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in asgoodasnew electronic GmbH – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	929	-	-	-	-
CALL option for shares in Auctionata AG – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in AZIMO LTD – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Biotech Varsovia Pharma Sp. z o.o. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Blacksquare Investments Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	8,843	-	-	-	-
CALL option for shares in Ganymede Group Sp. z o.o. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for conversion of the loan to Geewa a.s. – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Geewa a.s. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	264	-	-	-	-
CALL option for shares in GT Gettaxi Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	3,540	-	-	-	-
Option for shares in Invia.cz a.s. – preferred return – short position	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-

CALL option for shares in iZettle AB – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
PUT option for shares in Mika Tur – short position – expiration date: 2017-12-31	PUT option purchased	PUT option	investment portfolio management	-412	-	-	31-12-2017	-
CALL option for shares in Naviexpert Sp. z o.o. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	7,829	-	-	-	-
CALL option for conversion of the loan to Oktogo Holding Limited – open-ended	CALL option purchased	CALL option	investment portfolio management	7,707	-	-	-	-
CALL option for conversion of the loan to Oktogo Holding Limited – conversion date 2017-12-30	CALL option purchased	CALL option	investment portfolio management	1,475	-	-	30-12-2017	-
CALL option for shares in Oktogo Holding Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	652	-	-	-	-
CALL option for shares in SHLD Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	1,511	-	-	-	-
CALL option for conversion of the loan to SHLD Limited – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in UAB Pigu – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in UAB Pigu – preferred return – short position	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Wearco Sp. z o.o. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	1,622	-	-	-	-
<b>Total:</b>				<b>33,960</b>	-	-		-

\*) The amount providing a basis for future payments depends on specific provisions of investment agreements. In particular, in case of preferred return options, this amount usually refers to the value of shares/interests as at the valuation date and the predetermined guaranteed return on investment, while in case of call and put options it refers to the value of shares/interests as at the valuation date and the purchase or sale price of shares/interests specified in the agreement.

\*\*) Unless otherwise stated, the maturity or expiry date of a derivative shall be the moment of sale of shares/interests by the Subfund.

\*\*\*) Unless otherwise stated, the ultimate derivative execution date expires upon sale of shares/interests by the Subfund.

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In case of the preferred return option, it is a financial instrument arising from provisions of the investment agreement/agreements ensuring the decision-making powers to the Subfund with respect to the execution thereof, always favourable to the Subfund. This instrument does not meet the definition of a typical option within the meaning of financial instruments.



## NOTE 7. TRANSACTIONS WITH THE REPURCHASE OBLIGATION OF THE SUBFUND OR THE OTHER PARTY

As at 31 December 2016 and during the period from 1 January 2016 to 31 December 2016, the Subfund had no transactions concluded with the repurchase obligation of the Subfund or the other party.

## NOTE 8. LOANS AND BORROWINGS

Loans and borrowings	Value as at 31-12-2016	Value as at 31-12-2015
<b>1) Information on loans and borrowings drawn by the Subfund, cash loans and borrowings in the amount equivalent, as at their drawing date, to more than 1% of the value of assets of the Subfund</b>	<b>13,272</b>	<b>34,731</b>
a) name and registered office of the entity that granted the loan (borrowing)	Alior Bank S.A., ul. Łopuszańska 38D, 02-232; Warsaw	Alior Bank S.A., ul. Łopuszańska 38D, 02-232; Warsaw
b) amount of the loan (borrowing) upon incurring it and its percentage share in assets	PLN 4,373,775; 0.49% PLN 847,800; 0.09% PLN 29,292,570; 3.20%	PLN 4,373,775; 0.49% PLN 847,800; 0.09% PLN 29,292,570; 3.20%
c) outstanding amount of the loan (borrowing), in thousand, of which:	13,272	34,731
d) interest	floating EUROBIOR 3M + 3.00% margin	floating EUROBIOR 3M + 3.00% margin
e) repayment date	27-07-2018	27-07-2018
f) collateral granted	a) warranty b) registered pledge on shares	a) warranty b) registered pledge on shares
<b>2) Information on cash loans granted by the Subfund, in the amount equivalent, as at their granting date, to more than 1% of the value of assets of the Subfund, including the information on:</b>		-
a) name and registered office of the entity to which the loan was granted		-
tranche no 7	Auctionata AG	
transza6	Auctionata AG	
tranche no 5	Auctionata AG	
tranche no 4	Auctionata AG	
tranche no 3	Auctionata AG	
tranche no 2	Auctionata AG	
b) amount of the loan upon granting it, percentage share in assets	17,594	-
tranche no 7	877; 0%	
transza6	3.502; 0%	
tranche no 5	2.573; 0%	
tranche no 4	2.611; 0%	
tranche no 3	1.298; 0%	
tranche no 2	6.733; 0%	

c) outstanding amount of the loan (borrowing)		17,594	-
	tranche no 7	877	
	transza6	3,502	
	tranche no 5	2,573	
	tranche no 4	2,611	
	tranche no 3	1,298	
	tranche no 2	6,733	
d) interest			-
	tranche no 7	fixed – 2%	
	transza6	fixed – 7%	
	tranche no 5	fixed – 7%	
	tranche no 4	fixed – 7%	
	tranche no 3	fixed – 7%	
	tranche no 2	fixed – 7%	
e) repayment date		-	-
	tranche no 7	31-12-2016	
	transza6	31-12-2016	
	tranche no 5	31-12-2016	
	tranche no 4	31-12-2016	
	tranche no 3	31-12-2016	
	tranche no 2	01-01-2017	
f) collateral granted		-	-
	tranche no 7	no collateral	
	transza6	no collateral	
	tranche no 5	no collateral	
	tranche no 4	no collateral	
	tranche no 3	no collateral	
	tranche no 2	no collateral	

## NOTE 9. CURRENCIES AND EXCHANGE DIFFERENCES

Structure of balance sheet items by currency and after translation into PLN	Value as at 31-12-2016			Value as at 31-12-2015*		
	Unit	Currency	Value as at the balance sheet date	Unit	Currency	Value as at the balance sheet date
	(restated data)					
<b>Balance sheet item after translation into the currency of the financial statements</b>						
<b>a) in the currency of the financial statements</b>	<b>in '000</b>		<b>420,619</b>	<b>in '000</b>	<b>PLN</b>	<b>243,413</b>
Cash and cash equivalents	in '000	PLN	2,019	in '000	PLN	29,458
Receivables	in '000	PLN	121,693	in '000	PLN	99,446
Investment components listed on an active market	in '000	PLN	1,629	in '000	PLN	1,734
Investment components not listed on an active market	in '000	PLN	304,565	in '000	PLN	155,384
Other assets	in '000	PLN	103	in '000	PLN	2
Liabilities	in '000	PLN	9,390	in '000	PLN	42,611
<b>b) in foreign currencies after translation into the currency of the financial statements</b>	<b>in '000</b>	<b>PLN</b>	<b>569,629</b>	<b>in '000</b>	<b>PLN</b>	<b>696,523</b>
<b>Cash and cash equivalents</b>	<b>in '000</b>	<b>PLN</b>	<b>101</b>	<b>in '000</b>	<b>PLN</b>	<b>5</b>
- in foreign currency	in '000	EUR	22	in '000	EUR	1
	in '000	USD	0	in '000	USD	0
	in '000	CZK	0	in '000	CZK	0
- in the currency of the financial statements	in '000	PLN	101	in '000	PLN	5
<b>Receivables</b>	<b>in '000</b>	<b>PLN</b>	<b>16,432</b>	<b>in '000</b>	<b>PLN</b>	<b>732</b>
- in foreign currency	in '000	EUR	3,675	in '000	EUR	172
	in '000	USD	41	in '000	USD	0
	in '000	CZK	0	in '000	CZK	0
- in the currency of the financial statements	in '000	PLN	16,432	in '000	PLN	732
<b>Investment components listed on an active market</b>	<b>in '000</b>	<b>PLN</b>	<b>54,321</b>	<b>in '000</b>	<b>PLN</b>	<b>59,340</b>
- in foreign currency	in '000	EUR	12,279	in '000	EUR	13,925

- in the currency of the financial statements	in '000	PLN	54,321	in '000	PLN	59,340
<b>Investment components not listed on an active market</b>	<b>in '000</b>	<b>PLN</b>	<b>523,675</b>	<b>in '000</b>	<b>PLN</b>	<b>673,726</b>
- in foreign currency	in '000	EUR	85,119	in '000	EUR	87,857
	in '000	USD	6,866	in '000	USD	0
	in '000	CZK	38,400	in '000	CZK	1,519,023
	in '000	GBP	10,870	in '000	GBP	3,207
	in '000	TRY	47,364	in '000	TRY	30,920
- in the currency of the financial statements	in '000	PLN	523,675	in '000	PLN	673,726
<b>Other assets</b>	<b>in '000</b>	<b>PLN</b>	<b>136</b>	<b>in '000</b>	<b>PLN</b>	<b>214</b>
- in foreign currency	in '000	EUR	31	in '000	EUR	50
- in the currency of the financial statements	in '000	PLN	136	in '000	PLN	214
<b>Liabilities</b>	<b>in '000</b>	<b>PLN</b>	<b>25,036</b>	in '000	PLN	<b>37,494</b>
- in foreign currency	in '000	EUR	5,659	in '000	EUR	8,150
	in '000	USD	0	in '000	USD	10
	in '000	CZK	0	in '000	CZK	17,280
- in the currency of the financial statements	in '000	PLN	25,036	in '000	PLN	37,494
<b>Total net assets:</b>			<b>990,248</b>			<b>939,936</b>

Exchange gains by investment of the Subfund	Value for the period from 01-01-2016 to 31-12-2016		Value for the period from 01-01-2015 to 31-12-2015	
	Realised exchange gains	Unrealised exchange gains	Realised exchange gains	Unrealised exchange gains
<b>Derivatives</b>	0	0	0	0
Shares	10	1,767	0	2,012
Shares in limited liability companies	0	9,995	0	9,241
Debts	0	1,082	1	363
Promissory notes	0	0	0	0
<b>Total:</b>	<b>10</b>	<b>12,844</b>	<b>1</b>	<b>11,616</b>

Exchange losses by investment of the Subfund	Value for the period from 01-01-2016 to 31-12-2016		Value for the period from 01-01-2015 to 31-12-2015	
	Realised exchange losses	Unrealised exchange losses	Realised exchange losses	Unrealised exchange losses
Derivatives	0	0	0	0
Shares	0	0	482	0
Shares in limited liability companies	0	0	0	0
Debts	50	0	0	0
Promissory notes	0	0	249	105
<b>Real estate</b>	0	0	0	0
<b>Total:</b>	<b>50</b>	<b>0</b>	<b>731</b>	<b>105</b>

\* The presentation of overnight deposits in the comparable period changed vs. the presentation in the financial statements for 2015, when they were disclosed under cash and cash equivalents. Details of presentation changes are disclosed in the Additional Information to these financial statements.

## NOTE 10. INCOME AND ITS DISTRIBUTION

Realised and unrealised profit (loss) on disposal of investments	Value for the period from 01-01-2016 to 31-12-2016		Value for the period from 01-01-2015 to 31-12-2015	
	Value of realised profit (loss) on disposal of investments	Increase (decrease) of unrealised profit on valuation of assets	Value of realised profit (loss) on disposal of investments	Increase (decrease) of unrealised profit on valuation of assets
1. Investment components listed on an active market	0	-55,670	19,835	37,494
2. Investment components not listed on an active market	193,457	-133,533	9,889	89,992
3. Real estate	0	0	0	0
4. Other	0	0	0	0
<b>Total:</b>	<b>193,457</b>	<b>-189,203</b>	<b>29,724</b>	<b>127,486</b>

Income distributed	Value for the period from 01-01-2016 to 31-12-2016	Value for the period from 01-01-2015 to 31-12-2015
<b>I. Income from investments distributed:</b>	<b>not applicable</b>	<b>not applicable</b>
1. Dividends and other shares in profits	not applicable	not applicable
2. Interest income	not applicable	not applicable
3. Real estate income	not applicable	not applicable
4. Positive balance of exchange differences	not applicable	not applicable
5. Other	not applicable	not applicable
<b>II. Realised profit on disposal of investments distributed</b>	<b>not applicable</b>	<b>not applicable</b>

Income from disposal of investments distributed	Value for the period from 01-01-2016 to 31-12-2016	Share in assets on the distribution date	Share in net assets on the distribution date	impact on the value of assets
<b>I. Revenue from disposal of investments of the fund in non-public assets</b>	<b>not applicable</b>	<b>not applicable</b>	<b>not applicable</b>	<b>not applicable</b>
Income from disposal of investments distributed	Value for the period from 01-01-2015 to 31-12-2015	Share in assets on the distribution date	Share in net assets on the distribution date	impact on the value of assets
<b>I. Revenue from disposal of investments of the fund in non-public assets</b>	<b>not applicable</b>	<b>not applicable</b>	<b>not applicable</b>	<b>not applicable</b>

## NOTE 11. COSTS OF THE SUBFUND

I. Costs covered by the Company	Value for the period from 01-01-2016 to 31-12-2016	Value for the period from 01-01-2015 to 31-12-2015
	Amounts during the reporting period	Amounts during the reporting period
Fees for entities in charge of distribution	0	0
Fees for the depositary	0	0
Fees related to keeping the register of assets of the Subfund	0	0
Permits and registration fees	0	0
Accounting services	0	0
Services involving the management of the Subfund's assets	0	0
Legal services	0	0
Publishing services, including printing services	0	0
Real estate costs	0	0
Other:	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>

II. Fees for the Company	Value for the period from 01-01-2016 to 31-12-2016	Value for the period from 01-01-2015 to 31-12-2015
	Amounts during the reporting period	Amounts during the reporting period
Fixed part of the fee	23,008	20,509
Part of the fee depending on results of the Subfund	564	19,890
<b>Total:</b>	<b>23,572</b>	<b>40,399</b>

III. Costs of the Fund of Non-Public Assets directly related to investments disposed	Value for the period from 01-01-2016 to 31-12-2016	Value for the period from 01-01-2015 to 31-12-2015
	Amounts during the reporting period	Amounts during the reporting period
1. Investment component disposed	0	0

## H. Additional Information

- Information on major events concerning previous years, included in the financial statements for the current period – did not occur.
- Information on significant post-balance sheet events, not included in the financial statements – not applicable.
- Differences between and explanation of differences between the data disclosed in the

financial statements and in the financial statements prepared and published previously:

- The financial statements for 2015 include shares in Mika Tur Seyahat Acenteligi ve Yurzim An incorrectly presented as interest, as a result of which the following amendments were made in the present financial statements:

### Statement of changes – Main table:

Investment components	Value as at 31-12-2015 presented originally			Value as at 31-12-2015 presented in the present financial statements		
	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)
Shares	153,227	384,206	37.67	195,217	425,423	41.93
Shares in limited liability companies	384,754	457,250	44.83	342,764	416,033	41.00

### Note 5. Risks

Risks	Value as at 31-12-2015 presented originally	Value as at 31-12-2015 presented in the present financial statements
<b>3) Level of FX risk burden on assets and liabilities of the Subfund, including the information on instances of significant concentration of FX risk in specified investment categories</b>	<b>604,716</b>	<b>708,150</b>
shares in companies having their registered offices abroad	358,315	399,532
interests in companies having their registered offices abroad	338,408	297,191

Additionally, in the present financial statements, in order to improve clarity, in the data for the comparable period, the presentation of overnight deposits was changed vs. the presentation in the financial

statements for 2015, when they were disclosed under cash and cash equivalents, and costs due to investments held were reclassified to costs of purchase of investment components. The following changes were made:

### Statement of changes – Main table:

Investment components	Value as at 31-12-2015 presented originally			Value as at 31-12-2015 presented in the present financial statements		
	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)
<b>Total</b>	<b>580,302</b>	<b>919,230</b>	<b>90.12</b>	<b>550,844</b>	<b>889,772</b>	<b>87.67</b>
Deposits	29,458	29,458	2.89	0	0	0

### Balance sheet:

No	Description	Value as at 31-12-2015 presented originally	Value as at 31-12-2015 presented in the present financial statements
1)	Cash and cash equivalents	5	29,463



5)	Investment components not listed on an active market:	858,568	829,110
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### Cash flow statement

No	Description	Value for the period from 01-01-2016 to 31-12-2015 presented originally	Value for the period from 01-01-2015 to 31-12-2015 presented in the present financial statements
<b>A.</b>	<b>Cash flows from operating activities (I-II)</b>	<b>-256,940</b>	<b>-257,410</b>
<b>I.</b>	<b>Cash inflows</b>	<b>3,889,705</b>	<b>268,161</b>
2.	From disposal of investment components, including:	3,867,728	246,184
	Deposits	3,754,872	133,339
<b>II.</b>	<b>Outflows</b>	<b>4,146,645</b>	<b>525,571</b>
1.	From investments held	64,302	0
2.	From acquisition of investment components, including:	4,040,516	483,744
	Deposits	3,752,353	131,279
<b>D.</b>	<b>Net change in cash (A+/-B)</b>	<b>-7</b>	<b>-477</b>
<b>E.</b>	<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>12</b>	<b>29,940</b>
<b>F.</b>	<b>Cash and cash equivalents at the end of the reporting period (E+/-D)</b>	<b>5</b>	<b>29,463</b>

### Note 4. Cash and cash equivalents

I. Structure of cash at banks	Value as at 31-12-2015 presented originally			Value as at 31-12-2015 presented in the present financial statements		
	Currency ('000)	Value in the particular currency as at the balance sheet date ('000)	Value in the currency of the financial statements as at the balance sheet date (PLN '000)	Currency ('000)	Value in the particular currency as at the balance sheet date ('000)	Value in the currency of the financial statements as at the balance sheet date (PLN '000)
I. Banks:						
ING Bank Śląski S.A.	PLN	0	0	PLN	28,453	28,453
ALIOR BANK	PLN	0	0	PLN	1,005	1,005

### Note 5. Risks

Risks	Value as at 31-12-2015 presented originally	Value as at 31-12-2015 presented in the present financial statements
Cash	5	29,463
Deposits	29,458	0

## Note 9. Currencies and exchange differences

Structure of balance sheet items by currency and after translation into PLN	Unit	Currency	Value as at 31-12-2015 presented originally	Value as at 31-12-2015 presented in the present financial statements
			Value as at the balance sheet date	Value as at the balance sheet date
Cash and cash equivalents	in '000	PLN	0	29,458
Investment components not listed on an active market	in '000	PLN	184,842	155,384

4. Adjustments of fundamental errors – during the reporting period, no adjustments of fundamental errors were made.
5. Going concern uncertainty – The separate financial statements have been prepared on the assumption that the Subfund will continue as a going concern into the foreseeable future, for no less than 12 months from the balance sheet date. In the opinion of the Company's Management Board there are no circumstances indicating any threat to the Subfund's ability to continue as a going concern.
6. Other information
  - a) As at 31 December 2016, no investment limits were exceeded in the Subfund.
  - b) The Subfund is a party to the guarantee agreement with respect to the concluded agreement for purchase of shares in Tatilbudur, in the amount of EUR 1,057,258.
  - c) Overdue debts included in the portfolio of the Subfund, i.e.:
    - to GMZ.co Sp. z o.o. (PLN 2,977 thousand) will be converted to shares of the companies, based on agreements concluded;
    - to Geewa a.s. (PLN 672 thousand) will be converted to newly issued shares, based on agreements concluded on 18 January 2017. At present, the Company is waiting for the registration thereof.
  - d) On 27 June 2016, the Fund received from Rockaway Travel SE (Rockaway) the notice of claim addressed to MCI.PrivateVentures Closed-End Investment Fund with respect to sale of shares in Invia.cz by the TechVentures Subfund separated within the framework of the MCI PrivateVentures Closed-Ended Investment Fund. The notice of claim pertains to the amount of EUR 8,528 thousand.  
As at the day of drawing up the financial statements, no court proceedings were instituted with respect to the claim of Rockaway. Managers of Rockaway and managers of MCI.PrivateVentures Closed-End Investment Fund discussed the issue, which resulted in creating the provision of PLN 11,697 thousand as at 31 December 2016.
  - e) As at the day of drawing up the financial statements, the Fund calculated the exposure using the gross method and the commitment method in accordance with Articles 7 and 8 of the Commission (EU) Delegated Regulation no 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision.

**SEPARATE ANNUAL FINANCIAL STATEMENTS OF THE MCI.TECHVENTURES 1.0 SUBFUND  
MCI.PRIVATEVENTURES CLOSED-END INVESTMENT FUND  
FOR THE PERIOD FROM 1 JANUARY 2016 TO 31 DECEMBER 2016**



In accordance with article 52 clause 2 of the Accounting Act of 29 September 1994 (Journal of Laws of 2016, item 1047, as amended) and Regulation of the Minister of Finance of 24 December 2007 on the specific accounting principles for investment funds (Journal of Laws of 2007 No 249, item 1859, as amended), the Management Board of MCI Capital Towarzystwo Funduszy Inwestycyjnych S.A. would like to present the separate annual financial statements of the MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund, comprising:

- A. introduction to the separate annual financial statements;**
- B. statement of investments with the total value of PLN 881,881 thousand, as at 31 December 2016, with supplementary and additional tables;**
- C. balance sheet as at 31 December 2016, showing net assets of PLN 1,001,945 thousand;**
- D. statement of operations for the period from 1 January 2016 to 31 December 2016, presenting a negative result of operations of PLN 16,261 thousand;**
- E. statement of changes in net assets;**
- F. cash flow statement;**
- G. explanatory notes;**
- H. supplementary information.**

The following documents are also enclosed to the separate annual financial statements of the MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund:

- I. Statement of the Depositary.**
- II. Opinion and the supplementary report of the independent statutory auditor.**

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**On behalf of MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund – MCI Capital Towarzystwo Funduszy Inwestycyjnych S.A. represented by:**

Tomasz Czechowicz  
President of the Management Board

Sylwester Janik

Board Member

Tomasz Danis  
Board Member

Ewa Ogryczak  
Board Member

Krzysztof Konopiński  
Board Member

Maciej Kowalski  
Board Member

**On behalf of the entity responsible for keeping accounting records and drawing up the financial statements – PKO BP Finat Sp. z o.o.:**

Marcin Kosiński  
Vice President of the Management Board

Anna Marcinkowska  
Holder of a commercial power of attorney

PKO BP Finat Sp. z o.o.

PKO BP Finat Sp. z o.o.

Warsaw, 14 March 2017

**A. Introduction to the separate annual financial statements of the MCI.TechVentures 1.0 Subfund separated within the MCI.PrivateVentures Closed-End Investment Fund**

**1. Name of the Subfund**

MCI.PrivateVentures Closed-End Investment fund (hereinafter: "Fund") is a closed-end investment fund of non-public assets with separated Subfunds: MCI.EuroVentures 1.0. and MCI.TechVentures 1.0 (hereinafter: "Subfund"). The Fund was entered into the register of investment funds with the number RFI 347. The Fund was registered on 7 January 2008 r. The first valuation took place on 14 January 2008.

The Fund is a closed-end investment fund of non-public assets within the meaning of the Act of 27 May 2004 on investment funds and management of alternative investment funds (Journal of Laws of 2016, item 1896, as amended), hereinafter referred to as the "Act." The Fund was established for an indefinite period.

Legal basis of activities

The Fund is a closed-end investment fund issuing only investment certificates that will not be offered within the framework of a public offering, admitted to trading on a regulated market or introduced to an alternative trading system. The Fund is not a public closed-end investment fund referred to in Article 2 point 39 of the Act.

The Fund has been organised and operates in keeping with the principles set in the aforementioned Act and the Articles of Association bestowed by MCI Capital Towarzystwo Funduszy Inwestycyjnych S.A.

The registered office and address of the Fund is the same as the registered office and address of the Company: pl. Europejski 1, 00-844 Warszawa.

Registration with the Commercial Court

The MCI.TechVentures 1.0 Subfund separated within the framework of the MCI.PrivateVentures Closed-End Investment Fund was entered into the Register of Investment funds kept by the District Court in Warsaw, 7th Civil and Registry Division, with the number RFI 347, on 7 January 2008. The first valuation took place on 14 January 2008.

The Fund acquired legal personality upon entering the Fund into the Register of Investment Funds.

Articles of Association of the Fund

The Articles of Association of the Fund were bestowed by MCI Capital Towarzystwo Funduszy Inwestycyjnych S.A.

The Articles of Association were approved by the Polish Financial Supervision Authority.

The last amendments pertaining to the MCI.TechVentures 1.0. Subfund took place on 6 December 2016 and pertained to terms and conditions of the fifty first issue of Investment Certificates series E2, related to this Subfund. After the balance sheet date, the last amendments to the Articles of Association took place on 15 February 2017 and pertained to terms and conditions of the fifty second issue of Investment Certificates series F2, related to this Subfund.

Until the date of drawing up these statements, Investment Certificates series F2 were not allocated.

The Articles of Association specify the objective and principles for the functioning of the Fund, rights and obligations of the Fund Participants, as well as rights and obligations of MCI Capital Towarzystwo Funduszy Inwestycyjnych S.A.

**2. Company managing the Fund**

The Fund (including the Subfund) is managed by MCI Capital Towarzystwo Funduszy Inwestycyjnych S.A., with its registered office in Warsaw, pl. Europejski 1 (entered into the register of entrepreneurs kept by the District Court for the capital city of Warsaw, 12th Commercial Division of the National Court Register with the number KRS 263112), hereinafter referred to as the "Company."

The Company mandated PEM Asset Management Sp. z o.o. (formerly: MCI Asset Management Sp. z o.o. Sp. j.), with its registered office at ul. Rondo Organizacji Narodów Zjednoczonych 1, 00-124 Warszawa, with the management of the investment portfolio of the Fund.

In accordance with the agreement on sale of MCI Asset Management Sp. z o.o. Sp. j. to PEM Asset Management Sp. z o.o. of 29 October 2015, the management entity changed. At present, the Subfund is managed by PEM Asset Management Sp. z o.o.

**3. Investment objective of the Subfund**

The objective of the Subfund is to increase the value of assets of the Subfund as a result of a growth of the value of investments. The Subfund does not guarantee that the investment objective will be achieved.

The Subfund shall endeavour to achieve the investment objective primarily by purchasing and acquiring shares in non-public companies.

#### **4. Principles of the investment policy of the Subfund, criteria for the selection of investment and main investment limitations**

1. The Subfund shall invest the Assets in:
    - 1) securities;
    - 2) debt, except for debt to natural persons;
    - 3) shares in limited liability companies;
    - 4) Money Market Instruments;
    - 5) currencies;
    - 6) derivatives, including non-standardised derivatives, provided that they are transferable; and
    - 7) bank deposits;
    - 8) units and investment certificates of investment funds having their registered offices on the territory of the Republic of Poland, and participation titles issued by undertakings for collective investments having their registered offices abroad.
  2. The Subfund shall invest no less than 80% of the value of the Assets of the Subfund in assets other than:
    - 1) the ones subject to a public offering, unless the securities became subject to a public offering after their acquisition by the Subfund;
    - 2) securities admitted to trading on a regulated market, unless the securities were admitted to trading on a regulated market after their acquisition by the Subfund;
    - 3) Money Market Instruments, unless they were issued by non-public companies, whose shares make up the investment portfolio of the Subfund.
  3. Main criteria for the selection of investments referred to in point 1 shall include:
    - 1) macroeconomic analysis, assessment of market trend, economic growth pace, and the analysis of investment risk on the level of particular countries and industries;
    - 2) fundamental analysis as a basis for valuation and selection of companies to the portfolio, in particular the analysis of historical and forecast financial results, taking into account valuation of assets, as well as the analysis of the company's business plan. Other key elements of the analysis shall include the evaluation of: products offered by the particular company, its management staff, market position, distribution network, development perspectives, including cross-border perspectives, potential industry consolidation;
    - 3) legal and tax analysis of the companies and their environment aimed at identifying and mitigating investment risk;
    - 4) the Subfund shall search for investments with above-average growth potential during the period of 3-7 years.
  4. The main criterion for the selection of investment other than listed in point 1, shall be their liquidity, taking into account the following provisions.
  5. When selecting investments in Money Market Instruments and debt securities, the Subfund shall take into account the following criteria:
    - 1) degree of risk of a drop in the market value of Money Market Instruments and securities;
    - 2) MoneyMarket Instruments and securities growth potential;
    - 3) current and forecast level of market interest rates and the inflation rate;
    - 4) liquidity risk level of Money Market Instruments and securities, and volatility of their prices.
  6. When selecting investments in deposits, the Subfund shall take into account the following criteria:
    - 1) liquidity risk level of the investment;
    - 2) level of the interest rate on the investment vs. its maturity;
    - 3) current and forecast level of market interest rate and the inflation rate.
  7. The main criterion for the selection of investments in currencies shall be the analysis of FX risk related to investments, the income or prices of which will be indexed to a foreign currency. The Subfund will endeavour to mitigate such a risk by investing in foreign currencies.
  8. The main criterion for the selection of investments in case of units and investment certificates of investment funds, as well as participation titles issued by undertakings for collective investments with their registered offices abroad shall include: assessment of results of investment funds and undertakings for collective investments carried out based on ratios used to analyse results, taking into account maximisation of the rate of return, while maintaining the security of the investment, assessment of the risk of lack of liquidity of the investment in units or investment certificates, the level of fees collected from participants of the Subfund.
- #### **5. Rules governing diversification of investments of the Subfund**
1. Securities or Money Market Instruments issued by a single entity, debt to this entity and shares in this entity shall not exceed 20% of the Assets of the Subfund, subject to point 2.
    - 1a. Units or certificates of a single investment fund or participation titles issued by a single undertaking for collective investments with its registered office abroad shall not exceed 50% of the value of Assets of the Subfund.

- 1b. The Subfund can acquire units in other investment funds managed by the Company, and certificates of another closed-end investment fund managed by the Company, whereas certificates of another closed-end investment fund managed by the Company shall not exceed 20% of the value of Assets of the Subfund and cannot be acquired within the framework of the first issue of securities of this fund.
2. Limitations referred to in point 1 shall not apply to securities issued or guaranteed by the State Treasury, National Bank of Poland, OECD countries and international financial institutions, the members of which include the Republic of Poland or at least one of OECD countries.
  3. Foreign currency of a single country shall not exceed 20% of the value of Assets of the Subfund.
  4. EUR shall not exceed 20% of the of value of Assets of the Subfund.
  5. Mortgage bonds issued by a single mortgage bank shall not exceed 25% of the of value of Assets of the Subfund.
  6. The Subfund shall maintain part of its Assets on bank accounts, within the scope necessary to satisfy current liabilities of the Subfund.
  7. Deposits in a single national bank, foreign bank or a credit institution shall not exceed 20% of the of value of Assets of the Subfund.
  8. The Subfund may invest in money market instruments denominated in foreign currencies, including foreign Money Market Instruments.
    - 8a. Total investments in Money Market Instruments and debt securities issued, guaranteed or secured by the State Treasury or the National Bank of Poland, shall not exceed 80% of the Value of Assets that are not investments referred to in Article 43 section 1 points 1)-3) as well as 6) and 8) of the Fund's Articles of Association.
  9. The Subfund may incur, only at banks, loans and borrowings the total value of which shall not exceed 75% of the Net Asset Value of the Subfund, upon incurring these loans and borrowings. The Fund, on account of the Subfund, can issue bonds the value of which shall not exceed 15% of the Net Asset Value of the Subfund as at the day preceding the day on which the Meeting of Investors passes the resolution on the issue of bonds. In case of issuing bonds by the Fund, the total value of loans, borrowings and bonds issued shall not exceed 75% of the Net Asset Value of the Fund.
  10. The Subfund may, having due regard to its investment objective:
    - 1) grant cash loans of up to 50% of the value of the Subfund's Assets, provided that any cash loan granted to a single entity shall not exceed 20% of the value of the Subfund's Assets;
    - 2) issue warranties and/or guarantees of up to 50% of the value of the Subfund's assets, provided that the amount of the warranty and/or guarantee for the liabilities of a single entity shall not exceed 20% of the value of the Subfund's Assets.
  11. The Subfund shall grant loans and issue warranties and/or guarantees on the following terms:
    - 1) loans, warranties and/or guarantees shall be granted or issued to entities, whose shares make up the investment portfolio, or when the Subfund intends to purchase the shares, and granting a loan or issuing a warranty and/or guarantee arises from the structure of the transaction involving the acquisition of shares, including by the intent to purchase shares as a result of the debt to equity conversion;
    - 2) taking into account point 4 if the Subfund concludes that establishing a collateral is necessary, the following types of collaterals of loans, warranties and/or guarantees granted or issued by the Subfund may be used:
      - a) pledge on shares;
      - b) mortgage;
      - c) assignment of debt, including future debt;
      - d) guarantees and warranties of third parties;
      - e) securities blocking;
    - 3) the value of the collateral shall equal at least:
      - a) in case of a loan – 50% of the cash loan value on each Subfund's Asset Valuation Day until the day on which the lent securities are returned;
      - b) in case of a warranty or guarantee – 50% of the value of the warranty or guarantee issued on each Subfund's Asset Valuation Day until the day on which the warranty or guarantee expires.
    - 4) The Subfund cannot require providing a collateral for loans, warranties or guarantees granted or issued by the Subfund if the following conditions are jointly met:
      - a) the situation of the entity guarantees that this entity will satisfy its obligations to the Subfund;
      - b) creditworthiness of the entity is on a high level;
      - c) the transaction partner is reliable;
    - 5) a loan, warranty or guarantee can be granted or issued for the period of up to 36 months;
    - 6) the loan repayment terms shall be regulated in detail by the loan agreement, specifying whether the principal together with interest will be repaid in instalments or on a one-off basis on the maturity date.
  12. When applying investment limits referred to in sections 1, 3, 4, the Subfund shall take into account the value of securities or Money Market Instruments, or underlying currencies used for the Derivatives, provided that it shall not apply to Derivatives in case of which recognised indices are used as underlying instruments. Shall a security or a Money Market Instrument contain an embedded Derivative, this instrument shall be taken into account when applying investment limits by the Subfund.



13. Activities carried out in breach of the limitations referred to in the rules governing diversification of investments of the Subfund shall be valid.
14. Taking into account section 15, the Subfund, in case of carrying out the activities referred to in section 13, shall be obliged to immediately adjust the structure of its assets to the requirements set in the Articles of Association and the Act, having due regard to interests of the Subfund Participants.
15. The Subfund shall be obliged to adjust the structure of the investment portfolio to the requirements set in the Act and the Articles of Association of the Fund within 36 months of the date of the Fund's registration. In particular, in relation to the establishment of the Subfund, the investments of the Subfund may not comply with the condition set in Article 43 section 2 of the Articles of Association for the period referred to in the previous sentence.
16. Shall the Subfund exceed the investment limitations imposed in the Articles of Association, but not provided for in the Act, the Subfund shall be obliged to immediately adjust the structure of its Assets to the requirements of the Articles of Association, having due regard to interests of the Subfund Participants.

**6. Changes in accounting principles (policies) during the reporting period**

In the present financial statements, with respect to the comparable period, the method of the classification of overnight deposits was changed vs. the method of recognition in the financial statements for 2015, in order to better reflect the economic character of overnight deposits and improve the transparency of cash flows. Overnight deposits were considered an element of investments and recognised in the cash flow statement under inflows and outflows from operating activities. In 2016, overnight deposits were classified as cash and cash equivalents, and recognised in changes of cash and cash equivalents. As a result of the aforementioned change, the data for the comparative period were restated. Details of the change of the presentation of deposits are disclosed in the Additional Information to these financial statements.

**7. Reporting period and the balance sheet date**

The separate annual financial statements were prepared as at 31 December 2016 and for the period from 1 January 2016 to 31 December 2016.

**8. Going concern**

The separate annual financial statements have been prepared on the assumption that the Fund and the Subfund will continue as a going concern into the foreseeable future, for no less than 12 months from the balance sheet date.

As at the date of signing the financial statements, the Management Board of the Company does not find any facts or circumstances which would indicate a threat to the Fund's and the Subfund's ability to continue as a going concern.

**9. Details of the entity entitled to and the statutory auditor carrying out the audit of the financial statements**

The separate annual financial statements were audited by KPMG Audył Spółka z ograniczoną odpowiedzialnością sp.k., with its registered office at ul. Inflancka 4A, 00-189 Warszawa.

KPMG Audył Spółka z ograniczoną odpowiedzialnością sp.k. is entered under number 3546 into the list of entities entitled to audit financial statements, kept by the National Chamber of Statutory Auditors.

**10. Details of the entity responsible for the preparation of the annual financial statements and for keeping the accounting records**

The preparation of the separate annual financial statements is the responsibility of the Management Board of MCI Capital TFI S.A. Keeping the accounting records of the Subfund is the responsibility of PKO BP Finat Sp. z o.o., with its registered office at ul. Grójecka 5, 02-019 Warszawa.

**11. Description of certificates**

Until the registration date, the MCI.TechVentures 1.0. Subfund has issued investment certificates series: A, B, C, D, E, H, I, J, K, L, M, N, O, P, R, S, T, U, W, Y, Z, A1, B1, C1, D1, E1, F1, G1, H1, I1, J1, K1, L1, M1, N1, O1, P1, R1, S1, T1, U1, W1, Y1, Z1, A2, B2, C2, D2, E2. Certificates series F and G were not taken over.

Investment certificates of various series grant different rights to participants of the Subfund. Investment certificates are not listed on an active market.

Until the date of preparation of these financial statements, the following changes in the number of investment certificates of the Subfund took place:

	Allocation date	Redemption date			

			Number of investment certificates	Issue value of the one investment certificate (PLN)	Value of investment certificates issued/redeemed (PLN)
A	2007-12-17		760,826	100.00	76,082,600.00
B	2008-04-11		35,328	48.12	1,699,983.36
C	2008-07-02		508,856	48.12	24,486,150.72
D	2008-10-02		210,027	48.41	10,167,407.07
E	2009-01-14		152,299	46.12	7,024,029.88
E		2013-06-30	-4,962	148.46	-736,658.52
H	2009-12-16		28,048	57.05	1,600,138.40
H		2015-10-30	-2,988	196.68	-587,679.84
I	2010-06-15		20,199	74.27	1,500,179.73
I		2013-09-30	-2,693	146.25	-393,851.25
J	2010-12-21		12,136	94.75	1,149,886.00
J		2015-12-16	-526	213.33	-112,211.58
K	2011-04-04		12,791	95.00	1,215,145.00
K		2015-04-30	-1,000	162.52	-162,520.00
K		2015-07-31	-2,000	174.31	-348,620.00
L	2011-09-29		9,531	116.58	1,111,123.98
L		2014-12-31	-890	172.87	-153,854.30
M	2011-09-29		23,488	116.58	2,738,231.04
M		2014-05-26	-1,887	156.53	-295,372.11
M		2015-06-30	-3,207	197.94	-634,793.58
M		2016-04-29	-1,000	206.71	-206,710.00
N	2012-03-21		56,007	121.67	6,814,371.69
N		2013-12-31	-1,353	165.46	-223,867.38
N		2014-05-26	-805	171.14	-137,767.70
N		2015-06-30	-1,365	216.31	-295,263.15
N		2015-07-31	-1,361	216.02	-294,003.22
N		2015-10-30	-1,500	220.17	-330,255.00
N		2015-11-25	-1,612	221.30	-356,735.60
N		2015-12-16	-1,644	220.94	-363,225.36
N		2015-12-31	-4,110	220.21	-905,063.10
N		2016-08-01	-178	230.36	-41,004.08
N		2016-03-31	-3,380	220.16	-744,140.80
N		2016-12-31	-3,850	217.01	-835,488.50
N		2017-02-09	-1,450	212.72	-308,444.00
O	2012-06-28		82,500	138.17	11,399,025.00
O		2013-10-31	-1,303	160.21	-208,753.63
O		2014-04-30	-15,707	172.91	-2,715,897.37
O		2014-10-31	-3,620	188.33	-681,754.60
O		2015-03-31	-2,798	201.74	-564,468.52

O		2015-10-30	-9,051	220.80	-1,998,460.80
O		2016-04-29	-6,071	226.33	-1,374,049.43
P	2012-07-11		85,711	151.08	12,949,217.88
R	2012-09-29		45,304	152.80	6,922,451.20
R		2013-10-31	-430	167.58	-72,059.40
R		2014-10-31	-8,268	195.92	-1,619,866.56
R		2015-04-30	-1,000	209.77	-209,770.00
R		2015-10-30	-9,072	229.59	-2,082,840.48
R		2016-10-31	-1,618	240.22	-388,675.96
R		2016-10-31	-20	240.22	-4,804.40
S	2012-12-28		31,452	154.51	4,859,648.52
S		2015-10-30	-3,220	229.69	-739,601.80
S		2016-04-29	-1,260	235.48	-296,704.80
S		2016-10-31	-445	240.36	-106,960.20
T	2013-04-09		44,981	160.06	7,199,658.86
T		2014-03-31	-1,060	179.52	-190,291.20
T		2014-06-30	-1,249	193.84	-242,106.16
T		2015-04-30	-1,200	206.97	-248,364.00
T		2015-06-30	-3,600	220.93	-795,348.00
T		2015-09-30	-5,390	222.70	-1,200,353.00
T		2016-03-31	-2,499	224.83	-561,850.17
T		2016-09-30	-1,050	233.43	-245,101.50
U	2013-05-07		43,851	162.19	7,112,193.69
U		2014-09-30	-3,417	192.15	-656,576.55
U		2015-09-30	-2,484	224.33	-557,235.72
U		2016-03-31	-1,826	226.53	-413,643.78
U		2016-09-30	-6,736	235.21	-1,584,374.56
W	2013-06-27		37,600	161.15	6,059,240.00
W		2014-06-30	-2,732	189.42	-517,495.44
W		2015-03-31	-1,241	206.39	-256,129.99
W		2015-06-30	-7,966	220.30	-1,754,909.80
W		2015-09-30	-2,541	221.94	-563,949.54
W		2016-03-31	-3,080	224.10	-690,228.00
W		2016-06-30	-4,873	234.75	-1,143,936.75
W		2016-09-30	-621	232.43	-144,339.03
Y	2013-09-27		76,531	164.05	12,554,910.55
Y		2014-06-30	-4,238	189.78	-804,287.64
Y		2015-03-31	-4,237	204.15	-864,983.55
Y		2015-06-30	-2,990	217.90	-651,521.00
Y		2015-09-30	-1,830	219.69	-402,032.70
Y		2016-03-31	-1,243	221.87	-275,784.41

Y		2016-09-30	-10,112	230.39	-2,329,703.68
Z	2013-12-18		49,932	168.04	8,390,573.28
Z		2015-06-30	-1,190	224.33	-266,952.70
Z		2016-03-31	-31,317	228.44	-7,154,055.48
Z		2016-06-30	-2,358	238.35	-562,029.30
Z		2016-09-30	-2,156	236.09	-509,010.04
A1	2014-01-03		1,022,680	166.23	170,000,096.40
B1	2014-03-27		40,008	173.22	6,930,185.76
B1		2014-06-30	-1,154	191.98	-221,544.92
B1		2015-03-30	-2,154	209.21	-450,638.34
B1		2015-06-30	-1,000	223.30	-223,300.00
B1		2015-09-30	-9,599	225.15	-2,161,214.85
B1		2016-03-31	-5,238	227.17	-1,189,916.46
B1		2016-09-30	-1,473	235.76	-347,274.48
C1	2014-04-30		6,502	180.00	1,170,360.00
C1		2014-09-30	-3,333	195.01	-649,968.33
D1	2014-06-27		71,339	179.25	12,787,515.75
D1		2015-03-31	-1,100	212.13	-233,343.00
D1		2015-06-30	-7,531	226.44	-1,705,319.64
D1		2015-09-30	-2,784	228.25	-635,448.00
D1		2016-03-31	-8,550	230.51	-1,970,860.50
D1		2016-06-30	-3,276	241.46	-791,022.96
D1		2016-09-30	-8,891	239.23	-2,126,993.93
E1	2014-07-28		7,687	195.13	1,499,964.31
E1		2016-03-31	-7,687	233.52	-1,795,068.24
F1	2014-09-26		223,055	196.44	43,816,924.20
F1		2015-06-30	-9,405	230.53	-2,168,134.65
F1		2015-09-30	-36,254	232.42	-8,426,154.68
F1		2016-03-31	-28,244	234.62	-6,626,607.28
F1		2016-06-30	-8,636	245.76	-2,122,383.36
F1		2016-09-30	-16,575	243.49	-4,035,846.75
G1	2014-10-29		166,922	198.93	33,205,793.46
G1		2015-06-30	-10,555	229.05	-2,417,622.75
G1		2015-09-30	-19,913	230.92	-4,598,309.96
G1		2016-03-31	-19,173	233.13	-4,469,801.49
G1		2016-06-30	-6,361	244.22	-1,553,483.42
G1		2016-09-30	-5,851	241.97	-1,415,766.47
H1	2014-12-17		118,764	200.17	23,772,989.88
H1		2015-03-31	-831	217.02	-180,343.62
H1		2015-06-30	-8,379	231.66	-1,941,079.14
H1		2015-09-30	-15,350	233.54	-3,584,839.00

H1		2016-03-31	-7,363	235.78	-1,736,048.14
H1		2016-06-30	-9,841	247.03	-2,431,022.23
H1		2016-09-30	-1,970	244.71	-482,078.70
I1	2015-03-31		108,957	202.16	22,026,747.12
I1		2015-06-30	-78	233.11	-18,182.58
I1		2015-09-30	-3,622	235.05	-851,351.10
I1		2016-03-31	-5,203	237.38	-1,235,088.14
I1		2016-06-30	-2,539	248.73	-631,525.47
I1		2016-09-30	-10,558	246.46	-2,602,124.68
J1	2015-06-26		164,696	233.82	38,509,218.72
J1		2016-03-31	-6,260	237.52	-1,486,875.20
J1		2016-06-30	-1,487	248.89	-370,099.43
J1		2016-09-30	-6,442	246.63	-1,588,790.46
K1	2015-07-29		94,329	233.23	22,000,352.67
K1		2016-03-31	-643	239.31	-153,876.33
K1		2016-06-30	-13,007	250.78	-3,261,895.46
K1		2016-09-30	-9,240	248.40	-2,295,216.00
L1	2015-09-14		41,524	234.23	9,726,166.52
L1		2016-03-31	-854	238.99	-204,097.46
L1		2016-09-30	-2,464	248.17	-611,490.88
M1	2015-09-30		18,147	233.60	4,239,139.20
M1		2016-03-31	-2,098	238.62	-500,624.76
M1		2016-09-30	-850	247.72	-210,562.00
N1	2015-10-30		107,595	236.94	25,493,559.30
N1		2016-03-31	-1,525	238.99	-364,459.75
N1		2016-06-30	-1,619	250.44	-405,462.36
N1		2016-09-30	-11,819	248.16	-2,933,003.04
O1	2015-11-25		102,689	239.21	24,564,235.69
O1		2016-06-30	-3,914	250.46	-980,300.44
O1		2016-09-30	-4,849	248.16	-1,203,327.84
P1	2015-12-15		94,435	240.45	22,706,895.75
P1		2016-06-30	-2,093	249.55	-522,308.15
P1		2016-09-30	-1,482	247.27	-366,454.14
R1	2016-02-01		36,113	239.30	8,641,840.90
R1		2016-09-30	-4,544	244.88	-1,112,734.72
S1	2016-02-26		82,015	244.96	20,090,394.40
S1		2016-09-30	-317	250.25	-79,329.25
T1	2016-03-30		172,485	244.33	42,143,260.05
T1		2016-06-30	-249	252.52	-62,877.48
T1		2016-09-30	-57	250.23	-14,263.11
U1	2016-04-28		35,767	242.72	8,681,366.24

U1		2016-09-30	-100	247.18	-24,718.00
W1	2016-05-30		74,261	247.73	18,396,677.53
W1		2016-09-30	-4,037	250.75	-1,012,277.75
Y1	2016-06-29		38,321	250.61	9,603,625.81
Z1	2016-08-01		90,671	253.04	22,943,389.84
A2	2016-09-01		49,199	252.71	12,433,079.29
B2	2016-09-30		29,588	253.25	7,493,161.00
C2	2016-10-28		9,456	253.25	2,394,732.00
D2	2016-11-28		2,947	254.52	750,070.44
E2	2016-12-29		6,372	257.04	1,637,858.88
<b>Total:</b>			<b>4,750,621</b>		<b>695,782,224.98</b>

Investment certificates series A1 were not fully paid up. In accordance with amendments to the Articles of Association announced on 28 January 2014, investment certificates series A1 participate in the income of the MCI.TechVentures 1.0. Subfund, revenues from disposal of investments of the MCI.TechVentures 1.0. Subfund and in these costs of the Fund that are charged to all series of Investment Certificates related to the MCI.TechVentures 1.0. Subfund, only in part equivalent to the issue price of the Investment Certificates of these series paid up currently.

On 28 April 2015, the payment was made for part of investment certificates series A1, in the amount of PLN 58,006,409.60. Then, on 13 October 2015, another payment was made for part of investment certificates series A1, in the amount of PLN 15,994,715.20.

Payments for certificates series A1 not fully paid-up shall be settled in accordance with provisions of the Articles of Association of the Fund and the issue terms, and within the time frame set in the Articles of Association of the Fund.

As at 31 December 2016, the value of unpaid investment certificates series A1 was PLN 95,988,744.80 (as at 31 December 2015: PLN 95,988,744.80).

## B. STATEMENT OF INVESTMENTS

Prepared for the MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund as at 31 December 2016 (PLN '000)

### MAIN TABLE

Investment components	Value as at 31-12-2016			Value as at 31-12-2015		
	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)
	(restated data)					
	<b>746,599</b>	<b>881,881</b>	<b>86.03</b>	<b>550,844</b>	<b>889,772</b>	<b>87.67</b>
Shares	224,935	174,791	17.05	195,217	425,423	41.93
Subscription warrants	0	0	0.00	0	0	0.00
Rights to shares	0	0	0.00	0	0	0.00
Pre-emptive rights	0	0	0.00	0	0	0.00
Depository receipts	0	0	0.00	0	0	0.00
Mortgage bonds	0	0	0.00	0	0	0.00
Debt securities	0	0	0.00	0	0	0.00
Derivatives*)	0	26,879	2.62	0	33,960	3.33
Shares in limited liability companies	422,981	606,294	59.16	342,764	416,033	41.00
Participation units	0	0	0.00	0	0	0.00
Investment certificates	0	0	0.00	0	0	0.00
Participation titles issued by undertakings for collective investments having their registered offices abroad	0	0	0.00	0	0	0.00
Debts	37,973	12,206	1.18	12,863	14,356	1.41
Promissory notes	60,710	61,711	6.02	0	0	0.00
Bank deposits	0	0	0.00	0	0	0.00
Currencies	0	0	0.00	0	0	0.00
Real estate	0	0	0.00	0	0	0.00

Sea vessels	0	0	0.00	0	0	0.00
Other	0	0	0.00	0	0	0.00

\* Negative revaluation of the value of derivatives is disclosed in the balance sheet under liabilities.

\*\* As a result of incorrect presentation for the comparable period of shares in Mika Tur Seyahat Acenteligi ve Yurzim An as interests (shares in limited liability companies), relevant reclassifications between the items were made.

\*\*\* The presentation of overnight deposits in the comparable period changed vs. the presentation in the financial statements for 2015, as these are disclosed under cash and cash equivalents. Details of presentation changes are disclosed in the Additional Information to these financial statements.

This table shall be analysed together with the explanatory notes and the additional information which constitute an integral part of the separate annual financial statements.

## SUPPLEMENTARY TABLES

SHARES	Market type	Name of the market	Number of shares	Country of the registered office of the issuer	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)
<b>Listed on an active market</b>							
<b>Listed on an active market, total</b>					<b>90,068</b>	<b>55,950</b>	<b>5.46</b>
Digital Avenue SA (PLDGTAV00013)	Alternative trading system	NEW CONNECT	3,928,620	Poland	6,632	1,100	0.11
Optizen Labs S.A. (PLTLCMD00018)	Alternative trading system	NEW CONNECT	2,517,704	Poland	10,848	529	0.05
windeln.de AG (DE000WNDL110)	Active market – regulated market	Frankfurt Stock Exchange	4,092,899	Germany	72,588	54,321	5.30
<b>Not listed on an active market</b>							
<b>Not listed on an active market, total</b>					<b>134,867</b>	<b>118,842</b>	<b>11.59</b>
Auctionata AG (Auctionata AG)	Not listed on an active market	N/A	194,868	Germany	45,833	0	0.00
Frisco S.A. (Frisco S.A.)	Not listed on an active market	N/A	12,642,494	Poland	28,627	57,023	5.56
Geewa a.s. (Geewa a.s.)	Not listed on an active market	N/A	195,588	Czech Republic	12,377	5,262	0.51



Optizen Labs S.A. series E (Optizen Labs S.A. series E)	Not listed on an active market	N/A	1,666,667	Poland	1,000	350	0.03
Mika Tur Seyahat Acenteligi ve Yurzim An	Not listed on an active market	N/A	494,000	Turkey	47,030	56,207	5.49
<b>Total:</b>			<b>25,238,840</b>		<b>224,935</b>	<b>174,792</b>	<b>17.05</b>

DERIVATIVES	Market type	Name of the market	Issuer	Country of the registered office of the issuer	Underlying instrument	Number	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date* (PLN '000)	Percentage share in total assets / Percentage share in equity and liabilities (%)
<b>Non-standardised derivatives</b>							-	-	-
<b>Not listed on an active market</b>						-	0	26,880	2.62
CALL option for shares in 21Diamonds GmbH – preferred return – open-ended	Not listed on an active market	N/A	shareholders of 21Diamonds GmbH	Germany	shares in 21Diamonds GmbH; value: PLN 369 thousand	-	0	0	0.00
CALL option for shares in Asgoodasnew electronic GmbH – preferred return – open-ended	Not listed on an active market	N/A	shareholders of asgoodasnew electronics GmbH	Germany	shares in asgoodasnew electronic GmbH.; value: PLN 18,100 thousand	-	0	3,727	0.36
CALL option for conversion of the loan to Auctionata AG – open-ended	Not listed on an active market	N/A	shareholders of Auctionata	Germany	loan to Auctionata AG; value: PLN 0 thousand	-	0	0	0.00
CALL option for shares in Auctionata AG – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Auctionata AG	Germany	shares in Auctionata AG; value: PLN 0 thousand	-	0	0	0.00
CALL option for shares in AZIMO LTD – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Azimo Limited	United Kingdom	shares in AZIMO LTD; value: PLN 25,052 thousand	-	0	0	0.00
CALL option for shares in Blacksquare Investments Limited – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Blacksquare Investments Limited	Republic of Cyprus	shares in Blacksquare Investments Limited; value: PLN 75,237 thousand	-	0	12,393	1.21
CALL option for shares in Ganymede Group Sp. z o.o. – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Ganymede Group Sp. z o.o.	Poland	shares in Ganymede Group Sp. z o.o.; value: PLN 23,295 thousand	-	0	1,544	0.15
CALL option for conversion of the loan to Geewa a.s. – open-ended	Not listed on an active market	N/A	Geewa a.s.	Czech Republic	loan to Geewa a.s.; value: PLN 1,025 thousand	-	0	0	0.00

CALL option for shares in Geewa a.s. – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Geewa	Czech Republic	shares in Geewa a.s.: value: PLN 5,262 thousand	-	0	352	0.03
CALL option for shares in GT Gettaxi Limited – preferred return – open-ended	Not listed on an active market	N/A	shareholders of GT Gettaxi Limited	Republic of Cyprus	shares in GT Gettaxi Limited; value: PLN 127,024 thousand	-	0	7,975	0.78
CALL option for shares in iZettle AB – preferred return – open-ended	Not listed on an active market	N/A	shareholders of iZettle AB	Sweden	shares in iZettle AB; value: PLN 30,268 thousand	-	0	0	0.00
PUT option for shares in Mika Tur – short position – expiration date: 2017-12-31	Not listed on an active market	N/A	MCI.TechVentures 1.0	Poland	shares in Mika Tur; value: PLN 56,207 thousand (short position)	-	0	-250	-0.02
CALL option for shares in Naviexpert Sp. z o.o. – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Naviexpert Sp. z o.o.	Poland	shares in Naviexpert Sp. z o.o.; value: PLN 29,377 thousand	-	0	0	0.00
CALL option for conversion of the loan to Oktogo Holding Limited – open-ended	Not listed on an active market	N/A	Oktogo Holding Limited	Republic of Cyprus	loan to Oktogo Holding Limited; value: PLN 0 thousand	-	0	0	0.00
CALL option for conversion of the loan to Oktogo Holding Limited – conversion date 2017-12-30	Not listed on an active market	N/A	Oktogo Holding Limited	Republic of Cyprus	loan to Oktogo Holding Limited; value: PLN 0 thousand	-	0	0	0.00
CALL option for shares in Oktogo Holding Limited – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Oktogo Holding Limited	Republic of Cyprus	shares in Oktogo Holding Limited; value: PLN 0 thousand	-	0	0	0.00
CALL option for shares in SHLD Limited – preferred return – open-ended	Not listed on an active market	N/A	shareholders of SHLD	Republic of Cyprus	shares in SHLD Limited; value: PLN 18,384 thousand	-	0	1,755	0.17
CALL option for conversion of the loan to SHLD Limited – open-ended	Not listed on an active market	N/A	shareholders of SHLD	Republic of Cyprus	loan to SHLD Limited; value: PLN 4,569 thousand	-	0	0	0.00
CALL option for shares in UAB Pigu – preferred return – open-ended	Not listed on an active market	N/A	shareholders of UAB Pigu	Lithuania	shares in UAB Pigu; value: PLN 101,474 thousand	-	0	0	0.00
CALL option for shares in UAB Pigu – preferred return – short position	Not listed on an active market	N/A	MCI.TechVentures 1.0	Poland	shares in UAB Pigu; value: PLN 101,474 thousand (short position)	-	0	-2,058	-0.20
CALL option for shares in Wearco Sp. z o.o. – preferred return – open-ended	Not listed on an active market	N/A	shareholders of Wearco Sp. z o.o.	Poland	shares in Wearco Sp. z o.o.; value: PLN 48,374 thousand	-	0	0	0.00
CALL option for shares in Morele.net – open-ended	Not listed on an active market	N/A	shareholders of Morele.net	Poland	shares in Morele.net; value: PLN 16,995 thousand	-	0	1,442	0.14

<b>Total:</b>							0	26,880	2.62
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\*) Negative valuation of the value of derivatives is disclosed in the balance sheet under liabilities of the Subfund.

\*\*) The table does not include the number of underlying instruments when this number can change over time. In particular, preferred return options pertain to all shares in the portfolio of the Subfund as at the particular time, while the underlying for the option for conversion of the loan shall be the number of shares arising from the value of the loan together with interest accrued as at the particular valuation day.  
In case of the preferred return option, it is a financial instrument arising from provisions of the investment agreement/agreements pertaining to the distribution of funds upon sale or winding-up of the company, other than the pro rate distribution. This instrument does not meet the definition of a typical option within the meaning of financial instruments.

Shares in limited liability companies	Company name	Registered office of the company	Country of the registered office of the company	Number of shares	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)
21Diamonds GmbH	21Diamonds GmbH	Munich	Germany	5,214	2,391	369	0.04
Asgoodasnew electronics GmbH	Asgoodasnew electronics GmbH	Frankfurt	Germany	86,027	17,532	18,100	1.77
Azimo Limited	Azimo Limited	London	United Kingdom	6,329,988	23,670	25,052	2.44
Market Invoice Limited	Market Invoice Ltd	London	United Kingdom	2,906,977	32,232	30,867	3.01
Belysio Sp. z o.o.	Belysio Sp. z o.o.	Wrocław	Poland	652	1,100	0	0.00
Biotech Varsovia Pharma Sp. z o.o.	Biotech Varsovia Pharma Sp. z o.o.	Warsaw	Poland	59,438	752	0	0.00
Biznes.net Sp. z o.o.	Biznes.net Sp. z o.o.	Warsaw	Poland	13,687	640	0	0.00
Blacksquare Investments Limited	Blacksquare Investments Limited	Limassol	Republic of Cyprus	87,944	81,460	75,237	7.34
Ganymede Group Sp. z o.o.	Ganymede Group Sp. z o.o.	Kraków	Poland	946	25,155	23,295	2.27
GMZ.co Sp. z o.o.	GMZ.co Sp. z o.o.	Warsaw	Poland	627	5,245	1,141	0.11
GT Gettaxi Limited	GT Gettaxi Limited	Limassol	Republic of Cyprus	10,967,317	71,974	127,024	12.40
iZettle AB	iZettle AB	Stockholm	Sweden	75,301	29,061	30,268	2.95
MCI.ImmoVentures Sp. z o.o.	MCI.ImmoVentures Sp. z o.o.	Wrocław	Poland	100	0	0	0.00

Morele.net Sp. z o.o.	Morele.net Sp. z o.o.	Kraków	Poland	2,308	17,516	74,391	7.26
NaviExpert Sp. z o.o.	NaviExpert Sp. z o.o.	Poznań	Poland	1,655	1,802	29,377	2.87
Oktogo Holding Limited	Oktogo Holding Limited	Limassol	Republic of Cyprus	1,428,572	10,469	0	0.00
SHLD Limited	SHLD Limited	Pafos	Republic of Cyprus	2,359,647	19,809	18,384	1.79
Śpiący Rycerz Sp. z o.o.	Śpiący Rycerz Sp. z o.o.	Wrocław	Poland	105	2,936	2,940	0.29
UAB Pigu	UAB Pigu	Vilnius	Lithuania	35,237	47,301	101,474	9.90
Wearco Sp. z o.o.	Wearco Sp. z o.o.	Kraków	Poland	3,681	31,936	48,374	4.72
<b>Total:</b>				<b>24,365,423</b>	<b>422,981</b>	<b>606,293</b>	<b>59.16</b>

DEBTS	Name and type of the entity	Country of the registered office of the entity	Maturity	Performance type	Value of the performance in PLN '000	Number of loans	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)
Loan; agreement of 2015-12-18 tranche no 7; legal person; no collateral; Auctionata AG	Auctionata AG	Germany	31-12-2016	Loan agreement, cash performance	877	1	877	0	0.00
Loan; agreement of 2015-12-18 tranche no 6; legal person; no collateral; Auctionata AG	Auctionata AG	Germany	31-12-2016	Loan agreement, cash performance	3,502	1	3,502	0	0.00
Loan; agreement of 2015-12-18 tranche no 5; legal person; no collateral; Auctionata AG	Auctionata AG	Germany	31-12-2016	Loan agreement, cash performance	2,573	1	2,573	0	0.00
Loan; agreement of 2015-12-18 tranche no 4; legal person; no collateral; Auctionata AG	Auctionata AG	Germany	31-12-2016	Loan agreement, cash performance	2,611	1	2,611	0	0.00
Loan; agreement of 2015-12-18 tranche no 3; legal person; no collateral; Auctionata AG	Auctionata AG	Germany	31-12-2016	Loan agreement, cash performance	1,298	1	1,298	0	0.00
Loan; agreement of 2015-12-18 tranche no 2; legal person; no collateral; Auctionata AG	Auctionata AG	Germany	01-01-2017	Loan agreement, cash performance	6,733	1	6,733	0	0.00

Loan; agreement of 2009-11-16; legal person; collateral: blank own promissory note with promissory note declaration; BIZNES.NET Sp. z o.o.	BIZNES.NET Sp. z o.o.	Poland	06-08-2012	Loan agreement, cash performance	10	1	10	0	0.00
Loan; agreement of 2014-06-02; Annex of 2015-07-01; legal person; no collateral; Geewa a.s.	Geewa a.s.	Czech Republic	30-06-2016	Loan agreement, cash performance	294	1	294	341	0.03
Loan; agreement of 2014-06-02; Annex of 2015-11-02; legal person; no collateral; Geewa a.s.	Geewa a.s.	Czech Republic	30-06-2016	Loan agreement, cash performance	298	1	298	331	0.03
Loan; agreement of 2014-07-18; legal person; collateral: standard and registered pledge on shares of the Borrower; GMZ.co Sp. z o.o.	GMZ.co Sp. z o.o.	Poland	26-02-2016	Loan agreement, cash performance	2,500	1	2,500	2,977	0.29
Loan; convertible loan agreement of 2015-09-24 (2nd tranche); legal person; collateral: standard and registered pledge on shares of the Borrower; Oktogo Holding Limited	Oktogo Holding Ltd.	Republic of Cyprus	31-10-2018	Loan agreement, cash performance	3,597	1	3,597	0	0.00
Loan; convertible loan agreement of 2015-09-24 (1st tranche); legal person; collateral: standard and registered pledge on shares of the Borrower; Oktogo Holding Limited	Oktogo Holding Ltd.	Republic of Cyprus	31-10-2018	Loan agreement, cash performance	3,404	1	3,404	0	0.00
Loan; bridge loan agreement of 2013-08-01; Annex of 2015-09-24; legal person; collateral: standard and registered pledge on shares of the Borrower; Oktogo Holding Limited	Oktogo Holding Ltd.	Republic of Cyprus	02-12-2017	Loan agreement, cash performance	2,507	1	2,507	0	0.00

Loan; bridge loan agreement of 2015-08-01; legal person; collateral: standard and registered pledge on shares of the Borrower; Oktogo Holding Limited	Oktogo Holding Ltd.	Republic of Cyprus	10-04-2016	Loan agreement, cash performance	108	1	108	0	0.00
Loan; convertible loan agreement of 2016-11-17; legal person; collateral: standard and registered pledge on shares of the Borrower; SHLD Limited	SHLD Limited	Republic of Cyprus	31-12-2017	Loan agreement, cash performance	3,919	1	3,919	4,020	0.39
Loan; convertible loan agreement of 2015-12-09; legal person; collateral: standard and registered pledge on shares of the Borrower; SHLD Limited	SHLD Limited	Republic of Cyprus	31-12-2017	Loan agreement, cash performance	3,742	1	3,742	4,536	0.44
<b>Total:</b>						<b>16</b>	<b>37,973</b>	<b>12,205</b>	<b>1.18</b>

PROMISSORY NOTES	ISSUER	Due date	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)
Debt type: promissory note; debt kind: legal person, collateral type: no collateral, original creditor: MCI.PrivateVentures Closed-End Investment Fund, MCI.TechVentures 1.0. Subfund	LOANVENTURES Sp. z o.o.	14-10-2017	39,310	39,657	3.87
Debt type: promissory note; debt kind: legal person, collateral type: no collateral, original creditor: MCI.PrivateVentures Closed-End Investment Fund, MCI.TechVentures 1.0. Subfund	MCI Ventures Project Sp. z o.o. IX SKA	08-04-2017	21,400	22,054	2.15
<b>Total:</b>			<b>60,710</b>	<b>61,711</b>	<b>6.02</b>

## ADDITIONAL TABLES

Guaranteed investment components	Type	Total quantity	Value based on the purchase price	Value based on the valuation as at the balance sheet date	Percentage share in total assets
<b>Total:</b>	Not applicable		-	-	-

Money Market Instruments	Issuer	Redemption date	Interest	Nominal value	Quantity	Value based on the purchase price	Value based on the valuation as at the balance sheet date	Percentage share in total assets
<b>Total:</b>	Not applicable					-	-	-

Capital groups referred to in Article 98 of the Act	Value based on the valuation as at the balance sheet date	Percentage share in total assets
<b>Total:</b>	Not applicable	-

Investment components purchased from entities referred to in Article 107 of the Act	Value based on the valuation as at the balance sheet date	Percentage share in total assets
Not applicable	0	0.00
<b>Total:</b>	<b>0</b>	<b>0.00</b>

Securities issued by international financial institutions, the members of which include the Republic of Poland or at least one of OECD countries	Name of the issuer	Country of the registered office of the issuer	Market type	Name of the market	Quantity	Value based on the purchase price	Value based on the valuation as at the balance sheet date	Percentage share in total assets
Active unregulated market	Not applicable					-	-	-
Active regulated market	Not applicable					-	-	-
Not listed on an active market	Not applicable					-	-	-
<b>Total:</b>						-	-	-



### C. Balance sheet

Prepared for the MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund as at 31 December 2016  
(data expressed in PLN thousand except for the number of Investment Certificates expressed in units and the Net Asset Value per Investment Certificate expressed in PLN)

No	Description	Value as at 31-12-2016	Value as at 31-12-2015 (restated data)
<b>I.</b>	<b>Assets</b>	<b>1,024,674</b>	<b>1,020,041</b>
1)	Cash and cash equivalents	2,120	29,463
2)	Receivables	138,125	100,178
3)	Transactions with the repurchase obligation of the other party	0	0
4)	Investment components listed on an active market, including:	55,950	61,074
	Debt securities	0	0
5)	Investment components not listed on an active market, including:	828,240	829,110
	Debt securities	0	0
6)	Real estate	0	0
7)	Other assets	239	216
<b>II.</b>	<b>Liabilities</b>	<b>34,426</b>	<b>80,105</b>
<b>III.</b>	<b>Net assets (I-II)</b>	<b>990,248</b>	<b>939,936</b>
<b>IV.</b>	<b>Subfund's capital</b>	<b>696,091</b>	<b>617,821</b>
1)	Paid-in capital	830,696	675,486
2)	Capital distributed (negative value)	-134,605	-57,665
<b>V.</b>	<b>Retained earnings</b>	<b>160,766</b>	<b>-479</b>
1)	Accumulated, undistributed net income from investments	-151,264	-119,052
2)	Accumulated, undistributed realised profit (loss) on disposal of investments	312,030	118,573
<b>VI.</b>	<b>Appreciation (depreciation) of investments vs. the purchase price</b>	<b>133,391</b>	<b>322,594</b>
<b>VII.</b>	<b>Capital of the Subfund and accumulated result of operations (IV+V+/-VI)</b>	<b>990,248</b>	<b>939,936</b>
	Number of registered investment certificates	4,752,071	4,447,948
	Net asset value per investment certificate	208.38	211.32
	Anticipated number of investment certificates	4,750,621	4,566,076
	Diluted net asset value per investment certificate	208.45	212.14
	Number of investment certificates by certificate series:		
	series A	760,826	760,826
	series B	35,328	35,328
	series C	508,856	508,856
	series D	210,027	210,027
	series E	147,337	147,337
	series H	25,060	25,060
	series I	17,506	17,506
	series J	11,610	11,610
	series K	9,791	9,791
	series L	8,641	8,641
	series M	17,394	18,394
	series N	34,849	42,257
	series O	43,950	50,021
	series P	85,711	85,711

series R	24,896	26,534
series S	26,527	28,232
series T	28,933	32,482
series U	29,388	37,950
series W	14,546	23,120
series Y	51,881	63,236
series Z	12,911	48,742
series A1	1,022,680	1,022,680
series B1	19,390	26,101
series C1	3,169	3,169
series D1	39,207	59,924
series E1	-	7,687
series F1	123,941	177,396
series G1	105,069	136,454
series H1	75,030	94,204
series I1	86,957	105,257
series J1	150,507	164,696
series K1	71,439	94,329
series L1	38,206	41,524
series M1	15,199	18,147
series N1	92,632	107,595
series O1	93,926	102,689
series P1	90,860	94,435
series R1	31,569	-
series S1	81,698	-
series T1	172,179	-
series U1	35,667	-
series W1	70,224	-
series Y1	38,321	-
series Z1	90,671	-
series A2	49,199	-
series B2	29,588	-
series C2	9,456	-
series D2	2,947	-
series E2	6,372	-
Net asset value per investment certificate series		
series A	206.64	211.05
series B	206.64	211.05
series C	206.64	211.05
series D	206.64	211.05
series E	204.73	211.02
series H	191.43	198.27
series I	191.43	198.27
series J	207.45	214.34
series K	172.90	179.08
series L	194.82	201.79
series M	196.78	203.35

series N	214.20	221.97
series O	215.68	222.65
series P	226.94	233.91
series R	224.11	231.44
series S	224.20	231.66
series T	218.73	226.62
series U	220.29	228.33
series W	217.79	225.88
series Y	215.79	223.63
series Z	221.14	230.25
series A1	171.52	173.17
series B1	220.89	228.97
series C1	223.27	231.25
series D1	224.05	232.34
series E1	0.00	235.37
series F1	228.10	236.48
series G1	226.72	234.98
series H1	229.30	237.65
series I1	230.89	239.26
series J1	231.09	239.41
series K1	232.70	241.21
series L1	232.53	240.89
series M1	232.10	240.51
series N1	232.48	240.89
series O1	232.52	240.89
series P1	231.71	240.78
series R1	229.39	-
series S1	234.51	-
series T1	234.49	-
series U1	231.64	-
series W1	234.95	-
series Y1	234.51	-
series Z1	234.87	-
series A2	234.45	-
series B2	237.29	-
series C2	236.05	-
series D2	235.12	-
series E2	252.71	-

\* The presentation of overnight deposits in the comparable period changed vs. the presentation in the financial statements for 2015, as these are disclosed under cash and cash equivalents. Details of presentation changes are disclosed in the Additional Information to these financial statements.

\*\* Investment certificates series A1 were not fully paid up. In accordance with amendments to the Articles of Association announced on 28 January 2014, investment certificates series A1 participate in the income of the MCI.TechVentures 1.0. Subfund, revenues from disposal of investments of the MCI.TechVentures 1.0. Subfund and in these costs of the Fund that are charged to all series of Investment Certificates related to the MCI.TechVentures 1.0. Subfund, only in part equivalent to the issue price of the Investment Certificates of these series paid up currently.

On 28 April 2015, the payment was made for part of investment certificates series A1, in the amount of PLN 58,006,409.60. Then, on 13 October 2015, another payment was made for part of investment certificates series A1, in the amount of PLN 15,994,715.20.

As at 31 December 2016, the value of unpaid investment certificates series A1 was PLN 95,988,744.80 (as at 31 December 2015: PLN 95,988,744.80).

The balance sheet shall be analysed together with the explanatory notes and the additional information which constitute an integral part of the separate annual financial statements.

#### **D. Income statement**

Prepared for the MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund for the period from 1 January 2016 to 31 December 2016 (data expressed in PLN thousand except for the result of operations per Investment Certificate expressed in PLN)

No	Description	Value for the period from 01-01-2016 to 31-12-2016	Value for the period from 01-01-2015 to 31-12-2015
<b>I.</b>	<b>Investment income</b>	<b>4,678</b>	<b>3,424</b>
1	Dividends and other shares in profits	61	1,328
2	Interest income	2,786	1,958
3	Real estate income	0	0
4	Positive balance of exchange differences	1,333	0
5	Other	498	138
<b>II.</b>	<b>Costs of the Subfund</b>	<b>36,890</b>	<b>53,615</b>
1	Fees for the investment fund company	23,572	40,399
2	Fees for entities in charge of distribution	0	0
3	Fees for the depositary	156	81
4	Fees related to keeping the register of assets of the Subfund	307	295
5	Permits and registration fees	302	413
6	Accounting services	96	147
7	Services involving the management of the Subfund's assets	0	0
8	Legal services	5,644	3,742
9	Publishing services, including printing services	0	0
10	Interest costs	1,910	542
11	Real estate costs	0	0
12	Negative balance of exchange differences	0	1,047
13	Other, of which:	4,903	6,949
	fee for loan guarantee agreements	840	346
	fee for Helix Ventures Partners FIZ (re Mediasoft Sp. z o.o.)	0	5,364
	fee for the finalisation of the transaction of sale of Mediasoft Sp. z o.o.	0	1,223
<b>III.</b>	<b>Costs covered by the investment fund company</b>	<b>0</b>	<b>0</b>
<b>IV.</b>	<b>Net costs of the Subfund (II-III)</b>	<b>36,890</b>	<b>53,615</b>
<b>V.</b>	<b>Net investment income (I-IV)</b>	<b>-32,212</b>	<b>-50,191</b>
<b>VI.</b>	<b>Realised and unrealised profit (loss)</b>	<b>4,254</b>	<b>157,210</b>
1	Realised profit (loss) on disposal of investments, including:	193,457	29,724
	from exchange differences	-40	-730
2	Increase (decrease) of unrealised profit (loss) on valuation of investments, including:	-189,203	127,486
	from exchange differences	12,844	11,511

<b>VII.</b>	<b>Result of operations</b>	<b>-27,958</b>	<b>107,019</b>
	Result of operations per investment certificate	-5.88	24.06
	series A	-6.46	26.76
	series B	-6.46	26.76
	series C	-6.46	26.76
	series D	-6.46	26.76
	series E	-6.40	26.76
	series H	-5.98	25.14
	series I	-5.98	25.14
	series J	-6.49	27.18
	series K	-5.41	22.71
	series L	-6.09	25.59
	series M	-6.15	25.79
	series N	-6.70	28.15
	series O	-6.74	28.23
	series P	-7.09	29.66
	series R	-7.01	29.35
	series S	-7.01	29.38
	series T	-6.84	28.74
	series U	-6.89	28.95
	series W	-6.81	28.64
	series Y	-6.75	28.36
	series Z	-6.91	29.20
	series A1	-2.43	10.06
	series B1	-6.91	29.04
	series C1	-6.98	29.32
	series D1	-7.00	29.46
	series E1	-	29.85
	series F1	-7.13	29.99
	series G1	-7.09	29.80
	series H1	-7.17	30.14
	series I1	-7.22	30.34
	series J1	-7.22	30.36
	series K1	-7.27	30.59
	series L1	-7.27	30.55
	series M1	-7.26	30.50
	series N1	-7.27	30.55
	series O1	-7.27	30.55
	series P1	-7.24	30.53
	series R1	-7.17	-
	series S1	-7.33	-
	series T1	-7.33	-
	series U1	-7.24	-
	series W1	-7.35	-
	series Y1	-7.33	-
	series Z1	-7.34	-
	series A2	-7.33	-

series B2	-7.42	-
series C2	-7.38	-
series D2	-7.35	-
series E2	-7.90	-
Diluted result of operations per investment certificate	-5.88	23.44

The calculation of the result of operations per investment certificate is based on the result of operations and the number of investment certificates as at the end of the reporting period.

The statement of operations shall be analysed together with the explanatory notes and the additional information which constitute an integral part of the separate annual financial statements.

## E. Statement of changes in net assets

Prepared for the MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund for the period from 1 January 2016 to 31 December 2016 (data expressed in PLN thousand except for the number of Investment Certificates expressed in units and the Net Asset Value per Investment Certificate expressed in PLN)

No	Description	Value for the period from 01-01-2016 to 31-12-2016	Value for the period from 01-01-2015 to 31-12-2015
<b>I.</b>	<b>Change in net asset value</b>		
1.	Net asset value as at the end of the previous reporting period	939,936	710,794
2.	Results of operations for the reporting period (total), including:	-27,958	107,019
	a) net investment income	-32,212	-50,191
	b) realised profit (loss) on disposal of investments	193,457	29,724
	c) increase (decrease) of unrealised profit (loss) on valuation of investments	-189,203	127,486
3.	Change in net assets due to the result of operations	-27,958	107,019
4.	Distribution of the income (revenues) of the Subfund (total):	0	0
	a) from net investment income	0	0
	b) from realised profit on disposal of investments	0	0
	c) from income from disposal of investments	0	0
5.	Changes in capital during the reporting period (total), including:	78,270	122,123
	a) change in the paid-in capital (capital increase due to investment certificates issued)	155,210	169,266
	a) change in the capital distributed (capital decrease due to investment certificates redeemed)	-76,940	-47,143
6.	Total change in net assets during the reporting period (3-4±5)	50,312	229,142
7.	Net asset value as at the end of the reporting period	990,248	939,936
8.	Average net asset value in the reporting period*	1,021,979	851,290
<b>II.</b>	<b>Change in the number of investment certificates</b>		
1.	Change in the number of investment certificates during the reporting period:	304,123	522,694
	a) number of investment certificates issued	627,195	732,372
	b) number of investment certificates redeemed	323,072	209,678
	c) balance of changes	304,123	522,694
2.	Number of investment certificates cumulatively since the beginning of the Subfund's operations:	4,752,071	4,447,948
	a) number of investment certificates issued	5,343,922	4,716,727
	b) number of investment certificates redeemed	591,851	268,779
	c) balance of changes	4,752,071	4,447,948
3.	Anticipated number of investment certificates	4,750,621	4,566,076
<b>III.</b>	<b>Change in net asset value per investment certificate</b>		

1.	Net asset value per investment certificate as at the end of the comparative reporting period	211.32	181.08
2.	Net asset value per investment certificate as at the end of the current reporting period	208.38	211.32
3.	Percentage change in net asset value per investment certificate during the reporting period	-1.39%	16.70%
4.	Minimum net asset value per investment certificate during the reporting period (including the valuation date)	208.38	180.27
		31-12-2016	11-03-2015
5.	Maximum net asset value per investment certificate during the reporting period (including the valuation date)	223.87	210.42
		30-11-2016	16-12-2015
6.	Net asset value per investment certificate based on the last valuation during the reporting period* (including the valuation date)	208.38	209.83
		31-12-2016	31-12-2015
7.	Diluted net asset value per investment certificate	208.45	212.14
<b>IV.</b>	<b>Percentage share of costs of the fund in the average net asset value during the year, including:</b>	3.61	6.30
1.	Percentage share of the fee for the company	2.31	4.75
2.	Percentage share of the fee for entities in charge of distribution	0.00	0.00
3.	Percentage share of the fees for the depositary	0.02	0.01
4.	Percentage share of the fees related to keeping the register of assets of the fund	0.03	0.03
5.	Percentage share of the fees for accounting services	0.01	0.02
6.	Percentage share of the fees for services involving the management of the Subfund's assets	0.00	0.00

\* The official valuation of the Subfund confirmed by the Depositary.

This statement of changes shall be analysed together with the explanatory notes and the additional information which constitute an integral part of the separate annual financial statements.

## F. Cash flow statement

Prepared for the MCI.TechVentures 1.0 Subfund of the MCI.PrivateVentures Closed-End Investment Fund for the period from 1 January 2016 to 31 December 2016 (PLN '000)

No	Description	Value for the period from 01-01-2016 to 31-12-2016	Value for the period from 01-01-2015 to 31-12-2015 (restated data)
<b>A.</b>	<b>Cash flows from operating activities (I-II)</b>	<b>-53,265</b>	<b>-257,399</b>
<b>I.</b>	<b>Cash inflows</b>	<b>622,957</b>	<b>268,172</b>
1.	From investments held	328	21,975
2.	From disposal of investment components, including:	621,514	246,195
	Deposits	325,390	133,339
3.	Other	1,115	2
<b>II.</b>	<b>Outflows</b>	<b>676,222</b>	<b>525,571</b>
1.	From investments held	0	0
2.	From acquisition of investment components, including:	638,317	483,744
	Deposits	325,390	131,279
3.	Due to the fees paid to the company	29,310	32,283
4.	Due to the fees paid to entities in charge of distribution	0	0
5.	Due to the fees paid to the depository	154	108
6.	Due to the fees paid related to keeping the register of assets of the Subfund	299	312
7.	Due to the fees paid for permits and registration	0	0
8.	Due to accounting services	122	131
9.	Due to services involving the management of the Subfund's assets	0	0
10.	Due to legal services	6,088	4,266
11.	Due to real estate held	0	0
12.	Other	1,932	4,727
<b>B.</b>	<b>Cash flows from financing activities (I-II)</b>	<b>26,168</b>	<b>257,835</b>
<b>I.</b>	<b>Cash inflows</b>	<b>157,260</b>	<b>307,198</b>
1.	Due to issue of investment certificates	157,249	244,277
2.	Due to loans incurred	0	34,514
3.	Due to borrowings incurred	0	0
4.	Due to repayment of loans granted	0	0
5.	Interest	11	11
6.	Other, of which:	0	28,396
	due to issue of bonds	0	25,000
	due to the handling fee	0	3,007
<b>II.</b>	<b>Outflows</b>	<b>131,092</b>	<b>49,363</b>
1.	Due to redemption of investment certificates	77,409	46,321
2.	Due to repayment of loans drawn	21,948	0
3.	Due to repayment of borrowings drawn	0	0
4.	Due to bonds issued	26,025	0



5.	Due to the income distribution	0	0
6.	Due to loans granted	0	0
7.	Interest	1,032	485
8.	Other	4,678	2,557
<b>C.</b>	<b>Impact of changes in exchange rates of cash and cash equivalent</b>	<b>-246</b>	<b>-902</b>
<b>D.</b>	<b>Net change in cash (A+/-B)</b>	<b>-27,343</b>	<b>-466</b>
<b>E.</b>	<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>29,463</b>	<b>29,940</b>
<b>F.</b>	<b>Cash and cash equivalents at the end of the reporting period (E+/-D)</b>	<b>2,120</b>	<b>29,474</b>

\* The presentation of overnight deposits in the comparable period changed vs. the presentation in the financial statements for 2015, as these are disclosed under cash and cash equivalents. Details of presentation changes are disclosed in the Additional Information to these financial statements.

The cash flow statement shall be analysed together with the explanatory notes and the additional information which constitute an integral part of the separate annual financial statements.

## G. Explanatory notes

Values in tables in PLN '000

### NOTE 1. ACCOUNTING POLICY OF THE SUBFUND

#### 1. Legal regulations governing the Fund's accounting

The registers of assets and liabilities of the Fund and the assets and liabilities of the Fund are kept based on applicable acts and regulations, including in particular:

- Accounting Act of 29 September 1994 (Journal of Laws of 2016, item 1047, as amended);
- Act of 27 May 2004 on investment funds and management of alternative investment funds (consolidated text: Journal of Laws of 2016, item 1896, as amended);
- Regulation of the Minister of Finance of 24 December 2007 on the specific accounting policies for investment funds (Journal of Laws of 2007 No 249, item 1859).

#### 2. Principles for disclosure and presentation of information in the financial statements

The Company conducts subjective assessments and makes certain assumptions which affect the accounting principles applied and the presented amounts of assets and liabilities, as well as revenues and costs disclosed in the financial statements. Such estimations are made based on the best knowledge of the Company, i.e. based on available historical data, data that can be observed on the market or other factors considered relevant in the specific circumstances. They provide a basis for estimation of the value of particular investment components that

cannot be explicitly specified based on information from an active market. Estimations and assumptions made are subject to regular review by the Company that assesses whether e.g. impairment should not be recognised and the respective impairment write-down for specific investment components.

The financial statements were prepared:

- In Polish language and in Polish currency (amounts expressed in PLN thousand, except for the value per investment certificates, result of operations per investment certificate – these items are disclosed to full groszy (0,01 PLN), and the number of investment certificates expressed in units).
- Based on accounting records as at the balance sheet date, taking into account post-balance sheet events pertaining to the reporting period.
- In accordance with regulations on fund accounting pertaining to determining the result of operations, including: (a) net investment income; and (b) realised profit (loss) on disposal of investments; and (c) unrealised profit (loss) on the valuation of investments.
- In accordance with accounting principles specified in the fund's accounting policy and valuation methods binding as at the balance sheet date.
- In the format consistent with the Regulation of the Minister of Finance of 24 December 2007 on the specific accounting policies for investment funds (Journal of Laws of 2007 No 249, item 1859).

### 3. Recognition of operations pertaining to the Fund in accounting records

1. Operations pertaining to the Subfund are recorded in the accounting records for the period to which they refer.
2. On the valuation date, assets are measured, and liabilities are stated at a reliably estimated fair value, except for debt securities measures at the adjusted purchase prices using the effective interest rate.
3. The net asset value of the Subfund equals the value of all assets of the Subfund less the value of liabilities of the Subfund as at the valuation day.
4. The day of recognising changes in the capital paid-in or capital distributed in the accounting records shall be the day of the issuance or redemption of investment certificates.
5. For the purposes of determining the net asset value per investment certificate as at the particular valuation date, changes in the capital paid-in or capital distributed related to payments or distributions recorded in accordance with point 4 are disregarded.
6. Investment components purchased are recorded in accounting records at their purchase price. The purchase price of investment components acquired free of charge shall be zero.
7. Open forward contracts shall be recorded in the Subfund's accounting records at book value equal zero; the brokerage commission and other costs relating to the opening thereof shall reduce unrealised profit (increase unrealised loss) from the contract valuation; the brokerage commission and other costs relating to the closing thereof shall reduce realised profit (increase realised loss) from the forward contract.
8. Investment components of the Subfund received in exchange for other investment components have the purchase price assigned resulting from the purchase price of these investment components for which they were exchanged, adjusted for potential additional payments or cash received.
9. In case of debt securities with interest accrued, the value determined with respect to their nominal value and the value of interest accrued are disclosed in the Separate financial statements jointly and presented jointly as an investment component of the Subfund.
10. Income from bank deposits is determined using the effective interest rate method, taking into account the amount of interest on the deposit as well as conditions and timing of the interest payment, and it is recorded in the accounting records of the Fund starting the day following the deposit opening date until the interest capitalisation date inclusive.
11. Profit or loss on disposal of investment is calculated using the (HIFO) "highest in first out" method, involving assigning the highest purchase price of the particular investment components to the sold items, and in case of instruments measured as adjusted purchase price – the highest current book value (this does not apply to securities purchased with the repurchase obligation of the other party). In case of expiration of obligations under options written, it is concluded that the liabilities expire starting the ones on which the lowest net premium was received. Profit or loss on sale of foreign currencies is calculated using the "highest in first out" method.
12. When transactions involving sale and purchase of the particular security are concluded on the same day, the purchase of the component held is recognised as the first.
13. The pre-emptive right to shares listed on an active market, due based on the resolution of the general meeting of shareholders, shall be recognised in accounting records on the day, on which the price disregarding the value of this right is used for the first time for the purposes of the valuation of these shares. Non-exercised pre-emptive right shall be considered disposed at zero value, on the day following the date of expiry of this right.
14. The dividend due from shares listed on an active market shall be recognised in accounting records on the day, on which the market price disregarding the value of the right to dividend is used for the first time for the purposes of the valuation of these shares.
15. The right to dividend on shares not listed on an active market and the pre-emptive right to shares not listed on an active market shall be recognised in the accounting records on the day following the day on which these rights were determined.
16. A change in the nominal value of purchased shares which does not give rise to a change in the issuer's share capital shall be recognised in sub-ledger registers, where the number of shares held and the unit purchase price are changed.
17. Unrealised profit (loss) on valuation of investments impacts the increase (decrease) of the result of operations.
18. Purchase or disposal of investment components by the Subfund are recorded in the accounting records as at the date of the agreement. Investment components purchased or disposed by the Subfund after 11:00 pm. on the valuation date or investment components for which by 11:00 pm. the Subfund did not receive a confirmation of the transaction conclusion are recorded on the next valuation date of the Subfund's assets and determination of its liabilities, when it is possible.

19. Operations involving the Subfund are recognised in the currency in which they are expressed and, additionally after conversion for the Polish currency, according to the applicable average exchange rate determined for a given currency by the National Bank of Poland as at the day of recognition of these operations in accounting records of the Subfund. If operations pertaining to the Subfund are expressed in currencies for which the National Bank of Poland does not publish the exchange rate, their value shall be determined taking into account the currency selected by the Subfund for which the average exchange rate is published by the National Bank of Poland.
20. Investment income shall include, in particular: dividends and other shares in profits, interest income and positive balance of exchange difference resulting from the valuation of cash, receivables and liabilities in foreign currencies.
21. Costs of the Subfund shall include in particular: fee of the Company for managing the Subfund and management results, costs of legal services, fee for the Depositary, fees related to keeping the register of the Subfund's Assets, accounting services, fees for permits and registration fees, interest costs (including effect of the premium amortisation making up the valuation of assets not listed on an active market using the adjusted purchase price method based on the effective interest rate), and negative balance of exchange difference resulting from the valuation of cash, receivables and liabilities in foreign currencies.
22. Interest income from debt securities measured at fair value is calculated in accordance with the principles specified for these securities by the issuer, and is disclosed as a component of investments listed or not listed on an active market. Interest income on bank deposits is calculated using the effective interest rate and disclosed under receivables in the separate financial statements of the Subfund respectively.
23. In case of costs of the Subfund, a provision is created for expected costs. Cost payments reduce the provision created previously. The preliminary cost estimate includes items of justified value, calculated based on regular rates taking into account the frequency of determination of net asset value on valuation dates.
24. Interest costs due to loans and borrowings incurred by the Subfund are settled over time using the effective interest rate.

#### 4. Main valuation principles used

1. Assets are measured, and liabilities are stated as at the valuation date specified in the Articles of Association.
2. The Subfund accepted 23:00 hours, local time in Poland, as the valuation time at which the latest

available rates are obtained allowing estimating fair value of investments held by the Subfund on the particular valuation date.

3. Assets of the Subfund are measured, and liabilities of the Subfund are stated as at the reliably estimated fair value, subject to the following principles:

3.1. The fair value of investment components listed on an active market shall be the last price available from the active market as at the valuation moment.

3.2. The value of debt securities not listed on an active market is estimated based on adjusted purchase price using the effective interest rate that, due to market level of interest rates of the instruments, constitutes a reliable estimation of the fair value.

3.3. Deposits opened by the Subfund are measured at adjusted purchase price using the effective interest rate that, due to market level of interest rates of the instruments, constitutes a reliable estimation of the fair value.

3.4. The value of promissory notes accepted by the Subfund is determined at adjusted purchase price using the effective interest rate.

3.5. Debt due to loans and borrowings granted are measured at the fair value.

Due to market level of interest rates for loans and borrowings, the effective interest rate model can be considered a reliable estimation of the fair value.

3.6. The fair value of shares in companies not listed on an active market is determined using generally accepted valuation methods, taking into account various factors, based on the latest information available as at the valuation moment (not older than 6 months before the valuation date), including direct contacts with companies in which the Fund invests, experience and knowledge of the company and the market on which the company operates, as well as other information to which the Fund has access.

Principles followed by the Fund in the valuation process:

##### 3.6.1. Lack of changes of the valuation for the first 12 months:

As a rule, the Fund does not expect any changes in the valuation for the first 12 months after making the investment. However, investments are monitored on a current basis in order to confirm that the Company is on the correct development path and its management fulfils its obligations. If any material events take place during the first 12 months of the valuation that in the opinion of the Fund have an impact on the valuation, the Fund will revalue (update) such a valuation.

##### 3.6.2. Revaluation (update of the valuation):

- a) Revaluation can take place in case of a significant increase in revenues or

profitability of an enterprise that can sustain in the future, interest in acquisition that indicates an increase in the valuation of an enterprise vs. the value recorded in accounting records, or any other factors that in the opinion of the Fund result in a permanent appreciation of the enterprise and should be reflected in fair value.

- b) Negative revaluation usually takes place in the following instances:
- when the enterprise loses its financial liquidity and experience problems in acquiring new financial resources;
  - deteriorating financial results or market position.

**3.6.3. Valuation methods:** After 12 months from making the investment or, in justified instances, after a longer period, the Fund can change the valuation method to one of the following methods:

**3.6.3.1. Last comparable transaction method:** Valuation based on the last transaction of purchase/sale of shares in the company, with a high probability of being repeated on similar terms.

**3.6.3.2. Comparable method:** The fair value of the enterprise subject to the valuation is determined by comparing it to similar companies, the shares of which are listed on stock exchanges or that were subject to transactions. Companies with the business profile as close as possible to the company subject to the valuation are taken into account for the valuation purposes. This method involves the calculation of indices (multiplier) reflecting the prices set by the market for a profit or sales unit. Medians of indices applied are used when calculating final multipliers. Such indices are then used to multiply the profit or sales of the company subject to the valuation, which allows to calculate its current market value. Then, to arrive to the final valuation outcome, the weighted average of the values calculated is taken into account (when the value of the company calculated based on the particular index significantly varies from the value determined based on other indices, it is possible to reduce the weight of this index or exclude it from the analysis). The value calculated in this way is additionally reduced by the discount for lack of liquidity. The discount for lack of liquidity related to the investment in a private company reflects more limited options for selling the shares by the owners due to lack of the existing market of shares in private companies. Its value ranges from 5% to 30%. The discount level depends, inter alia, on the status of works related to admitting the company to public

trading or sale to another financial, strategic or industry investor.

**3.6.3.3. Adjusted net asset method:** The fair value of net assets of the company is determined by adjusting balance sheet items in order to ensure that their book values match their market values.

**3.6.3.4. Discounted cash flow method:** The value of the enterprise is estimated based on the value of expected free cash flows that the enterprise will generate in the future or when the grounds to apply this method exist.

**3.6.3.5. Invested capital method:** The valuation is based on the prices of a share within the framework of a new or subsequent equity financing round that took place recently, taking into account the exchange rate as at the valuation moment in case of investments in foreign currencies.

The Fund shall select the method of the valuation of shares in entities not listed on an active market taking into account the following factors:

- stage of the company development;
- ability to generate stable net profit, EBIT, EBITDA, revenues;
- availability of information on comparable companies;
- characteristics of the sector in which the company operates;
- availability of reliable financial data and forecasts for the analysed company as well as the market and sector in which the company operates;
- information and events typical only for the analysed company;
- information on the situation on and condition of financial markets;
- information on the situation on and condition of the merger and acquisition market, in particular in the context of the number of transactions concluded.

When there is more than one valuation method, the application of which seem reasonable in the particular circumstances, a few methods can be used. Using more than one method allows better estimating the value of the company. The ultimate selection of the valuation method should depend on the aforementioned factors and on other factors that might be material from the point of view of estimation of the value of the company. Valuation methods and models applied by the Fund are assessed and verified on a regular basis. In case of using a few valuation methods, the arithmetic average of individual valuation results is used to calculate the ultimate value of the company.

**3.6.4. The preferred return option** is a very important additional element influencing the value. The Fund invests mainly in enterprises at the initial stage of their development, which involve

an increased risk. For that reason, the Fund endeavours to negotiate the transaction parameters in such way as to protect the capital invested. Such a possibility is provided by so-called preferred return options, i.e. options that grant the Fund the priority right to fully recover invested resources when exiting the investment before other investors (both existing and new). As part of negotiations, in addition to the right to recover the capital invested, such options very often enable the Fund to receive additional resources allowing achieving a predetermined minimum level of the investment rate of return within a stipulated investment horizon (IRR).

3.7. The fair value of derivatives not listed on a active market is determined using generally known and applied estimation models, such as e.g. the Black-Scholes model, finite difference method. When the complete valuation model cannot be applied, including in particular for preferred return derivatives arising from investment agreements, the derivative is measured at its internal value.

4. In case of securities listed on more than one active market, the fair value shall be the price determined on the main market. The Subfund selects main markets at the end of each calendar month.
5. Long-term assets and liabilities in foreign currencies are measured in the currency in which they are listed on an active market. In case of long-term assets or liabilities in foreign currencies not listed on an active market, they are measured in the currency, in which the particular instrument is denominated. Long-term assets and liabilities in foreign currencies are stated in Polish currency after translation based on the last available average exchange rate announced for the particular foreign currency by the National Bank of Poland, as at the valuation moment.
6. Securities purchased with the repurchase obligation of the other party shall be measured,

starting the date of concluding the purchase agreement, using the adjusted purchase price method based on the effective interest rate. Obligations to sell securities in case of the Subfund's obligation to repurchase, shall be measured, starting the date of concluding the sale agreement, using the method of adjustment of the difference between the repurchase price and the sale price, based on the effective interest rate.

7. Cash as well as receivables and liabilities that are not denominated in PLN shall be recognised in the balance sheet in PLN after translation from the original currency using the relevant exchange rate (information in notes).
8. In accordance with provisions of the Articles of the Association of the Fund and issue terms, the Subfund issued the series A1 certificates. These certificates were not fully paid up and shall be paid up in line with provisions of the Articles of Association of the Fund. In accordance with Article 137 section 7 of the Act, investment certificates that are not fully paid-up shall constitute the receivables of the Subfund and are disclosed under its assets, and recognised as a capital paid-in. The net asset value per certificate in case of certificates not fully paid up shall be initially presented at the issue value, in accordance with the issue terms. Than, these certificates participate in the income of the Subfund, revenues from disposal of investments of the Subfund and in these costs of the Fund that are charged to all series of Investment Certificates related to the Subfund, only in part equivalent to the issue price of the Investment Certificates of these series paid up currently. The net asset value per certificate in case of other certificates (fully paid-up) disregards the receivables due to certificates not paid-up. The net asset value per certificate is measured in line with the procedure for the calculation of net asset value per certificate subject to agreement with the Depositary and in line with the issue terms.

**NOTE 2. RECEIVABLES OF THE SUBFUND**

	Receivables	Value as at 31-12-2016	Value as at 31-12-2015
1	Due to investments disposed	25,640	3,021
2	Due to derivatives	0	0
3	Due to investment certificates issued	95,989	95,988
4	Due to dividends	0	0
5	Due to interest	0	0
6	Due to real estate held, including rent	0	0
7	Due to loans granted	0	0
8	Other, of which:	16,496	1,169

	a) due to subscription	15,493	0
	<b>Total:</b>	<b>138,125</b>	<b>100,178</b>

### NOTE 3. LIABILITIES OF THE SUBFUND

	Liabilities	Value as at 31-12-2016	Value as at 31-12-2015
1	Due to assets purchased	67	2,764
2	Due to transactions with the repurchase obligation of the Subfund	0	0
3	Due to derivatives	2,310	412
4	Due to payments for investment certificates	0	1,833
5	Due to investment certificates redeemed	869	976
6	Due to the Subfund's income distribution	0	0
7	Due to the Subfund's revenue distribution	0	0
8	Due to bonds issued*)	0	25,243
9	Due to short-term loans and borrowings	0	0
10	Due to long-term loans and borrowings	13,272	34,731
11	Due to guarantees or warranties	0	0
12	Due to provisions, of which:	17,908	11,882
	- for fixed fees	6,109	11,709
	- for the fees for management results	2	105
	- for the claim related to sale of Invia	11,697	0
	- other provisions	100	68
13	Other liabilities	0	2,264
	<b>Total:</b>	<b>34,426</b>	<b>80,105</b>

\*) Registered Bonds series D issued; the original issue volume – 25,000 bonds, early redemption on 11.04.2016 – 7,500 bonds; the current issue volume – 17,500 bonds; nominal value of each Bond is PLN 1,000; the issue price is PLN 1,000 per one Bond; the issue date: 2015-11-05; redemption date: 2019-11-05; interest: WIBOR for 3M deposits (WIBOR 3M) of the issue date, i.e. 1.73% plus 4.5% per year on the nominal value, starting the issue date inclusive; Bond collateral; debts under the bonds have no collateral.

#### NOTE 4. CASH AND CASH EQUIVALENTS

I. Structure of cash at banks	Value as at 31-12-2016			Value as at 31-12-2015		
	Currency ('000)	Value in the particular currency as at the balance sheet date ('000)	Value in the currency of the financial statements as at the balance sheet date (PLN '000)	Currency ('000)	Value in the particular currency as at the balance sheet date ('000)	Value in the currency of the financial statements as at the balance sheet date (PLN '000)
				(restated data)		
I. Banks:						
ING Bank Śląski S.A.	PLN	4	4	PLN	28,453	28,453
ING Bank Śląski S.A.	EUR	0	0	EUR	1	5
RAIFFEISEN BANK POLSKA SA	PLN	1,957	1,957	PLN	0	0
RAIFFEISEN BANK POLSKA SA	EUR	2	11	EUR	1	5
ALIOR BANK	PLN	58	58	PLN	1,005	1,005
ALIOR BANK	EUR	20	90	EUR	0	0
<b>Total:</b>			<b>2,120</b>			<b>29,463</b>

II. Average level of cash maintained to cover current liabilities during the reporting period	Value as at 31-12-2016			Value as at 31-12-2015		
	Currency ('000)	Value in the particular currency as at the balance sheet date ('000)	Value in the currency of the financial statements as at the balance sheet date (PLN '000)	Currency ('000)	Value in the particular currency as at the balance sheet date ('000)	Value in the currency of the financial statements as at the balance sheet date (PLN '000)
Average level of cash during the reporting period*):	PLN	25,797	25,797	PLN	15,110	15,110
	EUR	9,456	41,050	EUR	950	3,966
	CZK	0	0	CZK	34	5
<b>Total:</b>			<b>66,847</b>			<b>19,081</b>

III. Cash equivalents	Value as at 31-12-2016	Value as at 31-12-2015
	Value in the particular currency as at the balance sheet date ('000)	Value in the currency of the financial statements as at the balance sheet date (PLN '000)
Cash equivalents by type	not applicable	not applicable

\* The presentation of overnight deposits in the comparable period changed vs. the presentation in the financial statements for 2015, as these are disclosed under cash and cash equivalents. Details of presentation changes are disclosed in the Additional Information to these financial statements.

\*\* The average level of cash during the reporting period is calculated based on the arithmetic average of cash and overnight deposits on official valuation dates of the Subfund.



## NOTE 5. RISKS

a. Market and other risk factors

As at 31 December 2016, the portfolio investments of the Subfund included non-liquid, not listed securities that are exposed at risk of loss of the capital invested by the Subfund, in part or in whole. Risks having an impact on the Subfund's investments include:

b. General economic risk – the investment portfolio of the Subfund includes companies over which the Subfund has limited control, having their registered offices and carrying out their activities in Poland. The aforementioned investments involve the risk resulting from adverse changes in currency exchange rates, political situation development, legislative situation, market situation, exchange and restrictions of capital flows, regulations that may hinder the implementation of development strategies, cost reductions or productivity improvements by portfolio companies or may in any other way increase the value of the Subfund's investments in such portfolio companies.

c. Risk related to the investment subject – the Subfund's investments in portfolio companies are subject to risk of competitiveness increase, decrease in the market demand, exchange rate volatility and other risks, such as e.g. credit risk or counterparty risk, that might have an adverse impact on results of operations of these companies. Additionally, portfolio companies may require significant additional capital outlays and additional bank financing in order to support their development or refinance their previous loan liabilities. Terms on which such additional financing is provided may not be favourable.

d. Liquidity risk – the investment portfolio of the Subfund contains non-liquid securities that are not admitted to public trading. Consequently, there is a risk that the Subfund may be unable to achieve its investment objectives by selling or disposing in any other way portfolio investments reflecting the current carrying amount of investments of the Subfund.

Consequently, the Subfund may incur losses on part or all of its investments.

e. Interest rate risk – the level of interest rates is one of the most significant drivers of prices of debt and equity securities. Changes in market interest rate levels, inter alia as a result of changes in macroeconomic parameters, may result in significant shifts of value of Investment Certificates. It should be emphasized that the relationship between the prices of debt securities

and the level of interest rates shows features of an inversely proportional relationship. The interest rate level is also an important factor from the point of view of the profitability of companies that use bank loans for the purposes of their activities. A growth of interest rate may result in an increase in interest costs and deterioration of the profitability of the company, which subsequently may result in a drop of the company value.

f. Credit risk – risk of insolvency of business partners related to permanent or temporary loss of their ability to satisfy liabilities incurred, including permanent or temporary inability to pay interest on liabilities. Such a situation may occur as a result of deterioration of the financial standing of a business partner due to both internal factors of the business partner and external conditions (economic parameters, legal environment, etc.) A deterioration of the financial position of the business partner is reflected in a drop of prices of debt securities issued by this entity. This risk category also includes risk related to a decrease of the credit rating of the business partner by rating agencies and resulting drop in prices of debt securities due to higher risk premium expected by investors.

g. A deterioration of the financial standing of issuers of securities making up the investments of the Subfunds or reduction of ratings of these securities or the issuers thereof may result in a drop of the value of Investment Certificates.

h. FX risk – the level of currency exchange rate is an additional risk factor in case of the Subfund making investments on foreign markets, and investments in securities denominated in foreign currencies. Changes in the exchange rate of PLN to foreign currencies may result in fluctuations of prices of such securities, expressed in PLN, which in turn may lead to fluctuations and drops of the value of Investment Certificates.

Information included in these financial statements are presented by the Company in good faith and they reflect the recoverable value estimated using the selected valuation method and assumptions adopted, but there is a risk pertaining to values that will be ultimately recovered in the future.

As at the balance sheet date, investment components not listed on an active market made up 80.57% of the assets of the Subfund.

Risks	Value as at 31-12-2016	Value as at 31-12-2015 (restated data)
<b>1) Level of interest rate risk burden on assets and liabilities of the Subfund, by balance sheet category, including:</b>	<b>87,188</b>	<b>49,087</b>
a) assets subject to fair value risk due to interest rate*)	73,916	14,356
b) assets subject to cash flow risk due to interest rate**)	0	0
c) liabilities subject to cash flow risk due to interest rate***)	13,272	34,731
<b>2) Level of credit rate risk burden on assets and liabilities of the Subfund, by balance sheet category, including:</b>	<b>337,029</b>	<b>273,945</b>
a) amounts reflecting the maximum credit risk burden as at the balance sheet date if transaction parties fail to satisfy their obligations, whereas fair values of additional collaterals are disregarded in the description****)	241,041	177,957
Cash	2,120	29,463
Deposits	0	0
Receivables	138,125	100,178
Non-standardised derivatives	26,880	33,960
Debts	12,205	14,356
Promissory notes	61,711	0
b) information on existing instances of significant concentration of credit risk in specified investment categories*****)	95,988	95,988
Investment certificates unpaid	95,988	95,988
<b>3) Level of FX risk burden on assets and liabilities of the Subfund, including the information on instances of significant concentration of FX risk in specified investment categories</b>	<b>578,678</b>	<b>708,150</b>
cash in EUR	101	5
derivatives	26,202	24,924
shares in companies having their registered offices abroad	115,790	399,532
interests in companies having their registered offices abroad	426,775	297,191
debts to companies having their registered offices abroad	9,810	11,422

\*) The presentation of overnight deposits in the comparable period changed vs. the presentation in the financial statements for 2015, as these are disclosed under cash and cash equivalents. Details of presentation changes are disclosed in the Additional Information to these financial statements.

\*\*) Fixed-coupon bonds, zero-coupon bonds, treasury bills, fixed coupon mortgage bonds, fixed-coupon deposit certificates, promissory notes and fixed-interest debts were recognised as the assets subject to fair value risk due to interest rate.

\*\*\*) Floating-coupon bonds, floating-coupon mortgage bonds, floating-coupon deposit certificates, floating-interest derivatives with a positive value as at the balance sheet date and floating interest debts were recognised as the assets subject to cash flow risk due to interest rate.

\*\*\*\*) Floating-interest derivatives with a negative value as at the balance sheet date and loans and borrowings incurred were recognised as the liabilities subject to cash flow risk due to interest rate.

\*\*\*\*\*) Credit risk includes the risk of the business partner default on securities issued (fixed-, floating- and zero-coupon bonds, treasury bills and mortgage bonds), loans, deposits making up the investment portfolio, cash in bank, and the business party default on transactions concluded, in particular for non-standardised derivatives (disclosed in an absolute value) and buy-sell-back transactions.

\*\*\*\*\*) The level of 10% share of the particular issuer in total assets for particular investment categories and other balance sheet items was considered a significant concentration of credit risk.

The Subfund managers take active steps in order to mitigate the aforementioned risks. These steps include, inter alia:

a) introduction of investment limitations defining maximum exposure to the particular investment

type and ongoing monitoring of the exposure level;

b) requirement to provide collaterals for the loans, guarantees and warranties granted, except the

- situation when all the following conditions are met:
- o the situation of the entity guarantees that this entity will satisfy its obligations to the Subfund;
  - o creditworthiness of the entity is on a high level;
  - o the transaction partner is reliable;
  - c) introduction of maximum levels of the Subfund's indebtedness and limitation of the

possibility to incur debts only to bank loans and issuance of bonds;

d) carrying out the economic analysis of each investment component (in particular the ones not listed on a public market), risk identification and adjustment of the target exposure to the particular investment to results of the analysis performed at the stage before making the investment decision.

## NOTE 6. DERIVATIVES

Derivatives	Value as at 31-12-2016							
	Position taken type	Derivative type	Purpose of the position opening	Value of the open position	Values and timing of future cash flows	Amount providing a basis for future payments*	Derivative maturity or expiration date**	Derivative execution date***
CALL option for shares in 21Diamonds GmbH – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Asgoodasnew electronic GmbH – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	3,727	-	-	-	-
CALL option for conversion of the loan to Auctionata AG – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Auctionata AG – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in AZIMO LTD – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Blacksquare Investments Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	12,393	-	-	-	-
CALL option for shares in Ganymede Group Sp. z o.o. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	1,544	-	-	-	-
CALL option for conversion of the loan to Geewa a.s. – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Geewa a.s. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	352	-	-	-	-
CALL option for shares in GT Gettaxi Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	7,975	-	-	-	-
CALL option for shares in iZettle AB – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
PUT option for shares in Mika Tur – short position – expiration date: 2017-12-31	PUT option purchased	PUT option	investment portfolio management	-250	-	-	31-12-2017	-

CALL option for shares in Naviexpert Sp. z o.o. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for conversion of the loan to Oktogo Holding Limited – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for conversion of the loan to Oktogo Holding Limited – conversion date 2017-12-30	CALL option purchased	CALL option	investment portfolio management	0	-	-	30-12-2017	-
CALL option for shares in Oktogo Holding Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in SHLD Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	1,755	-	-	-	-
CALL option for conversion of the loan to SHLD Limited – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in UAB Pigu – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in UAB Pigu – preferred return – short position	PUT option purchased	PUT option	investment portfolio management	-2,058	-	-	-	-
CALL option for shares in Wearco Sp. z o.o. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Morele.net – open-ended	CALL option purchased	CALL option	investment portfolio management	1,442	-	-	-	-
<b>Total:</b>				<b>26,880</b>	-	-		-

Derivatives	Value as at 31-12-2015							
	Position taken type	Derivative type	Purpose of the position opening	Value of the open position	Values and timing of future cash flows	Amount providing a basis for future payments*	Derivative maturity or expiration date**	Derivative execution date***
CALL option for shares in 21Diamonds GmbH – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in asgoodasnew electronic GmbH – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	929	-	-	-	-
CALL option for shares in Auctionata AG – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in AZIMO LTD – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Biotech Varsovia Pharma Sp. z o.o. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Blacksquare Investments Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	8,843	-	-	-	-
CALL option for shares in Ganymede Group Sp. z o.o. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for conversion of the loan to Geewa a.s. – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Geewa a.s. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	264	-	-	-	-
CALL option for shares in GT Gettaxi Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	3,540	-	-	-	-
Option for shares in Invia.cz a.s. – preferred return – short position	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-

CALL option for shares in iZettle AB – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
PUT option for shares in Mika Tur – short position – expiration date: 2017-12-31	PUT option purchased	PUT option	investment portfolio management	-412	-	-	31-12-2017	-
CALL option for shares in Naviexpert Sp. z o.o. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	7,829	-	-	-	-
CALL option for conversion of the loan to Oktogo Holding Limited – open-ended	CALL option purchased	CALL option	investment portfolio management	7,707	-	-	-	-
CALL option for conversion of the loan to Oktogo Holding Limited – conversion date 2017-12-30	CALL option purchased	CALL option	investment portfolio management	1,475	-	-	30-12-2017	-
CALL option for shares in Oktogo Holding Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	652	-	-	-	-
CALL option for shares in SHLD Limited – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	1,511	-	-	-	-
CALL option for conversion of the loan to SHLD Limited – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in UAB Pigu – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in UAB Pigu – preferred return – short position	CALL option purchased	CALL option	investment portfolio management	0	-	-	-	-
CALL option for shares in Wearco Sp. z o.o. – preferred return – open-ended	CALL option purchased	CALL option	investment portfolio management	1,622	-	-	-	-
<b>Total:</b>				<b>33,960</b>	-	-		-

\*) The amount providing a basis for future payments depends on specific provisions of investment agreements. In particular, in case of preferred return options, this amount usually refers to the value of shares/interests as at the valuation date and the predetermined guaranteed return on investment, while in case of call and put options it refers to the value of shares/interests as at the valuation date and the purchase or sale price of shares/interests specified in the agreement.

\*\*) Unless otherwise stated, the maturity or expiry date of a derivative shall be the moment of sale of shares/interests by the Subfund.

\*\*\*) Unless otherwise stated, the ultimate derivative execution date expires upon sale of shares/interests by the Subfund.

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In case of the preferred return option, it is a financial instrument arising from provisions of the investment agreement/agreements ensuring the decision-making powers to the Subfund with respect to the execution thereof, always favourable to the Subfund. This instrument does not meet the definition of a typical option within the meaning of financial instruments.



## NOTE 7. TRANSACTIONS WITH THE REPURCHASE OBLIGATION OF THE SUBFUND OR THE OTHER PARTY

As at 31 December 2016 and during the period from 1 January 2016 to 31 December 2016, the Subfund had no transactions concluded with the repurchase obligation of the Subfund or the other party.

## NOTE 8. LOANS AND BORROWINGS

Loans and borrowings	Value as at 31-12-2016	Value as at 31-12-2015
<b>1) Information on loans and borrowings drawn by the Subfund, cash loans and borrowings in the amount equivalent, as at their drawing date, to more than 1% of the value of assets of the Subfund</b>	<b>13,272</b>	<b>34,731</b>
a) name and registered office of the entity that granted the loan (borrowing)	Alior Bank S.A., ul. Łopuszańska 38D, 02-232; Warsaw	Alior Bank S.A., ul. Łopuszańska 38D, 02-232; Warsaw
b) amount of the loan (borrowing) upon incurring it and its percentage share in assets	PLN 4,373,775; 0.49% PLN 847,800; 0.09% PLN 29,292,570; 3.20%	PLN 4,373,775; 0.49% PLN 847,800; 0.09% PLN 29,292,570; 3.20%
c) outstanding amount of the loan (borrowing), in thousand, of which:	13,272	34,731
d) interest	floating EUROBIOR 3M + 3.00% margin	floating EUROBIOR 3M + 3.00% margin
e) repayment date	27-07-2018	27-07-2018
f) collateral granted	a) warranty b) registered pledge on shares	a) warranty b) registered pledge on shares
<b>2) Information on cash loans granted by the Subfund, in the amount equivalent, as at their granting date, to more than 1% of the value of assets of the Subfund, including the information on:</b>		-
a) name and registered office of the entity to which the loan was granted		-
tranche no 7	Auctionata AG	
transza6	Auctionata AG	
tranche no 5	Auctionata AG	
tranche no 4	Auctionata AG	
tranche no 3	Auctionata AG	
tranche no 2	Auctionata AG	
b) amount of the loan upon granting it, percentage share in assets	17,594	-
tranche no 7	877; 0%	
transza6	3.502; 0%	
tranche no 5	2.573; 0%	
tranche no 4	2.611; 0%	
tranche no 3	1.298; 0%	
tranche no 2	6.733; 0%	

c) outstanding amount of the loan (borrowing)		17,594	-
	tranche no 7	877	
	transza6	3,502	
	tranche no 5	2,573	
	tranche no 4	2,611	
	tranche no 3	1,298	
	tranche no 2	6,733	
d) interest			-
	tranche no 7	fixed – 2%	
	transza6	fixed – 7%	
	tranche no 5	fixed – 7%	
	tranche no 4	fixed – 7%	
	tranche no 3	fixed – 7%	
	tranche no 2	fixed – 7%	
e) repayment date		-	-
	tranche no 7	31-12-2016	
	transza6	31-12-2016	
	tranche no 5	31-12-2016	
	tranche no 4	31-12-2016	
	tranche no 3	31-12-2016	
	tranche no 2	01-01-2017	
f) collateral granted		-	-
	tranche no 7	no collateral	
	transza6	no collateral	
	tranche no 5	no collateral	
	tranche no 4	no collateral	
	tranche no 3	no collateral	
	tranche no 2	no collateral	

## NOTE 9. CURRENCIES AND EXCHANGE DIFFERENCES

Structure of balance sheet items by currency and after translation into PLN	Value as at 31-12-2016			Value as at 31-12-2015*		
	Unit	Currency	Value as at the balance sheet date	Unit	Currency	Value as at the balance sheet date
	(restated data)					
<b>Balance sheet item after translation into the currency of the financial statements</b>						
<b>a) in the currency of the financial statements</b>	<b>in '000</b>		<b>420,619</b>	<b>in '000</b>	<b>PLN</b>	<b>243,413</b>
Cash and cash equivalents	in '000	PLN	2,019	in '000	PLN	29,458
Receivables	in '000	PLN	121,693	in '000	PLN	99,446
Investment components listed on an active market	in '000	PLN	1,629	in '000	PLN	1,734
Investment components not listed on an active market	in '000	PLN	304,565	in '000	PLN	155,384
Other assets	in '000	PLN	103	in '000	PLN	2
Liabilities	in '000	PLN	9,390	in '000	PLN	42,611
<b>b) in foreign currencies after translation into the currency of the financial statements</b>	<b>in '000</b>	<b>PLN</b>	<b>569,629</b>	<b>in '000</b>	<b>PLN</b>	<b>696,523</b>
<b>Cash and cash equivalents</b>	<b>in '000</b>	<b>PLN</b>	<b>101</b>	<b>in '000</b>	<b>PLN</b>	<b>5</b>
- in foreign currency	in '000	EUR	22	in '000	EUR	1
	in '000	USD	0	in '000	USD	0
	in '000	CZK	0	in '000	CZK	0
- in the currency of the financial statements	in '000	PLN	101	in '000	PLN	5
<b>Receivables</b>	<b>in '000</b>	<b>PLN</b>	<b>16,432</b>	<b>in '000</b>	<b>PLN</b>	<b>732</b>
- in foreign currency	in '000	EUR	3,675	in '000	EUR	172
	in '000	USD	41	in '000	USD	0
	in '000	CZK	0	in '000	CZK	0
- in the currency of the financial statements	in '000	PLN	16,432	in '000	PLN	732
<b>Investment components listed on an active market</b>	<b>in '000</b>	<b>PLN</b>	<b>54,321</b>	<b>in '000</b>	<b>PLN</b>	<b>59,340</b>
- in foreign currency	in '000	EUR	12,279	in '000	EUR	13,925

- in the currency of the financial statements	in '000	PLN	54,321	in '000	PLN	59,340
<b>Investment components not listed on an active market</b>	<b>in '000</b>	<b>PLN</b>	<b>523,675</b>	<b>in '000</b>	<b>PLN</b>	<b>673,726</b>
- in foreign currency	in '000	EUR	85,119	in '000	EUR	87,857
	in '000	USD	6,866	in '000	USD	0
	in '000	CZK	38,400	in '000	CZK	1,519,023
	in '000	GBP	10,870	in '000	GBP	3,207
	in '000	TRY	47,364	in '000	TRY	30,920
- in the currency of the financial statements	in '000	PLN	523,675	in '000	PLN	673,726
<b>Other assets</b>	<b>in '000</b>	<b>PLN</b>	<b>136</b>	<b>in '000</b>	<b>PLN</b>	<b>214</b>
- in foreign currency	in '000	EUR	31	in '000	EUR	50
- in the currency of the financial statements	in '000	PLN	136	in '000	PLN	214
<b>Liabilities</b>	<b>in '000</b>	<b>PLN</b>	<b>25,036</b>	in '000	PLN	<b>37,494</b>
- in foreign currency	in '000	EUR	5,659	in '000	EUR	8,150
	in '000	USD	0	in '000	USD	10
	in '000	CZK	0	in '000	CZK	17,280
- in the currency of the financial statements	in '000	PLN	25,036	in '000	PLN	37,494
<b>Total net assets:</b>			<b>990,248</b>			<b>939,936</b>

Exchange gains by investment of the Subfund	Value for the period from 01-01-2016 to 31-12-2016		Value for the period from 01-01-2015 to 31-12-2015	
	Realised exchange gains	Unrealised exchange gains	Realised exchange gains	Unrealised exchange gains
<b>Derivatives</b>	0	0	0	0
Shares	10	1,767	0	2,012
Shares in limited liability companies	0	9,995	0	9,241
Debts	0	1,082	1	363
Promissory notes	0	0	0	0
<b>Total:</b>	<b>10</b>	<b>12,844</b>	<b>1</b>	<b>11,616</b>

Exchange losses by investment of the Subfund	Value for the period from 01-01-2016 to 31-12-2016		Value for the period from 01-01-2015 to 31-12-2015	
	Realised exchange losses	Unrealised exchange losses	Realised exchange losses	Unrealised exchange losses
Derivatives	0	0	0	0
Shares	0	0	482	0
Shares in limited liability companies	0	0	0	0
Debts	50	0	0	0
Promissory notes	0	0	249	105
<b>Real estate</b>	0	0	0	0
<b>Total:</b>	<b>50</b>	<b>0</b>	<b>731</b>	<b>105</b>

\* The presentation of overnight deposits in the comparable period changed vs. the presentation in the financial statements for 2015, when they were disclosed under cash and cash equivalents. Details of presentation changes are disclosed in the Additional Information to these financial statements.

## NOTE 10. INCOME AND ITS DISTRIBUTION

Realised and unrealised profit (loss) on disposal of investments	Value for the period from 01-01-2016 to 31-12-2016		Value for the period from 01-01-2015 to 31-12-2015	
	Value of realised profit (loss) on disposal of investments	Increase (decrease) of unrealised profit on valuation of assets	Value of realised profit (loss) on disposal of investments	Increase (decrease) of unrealised profit on valuation of assets
1. Investment components listed on an active market	0	-55,670	19,835	37,494
2. Investment components not listed on an active market	193,457	-133,533	9,889	89,992
3. Real estate	0	0	0	0
4. Other	0	0	0	0
<b>Total:</b>	<b>193,457</b>	<b>-189,203</b>	<b>29,724</b>	<b>127,486</b>

Income distributed	Value for the period from 01-01-2016 to 31-12-2016	Value for the period from 01-01-2015 to 31-12-2015
<b>I. Income from investments distributed:</b>	<b>not applicable</b>	<b>not applicable</b>
1. Dividends and other shares in profits	not applicable	not applicable
2. Interest income	not applicable	not applicable
3. Real estate income	not applicable	not applicable
4. Positive balance of exchange differences	not applicable	not applicable
5. Other	not applicable	not applicable
<b>II. Realised profit on disposal of investments distributed</b>	<b>not applicable</b>	<b>not applicable</b>

Income from disposal of investments distributed	Value for the period from 01-01-2016 to 31-12-2016	Share in assets on the distribution date	Share in net assets on the distribution date	impact on the value of assets
<b>I. Revenue from disposal of investments of the fund in non-public assets</b>	<b>not applicable</b>	<b>not applicable</b>	<b>not applicable</b>	<b>not applicable</b>
Income from disposal of investments distributed	Value for the period from 01-01-2015 to 31-12-2015	Share in assets on the distribution date	Share in net assets on the distribution date	impact on the value of assets
<b>I. Revenue from disposal of investments of the fund in non-public assets</b>	<b>not applicable</b>	<b>not applicable</b>	<b>not applicable</b>	<b>not applicable</b>

## NOTE 11. COSTS OF THE SUBFUND

I. Costs covered by the Company	Value for the period from 01-01-2016 to 31-12-2016	Value for the period from 01-01-2015 to 31-12-2015
	Amounts during the reporting period	Amounts during the reporting period
Fees for entities in charge of distribution	0	0
Fees for the depositary	0	0
Fees related to keeping the register of assets of the Subfund	0	0
Permits and registration fees	0	0
Accounting services	0	0
Services involving the management of the Subfund's assets	0	0
Legal services	0	0
Publishing services, including printing services	0	0
Real estate costs	0	0
Other:	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>

II. Fees for the Company	Value for the period from 01-01-2016 to 31-12-2016	Value for the period from 01-01-2015 to 31-12-2015
	Amounts during the reporting period	Amounts during the reporting period
Fixed part of the fee	23,008	20,509
Part of the fee depending on results of the Subfund	564	19,890
<b>Total:</b>	<b>23,572</b>	<b>40,399</b>

III. Costs of the Fund of Non-Public Assets directly related to investments disposed	Value for the period from 01-01-2016 to 31-12-2016	Value for the period from 01-01-2015 to 31-12-2015
	Amounts during the reporting period	Amounts during the reporting period
1. Investment component disposed	0	0

## H. Additional Information

- Information on major events concerning previous years, included in the financial statements for the current period – did not occur.
- Information on significant post-balance sheet events, not included in the financial statements – not applicable.
- Differences between and explanation of differences between the data disclosed in the

financial statements and in the financial statements prepared and published previously:

- The financial statements for 2015 include shares in Mika Tur Seyahat Acenteligi ve Yurzim An incorrectly presented as interest, as a result of which the following amendments were made in the present financial statements:

### Statement of changes – Main table:

Investment components	Value as at 31-12-2015 presented originally			Value as at 31-12-2015 presented in the present financial statements		
	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)
Shares	153,227	384,206	37.67	195,217	425,423	41.93
Shares in limited liability companies	384,754	457,250	44.83	342,764	416,033	41.00

### Note 5. Risks

Risks	Value as at 31-12-2015 presented originally	Value as at 31-12-2015 presented in the present financial statements
<b>3) Level of FX risk burden on assets and liabilities of the Subfund, including the information on instances of significant concentration of FX risk in specified investment categories</b>	<b>604,716</b>	<b>708,150</b>
shares in companies having their registered offices abroad	358,315	399,532
interests in companies having their registered offices abroad	338,408	297,191

Additionally, in the present financial statements, in order to improve clarity, in the data for the comparable period, the presentation of overnight deposits was changed vs. the presentation in the financial

statements for 2015, when they were disclosed under cash and cash equivalents, and costs due to investments held were reclassified to costs of purchase of investment components. The following changes were made:

### Statement of changes – Main table:

Investment components	Value as at 31-12-2015 presented originally			Value as at 31-12-2015 presented in the present financial statements		
	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)	Value based on the purchase price (PLN '000)	Value based on the valuation as at the balance sheet date (PLN '000)	Percentage share in total assets (%)
<b>Total</b>	<b>580,302</b>	<b>919,230</b>	<b>90.12</b>	<b>550,844</b>	<b>889,772</b>	<b>87.67</b>
Deposits	29,458	29,458	2.89	0	0	0

### Balance sheet:

No	Description	Value as at 31-12-2015 presented originally	Value as at 31-12-2015 presented in the present financial statements
1)	Cash and cash equivalents	5	29,463



5)	Investment components not listed on an active market:	858,568	829,110
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### Cash flow statement

No	Description	Value for the period from 01-01-2016 to 31-12-2015 presented originally	Value for the period from 01-01-2015 to 31-12-2015 presented in the present financial statements
<b>A.</b>	<b>Cash flows from operating activities (I-II)</b>	<b>-256,940</b>	<b>-257,410</b>
<b>I.</b>	<b>Cash inflows</b>	<b>3,889,705</b>	<b>268,161</b>
2.	From disposal of investment components, including:	3,867,728	246,184
	Deposits	3,754,872	133,339
<b>II.</b>	<b>Outflows</b>	<b>4,146,645</b>	<b>525,571</b>
1.	From investments held	64,302	0
2.	From acquisition of investment components, including:	4,040,516	483,744
	Deposits	3,752,353	131,279
<b>D.</b>	<b>Net change in cash (A+/-B)</b>	<b>-7</b>	<b>-477</b>
<b>E.</b>	<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>12</b>	<b>29,940</b>
<b>F.</b>	<b>Cash and cash equivalents at the end of the reporting period (E+/-D)</b>	<b>5</b>	<b>29,463</b>

### Note 4. Cash and cash equivalents

I. Structure of cash at banks	Value as at 31-12-2015 presented originally			Value as at 31-12-2015 presented in the present financial statements		
	Currency ('000)	Value in the particular currency as at the balance sheet date ('000)	Value in the currency of the financial statements as at the balance sheet date (PLN '000)	Currency ('000)	Value in the particular currency as at the balance sheet date ('000)	Value in the currency of the financial statements as at the balance sheet date (PLN '000)
I. Banks:						
ING Bank Śląski S.A.	PLN	0	0	PLN	28,453	28,453
ALIOR BANK	PLN	0	0	PLN	1,005	1,005

### Note 5. Risks

Risks	Value as at 31-12-2015 presented originally	Value as at 31-12-2015 presented in the present financial statements
Cash	5	29,463
Deposits	29,458	0

## Note 9. Currencies and exchange differences

Structure of balance sheet items by currency and after translation into PLN	Unit	Currency	Value as at 31-12-2015 presented originally	Value as at 31-12-2015 presented in the present financial statements
			Value as at the balance sheet date	Value as at the balance sheet date
Cash and cash equivalents	in '000	PLN	0	29,458
Investment components not listed on an active market	in '000	PLN	184,842	155,384

4. Adjustments of fundamental errors – during the reporting period, no adjustments of fundamental errors were made.
5. Going concern uncertainty – The separate financial statements have been prepared on the assumption that the Subfund will continue as a going concern into the foreseeable future, for no less than 12 months from the balance sheet date. In the opinion of the Company's Management Board there are no circumstances indicating any threat to the Subfund's ability to continue as a going concern.
6. Other information
  - a) As at 31 December 2016, no investment limits were exceeded in the Subfund.
  - b) The Subfund is a party to the guarantee agreement with respect to the concluded agreement for purchase of shares in Tatilbudur, in the amount of EUR 1,057,258.
  - c) Overdue debts included in the portfolio of the Subfund, i.e.:
    - to GMZ.co Sp. z o.o. (PLN 2,977 thousand) will be converted to shares of the companies, based on agreements concluded;
    - to Geewa a.s. (PLN 672 thousand) will be converted to newly issued shares, based on agreements concluded on 18 January 2017. At present, the Company is waiting for the registration thereof.
  - d) On 27 June 2016, the Fund received from Rockaway Travel SE (Rockaway) the notice of claim addressed to MCI.PrivateVentures Closed-End Investment Fund with respect to sale of shares in Invia.cz by the TechVentures Subfund separated within the framework of the MCI PrivateVentures Closed-Ended Investment Fund. The notice of claim pertains to the amount of EUR 8,528 thousand.  
As at the day of drawing up the financial statements, no court proceedings were instituted with respect to the claim of Rockaway. Managers of Rockaway and managers of MCI.PrivateVentures Closed-End Investment Fund discussed the issue, which resulted in creating the provision of PLN 11,697 thousand as at 31 December 2016.
  - e) As at the day of drawing up the financial statements, the Fund calculated the exposure using the gross method and the commitment method in accordance with Articles 7 and 8 of the Commission (EU) Delegated Regulation no 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision.