



X-TRADE BROKERS DOM MAKLERSKI S.A.

(joint stock company with its registered office in Warsaw and address at ul. Ogrodowa 58, 00-876 Warszawa, entered into the Register of Business Entities of the National Court Register under No. 0000217580)

DISCLAIMER

This document is an unofficial translation of the Polish version of Current Report No. 20 dated 18 September 2018 and does not constitute a current or periodical report as defined under the Regulation of the Minister of Finance on the current and periodical information provided by issuers of securities and the conditions for considering the information required by the provisions of law of the state not being a member state as equivalent thereto that was issued in accordance with the Polish Act on Public Offering, the Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies dated 29 July 2005 (amended and restated: Journal of Laws of 2013, item 1382).

This document is for informational purposes only. Neither the Company, its shareholders, nor any of their advisors are responsible for translation errors, if any, or for any discrepancies between the original report and this translation into English. If there are any discrepancies between the English translation and the Polish version, the latter shall prevail.

CURRENT REPORT NO 20/2018

Warsaw, 18 September 2018

Update of the information on administrative proceedings initiated by Polish Financial Supervision Authority

With reference to Current Report No. 35/2017 on the administrative proceedings initiated by the Polish Financial Supervision Authority (the Commission), the Management Board of X-Trade Brokers Dom Maklerski S.A. (Issuer, Company) informs that on 18 September 2018 the Company was informed, that a fine in the amount of PLN 9.9 million pursuant to Article 167.2.1 in connection with Article 167.1.1 of the Act on Trading in Financial Instruments, was imposed on the Company in connection with the violation of the law, in particular in the area of providing brokerage services to the Company's clients.

In the Company's opinion, the imposition of a fine on the Issuer for the violation indicated by the Commission is unjustified and not confirmed in the facts. The Commission refused to carry out the evidence requested by the Company (including the expert's opinion) and did not include the reports of independent experts submitted by the Company. Acting in the interest of the Company and its shareholders, as well as being guided by the welfare of its clients, the Company intends to appeal against the supervisor's decision.

Legal basis:

Article 17 paragraph 1 MAR – inside information.