



X-TRADE BROKERS DOM MAKLEPSKI S.A.

(joint stock company with its registered office in Warsaw and address at 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. 7 dated 15 April 2020 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 2018, item 757).

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 7/2020

Warsaw, 15 April 2020

Update of the information on the termination of operations on the Turkish market

In reference to the current report No. 11/2018 regarding the termination of XTB Capital Group's operations on the Turkish market and information disclosed in this respect in periodic reports, including in particular information provided in the consolidated annual report for 2019, the Management Board of X-Trade Brokers Dom Maklerski S.A. ("Issuer", "Company", "XTB") informs that on 15 April 2020 in relation to ongoing process of financial data aggregation for the purpose of consolidated report for the 1st Quarter 2020, made a decision on recognition in accounting records reclassification of the part of negative foreign exchange differences in the amount of 21,9 million PLN arising from the translation of the X Trade Brokers Menkul Değerler A.S. subsidiary's equity from the position "Foreign exchange differences on translation" in equity to income statement.

The recognition of reclassification in the above amount as financial cost in accounting records is an accounting operation and will be recognized in consolidated financial results for the 1st Quarter 2020. However, it does not affect the liquidity position of XTB nor the total amount of Group's equity as at the date of its booking.

Legal basis:

Article 17 section 1 MAR – inside information.



According to the data disclosed in consolidated annual report for 2019, the total amount of negative foreign exchange differences from the conversion of balances in the foreign currency of subsidiary in Turkey amounted for 24,1 million PLN at the end of the year, while the remaining part of the foreign exchange differences arising from the translation of the Turkish company's equity will be recognized in consolidated result at the date of liquidation of this company.

At the same time, the Company informs that the process of aggregating financial data for the purpose of preparing the consolidated XTB quarterly report for the 1st Quarter 2020 is currently ongoing. Taking into consideration, in particular, the high level of volatility in the financial and commodity markets recorded in the period January-March 2020 caused by among others – the coronavirus COVID-19 global pandemic, the Company expects that above macroeconomic conditions will improve the operating result of XTB in the 1st Quarter of this year in relation to the 1st Quarter of the previous year and the 4th Quarter of the previous year. However, at the date of publication of this current report, due to the ongoing data aggregation process, the Issuer is not able to precisely indicate the expected financial data for the 1st Quarter of 2020. Information on preliminary financial and operational results for the 1st Quarter of 2020 will be made public immediately after the aggregation and verification of financial data will be completed.

Legal basis:

Article 17 section 1 MAR – inside information.