Warsaw, 16 May 2017

**LARQ Group – summary of 1Q 2017**

* **PLN 2 million net profit in Q1 2017 (results from the transformation of the Capital Group into an Investment Unit)**
* **Continuation of the dynamic development of the main portfolio companies:**

**- Nextbike Polska launches new or expanded urban bicycle systems in Warsaw, Radom, Gliwice and Białystok**

**- Growing number of active Brand24 customers by 50% y/y to 1 668**

**- Expansion of Synergic's offer with two new business lines – media on highways and at ATMs**

* **Preparation and maintenance after Q1 2017 results of portfolio forecasts for 2017**
* **Taking formal steps to take Nextbike Polska public**

LARQ SA, an investment unit managing entities operating in the area of ​​innovative media, new technologies and infrastructure, has published its financial results for Q1 2017. In 2016, the company completed the conversion phase and LARQ SA has become an investment unit that, starting from the 2016 Annual Report in accordance with IFRS requirements, values ​​all its investments in shares and equity interests at fair value through financial results. In Q1 2017 the value of the company's investment portfolio increased by nearly PLN 4 million and amounted to over PLN 90 million. The increase is mainly due to the fact that the valuation of assets is based on the conducted Pre-IPO Nextbike Polska transaction. In Q1 2016, the valuation of the portfolio exceeded PLN 12m because of making Brand24's valuation more realistic following the acquisition of Inovo funds and the jump in portfolio performance during this period. As a result, LARQ's net profit amounted to PLN 2m in Q1 2017 compared to PLN 9.1m in the previous year (data converted for comparability purposes).

*“Summing up the completed quarter, it’s worth referring to the results and achievements of the major LARQ portfolio companies during this period. In March this year, Nextbike successfully launched the new urban bicycle system in Warsaw – one of the largest bicycle systems in Europe. In addition, the first quarter saw the launch of systems in Gliwice, Radom and Białystok, and the company won tenders in Sosnowiec and Michałowice and won a new advertising strategic partner: Citi Handlowy bank. Explaining in addition – in the first quarter of 2016, Nextbike accounted for PLN 5.6 million of revenues and margins for the delivery and launch of the second stage of the Lublin Urban Bike, hence the disproportion between the results of last year and the results of the first quarter this year. Brand24 increased the number of active customers by 50% year on year, to 1,668 users – it’s worth noting that the number of users of the global version of the tool has increased by 150%. In turn, Synergic has expanded its offer with two new business lines, carriers on motorways and at ATMs, so it can offer its customers a broader range of non-standard advertising media than ever before. The solid results and good prospects for the next quarters allow us to expect continued growth in our major portfolio companies and to sustain our April forecast of their financial results for this year,”* says Mikołaj Chruszczewski, Member of the Management Board of LARQ SA.

After the balance sheet date, April 28, 2017, the LARQ Board presented the following forecasts for each portfolio company for 2017:

Nextbike Polska – the largest supplier and operator of urban bicycle systems in Poland.

- increase in the number of bicycles serviced by 66% to 13,000 from 7,800 at the end of 2016, mainly on the basis of tenders already won (according to information on the day of RB publication, i.e. 28 April 2017) for the delivery and service of urban bicycle systems in 2017

- sales revenue: PLN 40.1 million, an increase of 16% from PLN 34.6 million in 2016,

- EBITDA result: PLN 15.5 million, an increase of 21% from PLN 12.8 million in 2016,

Brand 24 – the owner of an online content monitoring tool sold in the SaaS model (Software as a Service).

- increase in active customers by 37% to 2,069 users from 1,507 at the end of 2016, mainly driven by continued growth in the global customer base.

- sales revenue: PLN 7.4 million, an increase of 47% from PLN 5.0 million in 2016,

- EBITDA loss: PLN 0.3 million loss against a loss of PLN 0.2 million in 2016.

Synergic – a leading national operator and owner of non-standard outdoor advertising media.

- the increase in advertising media available for sale by 69% from 22,100 m2 to 37,300 m2 as a result of the acquisition of new advertising space on city bikes and the inclusion in the offer of two new business lines (advertising space on motorways and at ATMs)

- sales revenue: PLN 32.4 million, an increase of 19% from PLN 27.2 million in 2016.

- EBITDA profit: (excluding intra-group transactions) PLN 6.3 million, an increase of 21% from PLN 5.2 million in 2016.

Also after the balance sheet date, May 15, 2017, Nextbike Polska SA has taken formal steps to bring the company into the NewConnect alternative market. At the General Meeting of Shareholders on May 15, 2017 a resolution on the increase of the share capital and the introduction of series B and C shares to the alternative trading system of NewConnect was passed. The increase in share capital is to take place by the issue of not less than 1 and no more than 51,000 series C bearer shares excluding preemptive rights. At the present time (before the planned issue) the share capital of Nextbike Polska amounts to 1,020,000 shares. The C series shares will be subscribed through private placement conducted in a manner that does not constitute a public offering. The debut of the company on NewConnect is planned for the second half of 2017.

-------------------------

LARQ SA (twitter IR: [@LARQgroup](https://twitter.com/LARQgroup?ref_src=twsrc^tfw)) Is a Polish holding company listed on the main WSE stock exchange, managing companies operating in the area of ​​innovative media, new technologies and infrastructure. The business pillars of the company are dynamically developing entities with a dominant position in their market segments, including:

* Nextbike Polska – the largest supplier and operator of urban bicycle systems in Poland. At present the company manages a fleet of about 10,800 bicycles and nearly one thousand stations in 22 cities.
* Synergic – a leading national operator and owner of non-standard outdoor advertising media. The company's clients' advertising is displayed at almost all Polish airports and at key bus and train stations. The company is the exclusive operator of advertising space on urban bicycles and in underground passages in the largest Polish cities.
* Brand24 – the owner of an online content monitoring tool sold in the SaaS model Software as a Service). The company holds a dominant position on the Polish market in its product category. Brand24 is successfully commercializing its unique solution on the global market.

-------------------------

For further information, please contact:

Katarzyna Sadowska

CC Group Sp. Z oo

Tel: +48 22 440 14 40

Mobile: +48 697 613 020