

Tajęcina, 27.04.2018

Letter of the President of the Management Board

Dear Sirs,

I put at your disposal the annual report determining the financial results and the key achievements of OPTeam S.A. in 2017.

The year of 2017 was the year of intensive work to find a new way in a difficult situation on the market. In the former years OPTeam, as a provider of IT solutions for business and administration, offered services to companies, institutions and organisations that were beneficiaries of the EU funds. The existing EU programmes offered a relatively easy access to grants and allowed the Company to win a considerable group of customers who decided to buy IT products and had adequate financial resources. The end of the main stream of EU grant programmes in 2015/16 affected the market situation significantly. Companies and administrative bodies were much more reluctant to new investment in information technologies, which resulted in dramatic declines of revenues recorded by most companies in the IT industry. In these unfavourable market developments our income in 2017 was considerably higher than the average figures in the industry. We employed a strategy of active market penetration to build a portfolio of business relations that should bring relevant returns in the future. Already in 2017 these activities resulted in a number of important contracts, including one for the Ministry of Defence.

We decided to launch a restructuring process in the Company consisting in cost optimization, reduction of employment and modifications of the business profile of our branches. A new motivation programme was implemented accompanied by some structural initiatives that improve corporate relations and employees' commitment. We refreshed our product line with new solutions and invested in growth of competences of OPTeam specialists to be able to provide our customers with high-quality services that support their development.

We also started an intensive campaign aiming at winning new customers from Western Europe, mostly from Germany and Austria. OPTeam introduces themselves as an outsourcing partner who demonstrates high competences at competitive prices. The network of foreign business partners is developed consistently so that in the near future these markets should become an important and stable contributor to the Company's income.

In 2017 we also developed our product range intended for the domestic market. OPTeam focused on the introduction of our new cyber-security products and products related to an increasingly popular issue of protection of proprietary information.

A very important OPTeam's asset remains a package of shares in Polish ePayment. In 2017 this company made significant acquisitions and considerably widened its operational base.

Despite the difficulties related to the market situation we assess the previous year positively, mostly thanks to the steps made towards the restructuring process. It makes us optimistic about the future.

Dear Sirs, on behalf of the Board I would like to express my gratitude to the Shareholders and employees for their trust and hard and fruitful work throughout the year.

Yours faithfully

Tomasz Ostrowski,

President of the Board
OPTeam S.A.