



***Management report on activities  
of OPTeam S.A. in 2012***

*Tajęcina, 15 March 2013*

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**1. Basic information about the Issuer.**

Issuer: **OPTeam S.A.**

Head Office (seat): 36-002 Tajęcina 113

Telephone no: +48 (17) 867-21-00

Fax no: +48 (17) 852-01-38

KRS number: 0000160492

REGON: 008033000

NIP: 8130334531

authorised capital of PLN 730,000 fully paid up

Web page: [www.opteam.pl](http://www.opteam.pl)

The Issuer's shares are listed in the parallel market 5 PLUS of the Warsaw Stock Exchange.

WSE symbol	OPM
WSE sector	Information Technology
Indices	WIG
Depository, clearing and settlement system	National Depository for Securities [Krajowy Depozyt Papierów Wartościowych S.A. - KDPW]

**Composition of the Issuer's governing bodies as of the report date:****Supervisory Board:**

Janusz Bober	Chairman of the Supervisory Board
Wiesław Roman Zaniewicz	Vice Chairman of the Supervisory Board
Janusz Gajdek	Secretary of the Supervisory Board
Marcin Lewandowski	Supervisory Board Member
Adam Leda	Supervisory Board Member

**Management Board:**

Andrzej Pelczar	President of the Management Board
Bogdan Niziołek	Vice President of the Management Board
Wacław Szary	Vice President of the Management Board

**Proxies:**

Ryszard Woźniak	Joint commercial representation
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In the course of the fiscal 2012, there were changes in the composition of supervisory and management bodies.

The Issuer is a producer and integrator of specialised smart card based systems. The company also specialises in the supply and integration of advanced ICT solutions related to various aspects of data security, ICT networks, data processing Centers, as well as implementing ERP-class enterprise management systems. The scope of the Issuer's operations also includes integration of fiscal sales systems.

**Card systems.**

For many years, the Issuer has been developing its potential in systems based on smart cards, gradually expanding its product portfolio. Solutions offered by the Issuer include the proprietary OPTI systems:

- Electronic Student ID Card and Electronic PhD Student ID Card OPTIcamp with campus functions,
- Electronic Corporate Card OPTIpass,
- Customer Loyalty Card OPTIcard,
- Electronic School ID OPTIschool,
- Electronic Purse OPTIcash.

The key functions of card systems implemented by the Issuer include:

- electronic user identification,
- workstation logon and digital signature – PKI, SSO,
- accounting for printouts and photocopies,
- access to data in college or corporate resources,
- access control and accounting for car park services,
- library ID cards,
- questionnaires, tests and examinations,
- micropayments and non-cash payments,
- recording work attendance,
- gate-house and reception services.

**Integration of ICT solutions.**

One important area of the Issuer's operations is the design, supply and implementation of advanced ICT systems.

They include:

- ICT security solutions – data storage, Internet access and uninterruptible power supply,
- complex, advanced ICT networks,
- fully-furnished data processing Centers (DPC),
- business software, including document flow applications (OPTiRCM), B2B shopping platforms (OPTiSRM) and retail e-commerce platforms (OPTiCOMMERCE),
- ICT infrastructure – hardware and software.

**Integration of ERP business management systems.**

The Issuer supplies and implements ERP business management systems. The company specialises in implementing ERP systems in medium-sized and large enterprises. The Issuer's offer in this scope covers all stages of ERP system implementation, starting from consulting work (pre-implementation analysis, selecting the system, implementation design) through to supplying the software, introducing modifications or additions, installation, trainings and post-implementation assistance.

The Issuer delivers its own proprietary industry-specific solutions for ERP systems covering:

- project management for construction,
- production process support,
- electronic document flow,
- high bay warehouse management,
- processing orders, sales, maintenance and many other processes online (B2B).

**Fiscal sales systems.**

The Issuer's scope of business also includes the sale and maintenance of fiscal sales systems. They include fiscal devices, computer cash registers, devices for processing bar codes, weighing scales and specialised software supporting sale processes.

## 2. Basic economic and financial data.

The statement drawn up as of 31 December 2012 contains comparable financial data for the year ending 31 December 2011.

The annual financial statement drawn up as of 31 December 2012 and for the twelve-month period ending 31 December 2012 was drawn up using the same accounting principles as when drawing up the annual financial statement for the business year ending 31 December 2011, except for the presentation of the profit & loss statement.

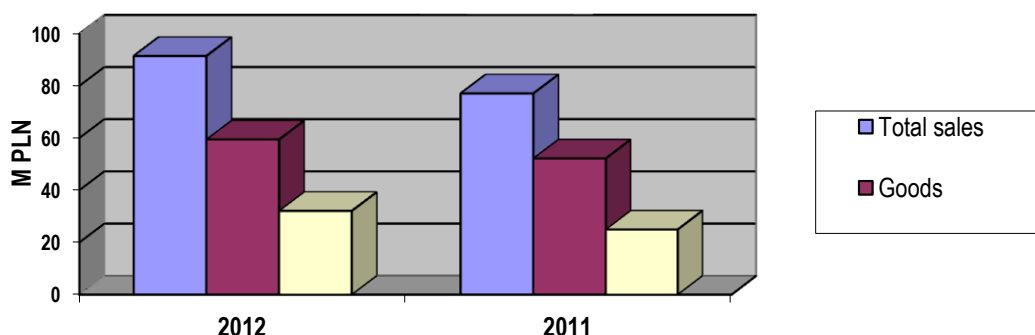
The profit & loss statement, previously presented in the single-step format, by resolution of the Management Board of OPTeam S.A. of 26 June 2012 on changes in the accounting policy, was replaced by a multiple-step profit & loss statement. The change in presentation aims to provide clearer and more useful financial information in terms of sales revenues.

### 1) Profit and loss statement.

The Issuer's profit & loss statement in 2012 – 2011 (in K PLN).

Profit and loss statement	For 01.01.2012 - 31.12.2012	For 01.01.2011 - 31.12.2011	Change K PLN	% change
<b>Sales and their equivalents</b>	<b>91 468</b>	<b>77 100</b>	<b>14 368</b>	<b>18.64</b>
Sales of products and services	32 049	24 936	7 113	28.52
Sales of goods	59 419	52 164	7 255	13.91
<b>Sales profit (loss)</b>	<b>2 584</b>	<b>1 735</b>	<b>849</b>	<b>48.98</b>
<b>Operating profit (loss)</b>	<b>3 097</b>	<b>2 560</b>	<b>537</b>	<b>20.95</b>
<b>Gross profit (loss)</b>	<b>2 581</b>	<b>2 259</b>	<b>322</b>	<b>14.25</b>
<b>Net profit (loss) from continued operations</b>	<b>2 095</b>	<b>1 953</b>	<b>142</b>	<b>7.28</b>

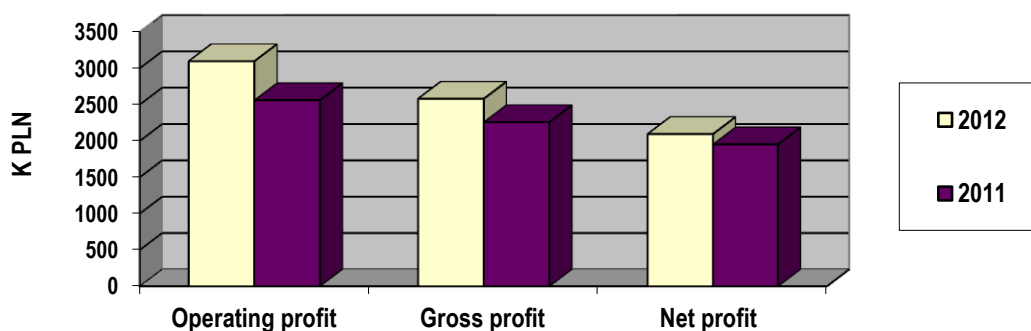
### Sales of products, services and goods in 2012 – 2011



In 2012, the Company generated sales of products, services and goods amounting to 91,468 K PLN, that is 14,368 K PLN (18.64%) more than the sales of the year before. The strong upswing of revenue growth in 2012 results both from a rise in the sales of commercial goods (increase by 7,255 K PLN), and those of products and services (increase by 7,113 K PLN). OPTeam delivers its products chiefly to the domestic market. Export sales in 2012 accounted for approx. 1 % of revenues.

Sales classification according to customer industries in the reporting year are: commercial businesses 27 %, third-level schools 21 %, production enterprises 16 %, energy sector 14%, services 12 %, public administration 5 %.

#### Operating profit, gross profit and net profit in 2012-2011.



In 2012, the Company generated net profit amounting to 2,095 KPN, i.e. higher by 7.28 % than the profit of the preceding year. EBITDA amounted to 5,949 K PLN (EBITDA 6.5 %) a net profit margin 2.29 %.

Structure of the Company's sales divided into the basic categories of products, services and goods in 2012 – 2011 (in K PLN).

Structure of income from sales of products, services and goods	For 01.01.2012 31.12.2012	For 01.01.2011 31.12.2011	Change K PLN	% change
<b>Total sales of products, services and goods, including:</b>	<b>91 469</b>	<b>77 100</b>	<b>14 368</b>	<b>18.64%</b>
Production and integration of smart card systems	20 439	11 659	8 781	75.31%
Integration of ICT solutions for institutional clients	48 397	43 265	5 132	11.86%
Integration of fiscal sales systems	3 848	4 483	- 635	-14.18%
ERP systems	17 713	16 423	1 290	7.85%
Other sales	1 071	1 270	-199	-15.63%

The highest upswing of sales, with a 75.31 % increase, was noted in the integration of smart card systems, sold mainly to third-level schools and universities.

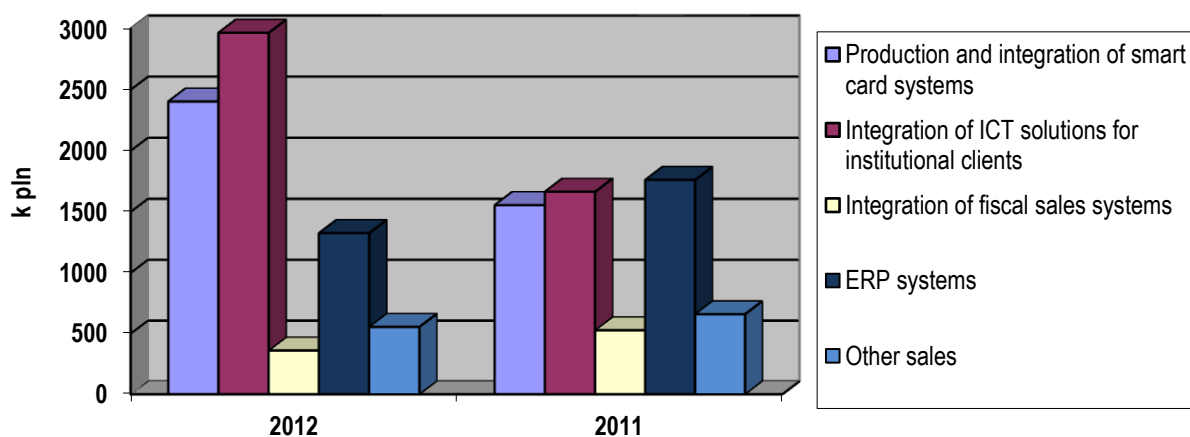


Structure of gross profitability (gross profit margin on sales\*\*) in basic groups of products, services and goods in 2012 – 2011.

Gross profit margin	For 01.01.2012 31.12.2012	For 01.01.2011 31.12.2011	Change K PLN	% change
<b>Company total, including:</b>	<b>7 609</b>	<b>6 165</b>	<b>1 444</b>	<b>23.42%</b>
Production and integration of smart card systems	2 403	1 554	849	54.61%
Integration of ICT solutions for institutional clients	2 966	1 664	1 302	78.21%
Integration of fiscal sales systems	360	527	-167	-31.62%
ERP systems	1 325	1 761	-435	-24.72%
Other sales	555	659	-104	-15.82%

\*\* Gross margin: profit on sales disregarding general and administrative costs.

Structure of gross margin on sales

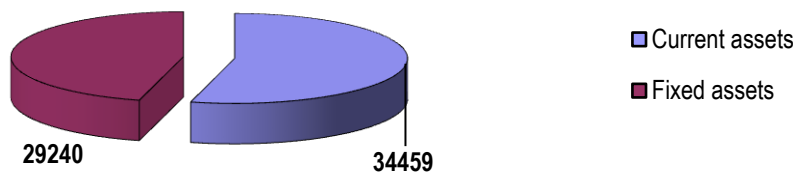


More than 70 % of the sales profit in 2012 was generated by the Company from the sales of smart card systems and integration activities.

## 2) Balance sheet

Structure of assets and sources of financing 2012-2011.

BALANCE SHEET - ASSETS	Status as of 31.12.2012		Status as of 31.12.2011		Change	
	K PLN	% share	K PLN	% share	K PLN	%
A. Fixed assets	29 240	45.90%	29 939	49.64%	- 699	-2.34%
B. Current assets	34 459	54.10%	30 374	50.36%	4 085	13.45%
<b>TOTAL ASSETS</b>	<b>63 699</b>	<b>100.00%</b>	<b>60 313</b>	<b>100.00%</b>	<b>3 386</b>	<b>5.61%</b>
<b>BALANCE SHEET - LIABILITIES</b>						
A. Equity	21 950	34.46%	19 855	32.92%	2 095	10.55%
B. Long-term liabilities	9 382	14.73%	10 410	17.26%	-1 028	-9.88%
C. Short-term liabilities	32 367	50.81%	30 048	49.82%	2 319	7.72%
<b>TOTAL LIABILITIES</b>	<b>63 699</b>	<b>100.00%</b>	<b>60 313</b>	<b>100.00%</b>	<b>3 386</b>	<b>5.61%</b>

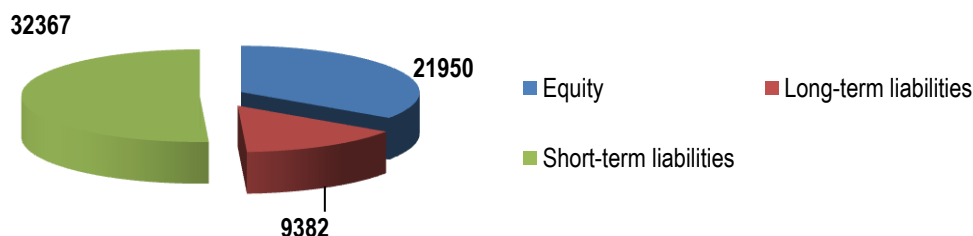
**Assets - structure as of 31 December 2012**

As of the end of 2012, the value of the Company's total assets amounted to 63,699 K PLN, having increased by 5,61 % compared to the year before.

There was a minor drop in the value of fixed assets (by 699 K PLN - 2.34 %), which was mainly due to scheduled depreciation of development works commissioned in 2011. As of 31 December 2012, the net value of tangible assets increased by 89 K PLN (0.44% ) with regard to the figure as of the end of 2011. Investments in tangible assets in 2012 amounted to 2,174 K PLN, the majority of which was spent to acquire IT infrastructure and means of transport.

The financial assets held by the Company did not change in 2012 (6 M PLN) and are made up of shares in Polish ePayment.

Current assets amounting to 34,459 K PLN as of the end of 2012 account for 54.10% of the overall assets, having increased by 13.45 % with regard to the year before, mainly as a result of an increase in trade receivables. The upturn in receivables at the end of December (by 16.86 % compared to the year before) results from increased revenues, as well as an accumulation of sales in November - December 2012. Like in most companies from the IT sector, the sales revenues at OPTeam S.A. are subject to seasonal fluctuations. Sales are usually at their highest in the fourth quarter of the year, and at their lowest in the first quarter. The seasonality effect as well as certain irregularity of revenues may lead to periodic disruptions of the financial performance.

**Liabilities - structure as of 31 December 2012**

In the Company's liabilities, equity increased by 10.55 % up to 21,950 K PLN, as a result of the net profit generated for the reporting year amounting to 2,095 K PLN.

The considerable amount of long-term liabilities amounting to 9,382 K PLN as of the end of 2012 is mainly due to investment subsidies obtained in preceding years, amounting to 7,883 K PLN. The amounts of subsidies credited to Prepaid expenses (Accruals) received to finance acquisition or production of fixed assets, including capital work in progress, increase Other operating income, alongside depreciation or amortisation write-downs on fixed assets.

Short-term liabilities may have increased by nearly 8 % compared to the year before, but they are adequate considering the scale of the Company's operations in the last quarter of the reporting period, and they do not include past-due liabilities to banks, suppliers, state budget or employees.

The analysis of debt ratios indicates a safe level of third-party capital in financing operations, e.g. debt ratio (total liabilities minus subsidies received for fixed assets / total assets) amounts to 0.5 as of 31 December 2012. The optimal debt ratio is deemed to be 0.3-0.5.

### 1) **Cash flows.**

OPTeam S.A. manages its liquidity risk by maintaining an adequate level of capital reserve, making use of banking services on offer, participating in EU co-financing programmes, monitoring anticipated and actual cash flows on an ongoing basis, as well as analysing maturity profiles of financial assets and liabilities.

Throughout 2012 as well as 2011, the Company maintained financial liquidity and met its liabilities in a timely manner, with regard to suppliers, employees as well as the State Treasury.

<b>CASH FLOWS in K PLN</b>	<b>From 01.01.2012 To 31.12.2012</b>	<b>From 01.01.2011 To 31.12.2011</b>
A. Cash flows from operating activities	576	3 339
B. Cash flows from investing activities	- 571	-4 163
C. Cash flows from financing activities	159	691
<b>Net change in cash</b>	164	-133
<b>Closing balance of cash</b>	541	378

Cash flows from operating activities, after covering the expenses related to statutory activities, were positive in 2012, as well as in 2011.

The Company used the surplus inflows from operating activities generated in 2012, plus working capital facility taken out to finance trade receivables to finance investments, including the acquisition of tangible and intangible assets, as well as to pay the instalments of the investment loan for CPNT, lease instalments, debt servicing.

With a view to planned and pending development investments, the Company did not pay out dividend to the shareholders in 2012.

## 2) Economic and financial ratios

No	BASIC ECONOMIC AND FINANCIAL RATIOS	2012	2011
1	Gross profit margin (gross profit/sales)	2.82%	2.93%
2	EBIT (profit from operating activities/sales)	3.39%	3.32%
3	EBITDA (profit from operating activities + depreciation/sales)	6.50%	6.74%
4	Net profit margin (net profit/sales)	2.29%	2.53%
5	Return on equity ROE (net profit/equity)	9.54%	9.84%
6	Return on assets ROA (net profit/total assets)	3.29%	3.24%
7	Current ratio (current assets/short-term liabilities)	1.06	1.01
8	Quick ratio (current assets - inventories/short-term liabilities)	0.95	0.88
9	Debt ratio (total liabilities / total assets)	0.66	0.67
10	Days sales outstanding (average trade receivables * x number of days in period 365 / sales)	109.36	109.40
11	Days inventory outstanding (inventory * x number of days in period 365 / operating costs)	15.47	13.50
12	Days payable outstanding (trade payables * x number of days in period 365 / operating costs)	93.61	91.77

\* formula for calculating the average: (opening balance + closing balance) / 2

The Issuer announces that in the course of the business year covered by this Report there were no extraordinary factors or events which would affect the financial result.

### **3. Disclosure on the Issuer's core products or services.**

In 2012, the Issuer started implementing a strategy of systematically changing their sales profile - increasing revenues from the sale of proprietary products and services using a new approach to selling ICT solutions (outsourcing, cloud, SaaS, ITaaS). To this end, the product and service range was reorganised, choosing those that promise multiple sales in markets addressed by the Issuer and those that are based on own resources, including the Company's Data Center. The chosen products and services are offered by all the sales departments of the Issuer, across all the markets where it operates.

As result of the product portfolio reorganisation, OPTeam S.A. focuses its activities on the following proprietary products and services:

**OPTiCOMMERCE** - e-commerce system, sold in the SaaS model (*Software as a Service*). OPTiCOMMERCE enables to organise and run a large, advanced online store - product, order and warehouse management, with comprehensive logistics and customer relations. System is compatible with ERP systems, including SAP.

**OPTiSRM** (*Supplier Relationship Management*) - system supporting the supply processes, SaaS sales model.

The web-based B2B procurement platform OPTiSRM supports supply and purchase planning processes, enables effective monitoring of stock levels and facilitates order verification and approval procedures. OPTiSRM handles: internal sourcing, delivery management, purchase planning, supplier selection, consignment stores. OPTiSRM may be integrated with ERP-class systems, including SAP.

**OPTiRCM** (*Records and Case Management*) - tools for optimising administrative processes in an organisation. They include document management (incl. registers of invoices, contracts, offices), solutions for secure document storage and archiving. OPTiRCM may be integrated with ERP-class systems, including SAP.

**OPTiPASS** – corporate smart card system

In this system, the employee smart card plays a range of functions, according to the competences assigned in the organisational structure. Available functions: access control, recording work attendance, reception services, digital signature (PKI, SSO), accounting for printouts and photocopies, handling micropayments and other.

**OPTicamp** – electronic identification systems in education.

The OPTicamp product group include electronic student ID cards at various levels of education (secondary, tertiary, postgraduate) with campus functions such as access control, logon to computer labs, digital signature (PKI), handling micropayments, printing self-service, library ID, questionnaire and exam functions.

These systems handle all the stages in the life of a smart card identifying a student and, with extra functions, facilitate school life.

#### **ERP industry solutions**

This product group includes proprietary systems providing extra functionalities to the ERP systems implemented by the Issuer:

- construction project management – **OPTibudowa**

The functionalities of OPTibudowa include: bid and tender management, negotiation management, cost estimation, work scheduling, document filing, equipment and transport base management, progress tracking for consistence of the construction process with the cost estimates by project manager, recording work attendance and resources at building sites up to completing final project accounts.

- manufacturing process management – **OPTiprodukcja**.

The system supports manufacturing processes in enterprises using bar code technology at every stage of the manufacturing process. The application comprises: Technology Generator, Manufacturing Execution and Total Production Cost Calculator.

**Integration & implementation services**

Integration & implementation services include design, development, implementation and maintenance of comprehensive ICT solutions, as well as ICT system management services. Projects executed in this scope apply to the areas of: ICT security (data storage, internet and uninterruptible power supply). This category includes implementation services of proprietary solutions and third-party systems, including ERP system implementations.

**Maintenance & post-sales services**

The Issuer provides maintenance services to a large group of clients (several hundred entities). Apart from the assistance in systems maintenance (help-desk) and updating software, this category includes a great variety of additional services as requested by clients.

**Data Center services (OPTiCPD)**

The services provided by the Issuer's Data Processing Center include: delivering proprietary products in the SaaS model (Software as a Service), third-party system hosting/colocation, development of backup Centers, email services.

**Training services**

The Issuer's training services include trainings provided as part of the integration and implementation projects and those provided by the Issuer's Training Center.

**4. Disclosure on contracts of material importance for the Issuer's operations.**

With regard to core products, in 2012 the Issuer conducted transactions whose total amount exceeded 10% of equity (according to the balance sheet published for Q3 2012) with the following entities.

No	Customer	Turnover (in K PLN)
	Siedlce University of Natural Sciences and Humanities	9 786
	PGE Dystrybucja S.A	8 324
	VERACOMP S.A.	5 928
	INFOVER S.A.	3 223
	PKN Orlen S.A.	2 860
	QUMAK-SEKOM S.A.	2 752
	HS Wrocław	2 523
	KSG Sp. z o.o.	2 441

No	Supplier	Turnover (in K PLN)
1	VERACOMP S.A.	12 088
	Calltech Sp. z o.o.	9 784
2	TECH DATA S.A.	5 504
3	ARROW ESC	4 802
4	GEMALTO POLSKA S.A.	3 628
5	COMARCH	2 396
	ABC DATA S.A.	2 360

The Issuer discloses that it is not linked in terms of equity or organisation with any supplier or customer, whose share in the Issuer's sales revenue accounts for 10% or more.

**5. Disclosure on organisational or equity relations of the Issuer with other parties.****Description of key investments, including capital investments.**

In 2012, the Issuer was equity-linked to the Center of Electronic Clearance Polish ePayment [Centrum Rozliczeń Elektronicznych Polskie ePłatności S.A.] with its seat in Rzeszów. Other related parties of the Company are members of its management and supervisory bodies, and close family members of those people.

Entities equity-linked to the Issuer:

Name	Domicile	Share of OPTEAM in authorised capital (%)	Share of OPTEAM in votes (%)	Notes
Center of Electronic Clearance Polish ePayment – as an affiliate	Rzeszów	50%	42%	The company was established on 18 January 2010 and registered by the Regional Court in Rzeszów, 12 <sup>th</sup> Commercial Division of the National Court Register on 21 January 2010.

The core business of Polish ePayment includes processing transactions with payment cards at POS terminals. The service is provided jointly with Bank BPH, who acts as a clearing agent pursuant to the Act of 24 August 2001 on settlement finality in payment systems and the Act of 12 September 2002 on electronic payment instruments.

Moreover, the Company provides the option of selling GSM phone credits, running customer loyalty programmes or paying bills with the use of a product of Bank BPH – Transkasa and of BillBird S.A. – “Moje Rachunki”.

As of 31 December 2012, OPTeam S.A. held in its financial assets a 50% stake in Polskie ePłatności S.A.

Shareholders of the Center of Electronic Clearance Polish ePayment as of 31 December 2012:

Description	Number of shares	Number of votes	Share of votes at the GMS (%)	Share nominal value in PLN	Share in equity (%)
OPTeam S.A. in Tajęcina	14 192 105	14 192 105	41.16%	14 192 105	50.00%
Polish Security Printing Works in Warsaw	14 192 105	20 288 158	58.84%	14 192 105	50.00%
<b>Total</b>	<b>28 384 210</b>	<b>34 480 263</b>	<b>100.00%</b>	<b>28 384 210</b>	<b>100.00%</b>

In 2012, the Issuer did not make capital investments.



**6. Disclosure on significant transactions concluded by the Issuer or its subsidiary with related parties not at arm's length.**

The Issuer announces that in the reporting period covered by this Report it did not conclude transactions with related parties other than according to the arm's length principle. The value of transactions concluded in 2012 with related parties is disclosed in the Notes to the financial statement.

**7. Description of significant risk factors and threats, including the extent of exposure.****7.1. Risk related to the effect of macroeconomic situation on the Issuer's operations.**

The Issuer's financial situation depends on the economic situation in Poland and worldwide. The financial results generated by the Company are affected by: GDP growth rate, inflation rate, unemployment rate as well as government fiscal and monetary policy and changes in consumption. These factors exert a strong influence on purchases of ICT products. There is a risk that if the economic situation in Poland or worldwide deteriorates in the long term, consumer demand drops or the government introduces economic policies that might have a negative impact on the Company's market standing, the financial results it generates may decline.

The Issuer's bidding activity in business sectors where the influence of macroeconomic factors does not impact heavily on investment decisions, as well as product and market diversification, should limit the potentially harmful consequences of macroeconomic factors on the Company's operations.

**7.2. Risk related to technological changes in the sector and new product development.**

The IT sector is characterised by the fast development of solutions and technologies, hence the product life cycle in the market is relatively short. The Issuer's continued operations depend to a large extent on the ability to apply cutting-edge technological solutions in its products and services.

There is a risk that new solutions may appear in the market that will cause the Issuer's products to become unattractive and fail to ensure the receipts anticipated during design and development stages. Moreover, there is a risk that new technological solutions designed or developed by the Issuer now or in the future fail to achieve the expected parameters, which would have a negative impact on the Issuer's ability to recover the costs incurred.

The Issuer analyses the new emerging market trends in IT technologies and product development and their potential applications. They also establish and maintain trade relations with key customers. These relations underlie activities aimed at adjusting the products offered to customer expectations. Staff are trained on

implementing new IT solutions. The Issuer makes efforts to maintain the high technological level of its proprietary products and services, continually expanding the scope of functionalities and applications.

### **7.3. Risk of industry consolidation.**

Consolidation processes in the IT sector help reinforce the market position of several largest businesses, limiting growth potential of small and medium-sized enterprises in the ICT market. The strongest domestic businesses strive to take over weaker enterprises, especially from the SME sector, providing to niche segments of the IT market. As a result, the largest businesses expand their competences and gain access to new customer groups. If consolidation activities intensify significantly, the Issuer may lose its market position, which may lead to a decline in sales and financial performance of the Company.

The Issuer's Management Board anticipates dynamic growth of operations due to the development works completed in preceding years. The construction of the OPTeam SA Design Center of Modern Technologies in Tajęcina completed in 2010 (currently, the Company's head office), ongoing and planned activities related to the development of proprietary products, building new skills in specialist services should help change the profile of Company sales towards increasing the share of proprietary products and specialist services. The Company also started territorial expansion in 2011, opening 3 new branches in Warsaw, Lublin and Cracow. Its goal is to reach out to new customers with the Company's comprehensive offer, the Issuer is also open to taking over smaller businesses from the sector to expand its offer and scope of operations.

In the coming years, these activities should improve the rate of return on sales and increase the scale of operations, which should translate into increasing the Issuer's investment appeal.

### **7.4. Risk of competition.**

Poland's accession to the European Union brought new players into the Issuer's playing field, operating on an international scale. Those entities are not the Issuer's main competitors, however. Due to a better knowledge of the domestic market, Polish companies pose a bigger threat to its competitive position. There is a risk of intensified competition in the Issuer's business segments, and if the Investor's response is not quick enough, it may lead to loss of market share, decline in sales and performance.

It should be highlighted that by having a numerous group of regular trade partners and a very flexible process of production and system implementation, as well as due to the adopted growth strategy, the Issuer should be able to considerably limit the effects of enhanced competition in its market.

### **7.5. Risk related to the suppliers' changed commercial terms.**

With regard to IT system integration, the Issuer supplies equipment and technologies from manufacturers which can be regarded as global market leaders. The bargaining power of those companies is often incomparably

stronger than the Issuer's, and terms of cooperation with customers are usually determined centrally and are non-negotiable. In the Issuer's experience, an unfavourable change in the terms of cooperation with equipment and technology suppliers may not be transferred directly to the terms of cooperation with the Company and its customers. As a result, the Company's rate of return and liquidity may deteriorate, in spite of the supplier diversification policy in place.

#### **7.6. Risk related to IT projects executed by the Issuer.**

The scope of the Issuer's operations includes providing IT services, particularly with regard to systems based on smart card technologies, ERP systems and integration of advanced IT solutions.

Agreements concluded between the Issuer and its clients provide for the Issuer to execute certain activities comprising an IT project. Within the framework of a single IT project, proper cooperation is necessary between the project team originating from the Company and employees delegated by the service buyer.

This generates a certain risk of human error. On the one hand, the conditions and circumstances of the service may be defined incorrectly by the service buyer's team, and on the other, the Issuer's staff may take an inappropriate approach. As a result, they may fail to deliver the right solution to the service buyer. This may lead to the latter incurring losses and consequently claiming damages from the Issuer, prolonging the involvement in the IT project, delaying payment. Such steps may have a negative impact on the Issuer's situation.

To minimise this risk factor, procedures have been put in place and are applied consistently in project management and project execution monitoring, including project finance, using implemented software. The Issuer implemented such tools in 2012. At present, further works are pending, aimed at correlating the project management solutions with the product structure offered by the Company.

#### **7.7. Financial instruments with regard to price, credit risk and others.**

The Company is not significantly exposed to financial instrument risks, seen as the main financial instruments as of 31 December 2012 were cash in the Polish currency, trade and other receivables, shares in Polish ePayment, as well as liabilities under trade, loans, leases and other titles. In 2012, the Issuer extended loan securities to Polish ePayment (cf. item no 9). Potentially, there is a risk that grounds may emerge for the Bank to exercise their rights under loan securities. According to the Issuer's Management Board, looking at the potential of Polish ePayment and the business ratio analysis of its operations, that risk is insignificant.

**8. Identification of proceedings at court, arbitration bodies of proper jurisdiction or public administration bodies.**

As of 31 December 2012 and throughout the period covered by this Report, OPTeam S.A. was not involved in proceedings at court or another body regarding liabilities or debts, whose individual or combined amounts would reach at least 10% of equity.

The only case in progress against OPTeam S.A. was brought in by Centrum Elektronicznych Usług Płatniczych eService S.A. with its seat in Warsaw, to establish intellectual property rights to payment terminal software developed by OPTeam S.A. The case is pending, the first hearing took place on 13 December 2012. At this stage of the proceedings, the Company sees no need to establish a provision for liabilities.

Regardless, OPTeam S.A. has filed a motion to secure evidence of infringement of the Company's proprietary copyrights by eService S.A. The District Court in Warsaw in a decision dated 3 December 2012, ruled in favour of OPTeam S.A.

The Management Board of OPTeam S.A. does not rule out the possibility that the pending proceedings might be settled amicably.

**9. Disclosure on agreements regarding borrowings.**

In 2012, the loan agreements listed below were active:

Agreement with Polska Kasa Opieki S.A. – working capital facility.

On 30 June 2008, the Issuer concluded the Overdraft Agreement with the Bank Polska Kasa Opieki S.A. with its seat in Warsaw (subsequently amended, latest amendment No 4 dated 30 May 2012). The purpose of the Agreement is to extend a loan amounting to PLN 2,900,000 for a period up to 31 May 2013, providing for potential automatic extensions of the loan repayment period, under the terms specified in the Agreement.

As of 31.12.2012, the remaining amount outstanding of the loan was PLN 1,208,204.50.

Agreement with Polska Kasa Opieki S.A. – working capital facility.

On 28 November 2012, the Issuer concluded an Agreement on a fixed-sum working capital credit facility in Polish zloty with Polska Kasa Opieki S.A. with its seat in Warsaw. The purpose of the Agreement was to extend a loan amounting to PLN 2,000,000.00 for a period from 28 November 2012 to 15 February 2013. The funds were used to finance purchases of materials, goods and services related to contract execution.

As of the date of this report, the loan has been repaid by the Issuer.

Agreement with ING Bank Śląski S.A. - working capital facility.

On 29 June 2007, the Issuer concluded an Agreement on a PLN credit account with Bank ING Bank Śląski S.A. with its seat in Katowice (amended by: amendment no 10 dated 24.08.2011 and amendment no 11 dated 23.09.2011). Pursuant to the agreement in question, the bank entitled the Issuer to overdraw the bank account up to a cap of PLN 3,000,000.00 (between 24 August 2011 and 22 August 2013). The purpose of the loan was to finance Company's current business operations.

As of 31.12.2012, the remaining amount outstanding of the loan was PLN 2,330,272.25.

Agreement with ING Bank Śląski S.A. – investment loan.

On 15 September 2009, the Issuer concluded an Agreement regarding a loan in PLN to finance investments with ING Bank Śląski S.A. with its seat in Katowice. The loan amounts to PLN 11,460,000 and it was granted for the period running from 15 September 2009 to 1 July 2013. To purpose of the loan is solely to finance and refinance an investment into the construction of the OPTeam S.A. Design Center of Modern Technologies in Tajęcina near Rzeszów, whereas the Issuer's own contribution into financing the investment is to amount to 20 per cent of its value (20% of the invoice net value). One of the terms for making the loan available was that the Issuer should submit the co-financing agreement for PLN 9,003,700 concluded with the Polish Agency for Enterprise Development within the framework of the Innovative Economy Operational Programme and assign the claim under the agreement to the Bank. The Issuer concluded the agreement with the Polish Agency for Enterprise Development on 3 September 2009.

As of 31.12.2012, the remaining amount outstanding of the loan was PLN 583,310.00. The loan is being repaid according to the schedule appended to the loan agreement with the bank.

#### ***10. Disclosure on loans, securities and bond issued and received in the course of the business year.***

Contingent liabilities include surety bonds furnished to the Company in connection with performance bonds and bid bonds. These bonds are temporary and result respectively from the terms of the product supply agreement and requirements of the tendering procedure. The Company predicts that the bonds in question will not have to be activated.

**Received bonds**

Contingent liabilities	Status as of 31.12.2012	Status as of 31.12.2011
<b>Received insurance bonds</b> – issued by PZU S.A., including:	<b>872 828.09</b>	<b>835 774.48</b>
- performance bonds	872 828.09	655 774.48
- bid bonds in public tendering procedures	-	180 000.00
<b>Received bank sureties</b>	-	-

**Guarantees extended**

On 25.02.2013, the Management Board of OPTeam S.A. signed loan surety agreements for the affiliated company Center of Electronic Clearance Polish ePayment with its seat in Rzeszów. The sureties extended are a continuation of the sureties extended on 25.02.2011 and 26.03.2012.

By signing the surety agreements, the Issuer consented to extend joint and several surety with Polish Security Printing Works in Warsaw, the other shareholder of Polish ePayment, with regard to the loans granted by ING Bank Śląski to Polish ePayment in the following scope:

- 1) for the PLN investment loan agreement amounting to a total of PLN 3,000,000 (three million zlotys) to be repaid by 01.02.2014 the surety covers the Issuer's pledge to settle all liabilities of Polish ePayment under the above-mentioned loan agreement. Moreover, the Issuer made a statement of consent to debt enforcement in compliance with the provisions of the Code of Civil Procedure with regard to all liabilities arising out of the surety agreement concluded on 25.02.2013. Pursuant to the statement referred to hereinabove, the Issuer consented to the Bank issuing a writ of execution up to PLN 4,500,000.00 (four million five hundred thousand zlotys) including authorisation of the Bank to apply to the court of proper jurisdiction to grant an enforcement clause up to 01.10.2017.
- 2) for the multi-product loan agreement amounting to the total of PLN 10,000,000 (ten million zlotys) to be repaid by 20.02.2014, the surety covers the Issuer's pledge to settle all liabilities of Polish ePayment under the above-mentioned loan agreement. Moreover, the Issuer made a statement of consent to debt enforcement in compliance with the provisions of the Code of Civil Procedure with regard to all liabilities arising out of the surety agreement concluded on 25.02.2013. Pursuant to the statement referred to hereinabove, the Issuer consented to the Bank issuing a writ of execution up to PLN 15,000,000.00 (fifteen million zlotys) including authorisation of the Bank to apply to the court of proper jurisdiction to grant an enforcement clause up to 07.07.2018.

Both of the above-mentioned loan agreements contain provisions putting the jointly and severally liable guarantors under an obligation to increase the capital of the Center of Electronic Clearance Polish ePayment to the level required by the bank, in the case of the company going into negative equity. Moreover, the jointly and severally liable guarantors, in the case of losses incurred by Polish ePayment that would lead to its capitals (understood for the sake of this proviso as the sum of equity and loans subordinated to the Bank) dropping to less than PLN 2,500,000.00 – will provide the Center of Electronic Clearance Polish ePayment with a loan subordinated to the Bank, amounting to no more than PLN 2,000,000.00. The subordinated loan will be granted no later than within 2 months after the equity of Polish ePayment drops below PLN 2,500,000.00.

List of loan sureties of Polish ePayment:

Entity	Regon	Type of liability	Amount of liability (PLN)	Period from - to
Center of Electronic Clearance Polish ePayment with its registered seat in Rzeszów - security for the payment of debt under loan agreement concluded on 21.02.2011 no 676/2011/00003876/00, granted by ING Bank Śląski S.A. (investment loan in PLN - capped at PLN 3 000 000)	180523400	suretyship	Surety up to PLN 4,500,000	from 21.02.2011 to 01.10.2017
Center of Electronic Clearance Polish ePayment with its registered seat in Rzeszów - security for the payment of debt under multi-product loan agreement concluded on 21.02.2011 or 676/2011/00003875/00, granted by ING Bank Śląski S.A. (credit limit PLN 10 000 000)	180523400	suretyship	Surety up to PLN 15,000,000	from 21.02.2011 to 07.07.2018

### **11. Disclosure on how the Issuer used proceeds from the issue of securities in the period covered by the report.**

In 2012, the Issuer did not issue shares or bonds.

In 2010, following the Issuer's share issue, on 5 August 2010 the Regional Court in Rzeszów 12<sup>th</sup> Commercial Division of the National Court Register, issued a decision to register the increase of the Issuer's authorised capital through series D share issue. The total value of the issue amounted to PLN 5,440,000.00. The funds raised through the share issue, after covering its costs, were used to execute the objectives of the share issue described in the prospectus.

As of 31.12.2012, the Issuer fulfilled the issue objectives as described in the table below:

No	Objective	Amount in PLN	Description
1.	Extra financing for the affiliated company Center of Electronic Clearance Polish ePayment with its seat in Rzeszów	2,000,000.00	Additional payment to authorised capital through taking up series E shares in Polish ePayment
2.	Construction of OPTeam SA Design Center of Modern Technologies (CPNT)	1,300,000.00	Funds for a construction project
3.	Accelerating organic growth (investment in expanding product range)	1,108,127.50	The funds were allocated to developing new products to expand the product range, including smart card systems

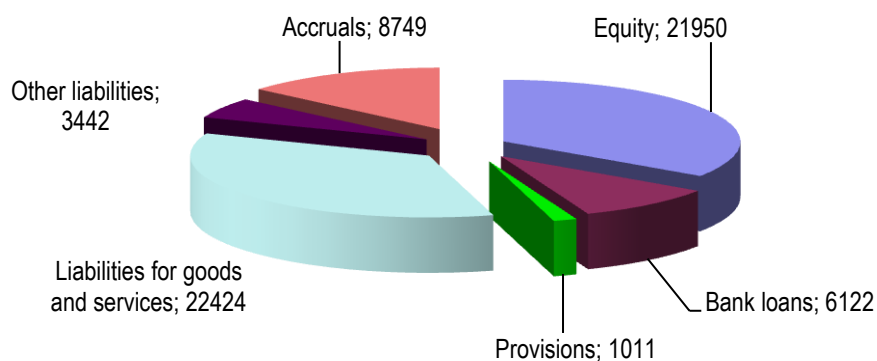
### ***12. The Management Board's position on the viability of performance forecasts published earlier.***

The Company did not publish forecasts for 2012.

### ***13. Management of financial resources.***

In 2012, the Issuer had financial resources – own funds and an investment loan, investment subsidies, allowing it to fully meet its financial liabilities, without the risk of losing financial liquidity.

The structure of the Company's basic sources of financing as of 31 December 2012 is presented below (figures expressed in K PLN).





The Company's liquidity ratios as of 31 December 2012 amounted to:

Current ratio: 1.09

Quick ratio: 0.98

Cash in bank bears interest according to variable interest rates, the amounts of which depends on the interest rate on one-day bank deposits. Short-term deposits are deposited for various periods, from one day to one month, depending on the Company's current needs for cash and bear interest according to respective interest rates.

To secure its financial liquidity, in 2012 the Company was able to use working credit facilities within the framework of a multi-purpose credit line and an overdraft facility up to 7,900 K PLN, out of which as of the end of 2012 it had used 5,538.5 K PLN.

Adequate equity, secured loan agreements and financing structure of development works and investments guarantee that the Company will remain fully liquid in the fiscal 2013.

#### ***14. Investment plan viability assessment, including capital investments.***

In 2012, OPTeam S.A. did not execute replacement or capital investments.

The Management Board of OPTeam S.A., in view of the organic growth of the enterprise with regard to the product range expansion, plans to carry out adaptation works at the head office, i.e. the Design Center of Modern Technologies in Tajęcina in 2013. The planned investments are aimed at utilising the interiors for the purposes of technology development.

#### ***15. Characteristics of external and internal factors significant to the development of the Issuer's enterprise and a description of the Issuer's development outlook at least up to the end of the business year.***

The Issuer's Management Board regards the potential of the IT market in 2013 as similar to that of 2012. The macroeconomic conditions and environment are still relevant. Despite clear symptoms of revived investment activity in some areas, the situation in the IT market is uncertain to such an extent that predictions regarding the behaviour of the market as a whole may be subject to significant forecast error .

Macroeconomic uncertainty translates directly into customers reducing their IT budgets. It has a significant impact on competitive activities and hinders attracting new clients, especially with regard to large integration projects. When bidding for such projects, OPTeam competes with large domestic integrators who, due to

turnover, benefit from better commercial terms with distributors. Such competition, even if the project is awarded, translates into a low margin upon execution.

The Company's Management Board, aware of the above-mentioned market conditions, devoted the fiscal 2012 to activities aimed at reinforcing the sale of proprietary products and services. The scope of these activities included product portfolio reorganisation in terms of market opportunities, focusing on products and services which have the highest potential for repeated sales using the potential of the Company's own Data Center. In 2013 and subsequent years along with searching for new market niches, activities will continue to adapt the Company's product range to the clients' new financial situation during the economic slowdown.

The Management Board of OPTeam S.A. sees a promising opportunity for Company growth in placing emphasis on sales of proprietary services and products employing current market trends, i.e. new sales models of ICT products/services, such as the "cloud" (SaaS) or business process outsourcing (ITaaS). OPTeam already offers its products in the form of services. In 2013, the Company will commence new business activities in human resources and payroll business process outsourcing (HR OPTiCenter, HR BPO) to expand our offering in ERP implementations.

Boosting the sales of products in the cloud computing service model, making use of the already available Data Center infrastructure will have a favourable influence on the stability of sales in consecutive years and gradual increase of generated profit.

According to the Management Board of OPTeam, considerable growth opportunities for the Company emerge in IT projects in the energy sector and education (third-level). An area of significant interest, due to the large implementation scale, is smart metering systems (Advanced Metering Infrastructure, Smart Grid) for the energy sector. Teletransmission solutions delivered by OPTeam successfully passed the tests at one of the large energy providers in 2012, and in 2013 the Company will bid on contracts including pilot implementation of these systems.

Another highly promising area remains the third-level education market, which in 2013 will implemented EU-subsidised projects within the framework of Measure 4.1, Submeasure 4.1.1 Priority IV HC OP "Strengthening and development of didactic potential of universities". OPTeam, with its strong standing in the third-level education market, as well as products and competences to execute projects under Submeasure 4.1.1, stands a good chance to win IT contracts in this area.

The Management Board of OPTeam S.A. is counting on an upturn in 2013 in the IT investment market, co-financed by EU subsidies. This is especially true of projects in education and healthcare, which were being postponed to date. They must now be initiated and completed because the current EU subsidy programming period is coming to an end.

**16. Changes in basic management principles of the Issuer's enterprise.**

In 2012, the Issuer did not make significant changes in the manner of managing the organisation. Measures were undertaken to facilitate management processes and standardise the product range structure.

At the same time as the structure of proprietary products and services was reorganised in 2012, a new body was created in the organisational structure - Proprietary Products and Services Sales Department. Its fundamental objective is to sell only proprietary solutions from the OPTiSRM and OPTiCRM range. These products are being offered mainly to the energy market, including regional energy companies. Apart from the energy market, it was decided that intensified sales measures with regard to proprietary products will also be addressed to the medical sector (hospitals).

Also in 2012, an internal project management system was implemented. The chief objective, apart from facilitating organisation, is to improve the effectiveness of ongoing project monitoring processes, starting from the bidding procedure (cost identification), through supervision over contract execution, to final settlements.

**17. All agreements concluded between the Issuer and management officers, providing for compensation in the event of resignation or dismissal without cause, or if their dismissal or termination is due to the Issuer's consolidation through acquisition.**

In 2012, the Issuer did not conclude agreements with management officers, providing for compensation in the event of resignation or dismissal without cause, or if their dismissal or termination is due to the Issuer's consolidation through acquisition.

**18. Remuneration, bonuses or benefits, including under incentive or bonus programmes based on the Issuer's capital for management and supervisory officers.**

Disclosure regarding remuneration, specified separately for each management and supervisory officer, is presented in the Notes to the financial statement for 2012.

**19. Specification of the total number and nominal value of all of the Issuer's shares as well as shares in the Issuer's related parties, held by management and supervisory officers (individually).**

As of 31.12.2012, OPTeam S.A. shares were held by the following management and supervisory officers:

Shareholder	Number of shares and votes at GMS of OPTeam S.A.	Nominal value in PLN	% of overall number of shares and votes at the GMS of OPTeam S.A.
Janusz Bober – Chairman of the Supervisory Board	1 375 000	137 500	18.84%
Andrzej Pelczar – President of the Management Board	1 375 000	137 500	18.84%
Ryszard Woźniak - Proxy	1 380 989	138 099	18.92%
Wacław Szary – Vice President	404 795	40 479,50	5.55 %

In fiscal 2012, a change in the structure of blocks of shares took place due to acquisition by Ryszard Woźniak of 5,909 shares which led to an increase from 18.84% to 18.92% of his share in the authorised capital and in the overall number of votes at the GMS of OPTeam S.A.

**20. Disclosure on agreements known to the Issuer (including those concluded after the balance sheet date), which may in the future lead to changes in the stakes held by current shareholders.**

To the best of their knowledge, the Management Board has no information on agreements (including those concluded after the balance sheet date), which may in the future lead to changes in the stakes held by current shareholders.

**21. Disclosure on the control system of the employee stock ownership plan.**

In 2012, the Issuer did not implement an employee stock ownership plan.

## 22. Representation of the Management Board regarding corporate governance.

In 2012, the Company complied with the principles of corporate governance collected in the Code of Best Practice for WSE Listed Companies, adopted on 19.10.2011 and on 21.11.2012 by the WSE Supervisory Board. The content of Best Practices is available on the web page of the Warsaw Stock Exchange in the section: <http://corp-gov.gpw.pl/publications.asp>

### 22.1. Identification of corporate governance principle that the Issuer does not observe on a permanent basis.

I. Recommendations for Best Practice for Listed Companies	Statement of reasons for non-compliance
Item 1. Enable online broadcast of the proceedings of the General Meeting over the Internet, record proceedings and make them public on the company's web page	The Management Board believes that the legal regulations applied by the Company with regard to the participation of Shareholders in the proceedings of General Meetings provide ample opportunity for active participation and decision-making. At the same time, the Management Board will consider applying this principle if there is considerable interest from the Shareholders in this form of communications during General Meetings and adequate safety can be ensured.
Item 5. The company should have a remuneration policy and rules of defining the policy. The remuneration policy should in particular determine the form, structure, and level of remuneration of members of supervisory and management bodies. Commission Recommendation of 14 December 2004 on fostering an appropriate regime for the remuneration of directors of listed companies (2004/913/EC) and Commission Recommendation of 30 April 2009 complementing that Recommendation (2009/385/EC) should apply in defining the remuneration policy for members of supervisory and management bodies of the company.	The Company does not have a document laying down the rules of remuneration for the members of the Company's bodies. Remuneration of the Management Board is determined by the Supervisory Board, whereas the remuneration of the Supervisory Board is determined by the General Meeting. The range and amounts of remuneration are determined in proportion to the responsibility for the tasks and function in the given body.
Item 9. WSE recommends that public companies and their shareholders ensure a balanced proportion of women and men in management and supervisory functions in companies, thus reinforcing the creativity and innovation of the companies' business.	The Company does not use a gender bias in appointments to positions or functions in management or supervisory bodies. Decisions on appointments to a given body are made autonomously by the authorised entities solely based on the candidates' qualifications and competence.
II. Best Practice for Management Boards of listed companies.	
Item 1.2a) A company shall publish on its corporate website (...) 2a – on an annual basis, in the fourth quarter - information about the participation of women and men respectively in the Management Board and in the Supervisory Board of the company in the last two years.	The Issuer publishes on its corporate website information regarding the composition of the Management Board and the Supervisory Board on an ongoing basis. Moreover, they provide investors with information on the changes in the composition of these bodies, hence they regard republishing this information as redundant.
Item 1.9a) – „A company shall publish on its corporate website (...) 9a – a record of the General Meeting in audio or video format”.	The Issuer fulfils their disclosure obligations applicable to convening and procedure at the general meeting, especially through publishing current reports on the organisation and proceedings of the general meetings of OPTeam S.A. Such disclosures are also published on the Company's corporate website. The Issuer considers this approach to publishing information about the general meeting proceedings to be

	appropriate.
<b>III. Best Practice for Supervisory Board Members</b>	
8. Annex I to the <i>Commission Recommendation of 15 February 2005 on the role of non-executive or supervisory directors (...)</i> should apply to the tasks and activities of the committees of the Supervisory Board.	Seen as the Company's Supervisory Board is composed of the legally required minimal number of members, audit committees are not created within its framework, with the function fulfilled by the entire Supervisory Board. If the number of Supervisory Board members increases in the future, pursuant to applicable legal regulations, the appropriate committees will be established. The Supervisory Board, in its tasks and activities does not apply Annex I to the EC Recommendation of 15 February 2005 on the role of non-executive or supervisory directors (...)
<b>IV. Best Practices of Shareholders.</b>	
Item 10. A company should enable its shareholders to participate in a General Meeting using electronic communication means through: 1) real-life broadcast of General Meetings, 2) real-life bilateral communication where shareholders may take the floor during a General Meeting from a location other than that of the General Meeting.	The Issuer is of the opinion that the principles currently in place at the Company regarding the participation in General Meetings, which are compliant with the requirements of the Code of Commercial Partnerships and Companies for listed companies and the approach to organising General Meetings, allow the shareholders to exercise their rights and protect their interests sufficiently. The application of the above-mentioned principle may create risks of a technical and legal nature and adversely affect the uninterrupted and secure general meeting proceedings.

22.2.Characteristics of the internal control and risk management systems in place at OPTeam S.A. with regard to the process of drawing up financial statements and consolidated financial statements.

The internal control system at OPTeam S.A. is the basic tool ensuring a reliable assessment of operational risk. It provides information and financial data underlying the financial statements. Responsibility for the system lies with the Management Board. The internal control system is based on the following structure:

1) Verification of budget assumptions.

The Company draws up an annual financial plan which is comprised of budgets prepared by individual operational departments. Compliance with budget assumptions is verified periodically by the Company's Management Board. At that time, measures are undertaken well in advance in order to limit or eliminate the risks to the execution of the assumed budget parameters.

2) Division of powers and responsibilities.

The Company has clearly divided powers and responsibilities. The Management Board verifies on an ongoing basis whether individual organisational units fulfil their obligations.

3) Verification of financial statements by independent external auditors.

Pursuant to the applicable legal regulations, the financial statements drawn up by the Management Board are verified by independent external auditors. Outcomes of the assessment are published.

Taking into account the input data to the risk analysis, the Management Board identifies risks related to the individual areas of the enterprise. Following the risk assessment, conclusions are formulated and decisions regarding the action plan are made. The aim is to eliminate uncertainty and optimally reduce the unfavourable factors which might disturb the organisation in certain areas. Such a verification is also periodically conducted by the Supervisory Board.

Moreover, the Management Board verifies the methods applied by individual organisational units to achieve their goals, their scopes of activities, provisions of internal regulations, procedures and internal normative acts of the Management Board.

### 22.3. Identification of shareholders directly or indirectly holding significant stakes in OPTeam S.A.

According to the information available to the Company, as of 31.12.2012 stakes exceeding 5% of the overall number of votes at the General Meeting of OPTeam S.A. were held by the following Shareholders:

Shareholder	Number of shares and votes at the GMS	% share in authorised capital and overall number of votes at the GMS
Janusz Bober	1 375 000	18.84 %
Andrzej Pelczar	1 375 000	18.84 %
Ryszard Woźniak	1 380 989	18.92%
Wacław Irzeński	1 375 000	18.84 %
IDM Capital S.A. (formerly: Supernova IDM Fund S.A.)	661 854	9.07 %
Wacław Szary	404 795	5.55 %

The Management Board of OPTeam S.A. discloses that as of 31.12.2012 none of the shareholders held special control powers related to holding shares of OPTeam S.A. Nor were there any restrictions on exercising voting rights, or restrictions on transferring security ownership rights, apart from the principles stipulated in the generally applicable regulations on trading in financial instruments.

### 22.4. Description of rules governing appointments and dismissals of executive officers and their powers, especially the right to decide on issuing or redeeming shares.

#### The Company's Management Board.

According to the provisions of the Articles of Association of OPTeam S.A., the Management Board consists of one or more members appointed for a joint term of office. Management Board Members, including the President,



are appointed and dismissed by the Supervisory Board, which specifies the number of Management Board Members in the given term of office.

The mandate of a Management Board Member expires at the latest on the day of the General Meeting approving the financial statement for the last full business year in the course of the given term of office of the Management Board, so whose last day falling on 31 December was within the term of office of the Management Board counted in years from the date of appointment of the first Management Board Member of that term of office. The mandate of a Management Board Member, appointed prior to the end of the given term of office, expires at the same time as the mandates of all the other Management Board Members.

The Supervisory Board may dismiss a Management Board Member or the entire Board at any time. In the event of compelling reasons, the Supervisory Board may suspend some or all Management Board Members. If the entire Management Board is dismissed before the end of the term, the term of the new Management Board runs from the beginning.

Management Board Members may be dismissed or suspended by the General Meeting.

Works of the Management Board are directed by the President of the Management Board. Resolutions of the Management Board are passed by a simple majority of votes. In the case of split votes, the President's vote breaks the tie.

The detailed operating procedure of the Management Board, as well as issues which can be addressed to its individual members, are specified in the Bylaws of the Management Board adopted by the Management Board and approved by the Supervisory Board.

If the Management Board is composed of more than one person, to represent the Company two Board Members must cooperate or a Board Member jointly with the proxy.

To perform specific actions or specific types of actions, individuals may be authorised to act independently or in twos or threes within the scope of their powers. The Management Board keeps a record of the authorisations issued.

If the Management Board is composed of one person, the sole Management Board Member is authorised to make representations and sign on behalf of the Company.

In agreements, including those specifying terms of employment, and in other legal activities and disputes between the Company and Management Board Members, the Company shall be represented by the Supervisory Board. Representations on behalf of the Supervisory Board are made by the representative delegated by resolution of the Supervisory Board. The resolution of the Supervisory Board should specify terms of the agreement or legal activity referred to in the first sentence above.

The following issues require resolutions of the Management Board:

- a) to determine the development strategy for the Company and its Group,
- b) to approve the Company's material and financial plans,



- c) to approve the Company's asset and capital investment plans,
- d) to adopt organisational regulations specifying the Company's enterprise organisation,
- e) to decide on establishing or closing of the Company's organisational units,
- f) to approve the annual statement on the Company's operations, consolidated statement on the Group's operations and the annual financial statement of OPTeam S.A. and the Group's consolidated financial statement, in ample time providing for the Supervisory Board to express its opinion on those documents and for the General Meeting to approve them, pursuant to the applicable regulations,
- g) to determine the "Bylaws of the Management Board" and amend them,
- h) to appoint proxies and representatives,
- i) to convene Ordinary and Extraordinary General Meetings, as well as propose agendas and draft resolutions.

The detailed operating procedure of the Management Board is specified in the Bylaws of the Management Board.

Powers regarding decisions to issue or redeem shares, under the Code of Commercial Partnerships and Companies and the Company's Articles of Association, are vested in the General Meeting.

#### Supervisory Board

The Supervisory Board exercises ongoing supervision over the Company's operations.

According to the Articles of Association, the Supervisory Board is composed of no fewer than 5 and no more than 7 members.

Apart from other competences specified in the Articles of Association, particularly Art. 22 section 2 of the Articles, in the Code of Commercial Partnerships and Companies and other legal regulations, the Supervisory Board is obliged to:

- a) once a year, draw up and present to the Ordinary General Meeting a brief assessment of the Company's situation, including the evaluation of internal controls and risk management system,
- b) once a year, conduct and present to the General Meeting a self-evaluation of its work,
- c) consider and provide opinion on issues to be subject to resolutions at the General Meeting.

Apart from issues stipulated in the Act, other provisions of the Articles of Association or resolutions of the General Meeting, the powers and duties of the Supervisory Board include:

- a) to audit the annual Balance Sheet and Profit & Loss Statement and ensure their verification by certified auditors,
- b) to audit and express opinion on the Management Report,

- c) to submit to the General Meeting a written report on activities referred to in items a) and b),
- d) to approve the Company's long-term and annual material and financial plans, as well as asset and capital investment plans,
- e) to evaluate the Management Board's conclusions regarding distribution of profit or coverage of loss,
- f) to appoint and dismiss individual Management Board Members or the entire Board,
- g) to suspend some or all Management Board Members for cause,
- h) to determine rules of remuneration for the Management Board Members, conclude contracts with them and represent the Company in matters between the Company and a Management Board Member,
- i) to approve appointment of proxies,
- j) to consent to the disposal, acquisition or encumbrance of the Company's assets, share in property or perpetual usufruct of property,
- k) to consent to transactions involving incurring liabilities, debt exemption, disposal, acquisition or encumbrance of the Company's assets, if the amount of the given transaction should exceed PLN 4,000,000.00 (in words: four million);
- l) to consent to the Company making donations and sponsorship, if the amount of related transactions should exceed PLN 200,000.00 (in words: two hundred thousand),
- m) to delegate Supervisory Board Members to temporarily fulfil the duties of the Management Board Members who were suspended, dismissed or who are otherwise unable to perform their function, as well as in the case of dismissing the entire Management Board or when the Management Board is otherwise unable to act, and to determine remuneration due to the delegated Supervisory Board Members,
- n) to consent to establishing a branch of the Company,
- o) to select the certified auditor to audit the Company's financial statements
- p) to approve the Bylaws of the Management Board.

The Company did not appoint the audit committee, its functions are performed by the Supervisory Board Members, which is allowed under law and the Articles of Association (the Supervisory Board currently consists of 5 members).

The detailed operating procedure and powers of the Supervisory Board is specified in the Articles of Association and Bylaws of the Supervisory Board.

## 22.5. Composition of supervisory and management bodies.

### The Company's Management Board.

During the period covered by this report, the Management Board of OPTeam S.A. was composed of (there were no changes in the composition of the Management Board in the course of the business year):

Andrzej Pelczar	President of the Management Board
Wacław Szary	Vice President of the Management Board
Bogdan Niziołek	Vice President of the Management Board

### Supervisory Board

During the period covered by this report, the Supervisory Board of OPTeam S.A. was composed of (there were no changes in the composition of the Supervisory Board in the course of the business year):

Janusz Bober	Chairman of the Supervisory Board
Wiesław Roman Zaniewicz	Vice Chairman of the Supervisory Board
Janusz Gajdek	Secretary of the Supervisory Board
Marcin Lewandowski	Supervisory Board Member
Adam Leda	Supervisory Board Member

## 22.6. Description of principles for amending the Articles of Association of OPTeam S.A.

Pursuant to Art. 26 item 5 of the Articles of Association, a resolution of the General Meeting is required to amend the Articles of Association of OPTeam S.A. The resolution on amending the Articles is passed by a  $\frac{3}{4}$  vote majority.

Operating procedure of the General Meeting, its fundamental powers, shareholders' rights and ways of exercising them.

The Company's General Meeting may proceed as an ordinary or extraordinary meeting.

The Ordinary General meeting is convened by the Management Board no later than within six months after the end of the business year. The Supervisory Board may convene the Ordinary General Meeting, if the Management Board fails to convene it within the timeframe stipulated in the Code of Commercial Partnerships and Companies.

The Supervisory Board or shareholders representing no less than half of the authorised capital or no less than half of the votes may convene the Extraordinary General Meeting. When the Extraordinary General Meeting is convened by shareholders, they appoint the chairperson of that Meeting.

The agenda of the General Meeting is decided by the Management Board. The Supervisory Board and shareholders representing no less than 1/20 part of the authorised capital may demand that particular issues are put on the agenda of the nearest General Meeting. The demand to put issues on the agenda of the General Meeting should be submitted no later than 21 days prior to the appointed date of the Meeting and should include a statement of reasons or a draft resolution concerning the proposed item on the agenda. Changes in the agenda introduced by request of the shareholders should be announced by the Management Board no later than 18 days prior to the Meeting date in a manner appropriate to convening the General Meeting.

The following issues require resolutions of the General Meeting:

- 1) consider and approve the Company's annual financial statements, annual reports on operations, as well as the Group's consolidated financial statements and Group's report on activities for the prior business year,
- 2) acknowledge the fulfilment of duties by members of the Supervisory and Management Boards,
- 3) decide on distribution of profit and coverage of losses, as well as on how to dedicate funds created from profit,
- 4) appoint Supervisory Board Members and determine rules of remuneration of Supervisory Board Members,
- 5) amend the Articles of Association, including increasing and reducing the authorised capital, unless the provisions of the Code of Commercial Partnerships and Companies or the Articles provide otherwise,
- 6) any provisions regarding claims for compensation of damage inflicted during establishing the Company or exercising supervisory or management powers,
- 7) consent to the disposal or lease of the enterprise or an organisational unit thereof, and establishing limited property rights thereupon,
- 8) decide on share redemption and consent to acquisition of shares to be redeemed as well as specify the terms of redemption,
- 9) consent to issuing bonds, including convertible bonds and preemptive bonds,
- 10) dissolve, liquidate and transform the Company and consolidate it with another company,
- 11) create and dissolve capital reserves and other capitals and funds of the Company,
- 12) approve the Bylaws of the Supervisory Board,
- 13) enact and amend Bylaws of the General Meeting.

Pursuant to the provisions of the Bylaws of the General Meeting, only people who were shareholders of the company sixteen days prior to the date of the General Meeting (registration date of participation in the General Meeting) are eligible to participate in it.

A person entitled under dematerialised bearer shares of a listed company may request, not before the publication of the General Meeting announcement and no later than on the first working day after registering participation in

the General Meeting, that the securities depository should issue a personal certificate of entitlement to attend the General Meeting.

The Company determines the list of shareholders entitled to participate in the General Meeting pursuant to the list provided by the National Depository for Securities (KDPW), drawn up on the basis of personal certificates of entitlement to attend the General Meeting issued by the securities depository.

Proxy rights to attend the General Meeting and exercise voting rights shall be granted in writing or in electronic form. Proxy voting forms are available as of the date of convening the General Meeting on the Company's web site.

Shareholders shall notify the Company about appointing a proxy in electronic form, using the Company's email address provided in the General Meeting announcement.

In the notice, the shareholder should provide their telephone number and email address, as well as the proxy's telephone number and email, by means of which the Company may contact the Shareholder and proxy. The proxy notification should also specify the scope of authorisation, i.e. indicate the number of shares under which the voting rights will be exercised and the General Meeting date when they will be exercised.

Alongside the proxy notification in electronic form, the shareholder shall send the letter of authorisation, excluding proxy voting instruction, a scan of their personal ID card or of another document identifying the authorising Shareholder and the proxy. If authorisation is granted by a body corporate or an organisational unit without legal personality but with legal capacity, the shareholder shall submit a scan of the register entry wherein it is registered or a scan of another document confirming due authorisation of persons acting on behalf of such an entity. If authorisation is granted to a body corporate or an organisational unit without legal personality but with legal capacity, the shareholder shall additionally submit a scan of the register entry wherein the proxy is registered or a scan of another document confirming the existence of such an entity.

Notification about appointing and/or revoking a proxy in electronic form should be submitted no later than three working days prior to the General Meeting date.

The Company will undertake due measures to confirm the identity of the shareholder and proxy to verify the validity of authorisation granted in electronic form.

The detailed operating procedure of the General Meeting and powers of this governing body, as well as the powers of shareholders and how they can be exercised, are described in the appropriate provisions of the Articles of Association of OPTeam S.A. and the Bylaws of the General Meeting. These documents are published on the Company's website.

**23. Disclosure on agreements with the certified auditor.**

The disclosure concerning agreements with the certified auditor is presented in Note no 43 in the Notes to the annual financial statement for 2012.

**Management Board of OPTeam S.A.**

- 1) Andrzej Pelczar – President of the Management Board
- 2) Bogdan Niziolek – Vice President of the Management Board
- 3) Wacław Szary – Vice President of the Management Board

Tajęcina, 15 March 2013