

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENT OF OPTTEAM SPÓŁKA AKCYJNA FOR THE BUSINESS YEAR ENDING 31 DECEMBER 2015

1. GENERAL INFORMATION

1.1. Basic information about the Company's activities

The Company runs its business as a joint-stock company, which arose as a result of transforming a limited liability company Optimus-Comfort into a joint-stock company, pursuant to resolution no 1 of the Extraordinary Shareholders' Meeting of Optimus-Comfort of 23 April 2003, by notarial deed concluded before notary public Alicja Mąkosz (Register A No 2016/2003). Life of the Company is indefinite.

At present, the Company is entered into the register of entrepreneurs of the National Court Register kept by the Regional Court in Rzeszów, 12th Commercial Division at number KRS 000160492.

The Company holds a tax identification number NIP 8130334531 and the statistical number conferred by the Central Statistical Office REGON 008033000.

The Company operates under its Articles of Association and the Commercial Companies Code.

According to the Polish Classification of Activities, the Company is predominantly involved in activities related to software (6201Z).

In the audited period, the Company's business involved software development and IT systems implementation.

The headcount as of the end of the reporting period was 212 individuals. The annual average headcount in the Company was 199 individuals.

The Company's authorised capital as of 31 December 2015 amounted to PLN 730 K and was divided into 7,300,000 common shares at nominal value of PLN 0.10 each. The Company's equity as of the same date was PLN 26,759.5 K.

According to the list of shareholders received from the Company, the equity holding structure as of 31 December 2015 was as follows:

Shareholder	Number of votes	Number of shares	Share nominal value in PLN	Share in authorised capital (%)
Janusz Bober	1 372 523	1 372 523	137 252	18.80
Andrzej Pelczar	1 372 523	1 372 523	137 252	18.80
Wacław Irzeński	1 372 523	1 372 523	137 252	18.80
Ryszard Woźniak	1 378 512	1 378 512	137 851	18.88
Wacław Szary	407 899	407 899	40 790	5.59

“Without qualifying the correctness or truthfulness of the audited financial statement, we wish to note the following:

- note C.23.4., wherein the Management Board presents the impairment review of the shares of the Centre of Electronic Clearance Polish ePayment, due to the fact that the value of the shares held in this company disclosed in the balance sheet assets was higher than the share held by OPTeam Spółka Akcyjna in its net assets. The conducted review confirmed that the recoverable amount of the reviewed asset is higher than its carrying value, and consequently an impairment provision was not needed. The recoverable amount model adopted by the Management Board was the discounted cash flow method (DCF) based on assumptions and data projections. Please note that the actual financial performance may differ from the forecasts, because the anticipated events often do not go as expected, and the resulting deviations may be significant.

- note C.64.30, wherein the Management Board of OPTeam Spółka Akcyjna reports the details of loan surety agreements extended to the Centre of Electronic Clearance Polish ePayment and other contingent liabilities related to said sureties. Please note that if the equity of the Centre of Electronic Clearance Polish ePayment is reduced down to the level specified in the investment loan agreement signed by that company and the multi-product overdraft agreement, OPTeam Spółka Akcyjna shall be obliged to extend, jointly and severally with the Polish Security Printing Works, a subordinated loan up to PLN 2 M, and in the case of the Centre of Electronic Clearance Polish ePayment going into negative equity to provide extra capital as required by the bank. Please note that if the Centre of Electronic Clearance Polish ePayment fails to fulfill the obligations specified in the above-mentioned agreements, the consequences of the sureties extended may significantly affect the future situation of OPTeam Spółka Akcyjna in terms of assets and finance”

The Company’s financial statement for the business year from 1 January to 31 December 2014 was approved by Resolution number 6/2015 of the Ordinary General Meeting of Shareholders of OPTeam S.A. dated 11 June 2015. Pursuant to Resolution no 7/2015 of the General Meeting of Shareholders of OPTeam S.A. dated 11 June 2015, the net profit was divided as follows:

- the amount of PLN 1 094 949.90, i.e. 0.15 per share excluding own shares of OPTeam SA, was allocated to dividend payment,
- the amount of PLN 1 859 724.44 was put into supplementary capital.

The Company’s financial statement for the business year ending 31 December 2014 including the opinion of the certified auditor, resolution regarding financial statement approval and management report on activities were submitted to the National Court Register on 24 June 2015.

The closing balance sheet for the business year from 1 January 2014 to 31 December 2014 was recorded correctly in the accounting books as the opening balance sheet for the year ending 31 December 2015.

1.3. Information about the authorised entity and key certified auditor

SWGK Audyt Sp. z o.o. with its seat in Poznań, ul. Wojskowa 4, is an entity authorised to audit financial statements, entered into the list of the National Board of Statutory Auditors in Poland at no 2917.

On behalf of SWGK Audyt Sp. z o.o., the financial statement audit was led by the key certified auditor Ivan Tychyna reg. no 13041.

The entity authorised to audit the financial statement was selected by the Supervisory Board of OPTeam S.A. by resolution number 7/2015 dated 10 June 2015.



The financial statement audit was conducted under agreement of 12 June 2015, concluded between OPTeam S.A. and SWGK Audyt Sp. z o.o. with its seat in Poznań, ul. Wojskowa 4.

1.4. Audit scope and timeline

The purpose of our audit was to enable the certified auditor to express an opinion in writing including a report on whether the financial statement is compliant with the applicable accounting principles (policy) and whether it provides a true and fair view of the audited entity's assets, finance and its financial result.

In auditing individual items of the financial statement and accounting books we applied testing and sampling methods applicable to financial audits. Based on testing and sampling results, we concluded that the audited items were correct. We also tested selected samples of settlements and charges due to taxes, in connection with which there may occur differences between our findings and results of potential inspections by authorised tax authorities. Our procedures did not include the notes which do not affect the financial statement covered by our audit.

The audit of the financial statement for the business year ending 31 December 2015 took place between 15 February and 15 March 2016, and at the Company's head office from 15 to 19 February 2016.

1.5. Independence declaration

SWGK Audyt Sp. z o.o., members of the management board, key certified auditor and other persons involved in the audit confirm that they comply with the conditions stipulated in Art. 56 of the Act of 7 May 2009 on certified auditors and their self-government, entities authorised to audit financial statements and public supervision, to express an impartial and independent opinion about the financial statement of OPTeam S.A. drawn up for the business year ending 31 December 2015.

1.6. Representations received and availability of data

The Company's Management Board in a written statement of 15 March 2016 confirmed its responsibility for providing a truthful, reliable and clear financial statement and declared that the data in the books were accounted for completely, all the contingent liabilities were disclosed, as were all important events which took place after the balance sheet date and before submitting the statement and which could affect the enclosed financial statement. The Company's Management Board declared as well that it had made available all the requested documents and data, and provided the necessary information and clarifications. In the course of the audit, the scope of the audit was not restricted.

2. BASIC FINANCIAL DATA AND RATIOS

2.1. Financial ratios

Please find below selected ratios describing the financial situation of the Company in 2015, 2014 and 2013 computed on the basis of financial data in the financial statements for the years ending 31 December 2015, 31 December 2014 and 31 December 2013 (presented as status 1.1.2014) in relation to the adjustment of the previous years result described in additional note C82.

Ratio	Calculation formula	Desired target	2015	2014	2013
Sales (K PLN)	-	-	79 696.9	98 041.8	93 304.3
Total assets (K PLN)	-	-	50 205.9	57 005.2	57 098.2
Equity (K PLN)	-	-	26 759.5	25 413.6	23 859.7
Net profit/loss for the period (K PLN)	-	-	2 440.9	2 954.7	2 493.4
Return on sales	profit (loss) on sales / sales	max	2.7%	3.6%	2.7%
Gross profit margin	gross profit (loss) / net sales	max	3.5%	3.7%	3.1%
Net profit margin	net profit (loss) / net sales	max	3.1%	3.0%	2.7%
Return on equity	net profit (loss) / equity minus current year's financial result	max	10.0%	12.8%	11.7%
Return on assets	net profit (loss) / total assets	max	4.9%	5.2%	4.4%
Asset turnover	net sales / total assets	max	1.6	1.7	1.6
Fixed asset turnover	net sales / tangible fixed assets	max	4.4	5.3	4.8
Days sales outstanding	(average trade receivables / sales)*360	min	85	86	102
Days inventory outstanding	(average inventory / operating expenses)*360	min	12	13	15
Days payable outstanding	(average trade payables / (operating expenses-labour costs-depreciation))*360	min	72	77	94
Debt ratio	external capital / total capital	0.3 – 0.5	0.5	0.5	0.6
Equity to debt	equity / external capital	>1	1.1	0.8	0.7
Equity ratio	equity / fixed assets	>1	0.9	0.9	0.9

Sustainability of financing	equity / total liabilities	max	0.5	0.5	0.4
Quick ratio	(short-term investments + short-term receivables) / short-term liabilities	0.8 – 1.2	1.3	1.2	1.1
Current ratio	(current assets - short-term accruals) / short-term liabilities	1.5 – 2.0	1.5	1.3	1.2
Receivables to liabilities	trade receivables / trade liabilities	>1	1.4	1.5	1.3
Net working capital (in K PLN)	current assets – short-term liabilities	-	7 192.3	6 584.7	5 782.7
Working capital to assets	working capital / total assets	max	14.3%	11.6%	10.1%

In the period covered by the audit, sales, total balance sheet and comprehensive income declined. There were improvements in the outstandings, liquidity ratios, as well as equity to debt ratio.

2.2. Viability of the company as a going concern

In the introduction to the financial statement and note A11, the Management Board informs that the financial statement was drawn up on the assumption that the Company will remain a going concern for no less than 12 months after 31 December 2015 and that there are no circumstances indicating any threats to continuing operations by the Company.

In the course of auditing activities, we found no indication that would lead us to believe that the Company was not able to continue its business for at least 12 months from 31 December 2015 as a result of intended or forced abandonment, or a significant limitation of current activities.

3. ASSESSMENT OF THE ACCOUNTING SYSTEM

3.1. Accounting system

The Company has in place documentation describing its adopted accounting principles (policy), referred to in Art. 10 of the Accounting Act.

The accounting policy documentation was drawn up in compliance with International Financial Reporting Standards and approved by the Management Board.

In the audited business year, the Company used a computer-based bookkeeping system CDN XL version 8.0.3.2654, where all the business events occurring at the Company are recorded.

The audit did not reveal any significant weaknesses which might affect financial data or information included in the audited financial statement regarding:

- documenting business operations,
- linking bookkeeping records to documents and financial statement,
- fairness, faultlessness and verifiability of accounting books,
- methods for securing and protecting accounting documents, books and financial statements,
- methods used to protect data access and data computer processing system.

3.2. Stocktaking

The Company performed the annual stocktaking of individual groups of assets and liabilities in compliance with the terms and conditions stipulated in the Accounting Act. Results of the stocktaking were reconciled and posted in the books of the audited year.

3.3. Valuation

The valuation principles applied by the Company were described in the introduction to the financial statement, and are compliant with the requirements of International Financial Reporting Standards and related to them interpretation published in a form of European Committee regulations, and within the scope not covered by those Standards – pursuant to the Accounting Act dated 29 September 1994 and implementing provisions issued on its basis.

The accounting principles adopted by the Company were chosen correctly and are applied correctly and consistently.

3.4. Presentation and comparability

The Company correctly presented the individual items of assets and liabilities as well as income and costs in the statement.

The Management Board of the audited Company ensured that the financial data presented in the financial statements for all the business years included were comparable.

4. DETAILED INFORMATION

4.1. Information on the audited financial statement

The audited financial statement was drawn up as of 31 December 2015 and comprises:

- introduction to the financial statement,
- balance sheet drawn up as of 31 December 2015 which presents the amount of PLN 50 205 927.15 on the assets and liabilities side,
- profit and loss statement for the business year from 1 January 2015 to 31 December 2015 presenting net profit in the amount of PLN 2 440 880.30,
- statement of comprehensive income for the business year from 1 January 2015 to 31 December 2015 presenting total comprehensive income in the amount of PLN 2 440 880,30
- changes in equity statement for the business year from 1 January 2015 to 31 December 2015 presenting an increase of equity by the amount of PLN 748 120.99
- cash flow statement for the business year from 1 January 2015 to 31 December 2015 presenting an increase in cash by the amount of PLN 2 005 873.82,
- notes to the financial statement.

4.2. Information on selected items of the financial statement

The structure of assets and liabilities is presented in the audited financial statement for the business year ending 31 December 2015. Incomes and the corresponding expenses are recognised in the accounting books on accrual basis and in compliance with the matching principle

Shares in Centrum Rozliczeń Elektronicznych Polskie ePłatności SA [Centre of Electronic Clearance Polish ePayment] company are presented in fixed assets under financial assets item. The Management Board of OPTeam Spółka Akcyjna in note C.23.4. presents the impairment review of the shares of the Centre of Electronic Clearance Polish ePayment, due to the fact that the value of the shares held in this company disclosed in the balance sheet assets was higher than the share held by OPTeam Spółka Akcyjna in its net assets. The conducted review confirmed that the recoverable amount of the reviewed asset is higher than its carrying value, and consequently an impairment provision was not needed. The recoverable amount model adopted by the Management Board was the discounted cash flow method (DCF) based on assumptions and data projections. Please note that the actual financial performance may differ from the forecasts, because the anticipated events often do not go as expected, and the resulting deviations may be significant.

4.3. Notes to the financial statement

The Company prepared introduction and notes to the financial statement in the form of tables corresponding to individual items of the balance sheet, profit and loss statement and verbal commentary.

Additional information and clarification comply in all material aspects with accounting principles (policy) arising out of International Financial Reporting Standards and the related interpretations published in the form of regulations of the European Commission, and in the scope not regulated by those Standards – pursuant to the requirements of the Accounting Act of 29 September 1994 and the related secondary legislation.

4.4. Report on activities

The Management Board drew up and enclosed with the financial statement the report on the Company's activities in the business year ending 31 December 2015. The report on activities contains information required under Art. 49 section 2 and 3 of the Accounting Act.

The information included in the report on activities takes into account the applicable provisions of the Ordinance of the Minister of Finance of 19 February 2009 on current and interim information submitted by the issuers of securities, and on conditions of considering as equivalent the information required by law of a non-member state (consolidated text of Journal of Laws of 2014, item 133 as amended).

We have read the report and decided that the amounts included therein and information arising out of the enclosed financial statement are consistent.

4.1. Regulatory compliance

We received a written statement from the Company's Management where the Management Board represents that to the best of their knowledge the Company complied with legal regulations as well as the provisions of the Articles of Association applicable to the financial statement.

Ivan Tychyna

Certified Auditor no 13041
Key certified auditor leading the audit on behalf of

SWGK Audyt Sp. z o.o.
60-792 Poznań, ul. Wojskowa 4
Entity authorised to audit financial statements,
reg. number 2917

This report consists of 11 pages.

Poznań, 15 March 2016