



Management report on activities

of OPTeam S.A.

in H1 of 2013

i.e. from 01.01.2013 to 30.06.2013

Tajęcina, 30 August 2013

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1. Basic information about the Issuer's organisation and operations, as well as the principles for drawing up the semi-annual condensed financial statement.

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authorised capital of PLN 730,000 fully paid up

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1) Basic information about the Issuer's products or services.

Since 2012, the Issuer has been implementing a strategy involving a systematic change of 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 the user 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 Managment*) – 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, postgrad) 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 Centre include: delivering proprietary products in the SaaS model (Software as a Service), third-party system hosting/colocation, development of backup centres, 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 Centre.

2) Related parties of the Issuer.

The Issuer is equity-linked to Centre 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	OPTEAM stake in authorised capital (%)	OPTEAM stake in votes (%)	Notes
Centre 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 th Commercial Division of the National Court Register on 21 January 2010.

Core business of PeP S.A. 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”.

3) Composition of the Issuer's statutory 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 – up to 14.06.2013 by decision of the Ordinary General Meeting
Andrzej Ziemiński	Supervisory Board Member since 14.06.2013 (appointed to the Supervisory Board by the OGM)

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 with a Management Board Member
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In the reporting period there were no changes in the Management Board.

4) The principles for drawing up the semi-annual condensed financial statement:

The semi-annual condensed financial statement was drawn up in compliance with the applicable accounting principles (policy) described in the Issuer's latest annual financial statement and the requirements of International Accounting Standard 34 Interim financial reporting which was ratified by the European Union.

2. Presentation of consequences of changes in the Issuer's organisational structure, including those due to consolidation of business units, acquisition or disposal of units, long-term investments, division, restructuring and abandonment of business.

In the reporting period there were no events related to changes in the Issuer's structure (consolidation, sale, division).

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

In the period covered by this report, the Issuer did not conclude transactions with related parties other than according to the arm's length principle.

4. Description of significant risk factors and threats connected with the remainder of the business year, including the extent of exposure.

4.1. Risk related to the effect of the 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.

4.2. 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.

4.3. 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.

4.4. 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.

4.5. 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.

4.6. 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.

4.7. Financial instruments with regard to price, credit risk and others.

The Company is not exposed to significant financial instrument risks, seen as the main financial instruments as of the date of this report 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 2013, the Issuer extended loan securities to Polish ePayment. 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.

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

In 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 exceeded 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. At this stage of the proceedings, the Company sees no need to establish a provision for liabilities. The Management Board of OPTeam S.A. does not rule out the possibility that the pending proceedings might be settled amicably.

6. The Management Board's position on the viability of previously published performance forecasts.

The Company did not publish forecasts for 2013.

7. Identification of shareholders holding at least 5% of the overall number of votes at the Issuer's general meeting directly or indirectly through subsidiaries as of the semi-annual report publication date.

To the best of the Company's knowledge, the following shareholders hold at least 5 % of the overall number of votes at the General Meeting of OPTeam S.A. directly or indirectly through subsidiaries as of the publication date of the semi-annual report:

Shareholders	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 %
Wacław Szary	404 795	5.55 %
IDM Capital S.A. (formerly: SUPERNOVA Fund S.A.)	661 854	9.18 %

The shareholding structure is updated on the basis of formal notifications from shareholders holding no less than 5 % of the overall number of votes at the General Meeting of the Company's Shareholders. In the time after the publication of the report for Q1 2013, i.e. after 15.05.2013, and before the publication of this report changes in the structure of the Issuer's major stakeholders involved the shares held by IDM Capital S.A. This shareholder was the holder of record of 669,854 shares, which constitute 9.18% of the Issuer's authorised capital at the Ordinary General Meeting of OPTeam S.A. on 14 June 2013.

8. Listing of holding or titles to the Issuer's shares by the Issuer's executive and non-executive officers as of the publication date of the semi-annual report, including changes in shareholding, since the publication of the previous report, separately for each individual.

The table below presents the shareholding structure of OPTeam S.A. by members of Management Board and Supervisory Board of OPTeam S.A. on the publication date of the semi-annual report, separately for each individual.

Shareholders	Number of shares and votes at the GMS 30.08.2012	% share in authorised capital and overall number of votes at the GMS 30.08.2012
Janusz Bober – Chairman of the Supervisory Board	1 375 000	18.84 %
Andrzej Pelczar – President of the Management Board	1 375 000	18.84 %
Ryszard Woźniak – Proxy	1 380 989	18.92 %
Wacław Szary – Vice President of the Management Board	404 795	5.55 %

In the period between the publication of the interim report for Q1 of 2013, i.e. 15.05.2013, and 30.08.2013 there were no changes in the holding of the Issuer's shares by executive and non-executive officers.

9. Information on loan sureties or securities granted by the Issuer – to one entity or its subsidiary, if the total amount of existing sureties or guarantees is equivalent to at least 10 % of the Issuer's equity

On 25.02.2013, the Management Board of OPTeam S.A. signed loan surety agreements for the affiliated company Centre 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:

- 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 Centre 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 the Centre of Electronic Clearance 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 Centre 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.

On 24.04.2013, the Management Board of OPTeam S.A. signed a surety agreement for the affiliated company Centre of Electronic Clearance Polish ePayment with its seat in Rzeszów. The agreement was signed by: OPTeam S.A. as the Surety, Kolporter Sp. z o.o. spółka komandytowo-akcyjna (limited joint-stock partnership, formerly Kolporter S.A.) with its seat in Kielce – acting as the Seller, Centre of Electronic Clearance Polish ePayment with its seat in Rzeszów (hereinafter Polish ePayment) – acting as the Buyer. By signing the surety agreement, the Issuer has consented to guarantee the timely and complete repayment of the Buyer's liabilities, which may arise out of the open-ended cooperation agreement concluded between the Buyer and the Seller. The above-mentioned cooperation agreement involves the Seller providing goods to the Buyer for a fee. The surety includes the Buyer's future debt to the Seller in the full amount up to 7 million zlotys (in words: seven million). The surety is interim and shall expire 12 months after the maturity date of the final invoice issued during the term of the cooperation agreement between the Seller and the Buyer.

Entity	Regon	Type of liability	Amount of liability (PLN)	Period from - to
Centre 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	loan suretyship	Surety up to PLN 4,500,000	from 21.02.2011 to 01.10.2017
Centre 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 loan	Surety up to PLN 15,000,000	from 21.02.2011 to 07.07.2018
Centre of Electronic Clearance Polish ePayment with its seat in Rzeszów – security for the payment of debt to Kolporter Sp. z o.o. under goods supply agreement for PeP, concluded on 22.04.2013	180523400	guarantee of liabilities	Surety up to PLN 7,000,000	From 22.04.2013 up to 12 months after the due date of the final invoice issued by Kolporter Sp. z o.o.

10. Information which is important in the assessment of the Issuer's situation in terms of staff, assets, finance, financial performance and their changes, as well as information which is important in assessing the ability to meet liabilities

As of the date of this report there are no events or information significantly affecting the Company's situation in terms of staff, assets and finance. The Issuer settles its payments in a timely manner.

11. Identification of factors which, in the Issuer's opinion, will affect its performance within a time span of at least the coming six months.

The issuer does not identify factors which may have a significant impact on the performance of OPTeam S.A. within at least the next six months.

Management Board of OPTeam S.A.

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