



EXCERPT

***ANNUAL FINANCIAL STATEMENT
of OP Team S.A.
for 2019***

***DRAWN UP IN COMPLIANCE WITH
INTERNATIONAL FINANCIAL REPORTING STANDARDS
(financial data subject to audit)***

TAJĘCINA, 20 MARCH 2020

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**A. Balance sheet, profit & loss statement,
statement of comprehensive income,
statement of changes in equity and cash flow
statement**

A.1. Selected financial data of OPTeam S.A.

No.	Selected financial data	In k PLN		In k EUR	
		For the period from 01.01.2019 to 31.12.2019	For the period from 01.01.2018 to 31.12.2018	For the period from 01.01.2019 to 31.12.2019	For the period from 01.01.2018 to 31.12.2018
I	Net sales of products, goods and materials	59 457	67 122	13 821	15 731
II	Sales profit (loss)	54	-810	13	-190
III	Operating profit (loss)	632	-195	147	-46
IV	Earnings (loss) before tax	2 228	1 540	518	361
V	Net profit (loss)	1 920	1 393	446	326
VI	Net cash flows from operating activities	3 379	282	785	66
VII	Net cash flows from investing activities	-4 802	-917	-1 116	-215
VIII	Net cash flows from financing activities	1 825	741	424	174
IX	Cash and cash equivalents in the statement of cash flows at end of the period	891	489	207	115
X	Sales profit (loss)	0.26	0.19	0.06	0.04
		In k PLN		In k EUR	
		As of 31.12.2019	As of 31.12.2018	As of 31.12.2019	As of 31.12.2018
XI	Total assets	59 550	54 158	13 984	12 595
XII	Long-term liabilities and provisions	7 807	6 833	1 833	1 589
XIII	Short-term liabilities and provisions	20 805	18 306	4 886	4 257
XIV	Equity	30 938	29 019	7 265	6 749
XV	Authorised capital	730	730	171	170
XVI	Weighted average number of shares	7 299 666	7 299 666	7 299 666	7 299 666
XVII	Book value per common share (PLN/ EUR)	4.24	3.98	1.00	0.92

Selected financial data presented in the financial statement were converted to EUR using the following approach:

- balance sheet items were converted according to the average exchange rate published by the National Bank of Poland as of the balance sheet date:

on 31 December 2019 - 1 EUR = PLN 4.2858

on 31 December 2018 1 EUR = PLN 4.3000

- figures in the profit and loss statement, statement of comprehensive income and cash flow statement were converted using the exchange rate which is the arithmetic mean of the average exchange rates published by the National Bank of Poland as of the last day of each month in the reporting period:

in the period from 1 January 2019 to 31 December 2019. 1 EUR = PLN 4.3018

in the period from 1 January 2018 to 31 December 2018 1 EUR = PLN 4.2669

All amounts in the reported are provided in zloties (PLN), unless otherwise stated.

A.2. Balance sheet of OPTeam S.A.

ASSETS	Number of note in additional information	As of 31.12.2019	As of 31.12.2018 (adjusted)
A. Fixed assets		23 149 196.17	33 202 532.31
1. Goodwill	1	184 193.99	184 193.99
2. Other intangible assets	1	2 609 339.34	3 452 636.78
3. Tangible assets	2	16 062 524.13	16 474 321.66
4. Investment real estate		-	-
5. Long-term receivables	3	55 406.58	118 606.74
6. Shares, valued with the equity method	4	1 106 036.34	9 944 112.80
7. Financial assets	4	2 835 148.48	2 835 148.48
8. Deferred income tax assets	6	296 547.31	193 511.86
9. Other accruals	11	-	-
B. Current assets		22 045 472.79	20 955 140.84
1. Inventories	8	1 470 320.96	2 099 385.76
2. Trade receivables	9	17 856 384.04	17 195 233.81
3. Contract assets	9	1 375 742.27	611 045.24
4. Other accounts receivable	9	83 706.62	59 735.33
5. Corporate taxes	9	-	-
6. Taxes, subsidies, customs duty, social insurance	9	120 173.34	228 121.31
7. Financial assets		-	-
8. Cash and cash equivalents	10	891 386.89	489 119.76
9. Accruals	11	247 758.67	272 499.63
C. Fixed assets for sales	5	14 355 533.75	-
TOTAL ASSETS		59 550 202.71	54 157 673.15
LIABILITIES			
A. Equity		30 938 509.11	29 018 890.37
1. Share capital	12	730 000.00	730 000.00
2. Treasury stock (negative figure)	12	- 1 095.46	- 1 095.46
3. Supplementary capital	15	22 663 178.45	22 089 513.06
4. Capital reserve	16	5 626 807.38	5 626 807.38
5. Retained profit (loss)	14	-	- 819 822.45
6. Net profit (loss)		1 919 618.74	1 393 487.84
7. Write-offs from current year's profit		-	-
B. Long-term liabilities		7 807 109.06	6 832 527.49
1. Bank loans	17	923 982.00	-
2. Financial liabilities	19	575 607.23	528 494.96
3. Trade payables		-	-
4. Other liabilities		-	-
5. Provision for deferred income tax	7	948 863.32	537 119.60
6. Provisions for other liabilities	20	90 776.02	75 863.57
7. Accruals	21	5 267 880.49	5 691 049.36
C. Short-term liabilities		20 804 584.54	18 306 255.29
1. Bank loans	17	5 438 577.39	3 747 196.98
2. Financial liabilities	19	355 935.23	502 464.80
3. Trade payables	18	11 436 386.63	11 152 344.69
4. Contractual liabilities	18	732 746.32	473 853.78
5. Income tax and other tax liabilities	18	-	-
6. Other liabilities	18	1 967 317.72	1 491 573.28
7. Provisions for liabilities	20	450 452.38	434 654.66
8. Accruals	21	423 168.87	504 167.10
D. Liabilities related to fixed assets for sale		-	-
TOTAL LIABILITIES		59 550 202.71	54 157 673.15

A.3. Profit and loss statement of OPTeam S.A.

Profit and loss statement	Number of note in additional information	For the period from 01.01.2019 to 31.12.2019	For the period from 01.01.2018 to 31.12.2018
A. Continued operations			
I. Sales of products, goods and materials, including:	23	59 456 804.26	67 121 577.90
1. Sales of products and services		33 886 340.77	32 911 243.56
2. Sales of goods and materials		25 570 463.49	34 210 334.34
II. Cost of products, goods and materials sold, including:	24	49 771 945.66	56 939 348.27
1. Cost of products and services sold		28 819 975.49	29 280 791.97
2. Cost of goods and materials sold		20 951 970.17	27 658 556.30
III. Gross sales profit (loss)		9 684 858.60	10 182 229.63
1. Selling expenses		4 423 355.08	5 332 953.39
2. General and administrative expenses		5 207 354.83	5 658 836.48
IV. Sales profit (loss)		54 148.69	-809 560.24
1. Other operating income	25	987 752.55	1 072 317.54
2. Other operating expenses	26	410 007.46	457 832.82
V. Operating profit (loss)		631 893.78	-195 075.52
1. Financial incomes	27	79 621.78	2 153 856.98
2. Financial expenses	28	204 705.78	144 906.13
3. Share in the net result of an associated entity valued with the equity method	4	1 721 517.23	-273 523.31
VI. Earnings (loss) - before tax		2 228 327.01	1 540 352.02
1. Income tax	29	308 708.27	146 864.18
VII. Net profit (loss) from continued operations		1 919 618.74	1 393 487.84
B. Discontinued operations		0.00	0.00
I. Net profit (loss) from discontinued operations		0.00	0.00
C. Net profit (loss) for the business year		1 919 618.74	1 393 487.84
Net profit for the business year (in PLN)		1 919 618.74	1 393 487.84
Weighted average number of common shares	35	7 299 666	7 299 666
Earnings per common share (in PLN)		0.26	0.19
Diluted weighted average number of common shares	35	7 898 871	7 859 666
Diluted earnings per common share (in PLN)		0.24	0.18

* As of 31.12.2019 and 31.12.2018, OPTeam SA held 334 own shares.

A.4. Statement of comprehensive income of OPTeam S.A.

Statement of comprehensive income	For the period from 01.01.2019 to 31.12.2019	For the period from 01.01.2018 to 31.12.2018
I. Net profit (loss)	3 569 448.23	1 393 487.84
II. Other comprehensive income	0.00	0.00
1. To be re-classified to financial result on a later date	0.00	0.00
Income tax applicable to items of other comprehensive income subject to re-classification to the financial result	0.00	0.00
2. Not to be re-classified to financial result on a later date	0.00	0.00
Income tax applicable to items of other comprehensive income not subject to re-classification to the financial result	0.00	0.00
III. Total comprehensive income	3 569 448.23	1 393 487.84

A.5. Cash flow statement of OPTeam S.A.

CASH FLOW STATEMENT	For the period from 01.01.2019 to 31.12.2019	For the period from 01.01.2018 to 31.12.2018
A. CASH FLOWS FROM OPERATING ACTIVITIES		
I. Earnings (loss) before tax	2 228 327.01	1 540 352.02
II. Total adjustments (1-10)	1 150 386.02	-1 257 986.61
1. Depreciation	2 729 756.72	2 759 571.09
2. Interest and profit sharing (dividends)	203 467.52	137 366.25
3. Profit (loss) from investing activities	-1 765 874.73	-1 872 804.91
4. Net change in provisions	30 710.17	-193 205.18
5. Net change in inventory	691 743.98	956 222.92
6. Net change in receivables	-1 278 670.42	-6 064 094.24
7. Net change in short-term liabilities except loans and credits	1 018 678.92	4 635 175.84
8. Net change in accruals	-479 426.14	-811 395.93
9. Other adjustments*	0.00	-804 822.45
10. Income tax paid	0.00	0.00
III. Net cash flows from operating activities (I+/-II)	3 378 713.03	282 365.41
B. CASH FLOWS FROM INVESTING ACTIVITIES		
I. Inflows	46 420.58	117 677.95
1. Disposal of intangible and tangible assets	46 296.78	110 950.11
2. Disposal of investments in real estate and intangible assets	0.00	0.00
3. Disposal of financial assets	123.80	6 727.84
4. Other investing inflows	0.00	0.00
II. Outflows	4 848 328.82	1 034 946.12
1. Acquisition of intangible and tangible assets	1 052 388.76	647 037.12
2. Investments in real estate and intangible assets	0.00	0.00
3. On financial assets	3 795 940.06	387 909.00
4. Other investing expenses	0.00	0.00
III. Net cash flows from investing activities (I-II)	-4 801 908.24	-917 268.17
C. CASH FLOWS FROM FINANCING ACTIVITIES		
I. Inflows	2 615 362.41	1 296 175.70
1. Net inflows from issue of stock (shares) and other capital instruments	0.00	0.00
2. Borrowings	2 615 362.41	1 296 175.70
3. Issue of debt securities	0.00	0.00
4. Other financing inflows – subsidies to assets	0.00	0.00
II. Outflows	789 900.07	554 906.27
1. Acquisition of treasury stock	0.00	0.00
2. Dividends and other payments to shareholders	0.00	0.00
3. Profit sharing outflows other than payment to shareholders	0.00	0.00
4. Repayment of borrowings	0.00	0.00
5. Redemption of debt securities	0.00	0.00
6. Due to other financial liabilities	0.00	0.00
7. Payment of liabilities under financial lease	586 308.75	410 812.18
8. Interest	203 591.32	144 094.09
9. Other financing outflow	0.00	0.00
III. Net cash flows from financing activity (I-II)	1 825 462.34	741 269.43
D. TOTAL NET CASH FLOWS (A.III +/- B.III +/- C.III)	402 267.13	106 366.67
E. NET CHANGE IN CASH, INCLUDING	402 267.13	106 366.67
- change in cash due to foreign exchange differences	0.00	0.00
F. OPENING BALANCE OF CASH	489 119.76	382 753.09
G. CLOSING BALANCE OF CASH (F +/- D), INCLUDING:	891 386.89	489 119.76
- with limited availability	0.00	0.00

*the adjustment in 2018 refers to changes implied by MSSF 9 and MSSF 15

A.6. Statement of changes in equity of OPTeam S.A.

Statement of changes in equity of OPTeam S.A. in 2019

Description	Share capital	Treasury stock (negative figure)	Supplementary capital	Capital reserve	Retained profit (loss)	Net profit (loss)	Write-offs during business year	Total equity
As of 1 January 2019	730 000.00	-1 095.46	22 089 513.06	5 626 807.38	573 665.39	0.00	0.00	29 018 890.37
Distribution of retained financial result	0.00	0.00	573 665.39	0.00	-573 665.39	0.00	0.00	0.00
- supplementary capital	0.00	0.00	573 665.39	0.00	-573 665.39	0.00	0.00	0.00
- dividend payment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Comprehensive income – net profit of the business year	0.00	0.00	0.00	0.00	0.00	1 919 618.74	0.00	1 919 618.74
As of 31 December 2019	730 000.00	-1 095.46	22 663 178.45	5 626 807.38	0.00	1 919 618.74	0.00	30 938 509.11

Statement of changes in equity of OPTeam S.A. in 2018

Description	Share capital	Treasury stock (negative figure)	Supplementary capital	Capital reserve	Retained profit (loss)	Net profit (loss)	Current year's profit write-offs	Total equity
As of 1 January 2018	730 000.00	-1 095.46	27 549 556.09	5 611 807.38	-5 460 043.03	0.00	0.00	28 430 224.98
Effects of the implementation of IFRS 15 and IFRS 9	0.00	0.00	0.00	0.00	-819 822.45	0.00	0.00	- 819 822.45
As of 1 January 2018 – including implementation of IFRS 15 and IFRS 9	730 000.00	-1 095.46	27 549 556.09	5 611 807.38	-6 279 865.48	0.00	0.00	27 610 402.53
Distribution of retained financial result	0.00	0.00	-5 460 043.03	0.00	5 460 043.03	0.00	0.00	0.00
- supplementary capital	0.00	0.00	-5 460 043.03	0.00	5 460 043.03	0.00	0.00	0.00
- dividend payment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Comprehensive income – net profit of the business year	0.00	0.00	0.00	0.00	0.00	1 393 487.84	0.00	1 393 487.84
Remuneration related to the Incentive Programme for 2018, to the capital reserve	0.00	0.00	0.00	15 000.00	0.00	0.00	0.00	15 000.00
As of 31 December 2018	730 000.00	-1 095.46	22 089 513.06	5 626 807.38	- 819 822.45	1 393 487.84	0.00	29 018 890.37

B. Introduction to the financial statement for 2019 of OPTeam S.A.

B.1. Identification data of the company

OPTeam Spółka Akcyjna with its seat in Tajęcina 113 near Rzeszów, hereinafter referred to as the Company. OPTeam has been in operation since 1988, initially under the name COMFORT Sp. z o.o., and after 1992 as OPTIMUS-COMFORT Sp. z o.o. In its current legal form, the Company has been in operation since 5.05.2003. Since 11 October 2010, the Company's shares are listed on the Warsaw Stock Exchange.

OPTeam S.A. is entered into the National Court Register of Domestic Entrepreneurs at number 000160492 kept by the Regional Court in Rzeszów, 12th Commercial Division of the National Court Register. The company holds the statistical number REGON 008033000 and tax ID number NIP 813 03 34 531.

OPTeam S.A. runs its business within the Mielec SEZ pursuant to the Licence of the Industrial Development Agency no 149/ARP/2008 of 18 September 2008

The Company's core business includes:

- - software-related activities, including: systems analysis, development and programming,
- - consulting services related to information technology,
- - activities related to managing IT equipment,
- - other services related to information and computer technologies,
- - data processing, management of Internet sites (hosting) and similar activities
- - wholesale of computers, fiscal devices, peripheral devices and software,
- - installation of electrical systems and other utilities,
- - repair and maintenance of computers and peripheral devices, telecommunications equipment,
- - HR outsourcing
- - non-school education.

B.2. Life of the Company

OPTeam S.A. was established to continue until terminated.

B.3. Periods covered in the financial statement and comparable figures

This financial statement covers the period of 12 months ending 31 December 2019 and contains comparable data for the period of 12 months ending 31 December 2018.

This report has been drawn up in compliance with International Financial Reporting Standards (IFRS) as approved by the European Union for one-year periods beginning on 1 January 2019.

B.4. Composition of the Management Board and Supervisory Board

During the period covered by this report, and as of the date of the financial statement approval for publication, the **Management Board** of OPTeam S.A. was composed of:

Tomasz Ostrowski	President of the Management Board
Jacek Blahut	Vice President of the Management Board
Rafał Gnojnicki	Vice President of the Management Board

During the period covered by this report, and as of the date of the financial statement approval for publication, ie. 20 March 2020, the **Supervisory Board** of OPTeam S.A. was composed of:

Janusz Bober	Chairman of the Supervisory Board
Andrzej Pelczar	Vice Chairman of the Supervisory Board
Wiesław Zaniewicz	Secretary of the Supervisory Board
Marcin Lewandowski	Member of the Supervisory Board
Ryszard Woźniak	Member of the Supervisory Board
Wacław Irzeński	Member of the Supervisory Board
Piotr Kołodziejczyk	Member of the Supervisory Board – till 23 September 2019

Mr Piotr Kołodziejczyk resigned from the position of the Member of the Supervisory Board of OPTeam S.A., effective on 23 September 2019.

As part of the Supervisory Board, there is a 3-person Audit Committee, which includes Marcin Lewandowski as Chairman, and Wiesław Zaniewicz and Piotr Kołodziejczyk until 23/09/2019, and from 29 October 2019 Andrzej Pelczar, as Members.

B.5. Certified Expert Auditor

Misters Audytor Adviser Spółka z o.o.

Ul. Wiśniowa 40 lok.5
02-520 Warszawa

Entered into the list of the National Board of Statutory Auditors at no 3704.

B.6. Performance in the regulated market

Stock exchange	Warsaw Stock Exchange [Giełda Papierów Wartościowych w Warszawie S.A.] Ul. Książęca 4 00-498 Warszawa
WSE symbol	OPM
WSE sector	Information Technology
Parallel Market	5 PLUS
Indices	WIG
Depository, clearing and settlement system	National Depository for Securities [Krajowy Depozyt Papierów Wartościowych S.A. – KDPW] Ul. Książęca 4 00-498 Warszawa

B.7. Shareholders

As of 31 December 2018, the following shareholders held a stake exceeding 5% of votes at the General Meeting of Shareholders:

Shareholders	Number of shares and votes at the GMS	% share in authorised capital and overall number of votes at the GMS
Janusz Bober	1 372 523	18,80 %

Andrzej Pelczar	1 372 523	18,80 %
Ryszard Woźniak	1 386 525	18,99 %
Wacław Irzeński	1 372 523	18,80 %
Leon Marciniec	550 000	7,53 %
Other shareholders – holding less than 5% at the GMS	1 245 906	17,07 %
Total share capital	7 300 000	100,00 %

B.8. Subsidiaries

OPTeam acquired 70% of shares in the newly created technological company under the name LLC D Sp. z o.o. with its registered office in Tajęcina, which was entered in the Register of Entrepreneurs of the National Court Register on January 21, 2019 under the number 0000768767.

At the end of the preceding year the Issuer did not have subsidiaries.

B.9. Consolidated financial statement

OPTeam S.A. does not draw up consolidated financial statements. The financial data of the created subsidiary (LLCD Sp.z o.o.) is irrelevant to the fulfillment of the obligation to report the property, the financial situation and the financial result of the Company fairly and clearly.

B.10. Company consolidation

In the course of 2019, no changes took place in the structure of the Issuer's business, nor were there any mergers, acquisitions, disposals of subsidiaries.

B.11. Going concern assumption

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 2019. There are no circumstances indicating any threats to continuing operations by the Company.

B.12. Principles adopted when drawing up the report and statement of compliance

Statement of compliance with IFRS

This interim condensed financial statement was drawn up in compliance with the requirements of *International Financial Accounting Standards* and the IFRS as approved by the European Union ("EU") for financial statements that cover the accounting year starting on 1st January 2019.

These International Standards include standards and interpretations approved by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretation Committee ("IFRIC").

The interim condensed financial statement for the period of twelve months ending 31 December 2019 was drawn up in compliance with the requirements of *Accounting Standard 1 "Presentation of Financial Statements"*, which was ratified by the European Union, and according to other applicable regulations.

The scope of the Financial Report complies with the Ordinance of the Minister of Finance of 29 March 2018 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 Journal of Laws No of 2018, item 757) and covers a one-year

period beginning on 1 January 2019 and ending on 31 December 2019, as well as the comparable period beginning on 1 January 2018 and ending on 31 December 2018.

B.13. Approval for publishing by the Management Board

This financial statement for the period ending on 31 December 2019 was approved for publication by the Management Board of OPTeam S.A. on 20 March 2020.

Management Board:

Tomasz Ostrowski President of the Board

Jacek Błahut Vice President of the
Board

Rafał Gnojnicki Vice President of the
Board

Person responsible for drawing up this financial report

Dobrosława Rączka Finance Director –
Chief Accountant