

***FINANCIAL REPORT OF*** ***OPTEAM SPÓŁKA AKCYJNA***

***including***

***CONDENSED INTERIM STATEMENT***

***FOR THE PERIOD OF SIX MONTHS***

***ENDING ON 30 JUNE 2016***

***DRAWN UP IN COMPLIANCE WITH INTERNATIONAL***

***FINANCIAL REPORTING STANDARDS***

***TAJĘCINA, 25 AUGUST 2016***

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1. ***Selected financial data of the semi-annual financial statement for six months of 2016 of OPTeam SA***

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No** | **Selected financial data** | **In k PLN** | | **In k EUR** | |
| **For the period from 01.01.2016 to 30.06.2016** | **For the period from 01.01.2015 to 30.06.2015** | **For the period from 01.01.2016 to 30.06.2016** | **For the period from 01.01.2015 to 30.06.2015** |
| **I** | **Net sales of products, goods and materials** | **33 889** | **32 350** | **7 736** | **7 825** |
| **II** | **Sales profit (loss)** | **-770** | **285** | **-176** | **69** |
| **III** | **Operating profit (loss)** | **-671** | **668** | **-153** | **162** |
| **IV** | **Earnings (loss) before tax** | **30 913** | **595** | **7 057** | **144** |
| **V** | **Net profit (loss)** | **25 047** | **441** | **5 718** | **107** |
| **VI** | **Net cash flows from operating activities** | **-3 603** | **1 506** | **-823** | **364** |
| **VII** | **Net cash flows from investing activities** | **-58** | **-1 376** | **-13** | **-333** |
| **VIII** | **Net cash flows from financing activities** | **1 575** | **-335** | **360** | **-81** |
| **IX** | **Total net cash flows – change in cash** | **-2 086** | **-205** | **-476** | **-50** |
| **X** | **Earnings (loss) per common share ( PLN / EUR )** | **3.43** | **0.06** | **0.78** | **0.01** |
|  |  | **Status as of 30.06.2016** | **Status as of 31.12.2015** | **Status as of 30.06.2016** | **Status as of 31.12.2015** |
| **XI** | **Total assets** | **82 771** | **50 206** | **18 703** | **11 781** |
| **XII** | **Long-term liabilities and provisions** | **8 355** | **8 889** | **1 888** | **2 086** |
| **XIII** | **Short-term liabilities and provisions** | **24 413** | **14 558** | **5 516** | **3 416** |
| **XIV** | **Equity** | **50 003** | **26 759** | **11 299** | **6 279** |
| **XV** | **Authorised capital** | **730** | **730** | **165** | **171** |
| **XVI** | **Weighted average number of shares** | **7 300 000** | **7 300 000** | **7 300 000** | **7 300 000** |
| **XVII** | **Book value per common share (PLN/ EUR)** | **6.85** | **3.67** | **1.55** | **0.86** |

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 30 June 2016, 1 EUR = 4.4255 PLN

on 31 December 2015, 1 EUR = 4.2615 PLN

* 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 2016 to 30 June 2016, 1 EUR = 4.3805 PLN

in the period from 1 January 2015 to 30 June 2015, 1 EUR = 4.1341 PLN

1. ***Interim condensed financial statement of OPTeam SA for the first six months of 2016.***

* 1. Balance sheet

|  |  |  |  |
| --- | --- | --- | --- |
| **ASSETS** | **Status as of 30.06.2016** | **Status as of 31.12.2015** | **Status as of 30.06.2015** |
| **A. Fixed assets** | **26 719 846.79** | **29 462 229.90** | **28 948 771.72** |
| 1. Goodwill | 184 193.99 | 184 193.99 | 184 193.99 |
| 2. Other intangible assets | 3 615 539.74 | 2 587 935.88 | 2 863 358.24 |
| 3. Tangible assets | 17 309 363.51 | 18 039 495.62 | 18 007 054.51 |
| 4. Investment real estate | - | - | - |
| 5. Long-term receivables | 98 206.81 | 98 504.70 | 117 850.21 |
| 6. Investment in subsidiaries | 3 245 936.00 | 0.00 | 0.00 |
| 7. Financial assets | 400 000.00 | 6 694 584.71 | 6 694 584.71 |
| 8. Deferred income tax assets | 610 022.55 | 174 516.85 | 281 431.54 |
| 9. Other accruals | 1 256 584.19 | 1 682 998.15 | 800 298.52 |
| **B. Current assets** | **56 051 070.57** | **20 743 697.25** | **20 146 436.97** |
| 1. Inventories | 5 918 191.92 | 2 480 777.39 | 5 263 732.91 |
| 2. Trade receivables | 13 244 393.27 | 14 207 295.47 | 13 261 962.98 |
| 3. Other accounts receivable | 354 906.77 | 614 363.31 | 549 418.56 |
| 4. Taxes, subsidies, customs duty, social insurance | 94 073.50 | 558 269.53 | 117 433.62 |
| 5. Financial assets | 35 357 152.33 | - | - |
| 6. Cash and cash equivalents | 626 054.75 | 2 712 552.76 | 501 766.79 |
| 7. Accruals | 456 298.03 | 170 438.79 | 452 122.11 |
| **C. Fixed assets for sale** | - | - | - |
| **ASSETS** | **82 770 917.36** | **50 205 927.15** | **49 095 208.69** |
| **LIABILITIES** |  |  |  |
| **A. Equity** | **50 003 095.61** | **26 196 852.59** | **25 126 740.11** |
| 1. Share capital | 730 000.00 | 730 000.00 | 730 000.00 |
| 2. Treasury stock (negative figure) | - 1 095.46 | - 1 095.46 | - 1 095.46 |
| 3. Supplementary capital | 19 177 836.45 | 18 575 708.78 | 18 575 708.78 |
| 4. Capital reserve | 5 611 807.38 | 5 611 807.38 | 5 611 807.38 |
| 5. Retained profit (loss) | - 562 639.00 | - 597 809.41 | - 230 487.14 |
| 6. Net profit (loss) | 25 047 186.24 | 1 878 241.30 | 440 806.55 |
| **B. Long-term liabilities** | **8 354 910.89** | **8 888 727.39** | **8 121 180.72** |
| 1. Bank loans | - | - | - |
| 2. Financial liabilities | 773 821.36 | 1 030 412.43 | 494 467.62 |
| 3. Trade payables | - | - | - |
| 4. Other liabilities | - | - | - |
| 5. Provision for deferred income tax | 651 060.62 | 482 761.60 | 474 180.84 |
| 6. Provisions for other liabilities | 37 756.62 | 37 756.62 | 90 873.79 |
| 7. Accruals | 6 892 272.29 | 7 337 796.74 | 7 061 658.47 |
| **C. Short-term liabilities** | **24 412 910.86** | **15 120 347.17** | **15 847 287.86** |
| 1. Bank loans | 4 051 147.69 | 658 757.57 | 3 740 568.07 |
| 2. Financial liabilities | 729 810.27 | 738 601.81 | 593 973.55 |
| 3. Trade payables | 9 344 177.04 | 10 756 195.71 | 8 276 569.24 |
| 4. Other liabilities | 231 348.34 | 331 730.55 | 1 220 404.10 |
| 5. Income tax and other tax liabilities | 7 574 644.97 | 1 628 800.27 | 675 303.20 |
| 6. Provisions for liabilities | 1 805 729.66 | 305 729.66 | 330 904.53 |
| 7. Accruals | 676 052.89 | 700 531.60 | 1 009 565.17 |
| **D. Liabilities related to fixed assets for sale** | - | **-** | - |
| **TOTAL LIABILITIES** | **82 770 917.36** | **50 205 927.15** | **49 095 208.69** |

* 1. Profit and loss statement

|  |  |  |
| --- | --- | --- |
| **Profit and loss statement** | **For the period from 01.01.2016 to 30.06.2016** | **For the period from 01.01.2015 to 30.06.2015** |
| **A. Continued operations** |  |  |
| **I. Sales of products, goods and materials, including:** | **33 888 575.35** | **32 349 524.73** |
| 1. Sales of products and services | 12 472 202.36 | 18 885 736.92 |
| 2. Sales of goods and materials | 21 416 372.99 | 13 463 787.81 |
| **II. Cost of products, goods and materials sold, including:** | **28 889 653.33** | **27 510 462.28** |
| 1. Cost of products and services sold | 10 028 151.54 | 16 975 486.90 |
| 2. Cost of goods and materials sold | 18 861 501.79 | 10 534 975.38 |
| **III. Gross sales profit (loss)** | **4 998 922.02** | **4 839 062.45** |
| 1. Selling expenses | 2 940 177.45 | 2 173 843.83 |
| 2. General and administrative expenses | 2 828 384.12 | 2 379 746.02 |
| **IV. Sales profit (loss)** | **-769 639.55** | **285 472.60** |
| 1. Other operating income | 586 972.80 | 567 289.98 |
| 2. Other operating expenses | 487 969.21 | 184 658.11 |
| **V. Operating profit (loss)** | **-670 635.96** | **668 104.47** |
| 1. Financial incomes | 31 724 462.83 | 22 309.37 |
| 2. Financial expenses | 140 638.31 | 95 367.05 |
| **VI. Earnings (loss) - before tax** | **30 913 188.56** | **595 046.79** |
| 1. Income tax | 5 866 002.32 | 154 240.24 |
| **VII. Net profit (loss) from continued operations** | **25 047 186.24** | **440 806.55** |
| **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** | **25 047 186.24** | **440 806.55** |
|  |  |  |
| Net profit for the business year (in PLN) | 25 047 186.24 | 440 806.55 |
| Weighted average number of common shares | 7 300 000 | 7 300 000 |
| **Earnings per common share (in PLN)** | **3.43** | **0.06** |
| Diluted weighted average number of common shares | 7 300 000 | 7 300 000 |
| Diluted earnings per common share (in PLN) | 3.43 | 0.06 |
|  |  |  |

* 1. Statement of comprehensive income

|  |  |  |
| --- | --- | --- |
| **Statement of comprehensive income** | **For the period from 01.01.2016 to 30.06.2016** | **For the period from 01.01.2015 to 30.06.2015** |
| **I. Net profit (loss)** | **25 047 186.24** | **440 806.55** |
| **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 |
| 1. Not to be re-classified to financial result on a later date – discount related to sales from 2011. | 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** | **25 047 186.24** | **440 806.55** |

* 1. Cash flow statement

| **CASH FLOW STATEMENT** | **For the period  from 01.01.2016 to 30.06.2016** | **For the period from 01.01.2015 to 30.06.2015** |
| --- | --- | --- |
| **A. CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| **I. Earnings (loss) before tax** | **30 913 188.56** | **595 046.79** |
| **II. Total adjustments** | **-34 516 539.40** | **910 516.84** |
| 1. Depreciation | 1 944 336.68 | 1 576 317.36 |
| 2. Interest and profit sharing (dividends) | 94 272.18 | 89 886.46 |
| 3. Profit (loss) from investing activities | -31 683 343.52 | -10 045.73 |
| 4. Net change in provisions | 0.00 | 0.00 |
| 5. Net change in inventory | -3 437 414.53 | -2 533 803.42 |
| 6. Net change in receivables | 1 686 852.66 | 10 980 251.88 |
| 7. Net change in short-term liabilities except loans and credits | -2 460 034.40 | -8 318 044.75 |
| 8. Net change in accruals | -739 697.47 | -645 937.96 |
| 9. Income tax paid | 78 489.00 | -228 107.00 |
| 10. Other adjustments | 0.00 | 0.00 |
| **IIII. Net cash flows from operating activities (I+/-II)** | **-3 603 350.84** | **1 505 563.63** |
| **B. CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| **I. Inflows** | **112 823 532.60** | **17 494.93** |
| 1. Disposal of intangible and tangible assets | 12 439.03 | 17 494.93 |
| 2. Disposal of investments in real estate and intangible assets | 0.00 | 0.00 |
| 3. Disposal of financial assets | 112 811 093.57 | 0.00 |
| 4. Other investing inflows | 0.00 | 0.00 |
| **II. Outflows** | **112 881 213.38** | **1 393 092.88** |
| 1. Acquisition of intangible and tangible assets | 1 765 394.47 | 1 393 092.88 |
| 2. Investments in real estate and intangible assets | 0.00 | 0.00 |
| 3. On financial assets | 111 115 818.91 | 0.00 |
| 4. Other investing expenses | 0.00 | 0.00 |
| **III. Net cash flows from investing activities (I-II)** | **-57 680.78** | **-1 375 597.95** |
| **C. CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| **I. Inflows** | **3 392 390.12** | **439 535.00** |
| 1. Net inflows from issue of stock (shares) and other capital instruments | 0.00 | 0.00 |
| 2. Borrowings | 3 392 390.12 | 0.00 |
| 3. Issue of debt securities | 0.00 | 0.00 |
| 4. Other financing inflows – subsidies to assets | 0.00 | 439 535.00 |
| **II Outflows** | **1 817 856.51** | **774 412.83** |
| 1. Acquisition of treasury stock | 0.00 | 0.00 |
| 2. Dividends and other payments to shareholders | 1 240 943.22 | 0.00 |
| 3. Profit sharing outflows other than payment to shareholders | 0.00 | 0.00 |
| 4. Repayment of borrowings | 0.00 | 260 418.25 |
| 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 | 455 382.61 | 424 108.12 |
| 8. Interest | 105 365.75 | 89 886.46 |
| 9. Other financing outflow | 16 164.93 | 0.00 |
| **III. Net cash flows from financing activity (I-II)** | **1 574 533.61** | **-334 877.83** |
| **D. TOTAL NET CASH FLOWS (A.III +/- B.III +/- C.III)** | **-2 086 498.01** | **-204 912.15** |
| **E. NET CHANGE IN CASH, INCLUDING** | **-2 086 498.01** | **-204 912.15** |
| - change in cash due to foreign exchange differences | 0.00 | 0.00 |
| **F. OPENING BALANCE OF CASH** | **2 712 552.76** | **706 678.94** |
| **G. CLOSING BALANCE OF CASH (F +/- D), INCLUDING:** | **626 054.75** | **501 766.79** |
| - with limited availability | 0.00 | 0.00 |

* 1. Statement of changes in equity

1. **Statement of changes in equity as of 30 June 2016**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Description** | **Share capital** | **Treasury stock (negative figure)** | **Supplementary capital** | **Capital reserve** | **Retained profit (loss)** | **Net profit (loss)** | **Equity** |
| **Status as of 1 January 2016 - approved** | **730 000.00** | **-1 095.46** | **18 575 708.78** | **5 611 807.38** | **1 843 070.89** | **0.00** | **26 759 491.59** |
| Retained financial result | 0.00 | 0.00 | 0.00 | 0.00 | -562 639.00 | 0.00 | **-562 639.00** |
| **Status as of 1 January 2016 – after adjustment** | **730 000.00** | **-1 095.46** | **18 575 708.78** | **5 611 807.38** | **1 280 431.89** | **0.00** | **26 196 852.59** |
| Distribution of retained financial result, including: | 0.00 | 0.00 | 602 127.67 | 0.00 | -1 843 070.89 | 0.00 | **-1 240 943.22** |
| - supplementary capital | 0.00 | 0.00 | 602 127.67 | 0.00 | -602 127.67 | 0.00 | **0.00** |
| - dividend payment | 0.00 | 0.00 | 0.00 | 0.00 | -1 240 943.22 | 0.00 | **-1 240 943.22** |
| Total comprehensive income, including: | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 25 047 186.24 | **25 047 186.24** |
| - net profit | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 25 047 186.24 | **25 047 186.24** |
| - other comprehensive income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | **0.00** |
| **Status as of 30 June 2016** | **730 000.00** | **-1 095.46** | **19 177 836.45** | **5 611 807.38** | **-562 639.00** | **25 047 186.24** | **50 003 095.61** |

1. **Statement of changes in equity as of 31 December 2015**

| **Description** | **Share capital** | **Treasury stock – negative figure** | **Supplementary capital** | **Capital reserve** | **Retained profit (loss)** | **Net profit (loss)** | **Equity** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Status as of 1 January 2015 - approved** | **730 000.00** | **-1 095.46** | **16 715 496.81** | **5 612 294.91** | **2 954 674.34** | **0.00** | **26 011 370.60** |
| Retained financial result | 0.00 | 0.00 | 0.00 | 0.00 | -597 809.41 | 0.00 | **-597 809.41** |
| **Status as of 1 January 2015 – after adjustment** | **730 000,00** | **-1 095,46** | **16 715 496,81** | **5 612 294,91** | **2 356 864,93** | **0,00** | **25 413 561,19** |
| Distribution of retained financial result | 0,00 | 0,00 | 1 859 724,44 | 0,00 | -2 954 674,34 | 0,00 | **-1 094 949,90** |
| - supplementary capital | 0,00 | 0,00 | 1 859 724,44 | 0,00 | -1 859 724,44 | 0,00 | **0,00** |
| - dividend payment | 0,00 | 0,00 | 0,00 | 0,00 | -1 094 949,90 | 0,00 | **-1 094 949,90** |
| Reserve from revaluation of liquidated fixed assets | 0,00 | 0,00 | 487,53 | -487,53 | 0,00 | 0,00 | **0,00** |
| Total comprehensive income – net profit of the business year | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 2 440 880,30 | **2 440 880,30** |
| **Status as of 31 December 2015** | **730 000,00** | **-1 095,46** | **18 575 708,78** | **5 611 807,38** | **-597 809,41** | **2 440 880,30** | **26 759 491,59** |

1. **Statement of changes in equity as of 30 June 2015**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Description** | **Share capital** | **Treasury stock (negative figure)** | **Supplementary capital** | **Capital reserve** | **Retained profit (loss)** | **Net profit (loss)** | **Equity** |
| **Status as of 1 January 2015 - approved** | **730 000.00** | **-1 095.46** | **16 715 496.81** | **5 612 294.91** | **2 954 674.34** | **0.00** | **26 011 370.60** |
| Retained financial result | 0.00 | 0.00 | 0.00 | 0.00 | -230 487.14 | 0.00 | **-230 487.14** |
| **Status as of 1 January 2015 – after adjustment** | **730 000.00** | **-1 095.46** | **16 715 496.81** | **5 612 294.91** | **2 724 187.20** | **0.00** | **25 780 883.46** |
| Distribution of retained financial result, including: | 0.00 | 0.00 | 1 859 724.44 | 0.00 | -2 954 674.34 | 0.00 | **-1 094 949.90** |
| - supplementary capital | 0.00 | 0.00 | 1 859 724.44 | 0.00 | -1 859 724.44 | 0.00 | **0.00** |
| - dividend payment | 0.00 | 0.00 | 0.00 | 0.00 | -1 094 949.90 | 0.00 | **-1 094 949.90** |
| Reserve from revaluation of liquidated fixed assets | 0.00 | 0.00 | 487.53 | -487.53 | 0.00 | 0.00 | **0.00** |
| Total comprehensive income – net profit of the business year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 440 806.55 | **440 806.55** |
| **Status as of 30 June 2015** | **730 000.00** | **-1 095.46** | **18 575 708.78** | **5 611 807.38** | **-230 487.14** | **440 806.55** | **25 126 740.11** |

1. ***Selected notes to the condensed financial statement of OPTeam SA drawn up as of 30 June 2016*** 
   1. General information and scope of activity

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 core business of the Company includes:

* software-related activities, including: systems analysis, development and programming,
* advisory 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,
* execution of electrical installations and other construction installations,
* repair and maintenance of computers and peripheral devices, telecommunications equipment,
* HR outsourcing services,
* extramural education.
  1. Changes in the Management Board and Supervisory Board

During the period covered by this report, the **Management Board** of OPTeam S.A. was composed of:

|  |  |
| --- | --- |
| Wacław Szary | President of the Management Board |
| Bogdan Niziołek | Vice President of the Management Board |
| Ryszard Woźniak | Vice President of the Management Board |

During the period covered by this report, 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 |
| Andrzej Ziemiński | Member of the Supervisory Board |

* 1. 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 |

* 1. Significant shareholders

As of 30 June 2016, the following shareholders held more than 5% of votes at the General Meeting of Shareholders of OPTeam SA

|  |  |  |
| --- | --- | --- |
| **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 | 1 378 512 | 18.88 % |
| Wacław Irzeński | 1 372 523 | 18.80 % |
| Wacław Szary | 407 899 | 5.59 % |
| Remaining shareholders – holding less than 5% at the GMS | 1 396 020 | 19.12 % |
| **Total share capital** | **7 300 000** | **100.00 %** |

* 1. Changes in the structure of business entity, mergers, acquisitions or disposal of subsidiaries and long-term investment

Company consolidation

In the first half of 2016, no changes took place in the structure of the Issuer’s business, nor were there any mergers, acquisitions or disposals of subsidiaries. The Company disposed of a part long-term investment in the form of shares held in Centrum Rozliczeń Elektronicznych Polskie ePłatności S.A (the Centre of Electronic Clearance Polish ePayment). The transaction is decribed in the note C.21.

* 1. Appointment of entity authorised to audit financial statements

Pursuant to the Articles of Association of OPTeam S.A., on 19 May 2016 the Supervisory Board resolved to select the entity authorised to audit the financial statement of OPTeam S.A. for 2016 and 2017 and review the statement for H1 of 2016 and 2017. The chosen auditor is SWGK Audyt Sp. z o.o. with its seat in Poznań, ul. Wojskowa 4, 60-792 Poznań, entered into the list of the National Board of Statutory Auditors at no 2917.

The Management Board of OPTeam S.A. represents that SWGK Audyt Sp. z o.o., an entity authorised to audit financial statements, which reviewed the condensed report for H1 of 2016, was selected in compliance with the applicable legal provisions, and moreover, this entity and the reviewing auditors meet the conditions to report on their review in an impartial and independent manner, pursuant to the applicable regulations and professional standards.

* 1. Periods covered in the financial statement and comparable figures

The present financial statement covers data for the reporting period of H1 of 2016 with comparable figures, including:

* data as of 30 June 2015, as well as 31 December 2015 for *the Balance sheet and Statement of changes in equity,*
* for H1 of 2015 for the *Profit and loss statement, Statement of comprehensive income and Cash flow statement.*

Owing to the adjustment due to error presented in Note C.12, the Company recognised a part of economic events as financial result from previous years. It da impact on the comparability of data. Previous and current comparable data are presented below.

| **LIABILITIES** | **Status as of 31.12.2015 published** | **Status as of 31.12.2015  after adjustment** | **Difference** |
| --- | --- | --- | --- |
| **A. Equity** | **26 759 491.59** | **26 196 852.59** | **562 639.00** |
| 1. Share capital | 730 000.00 | 730 000.00 | 0.00 |
| 2. Treasury stock (negative figure) | -1 095.46 | -1 095.46 | 0.00 |
| 3. Supplementary capital | 18 575 708.78 | 18 575 708.78 | 0.00 |
| 4. Capital reserve | 5 611 807.38 | 5 611 807.38 | 0.00 |
| 5. Retained profit (loss) | -597 809.41 | -597 809.41 | 0.00 |
| 6. Net profit (loss) | 2 440 880.30 | 1 878 241.30 | 562 639.00 |
| **B. Long-term liabilities** | **8 888 727.39** | **8 888 727.39** | **0.00** |
| 1. Bank loans | 0.00 | 0.00 | 0.00 |
| 2. Financial liabilities | 1 030 412.43 | 1 030 412.43 | 0.00 |
| 3. Trade payables | 0.00 | 0.00 | 0.00 |
| 4. Other liabilities | 0.00 | 0.00 | 0.00 |
| 5. Provision for deferred income tax | 482 761.60 | 482 761.60 | 0.00 |
| 6. Provisions for other liabilities | 37 756.62 | 37 756.62 | 0.00 |
| 7. Accruals | 7 337 796.74 | 7 337 796.74 | 0.00 |
| **C. Short-term liabilities** | **14 557 708.17** | **15 120 347.17** | **-562 639.00** |
| 1. Bank loans | 658 757.57 | 658 757.57 | 0.00 |
| 2. Financial liabilities | 738 601.81 | 738 601.81 | 0.00 |
| 3. Trade payables | 10 193 556.71 | 10 756 195.71 | -562 639.00 |
| 4. Other liabilities | 331 730.55 | 331 730.55 | 0.00 |
| 5. Income tax and other tax liabilities | 1 628 800.27 | 1 628 800.27 | 0.00 |
| 6. Provisions for liabilities | 305 729.66 | 305 729.66 | 0.00 |
| 7. Accruals | 700 531.60 | 700 531.60 | 0.00 |
| **D. Liabilities related to fixed assets for sale** | 0.00 | **0.00** | 0.00 |
| **TOTAL LIABILITIES** | **50 205 927.15** | **50 205 927.15** | **0.00** |

Adjustment has no influence on profit and loss statement and statement of comprehensive income as of 30 June 2016.

* 1. Consolidated financial statement

OPTeam S.A. is not a parent company and does not draw up consolidated financial statements.

* 1. Going concern assumption

The present financial statement was drawn up using the assumption that OPTeam S.A. is a going concern and will remain so into the foreseeable future, i.e. for no less than 12 months after 30 June 2016. There are no circumstances indicating any threats to continuing operations by the Company.

* 1. Principles adopted when drawing up the report and statement of compliance

**Statement of compliance with IFRS**

The interim condensed financial statement for the period of six months ending 30 June 2016 was drawn up in compliance with the requirements of *International Accounting Standard 34 “Interim financial reporting*”, which was ratified by the European Union, and according to other applicable regulations.

Pursuant to 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 Journal of Laws of 2014, item 133) the Company is obliged to publish its annual financial statement for the period of six months ending on 30 June 2016 which is considered to be the current interim reporting period.

This interim financial report drawn up as of and for the period of six months ending 30 June 2016 was drawn up using the same accounting principles as when drawing up the annual financial statement for the business year ending 31 December 2015, which contains a detailed specification of the accounting policy in place.

This interim financial report should be read along with the last annual financial statement of the Company drawn up for the business year ending 31 December 2015.

The accounting principles (policy) applied to this financial report are consistent with those used when drawing up the comparable financial statements of the Company.

**Changes in the standards or interpretations**

The new or amended IAS and IFRS regulations, as well as new IFRIC interpretations which the Company adopted in the period commencing 1 January 2016, are presented below. Their adoption had no significant impact on the condensed interim financial statement.

1. Amendments to IAS 19 Defined benefits plans: employee contributions, effective for annual periods beginning on 1 February 2015.
2. Corrections in IFRS (2010-2012 cycle), effective for annual periods beginning on 1 February 2015.
3. Corrections to IFRS (2012-2014 cycle), effective for annual periods beginning on 1 January 2016.
4. Amendments to IAS 27 Applying equity rights in separate financial statements, effective for annual periods beginning on 1 January 2016.
5. Amendments to IAS 16 and IAS 41 Agriculture: Production plants, effective for annual periods beginning on 1 January 2016.
6. Amendments to IAS 16 and IAS 38 Explanations concerning acceptable methods of recognition of depreciation and amortisation. Amendments will be effective prospectively from the first annual period beginning on or after 1 January 2016.
7. Amendments to IFRS 11 Recognition of acquiring shares in joint ventures. Amendments will be effective prospectively from the first annual period beginning on or after 1 January 2016.
8. Amendments to IAS 1 Presentation of financial statements, effective for annual periods beginning on 1 January 2016.

**New standards and interpretations**

New or amended IAS and IFRS regulations, as well as new IFRIC interpretations, which have been ratified but are not effective yet, and which the Company did not adopt voluntarily for the period beginning on 1 January 2016 or for previous years.

Did not occur.

**Standards and interpretations, which were issued, but have not been ratified by the European Union**

Published Standards and Interpretations which are not effective yet and have not been earlier adopted by the Company. According to the Management Board, their adoption will not have a significant impact on the financial statement, however, the Management Board is in the course of assessing whether the above changes will have an impact on the financial statement and situation of the Company:

1. IFRS 9 Financial Instruments as amended, effective for the annual periods beginning on 1 January 2018
2. IFRS 14 Deferred balances from regulated activity – as of 6 July 2016 the effective date of the Standard is unknown yet
3. . IFRS 15 Revenue from agreements with clients, effective for annual periods beginning on 1 January 2018.
4. IFRS 16 Leases, effective for annual periods beginning on 1 January 2019
5. Amendments to IFRS 10 and IAS 28: Sales or contributions of assets between an investor and its associate/joint venture, as of 6 July 2016 the effective date of the Standard is unknown yet.
6. Amendments to IFRS 10, IFRS 12 and IAS 28: Investment entities – applying the consolidation exception. Amendments are applied retrospectively and are related to the annual periods beginning on or after 1 January 2016, applicable earlier. Amendments have not been ratified to be applied in EU yet (as of 6 July 2016 they are expected to be ratified in Q3 of 2016).
7. Amendments to IAS 7: Statement of cash flows. Amendments were introduced in terms of an initiative related to disclosures. Amendments will become effective starting from the first annual period beginning on 1 January 2017.
8. Amendments to IAS 12: Income taxes. IASB proposes that the amendments become effective retrospectively pursuant to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” from the first annual period beginning on 1 January 2017.
9. Amendments to IFRS 2: Share-based Payment, effective for periods beginning on 1 January 2018.
   1. Changes in presentation

In the condensed interim statement of OPTeam S.A. drawn up for 6 months ending 30 June 2016, there were no changes in presentation.

* 1. Economic events recognised by the previous years result

The Company recognized in financial report for the six-month period of 2015 the discount granted to the purchaser due to completed in the previous years sale of source code for software. Granted discount results from court settlement dated on 12.05.2015 (proceedings before Regional Court in Warsaw 20th Commercial Law Division ref. no.XXGC 287/11). The discount was settled with the purchaser in July 2015.

According to accrual basis, as a result of previous years, the Company recognised the value of granted discount in the amount of net PLN 284,552.03 less assets due to deferred income tax in the amount of PLN 54,064.89. The financial result of the event was presented in *Statement of comprehensive income* for the six-month period of 2015 as other comprehensive income items.

* 1. Adjustments due to errors

In the financial statement for six months of 2016 the Company recognised the adjustment of costs of subcontractors services, which were provided in the previous year in the amount of net PLN 562 639.00. The services were settled with the contractors in 2016. The financial result of the event was presented in *the Balance Sheet* as of 30 June 2016, as the previous years’ result. The result of introducing adjustment due to error was presented in the Note C.7.

* 1. Functional currency and reporting currency

This report was drawn up in the Polish zloty (PLN). The Polish zloty is the functional and reporting currency of OPTeam S.A. Data in the financial statement are presented in zlotys and grosz, unless in special situations where they are presented with less detail in thousand zlotys.

* 1. Principles for converting selected financial data into EUR

In the period covered by the financial statement and in the comparable period, the average exchange rates of the zloty into the euro, determined by the National Bank of Poland, were as follows:

| **Reporting period 2016-01-01 - 2016-06-30** | | **Reporting period 2015-01-01 - 2015-06-30** | |
| --- | --- | --- | --- |
| Tab. no 19 of 29.01.2016 | 4.4405 | Tab. no 22 of 30.01.2015 | 4.2081 |
| Tab. no 40 of 29.02.2016 | 4.3589 | Tab. no 40 of 27.02.2015 | 4.1495 |
| Tab. no 62 of 31.03.2016 | **4.2684** | Tab. no 62 of 31.03.2015 | **4.0890** |
| Tab. no 83 of 29.04.2016 | 4.4078 | Tab. no 83 of 30.04.2015 | 4.0337 |
| Tab. no 103 of 31.05.2016 | 4.3820 | Tab. no 103 of 29.05.2015 | 4.1301 |
| **Tab. no 125 of 30.06.2016** | **4.4255** | **Tab. no 124 of 30.06.2015** | **4.1944** |
| **\*Arithmetic mean rate over the period** | **4.3805** | **\* Arithmetic mean rate over the period** | **4.1341** |

*\*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*

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 30 June 2016 1 EUR = 4.4255 PLN

on 31 December 2015 1 EUR = 4.2615 PLN

on 30 June 2015 1 EUR = 4.1944 PLN

* 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 2016 to 30 June 2016 1 EUR = 4.3805 PLN

in the period from 1 January 2015 to 30 June 2015 1 EUR = 4.1341 PLN

* 1. Changes in estimates and write-downs on assets

**Change in the estimations of financial statement items**

Estimation is the process of determining the value of a given item in the financial statement which requires that own discretion be exercised based on the most up-to-date, available and credible information. Entities are obliged to continue verifying their estimates depending on the changing circumstances on which they are based. The most frequently used estimates include:

* depreciation rates,
* provisions,
* write-downs,
* deferred tax.

**Presentation of changes in estimations in the financial statement**

Changes of estimates regarding individual items in the financial statement should be taken into account when calculating net profit/loss figures in the period in which the estimates are changed, if they apply to that period or in the period in which the estimates are changed and future periods, if they apply to all those periods. In order to ensure comparability of data, the consequences of changing an estimate should be presented using classification criteria applied in preceding years, i.e. disclose in the same item of the profit and loss statement as the estimate was previously classified.

To draw up a condensed interim financial report, it is necessary to make estimations and assumptions which affect figures disclosed in the financial statement. Even though the assumptions and estimations adopted rely on the management’s best knowledge of current activities and events, the actual performance may differ from anticipations.

Compared to the financial statement prepared for 2015, minor changes were introduced in the estimate figures presented below. These changes have no significant impact on the current interim period.

**Information on significant changes of estimate figures, including adjustments of provisions and write-downs made on asset items**

|  |  |  |  |
| --- | --- | --- | --- |
| Title | Status as of 30.06.2016 | Status as of 31.12.2015 | Change |
| Deferred income tax assets | 610 022.55 | 174 516.85 | 435 505.70 |
| Provision for deferred income tax | 651 060.62 | 482 761.60 | 168 299.02 |
| Provision for payroll | 343 486.28 | 343 486.28 | 0.00 |
| Other provisions | 1 500 000.00 | 0.00 | 1 500 000.00 |
| Write-downs of short-term receivables | 1 492 846.33 | 1 200 909.25 | 291 937.08 |
| Write-downs of assets | 0.00 | 0.00 | 0.00 |
| Write-downs on inventories for sale | 201 463.55 | 171 677.94 | 29 785.61 |

* 1. Goodwill

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Status as of**  **30.06.2016** | **Status as of**  **31.12.2015** | **Status as of**  **30.06.2015** |
| Elektra Sp. z o.o. | 184 193.99 | 184 193.99 | 184 193.99 |
| **Goodwill total** | **184 193.99** | **184 193.99** | **184 193.99** |

Goodwill comprises solely the goodwill of Elektra Sp. z o.o. acquired by OPTeam S.A. on 3.01.2011. The Management Board of OPTeam S.A. performed an impairment review as of 31 December 2015 and decided not to record provisions for impairment. The impairment review was based on a discounted cash flow approach. The next impairment review will be performed at the end of the current business year, i.e. as of 31.12.2016.

* 1. Other intangible assets

**Other intangible assets - structure**

| Description | Status as of 30.06.2015 | Status as of 31.12.2015 | Status as of 30.06.2015 |
| --- | --- | --- | --- |
| Cost of completed research and development works | 2 261 258.22 | 966 976.55 | 1 414 735.36 |
| Copyright | 0.00 | 0.00 | 0.00 |
| Know-how | 0.00 | 0.00 | 0.00 |
| Trademark | 0.00 | 0.00 | 0.00 |
| Software licences | 1 354 281.52 | 1 620 959.33 | 1 448 622.88 |
| Advances for intangible assets | 0.00 | 0.00 | 0.00 |
| Other intangible assets total | **3 615 539.74** | **2 587 935.88** | **2 863 358.24** |

Research and development expenses include several projects executed by OPTeam S.A. including: design and development of an online B2B platform, and development and implementation of an innovative IT systems to manage economic processes. Completed with commercial success, development projects significantly enhance the Company’s sales of products and services.

Licences include primarily those for computer systems and software tools used in Company operations.

Costs of completed R&D works and computer software licences are depreciated over the anticipated period of use, which amounts to between 2 and 5 years.

**Additions and disposals of other intangible assets in the period from 1 January 2016 to 30 June 2016**

| Description | Cost of completed R&D works | Other intangible assets | | | |  | | Total |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Copyright | Know-how | Trademark | Software licences | Advances | |
| **Gross book value** | | | | | | | | |
| Status as of 1 January 2016 | 4 477 588.00 | 0.00 | 0.00 | 0.00 | 3 055 985.73 | 0.00 | **7 533 573.73** | |
| Additions | 1 762 148.15 | 0.00 | 0.00 | 0.00 | 201 867.42 | 0.00 | **1 964 015.57** | |
| Disposals | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | **0.00** | |
| Status as of 30 June 2016 | **6 239 736.15** | **0.00** | **0.00** | **0.00** | **3 257 853.15** | **0.00** | **9 497 589.30** | |
| **Accumulated write-off** | | | | | | | | |
| Status as of 1 January 2016 | 3 510 611.45 | 0.00 | 0.00 | 0.00 | 1 435 026.40 | 0.00 | **4 945 637.85** | |
| Depreciation for the year 2016 | 467 866.48 | 0.00 | 0.00 | 0.00 | 468 545.23 | 0.00 | **936 411.71** | |
| Disposals | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | **0.00** | |
| Status as of 30 June 2016 | **3 978 477.93** | **0.00** | **0.00** | **0.00** | **1 903 571.63** | **0.00** | **5 882 049.56** | |
| **Net value as of 30 June 2016** | **2 261 258.22** | **0.00** | **0.00** | **0.00** | **1 354 281.52** | **0.00** | **3 615 539.74** | |

* 1. Tangible assets

**Tangible assets - structure**

| Description | Status as of 30.06.2016 | Status as of 31.12.2015 | Status as of 30.06.2015 |
| --- | --- | --- | --- |
| **Total tangible assets, including:** | **17 309 363.51** | **18 039 495.62** | **18 007 054.51** |
| a) fixed assets, including: | **17 281 363.51** | **18 011 495.62** | **18 007 054.51** |
| - land (including perpetual usufruct) | 531 342.00 | 531 342.00 | 531 342.00 |
| - buildings, premises and civil engineering structures | 13 590 171.71 | 13 756 267.82 | 13 922 363.99 |
| - plant and machinery | 1 545 746.74 | 1 792 017.87 | 1 829 052.61 |
| - means of transport | 1 548 072.26 | 1 839 830.21 | 1 582 265.01 |
| - other tangible fixed assets | 66 030.80 | 92 037.72 | 142 030.90 |
| b) fixed assets under construction and advance payments | 28 000.00 | 28 000.00 | 0.00 |

The Company has no liabilities to the State Treasury due to transfer of ownership. All of the land recognised in assets constitutes own land.

The Company has a 11,180-square-metre plot, developed with a service and office building of the Design Center of Modern Technologies (CPNT) within the SEZ EURO –PARK MIELEC land and mortgage register no RZ1Z/00162028/1.

**Additions and disposals of tangible assets in the period from 1 January 2016 to 30 June 2016**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Description | Land | Buildings and structure | Plant and machinery | Vehicles | Other tangible assets | Tangible assets under construction | Total |
| **Gross book value** | | | | | | |  |
| Status as of 1 January 2016 | 531 342.00 | 15 554 331.23 | 7 195 031.17 | 5 007 465.66 | 1 028 459.62 | 28 000.00 | 29 344 629.68 |
| Additions | 0.00 | 0.00 | 222 172.12 | 54 570.74 | 1 050.00 | 0.00 | **277 792.86** |
| Disposals | 0.00 | 0.00 | 9 743.10 | 133 811.32 | 243.09 | 0.00 | **143 797.51** |
| Status as of 30 June 2016 | 531 342.00 | 15 554 331.23 | 7 407 460.19 | 4 928 225.08 | 1 029 266.53 | 28 000.00 | 29 478 625.03 |
| **Accumulated write-off** | | | | | | | |
| Status as of 1 January 2016 | 0.00 | 1 798 063.41 | 5 402 963.30 | 3 167 635.45 | 936 471.90 | 0.00 | 11 305 134.06 |
| Depreciation for the year 2016 | 0.00 | 166 096.11 | 468 493.25 | 346 328.69 | 27 006.92 | 0.00 | 1 007 924.97 |
| Disposals | 0.00 | 0.00 | 9 743.10 | 133 811.32 | 243.09 | 0.00 | 143 797.51 |
| Status as of 30 June 2016 | 0.00 | 1 964 159.52 | 5 861 713.45 | 3 380 152.82 | 963 235.73 | 0.00 | 12 169 261.52 |
| **Net value as of 30 June 2016** | **531 342.00** | **13 590 171.71** | **1 545 746.74** | **1 548 072.26** | **66 030.80** | **28 000.00** | **17 309 363.51** |

* 1. Financial assets

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Description | Status as of 30.06.2016 | Status as of 31.12.2015 | Status as of 30.06.2015 | |
| **Financial assets total** | **400 000.00** | **6 694 584.71** | **6 694 584.71** |
| PeP S.A. shares | 0.00 | 5 994 584.71 | 5 994 584.71 |
| Granted loans | 0.00 | 300 000.00 | 300 000.00 |
| Other long-term financial assets (deposit) | 400 000.00 | 400 000.00 | 400 000.00 |
| **including:** |  |  |  |
| - Financial assets available for sale | 0.00 | 5 994 584.71 | 5 994 584.71 |
| - Marketable financial assets | 0.00 | 0.00 | 0.00 |

* 1. Investments in subsidiaries

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Description | Status as of 30.06.2016 | Status as of 31.12.2015 | Status as of 30.06.2015 | |
| **Investments in subsidiaries in total** | **3 245 936.00** | **0.00** | **0.00** |
| Shares in associates and joint ventures | 3 245 936.00 | 0.00 | 0.00 |

As of 30 June 2016, OPTeam S.A. holds in its financial assets a 25% stake in the authorised capital of Polish ePayment and 20,58 % of votes at the GMS. PeP SA shares were valued with use of equity method. Information on significant subjective estimates and assumptions adopted by the Company in relation to the assessment of gaining significant impact on Polish ePayment SA as of 30 June 2016 were presented below.

**Capital ownership at Centre of Electronic Clearance Polish ePayment as of 30 June 2016**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Description** | **Number of shares** | **Number of votes** | **Share of votes at the GMS (%)** | **Share nominal value** | **Share in equity (%)** |
| OPTeam S.A. | 7 096 053 | 7 096 053 | 20.58% | 7 096 053 | 25.00% |
| INNOVA. | 21 288 157 | 27 384 210 | 79.42% | 21 288 157 | 75.00% |
| **Total** | **28 384 210** | **34 480 263** | **100.00%** | **28 384 210** | **100.00%** |

After amendments to the Articles of Association of CEC PeP as of 20.07.2016

**Capital ownership at Centre of Electronic Clearance Polish ePayment as of 20 July 2016**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Description** | **Number of shares** | **Number of votes** | **Share of votes at the GMS (%)** | **Share nominal value** | **Share in equity (%)** |
| OPTeam S.A. | 7 096 053 | 7 096 053 | 25.00% | 7 096 053 | 25.00% |
| INNOVA. | 21 288 157 | 21 288 157 | 75.00% | 21 288 157 | 75.00% |
| **Total** | **28 384 210** | **28 384 210** | **100.00%** | **28 384 210** | **100.00%** |

Centre of Electronic Clearance Polish ePayment (PeP) was established on the terms set forth by the investment agreement of 18 January 2010 and registered on 21 January 2010 by the Regional Court in Rzeszów, 12th Commercial Division of the National Court Register.

As of 30 June 2015 and as of 31 December 2015, OPTeam SA held in its financial assets a 50% stake in share capital of Polish ePayment (PeP) and 41.16% of votes at the General Meeting of Shareholders.

Information referred to below, on significant subjective estimates and assumptions adopted by the Company in relation to the lack of significant impact on Polish ePayment SA, was presented in the interim condensed financial statement for H1 of 2015 and in the financial statement for the business year ending on 31 December 2015.

IAS 28 Investments in Associates and Joint Ventures (replaces IAS 28, Investments in Associates), effective for annual periods beginning on or after 1 January 2014, Along with entry into force of new standards of IFRS 10 and IFRS 11 and altered IAS 27 and IAS 28, from 01 January 2014 OPTeam should value PeP shares according to the equity method. However, according to the investment agreement, after 5 years from the date of entering PeP into the National Court Register of Domestic Enterpreneurs, i.e. on 21 January 2010, OPTeam S.A. committed to dispose of held PeP shares on each call of the second shareholder. The disposal transaction shall be carried out within 3 calendar months calculated from the end of the month in which OPTeam receives a call for disposal of shares. In relation to the above, from 20 January 2015 OPTeam SA will cease to exercise a significant influence on PeP due to the fact that it will have no influence on the date when the disposal transaction will take place.

It is confirmed by the provisions related to potential voting rights and affecting or controlling – described in article 7-9 IAS 28 and extensively in IFRS 10. According to the above, on the day of loss of significant influence OPTeam should value held PeP shares at fair value, and present the difference in the financial result (article 22 IAS 28). Due to the fact, that PeP shares were acquired by OPTeam in exchange for non-cash contribution, their initial value reflected the carrying amount of made contribution in-kind (the economic value of transaction). In relation to the above, also as of the day of loss of significant influence, the fair value of PeP shares should be equal to the value at cost.

Due to entry into force on 01 January 2014 provisions of IAS/IFRS consolidation package, application of the equity method to value PeP shares as of 31 December 2014 would reduce the company’s equity by PLN 5.1 M (as a result of retrospective application of amended provisions). Whereas in consideration of ceasing to exercise significant influence starting from 20 January 2015 (after the balance sheet date), this valuation would be reversed in the financial statement as of 31 December 2014. The Management Board of OPTeam SA decided that such presentation would not be justified as it would significantly distort the current financial result and equity, whereas during one business year the influence on Company’s equity would equal zero. PEP shares were still valued at cost in the financial statement drawn up as of 31 December 2014.

Due to the fact, that from 20 January 2015 OPTeam ceased to exercise significant influence on PeP, which was described above, shares of Polskie ePłatności SA (PeP) in condensed financial statement drawn up as of 30 June 2015 and the financial statement for the business year ending on 31 December 2015 are still valued at cost, and owing to existence of indicators of impairment, an impairment test was conducted in order to define if the impairment existed.

According to current report no 29 of 6.08.2015 OPTeam AS and Polska Wytwórnia Papierów Wartościowych SA with its seat in Warsaw (PWPW SA) as shareholders of Centrum Rozliczeń Elektronicznych Polskie ePłatności SA, signed a tripartite agreement along with the Management Board of Polskie ePłatności SA in relation to the intention of selling shares held by PWPW SA. The Management Board of OPTeam SA intended to submit a purchase offer for shares being sold by PWPW SA and did not exclude executing its right of pre-emption of Polskie ePłatności SA shares. The Management Board of OPTeam SA began negotiations with financing institutions in order to secure funds for the above transaction. Signed agreement did not cause occurrence of control or gaining significant influence on Polskie ePłatności SA Company.

In the current report no 24/2016 of 22 June 2016 the Issuer (OPTeam SA) disclosed, that on 22 June 2016 concluded the promised agreement with Polish Security Printing Works with its seat in Warsaw at ul.Sanguszki 1 (Polska Wytwórnia Papierów Wartościowych, hereinafter: PWPW) on purchase of shares of Centre of Electronic Clearance Polish ePayment SA with its seat in Rzeszów (Centrum Rozliczeń Elektronicznych Polskie ePłatności, hereinafter: Polish ePayment), i.e. 14 192 105 shares including: 60 053 A series registered preference shares, 6 096 052 B series registered preference shares, 2 000 000 D series registered ordinary shares, held by PWPW, which constitute 50 % of Polish ePayment share capital, and correspond to 58,84 % of votes at the general meeting of Polish ePayment shareholders. The Issuer announced, that the purchase of Polish ePayment shares from PWPW was financed with means obtained from Innova AF II S.à r.l. (société à responsabilité limitée) fund, the company established according to the law provisions of the Grand Duchy of Luxembourg with its seat in Luxembourg.

In the current report no 29/2016 of 30 June 2016 OPTeam SA announced that on 30 June 2016 concluded with Innova AF II S.à r.l. (société à responsabilité limitée) fund, the company established according to the law provisions of the Grand Duchy of Luxembourg with its seat in Luxembourg (Innova) the promised agreement on sale of shares of Centrum Rozliczeń Elektronicznych Polskie ePłatności S.A. with its seat in Rzeszów at ul.Lisa Kuli 3, 35-032 Rzeszów (Centre of Electronic Clearance Polish ePayment, hereinafter: Polish ePayment). In this agreement the Issuer acts as a Seller, whereas Innova acts as a Buyer. The Company disclosed concluding the preliminary agreement on sale of shares by the Issuer to the benefit of Innova in the current report no 25/2016 of 22.06.2016. The subject matter of the promised agreement with Innova is sale of the total number of 21,288,157 (twenty one million two hundred eighty eight thousand one hundred fifty seven) Polish ePayment shares held by the Issuer, i.e. around 75% shares of this company corresponding to around 79.42 % of votes at the general meeting of Polish ePayment company, for the selling price along with all rights assigned to them or rights they entitle to, pursuant to the conditions specified in the preliminary agreement on sale of shares.

Prior to transaction of shares sale, the Issuer held 100% of Polish ePayment shares, which is in total 28,384,210 (twenty eight million three hundred eighty four thousand two hundred ten) shares of the nominal value of PLN 1.00 (one zloty) per each share, which entitled to 34,480,263 votes at the general meeting of this company.

After completing the transaction, the Issuer holds 7,096,053 (seven million ninety six thousand fifty three) shares in Polish ePayment, constituting around 25% of share capital and entitling to 20.58% of votes at the general meeting of the company, constituting for the Issuer a long-term capital investment.

From 30 June 2016 OPTeam SA started to have significant influence on Polish ePayment, because as of this date held 20.58% of votes at the general meeting of Polish ePayment and according to the Polish ePayment Articles of Association, the Issuer (OPTeam SA) can appoint 1 member of the Management Board of this company, which is composed of 1 to 4 members, and 1 to 2 members of the Supervisory Board, which is composed of 3 to 6 members. According to IAS 28 Polish ePayment became an affiliate of OPTeam SA valued as of the balance sheet day with the equity method.

Due to the fact, that Polish ePayment shares are not listed on the active market, the acquisition cost of held 25% share package was compared to 25% of the net value of the company’s assets as of the date of gaining a significant influence, i.e. as of 30 June 2016, and the excess of interest in net assets over the investment acquisition cost was recognised in the financial result.

|  |  |
| --- | --- |
| net assets PEP 30.06.2016 | 12 983 744.00 |
| OPT interest in net assets of PEP 30.06.2016 | 3 245 936.00 |
| balance sheet value of PEP shares | 2 324 929.52 |
| difference recognised in the financial result | 921 006.48 |

* 1. Inventory

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Status as of 30.06.2016 r.** | **Status as of 31.12.2015 r.** | **Status as of 30.06.2015 r.** |
| **Inventories total in the balance sheet, including;** | **5 918 191.92** | **2 480 777.39** | **5 263 732.91** |
| Materials | 0.00 | 0.00 | 0.00 |
| Work in progress – IT services, software under development | 1 280 257.60 | 1 165 382.98 | 1 569 060.33 |
| Finished products – software developed for sale | 0.00 | 0.00 | 20 513.14 |
| Goods – computer equipment and software licence for resale | 4 414 036.44 | 1 297 274.41 | 3 639 364.86 |
| Advance payments for deliveries | 223 897.88 | 18 120.00 | 34 794.58 |

At OPTeam SA, individual items of tangible current assets are measured as follows :

* finished products – at cost of production,
* semi-products and work in progress – at cost of production,
* materials and goods – at purchase price.

Under Work in progress, the Company records the cost incurred up to the balance sheet date due to ongoing service agreements which are not completed as of the balance sheet date and software under development for repeated sales. Goods include mainly equipment bought for the sake of pending IT projects.

* 1. Liabilities under borrowings

**Liabilities under borrowings as of 30 June 2016**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Bank / Lender** | **Seat** | **Contractual amount** | | **Amount outstanding** | | **Repayment** | **Securities** |
| **Currency** | **in PLN** | **Currency** | **In PLN** |
| Bank Pekao S.A . multi-purpose credit line – contract no. PCK/9/2008 as of 30 June 2008 with amendments from no.1 to no.9. Current amendment no. 9 dated on 30 June 2016 | Kraków | - | 3 000 000.00 | - | 0.00 | 31.05.2017 | * authorisation for the Bank granted by the Company to access its current account at Bank Pekao S.A. in Rzeszów * statement of OPTeam SA on voluntary submission to execution of a monetary benefit, * registered pledge on fixed assets (plant and machinery) amounting to PLN 1 690 157.63 including assignment of rights under insurance policy, * blank promissory note * second rank contractual mortgage capped at PLN 4 500 000.00 on a property in Tajęcina entered into land & mortgage register KW RZ1Z/00162028/1 |
| ING Bank Śląski S.A.- multi-product agreement no 887/2014/0000159/00 as of 18.08.2014 with amendments no 1 to 5, revolving credit limit capped at PLN 12 M, including sublimits for: working capital facility in bank accounts PLN 5 M, working capital facilities in credit accounts PLN 5M, bank sureties PLN 2 M. | Katowice | - | 10 000 000.00 | - | 4 051 147.69 | 16.08.2017 | * capped mortgage on a property in Tajęcina, land & mortgage register KW RZ1Z/00162028/1 amounting to PLN 8 050 000.00 * assignment of rights under property insurance policy * blank promissory note |
| **Total** |  |  | **13 000 000.00** |  | **4 051 147.69** |  |  |

As of 30.06.2016 there are no long-term liabilities under borrowings.

**Liabilities under borrowings**

|  |  |  |  |
| --- | --- | --- | --- |
| Description | Status as of 30.06.2016 | Status as of 31.12.2015 | Status as of 30.06.2015 |
| **Borrowings** | **4 051 147.69** | **658 757.57** | **3 740 568.07** |
| - long-term | 0.00 | 0.00 | 0.00 |
| - short-term | 4 051 147.69 | 658 757.57 | 3 740 568.07 |

* 1. Other financial liabilities

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Status as of 30.06.2016** | **Status as of 31.12.2015** | **Status as of 30.06.2015** |
| **Financial lease liabilities, including:** | **1 503 631.63** | **1 769 014.24** | **1 088 441.17** |
| Long-term – under financial leases | 773 821.36 | 1 030 412.43 | 494 467.62 |
| Short-term – under financial leases | 729 710.27 | 738 601.81 | 593 973.55 |
| **Other financial liabilities, including:** | **0.00** | **0.00** | **0.00** |
| Short-term liabilities on forward contracts | 0.00 | 0.00 | 0.00 |
| **Other financial liabilities total** | **1 503 631.63** | **1 769 014.24** | **1 088 441.17** |

As of 30 June 2016, OPTeam S.A. has the following financial lease agreements:

* for the use of 14 cars – total value of lease contracts is PLN 1 330 791.44, sum of outstanding instalments with interest is PLN 901 298.31, and
* for the use of IT equipment (on-site services) – total value of lease contracts is PLN 1 496 346.10, sum of outstanding instalments with interest is PLN 673 450.18.
  1. Operating expenses

| **Description** | **from 01.01.2016**  **to 30.06.2016** | **from 01.01.2015**  **to 30.06.2015** |
| --- | --- | --- |
| **Operating expenses** |  |  |
| Depreciation | 1 944 336.68 | 1 576 317.36 |
| Consumption of materials and energy, including | **1 887 517.27** | **1 761 001.38** |
| - consumption of materials | 1 764 192.44 | 1 633 413.46 |
| - consumption of energy | 123 324.83 | 127 587.92 |
| Third-party services, including | **6 198 072.22** | **12 070 487.96** |
| - rental of office and service space | 136 515.52 | 151 245.52 |
| - telecommunications services | 104 799.54 | 148 081.05 |
| - renovation and transport services | 184 556.25 | 204 014.71 |
| - subcontractor services | 4 834 836.36 | 10 679 437.67 |
| - other services | 937 364.55 | 887 709.01 |
| Taxes and charges | 152 898.38 | 153 810.18 |
| Wages and salaries | 5 116 085.11 | 5 384 749.10 |
| Social security and other benefits, including | 1 223 728.73 | 1 247 118.09 |
| - contributions to ZUS | 893 087.89 | 912 610.82 |
| Other prime costs, including: | **1 097 066.00** | **1 222 335.76** |
| - business travel | 519 032.77 | 543 491.55 |
| - advertising and entertainment | 342 855.85 | 454 776.21 |
| - property and vehicle insurance | 173 245.13 | 176 055.95 |
| - other prime costs | 61 932.25 | 48 012.05 |
| **Total costs according to type** | **17 619 704.39** | **23 415 819.83** |
| **Cost of sales and overheads** | **5 768 561.57** | **4 553 589.85** |
| **Change in inventories, products and accruals and manufacturing cost of products for entity’s own purpose** | **1 822 991.28** | **1 886 743.08** |
| **Manufacturing cost of sold products and services** | **10 028 151.54** | **16 975 486.90** |

`

* 1. Types and amounts of items affecting assets, liabilities, capital, net financial result, cash flows, which are atypical in terms of type, volume or frequency

As of 30 June 2016 and in the period covered by this Statement, there was an atypical item in the statement of OPTeam S.A. in terms of volume or frequency.

In June 2016 the Company completed the transaction of purchasing 50% of shares of Centre of Electronic Clearance Polish ePayment SA and disposal of 75% of this entity’s shares. The above transaction had a significant influence on increase of balance sheet total, reserves (net result) of about PLN 25 M. It also influenced cash flows from financing activities, including inflows of about PLN 112 M and outflows of about PLN 76 M. The transaction was presented in details in note C.20. It was a one-off deal.

* 1. Information on issue, redemption and repayment of debt and capital securities

**Debt securities.**

OPTeam S.A. did not issue debt securities in the reporting period or in preceding years.

**Share issue.**

OPTeam S.A. did not issue shares in the reporting period.

* 1. Related parties

OPTeam is equity-linked to Polish ePayment. Other related parties of the Company are Members of its Management and Supervisory bodies, and close family members of those people.

**Commercial transactions with personally related parties in H1 of 2016.**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Description | Sales of services | Purchase of services | Sales of goods | Purchase of goods | Liabilities | Accounts receivable |
| Elżbieta Jolanta Pelczar | 0.00 | 36 531.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Kancelaria Adwokacka W. Zaniewicz, H. Zaniewicz s.c. (through Mr W. Zaniewicza) | 375.15 | 0.00 | 874.34 | 0.00 | 0.00 | 0.00 |
| **Total** | **375.15** | **36 531.00** | **874.34** | **0.00** | **0.00** | **0.00** |

**Commercial transactions with personally related parties in H1 of 2015.**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Description | Sales of services | Purchase of services | Sales of goods | Purchase of goods | Liabilities | Accounts receivable |
| Bogdan Niziołek | 0.00 | 0.00 | 3 075.00 | 0.00 | 0.00 | 0.00 |
| Elżbieta Jolanta Pelczar | 0.00 | 36 900.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Kancelaria Adwokacka W. Zaniewicz, H. Zaniewicz s.c. (through Mr W. Zaniewicza) | 295.20 | 0.00 | 1 828.79 | 0.00 | 0.00 | 0.00 |
| **Total** | **295.20** | **36 900.00** | **4 903.79** | **0.00** | **0.00** | **0.00** |

**Commercial transactions with equity-linked parties.**

Transactions in the period from 1 January to 30 June 2016 between OPTeam S.A. and affiliated company Polish ePayment are disclosed hereunder: :

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Company | Revenue – sales of goods and services | Purchase of goods and services | Accounts payable | Accounts receivable |
| Centre of Electronic Clearance Polish ePayment SA | 735 169.83 | 50 121.72 | 38.13 | 105 455.22 |

**Transactions in the period from 1 January to 30 June 2015 between OPTeam S.A. and Polish ePayment.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Revenue – sales of goods and services | Purchase of goods and services | Accounts payable | Accounts receivable |
| Centre of Electronic Clearance Polish ePayment SA | 630 316.33 | 45 761.67 | 0.00 | 223 717.13 |

* 1. Payments to key management

**Payments to key management total**

|  |  |  |
| --- | --- | --- |
| **Description** | from 01.01.2016  **to 30.06.2016** | from 01.01.2015  **to 30.06.2015** |
| **Remuneration paid out** | **386 874.33** | **542 814.38** |
| - to the Management Board | 350 874.33 | 506 814.38 |
| - to the Supervisory Board | 36 000.00 | 36 000.00 |
| **Remuneration due** | **386 874.33** | **386 814.38** |
| - to the Management Board | 350 874.33 | 350 814.38 |
| - to the Supervisory Board | 36 000.00 | 36 000.00 |

**Remuneration of individual management and supervisory officers – paid out**

| **Description** | from 01.01.2016  **to 30.06.2016** | from 01.01.2015  **to 30.06.2015** |
| --- | --- | --- |
| **A. For service, total remuneration – paid out** | **386 874.33** | **542 814.38** |
| **Management Board of OPTeam S.A.** | **350 874.33** | **506 814.38** |
| Wacław Szary | 117 000.00 | 169 000.00 |
| Bogdan Niziołek | 116 874.33 | 169 000.00 |
| Ryszard Woźniak | 117 000.00 | 168 814.38 |
| **Supervisory Board of OPTeam S.A.** | **36 000.00** | **36 000.00** |
| Janusz Bober | 12 000.00 | 12 000.00 |
| Andrzej Pelczar | 6 000.00 | 6 000.00 |
| Wiesław Zaniewicz | 6 000.00 | 6 000.00 |
| Andrzej Ziemiński | 6 000.00 | 6 000.00 |
| Marcin Lewandowski | 6 000.00 | 6 000.00 |
| **B. Other remuneration** | **0.00** | **0.00** |
| **Total remuneration paid out** | **386 874.33** | **542 814.38** |

**Remuneration of individual management and supervisory officers – due**

|  |  |  |
| --- | --- | --- |
| **Description** | from 01.01.2016  **to 30.06.2016** | from 01.01.2015  **to 30.06.2015** |
| **A. For service, total remuneration – due** | **386 874.33** | **386 814.38** |
| **Management Board of OPTeam S.A.** | **350 874.33** | **350 814.38** |
| Wacław Szary | 117 000.00 | 117 000.00 |
| Bogdan Niziołek | 116 874.33 | 117 000.00 |
| Ryszard Woźniak | 117 000.00 | 116 814.38 |
| **Supervisory Board of OPTeam S.A.** | **36 000.00** | **36 000.00** |
| Janusz Bober | 12 000.00 | 12 000.00 |
| Andrzej Pelczar | 6 000.00 | 6 000.00 |
| Wiesław Zaniewicz | 6 000.00 | 6 000.00 |
| Andrzej Ziemiński | 6 000.00 | 6 000.00 |
| Marcin Lewandowski | 6 000.00 | 6 000.00 |
| **B. Other remuneration** | **0.00** | 0.00 |
| **Total remuneration due** | **386 874.33** | **386 814.38** |

* 1. Significant achievements of OPTeam SA in the reporting period

In the reporting period there were no significant events other than those described herein.

* 1. Seasonality or circularity of the Company’s operations in the interim period

Like most companies in the IT sector, the sales of 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

* 1. The Management’s position on the feasibility of realising the published performance forecasts for the given year, in light of results presented in the semi-annual report compared to forecast results.

OPTeam S.A. did not publish forecasts for 2016.

* 1. Court proceedings – identification of proceedings at court, arbitration bodies of proper jurisdiction or public administration bodies.

As of 30 June 2016 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.

* 1. Information on the issuer concluding one or more transactions with related parties, if they are individually or collectively significant and violate the arm’s lenght principle.

The Issuer discloses that in the reporting period covered by this Report OPTeam S.A. did not conclude transactions with related parties other than according to the arm’s length principle.

* 1. Operating segments

The issuer runs its business solely in information technology, involving the sale of IT services and supplying computer hardware. Nearly all of the revenue is also generated in Poland. For this reason, the Issuer did not present a division into operating segments for H1 of 2016 and comparable periods.

In the current reporting period OPTeam S.A. derived revenue in excess of 10% of the overall sales revenue from a single buyer, including: in H1 of 2016 from a buyer from IT sector, i.e. Apollo Sp. z o.o. with its seat in Rzeszów, the sales amounted to 10.85 % of total sales, whereas in H1 of 2015 the Company generated revenues amounting to 12.63 % of total sales from a buyer from the energy sector, i.e. PGE Dystrybucja SA with its seat in Lublin.

* 1. Contingent liabilities

Contingent liabilities include insurance bonds and bank sureties 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 except for the case of using a guaranteed sum (from surety bond) in January 2015 related to withdrawal of a purchaser from an agreement, however in this case the subcontractor payed back to OPTeam the total amount of paid guaranteed sum.

**Received bonds**

|  |  |  |  |
| --- | --- | --- | --- |
| **Contingent liabilities** | **Status as of 30.06.2016** | **Status as of 31.12.2015** | **Status as of 30.06.2015** |
| **Received insurance bonds,** including: | **1 279 689.66** | **1 423 189.66** | **1 264 802.71** |
| - for performance bonds | 1 279 689.66 | 1 423 189.66 | 1 264 802.71 |
| - for bid bonds in public tendering procedures | 0.00 | 0.00 | 0.00 |
| **Received bank sureties,** including: | **433 243.43** | **571 553.43** | **192 866.97** |
| - for performance bonds | 187 243.43 | 456 553.43 | 118 966.97 |
| - for bid bonds in public tendering procedures | 246 000.00 | 115 000.00 | 73 900.00 |

* 1. Information on loan sureties or securities granted by the issuer or its subsidiary – 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

**Granted sureties**

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 of 22.04.2013 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 on 25.10.2010 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 PLN 7 000 000 (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.

On 19 May 2016 OPTeam SA as a Surety and Kolporter Sp. z o.o. spółka k.a. with its seat in Kielce – acting in the agreement as a Seller, signed a surety agreement up to the amount of PLN 3 000 000, which constitutes an additional security granted by OPTeam, next to the surety granted by OPTeam pursuant to the agreement concluded on 22 April 2013 between Kolporter and OPTeam and Centre of Electronic Clearance Polish ePayment up to the amount of PLN 7 000 000 (in words: seven million zlotys).

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Entity** | **Regon** | **Type of liability** | **Amount of liability  ( PLN)** | **Term of surety**  **from-to** |
| Centre of Electronic Clearance Polish ePayment with its seat in Rzeszów – security for the payment of debt to **Kolporter Sp. z o.o.** Spółka komandytowo-akcyjna, under goods supply agreement for PeP, concluded on 25.10.2010. | 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. |
| Centre of Electronic Clearance Polish ePayment with its seat in Rzeszów – security for the payment of debt to **Kolporter Sp. z o.o**. Spółka komandytowo-akcyjna, under goods supply agreement for PeP, concluded on 25.10.2010. | 180523400 | guarantee of liabilities | Surety up to  PLN 3 000 000 | From  19.05.2016 up to 12 months  after the due  date of the final  invoice issued  by Kolporter Sp. z o.o. |

* 1. Dividends paid out and proposed to be paid out

Under resolution no 7/2016 of the Ordinary General Meeting of OPTeam S.A. of 11 May 2016 regarding distribution of profit of OPTeam S.A. for the business year 2015, the amount of PLN 1 240 943.22, i.e. PLN 0.17 (seventeen grosz) per share was designated for dividend payment.

The Ordinary General Meeting of OPTeam S.A. determined the following dates related to the dividend payment for fiscal 2015:

* the date of record - on 20 May 2016,
* the date of payment - on 07 June 2016.

On 7 July 2016, the dividend was paid out to shareholders to a total of PLN 1 240 943.22.

* 1. Financial instruments

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | Status as of 30.06.2016 | Status as of 31.12.2015 | Status as of 30.06.2015 |
| **Financial assets (total)** | **14 625 354.79** | **17 934 211.54** | **14 713 148.33** |
| Borrowings and receivables | **14 625 354.79** | **17 934 211.54** | **14 713 148.33** |
| - trade receivables | 13 244 393.27 | 14 207 295.47 | 13 261 962.98 |
| - other accounts receivable | 354 906.77 | 614 363.31 | 549 418.56 |
| - other long-term financial assets (deposits) | 400 000.00 | 400 000.00 | 400 000.00 |
| - cash | 626 054.75 | 2 712 552.76 | 501 766.79 |
| Financial assets for disposal | 0 | 0 | 0 |
| Financial assets available for sale | 0 | 5 994 584.71 | 5 994 584.71 |
| **Financial liabilities (total)** | **15 130 304.70** | **12 953 059.07** | **14 325 982.58** |
| Financial liabilities valued at amortised cost, including: | **13 626 673.07** | **11 184 044.83** | **13 237 541.41** |
| - bank loans | 4 051 147.69 | 658 757.57 | 3 740 568.07 |
| - trade payables | 9 344 177.04 | 10 193 556.71 | 8 276 569.24 |
| - other liabilities | 231 348.34 | 331 730.55 | 1 220 404.10 |
| Liabilities under financial lease and other financial liabilities | 1 503 631.63 | 1 769 014.24 | 1 088 441.17 |

**Reclassification of assets**

As of 30 June 2015 and throughout the reporting period, the Company did not reclassify items of financial assets valued at cost or amortised cost to items valued at fair value, nor did it reclassify items of financial assets valued at fair value to items valued at cost or amortised cost.

**Exclusion of assets**

In the period covered by this financial statement, the Company did not transfer any financial assets causing any risks or benefits to arise in the future resulting in a liability or cost.

**Liabilities and contingent liabilities secured on financial assets**

In H1 of 2016, the Company did not conclude hedging transactions.

**Financial assets established as security for liabilities**

As of 30 June 2016 and as of 30 June 2015 the Company has a bank deposit in an interest bearing account, established in 2014, constituting a security for liabilities.

|  |  |
| --- | --- |
| **Agreement** | **Financial assets established as a security** |
| Państwowy Zakład Ubezpieczeń S.A. in Warsaw, Commission agreement on periodically granting contract bonds no UO/GKR/162/04-131 as of 17.11.2004 along with Amendement no 14 of 25.07.2016 – an exposure limit of PLN 3,500,000. | Funds in the amount of PLN 400,000 blocked in the account alongside the authorization for PZU S.A. to administer the bank account constitute a security of repayment of possible claims of PZU S.A. against OPTeam S.A. Funds will be blocked until total repayment of liabilities with interests, fees and other costs. |

**Assets or non-financial assets secured to the Company’s benefit**

No securities were established to the Company’s benefit on financial or non-financial assets, for which the Company was entitled to sell the security or register another pledge in the case of owner of the secured assets fulfilling all of their obligations.

**Hedge accounting**

The Company is not involved in hedging activities.

**Fair value of financial instruments**

The fair value of financial assets and liabilities does not differ significantly from the carrying values disclosed in the balance sheet.

**Interest incomes and expenses related to financial instruments:**

|  |  |  |
| --- | --- | --- |
| **Interest incomes** | from 01.01.2016  to 30.06.2016 | from 01.01.2015  to 30.06.2015 |
| Bank interest | 6 436.26 | 3 566.01 |
| Interest from counterparties | 13 139.82 | 17 246.94 |
| **Total** | **19 576.08** | **20 812.95** |
| - including those from impaired assets | 0.00 | 0.00 |

|  |  |  |
| --- | --- | --- |
| **Interest expenses** | from 01.01.2016  to 30.06.2016 | from 01.01.2015  to 30.06.2015 |
| Interest on loans | 63 372.09 | 61 650.40 |
| Interest on financial leases | 41 993.66 | 28 236.06 |
| Other interest | 36.18 | 60.91 |
| **Total** | **105 401.93** | **89 947.37** |

**Impairment losses according to the financial instrument category**

|  |  |  |
| --- | --- | --- |
| **Impairment losses according to the financial instrument category** | from 01.01.2016  to 30.06.2016 | from 01.01.2015  to 30.06.2015 |
| Credit and receivables | 393 926.28 | 123 350.36 |
| Write-downs on interest on receivables (as financial instruments) | 0.00 | 0.00 |
| Financial liabilities | 0.00 | 0.00 |
| **Total** | **393 926.28** | **123 350.36** |

* 1. Information about the nature and economic purpose of contracts concluded by the entity which are not included in the balance sheet in the scope necessary to assess their impact on the entity’s assets, finance and financial result.

OPTeam S.A. did not conclude contracts not accounted for in the balance sheet for the period from January to June 2016.

* 1. Events occurring after the balance sheet date.

After the balance-sheet date, and before the date of the condensed interim financial report for the six-month period ending 30 June 2016 there were no events which were not and should be disclosed in the accounting books of the reporting period or disclosed in the interim condensed financial statement.

* 1. Differences between data disclosed in the financial statement and previously drawn up and published financial statements.

Note C.7 because of adjustment due to error presents corrected data published in financial statement for the business year ending 31 December 2015. The reason for adjustment was presented in note C.13.

* 1. Other information which in the issuer’s opinion, is important in the assessment of its situation in terms of staff, finance, financial performance and their changes, as well as information which is important in assessing the issuer’s ability to meet its 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.

* 1. Identification of factors which, in the issuer’s opinion, will affect its performance within a time span of at least one quarter.

The issuer does not identify factors which may have a significant impact on the performance of OPTeam S.A. within a time span of at least one quarter.

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

Wacław Szary – President of the Management Board

Bogdan Niziołek – Vice President of the Management Board

Ryszard Woźniak – Vice President of the Management Board

Tajęcina, 31 August 2016