



***ANNUAL FINANCIAL STATEMENT
of OPTeam S.A.
for 2018***

(excerpt)

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

TAJĘCINA, 29 APRIL 2019

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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 converted in EURO

No.	Selected financial data	In k PLN		In k EUR	
		For the period from 01.01.2018 to 31.12.2018	For the period from 01.01.2017 to 31.12.2017	For the period from 01.01.2018 to 31.12.2018	For the period from 01.01.2017 to 31.12.2017
I	Net sales of products, goods and materials	67 122	68 508	15 731	16 140
II	Sales profit (loss)	-810	-4 396	-190	-1 036
III	Operating profit (loss)	-195	-4 158	-46	-980
IV	Earnings (loss) before tax	1 540	-5 533	361	-1 304
V	Net profit (loss)	1 393	-5 460	326	-1 286
VI	Net cash flows from operating activities	282	-6 728	66	-1 585
VII	Net cash flows from investing activities	-917	-8 549	-215	-2 014
VIII	Net cash flows from financing activities	741	1 634	174	385
IX	Total net cash flows – change in cash	106	-13 643	25	-3 214
X	Earnings (loss) per common share (PLN / EUR)	0.19	-0.75	0.04	-0.18
		In k PLN		In k EUR	
		As of 31.12.2018	As of 31.12.2017	As of 31.12.2018	As of 31.12.2017
XI	Total assets	54 158	48 102	12 595	11 533
XII	Long-term liabilities and provisions	6 833	7 113	1 589	1 705
XIII	Short-term liabilities and provisions	18 306	12 559	4 257	3 011
XIV	Equity	29 019	28 430	6 749	6 816
XV	Authorised capital	730	730	170	175
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)	3.98	3.89	0.92	0.93

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 2018, 1 EUR = PLN 4.3000

on 31 December 2017, 1 EUR = PLN 4.1709

- 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 2018 to 31 December 2018, 1 EUR = PLN 4.2669

in the period from 1 January 2017 to 31 December 2017, 1 EUR = PLN 4.2447

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

ASSETS	Number of note in additional information	As of 31.12.2018	As of 31.12.2017
A. Fixed assets		33 090 792.92	31 964 598.49
1. Goodwill	1	184 193.99	184 193.99
2. Other intangible assets	1	3 340 897.39	4 601 629.66
3. Tangible assets	2	16 474 321.66	16 165 817.44
4. Investment real estate		-	-
5. Long-term receivables	3	118 606.74	100 558.48
6. Investment in subsidiaries	4	9 944 112.80	10 217 636.11
7. Financial assets	4	2 835 148.48	400 000.00
8. Deferred income tax assets	6	193 511.86	294 762.81
9. Other accruals	11	-	-
B. Current assets		21 066 880.23	16 137 871.29
1. Inventories	8	2 211 125.15	3 447 095.13
2. Trade receivables	9	17 195 233.81	11 637 287.61
3. Contract assets	9	611 045.24	-
4. Other accounts receivable	9	59 735.33	183 764.22
5. Corporate taxes	9	-	-
6. Taxes, subsidies, customs duty, social insurance	9	228 121.31	227 037.88
7. Financial assets		-	-
8. Cash and cash equivalents	10	489 119.76	382 753.09
9. Accruals	11	272 499.63	259 933.36
C. Fixed assets for sales	5	-	-
TOTAL ASSETS		54 157 673.15	48 102 469.78
LIABILITIES			
A. Equity		29 018 890.37	28 430 224.98
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	22 089 513.06	27 549 556.09
4. Capital reserve	16	5 626 807.38	5 611 807.38
5. Retained profit (loss)	14	- 819 822.45	-
6. Net profit (loss)		1 393 487.84	- 5 460 043.03
7. Write-offs from current year's profit		-	-
B. Long-term liabilities		6 832 527.49	7 113 299.69
1. Bank loans	17	-	-
2. Financial liabilities	19	528 494.96	286 221.97
3. Trade payables		-	-
4. Other liabilities		-	-
5. Provision for deferred income tax	7	537 119.60	574 074.27
6. Provisions for other liabilities	20	75 863.57	60 864.64
7. Accruals	21	5 691 049.36	6 192 138.81
C. Short-term liabilities		18 306 255.29	12 558 945.11
1. Bank loans	17	3 747 196.98	2 451 021.28
2. Financial liabilities	19	502 464.80	263 214.92
3. Trade payables	18	11 152 344.69	7 028 074.21
4. Contractual liabilities	18	473 853.78	-
5. Income tax and other tax liabilities	18	-	-
6. Other liabilities	18	1 491 573.28	1 454 436.52
7. Provisions for liabilities	20	434 654.66	699 251.60
8. Accruals	21	504 167.10	662 946.58
D. Liabilities related to fixed assets for sale		-	-
TOTAL LIABILITIES		54 157 673.15	48 102 469.78

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

Profit and loss statement	Number of note in additional information	For the period from 01.01.2018 to 31.12.2018	For the period from 01.01.2017 to 31.12.2017
A. Continued operations			
I. Sales of products, goods and materials, including:	23	67 121 577.90	68 508 177.84
1. Sales of products and services		32 911 243.56	24 637 505.06
2. Sales of goods and materials		34 210 334.34	43 870 672.78
II. Cost of products, goods and materials sold, including:	24	56 939 348.27	62 063 846.92
1. Cost of products and services sold		29 280 791.97	25 047 408.26
2. Cost of goods and materials sold		27 658 556.30	37 016 438.66
III. Gross sales profit (loss)		10 182 229.63	6 444 330.92
1. Selling expenses		5 332 953.39	5 372 772.10
2. General and administrative expenses		5 658 836.48	5 467 107.08
IV. Sales profit (loss)		-809 560.24	-4 395 548.26
1. Other operating income	25	1 072 317.54	1 051 953.43
2. Other operating expenses	26	457 832.82	814 739.05
V. Operating profit (loss)		-195 075.52	-4 158 333.88
1. Financial incomes	27	2 153 856.98	131 452.52
2. Financial expenses	28	144 906.13	162 581.26
3. Share in the net result of an associated entity valued with the equity method	4	-273 523.31	-1 343 162.81
VI. Earnings (loss) - before tax		1 540 352.02	-5 532 625.43
1. Income tax	29	146 864.18	-72 582.40
VII. Net profit (loss) from continued operations		1 393 487.84	-5 460 043.03
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		1 393 487.84	-5 460 043.03
Net profit for the business year (in PLN)		1 393 487.84	-5 460 043.03
Weighted average number of common shares	35	7 299 666	7 299 666
Earnings per common share (in PLN)		0.19	-0.75
Diluted weighted average number of common shares	35	7 859 666	7 299 666
Diluted earnings per common share (in PLN)		0.18	-0.75

* As of 31.12.2018 and 31.12.2017, OPTTEAM SA held 334 own shares.

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

Statement of comprehensive income	For the period from 01.01.2018 to 31.12.2018	For the period from 01.01.2017 to 31.12.2017
I. Net profit (loss)	1 393 487.84	-5 460 043.03
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	1 393 487.84	-5 460 043.03

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

CASH FLOW STATEMENT	For the period from 01.01.2018 to 31.12.2018	For the period from 01.01.2017 to 31.12.2017
A. CASH FLOWS FROM OPERATING ACTIVITIES		
I. Earnings (loss) before tax	1 540 352.02	-5 532 625.43
II. Total adjustments (1-10)	-1 257 986.61	-1 195 698.45
1. Depreciation	2 759 571.09	2 911 714.15
2. Profit (loss) from exchange rate differences	0.00	0.00
3. Interest and profit sharing (dividends)	137 366.25	46 987.19
4. Profit (loss) from investing activities	-1 872 804.91	1 310 224.45
5. Net change in provisions	-193 205.18	-873 370.04
6. Net change in inventory	956 222.92	-1 319 490.34
7. Net change in receivables	-6 064 094.24	4 105 156.97
8. Net change in short-term liabilities except loans and credits	4 635 175.84	-7 649 075.98
9. Net change in accruals	-811 395.93	-446 830.85
10. Other adjustments*	-804 822.45	0.00
11. Income tax paid	0.00	718 986.00
III. Net cash flows from operating activities (I+/-II)	282 365.41	-6 728 323.88
B. CASH FLOWS FROM INVESTING ACTIVITIES		
I. Inflows	117 677.95	473 956.96
1. Disposal of intangible and tangible assets	110 950.11	45 972.76
2. Disposal of investments in real estate and intangible assets	0.00	0.00
3. Disposal of financial assets	6 727.84	427 984.20
4. Other investing inflows	0.00	0.00
II. Outflows	1 034 946.12	9 022 479.03
1. Acquisition of intangible and tangible assets	647 037.12	1 695 266.28
2. Investments in real estate and intangible assets	0.00	0.00
3. On financial assets	387 909.00	7 327 212.75
4. Other investing expenses	0.00	0.00
III. Net cash flows from investing activities (I-II)	-917 268.17	-8 548 522.07
C. CASH FLOWS FROM FINANCING ACTIVITIES		
I. Inflows	1 296 175.70	2 451 021.28
1. Net inflows from issue of stock (shares) and other capital instruments	0.00	0.00
2. Borrowings	1 296 175.70	2 451 021.28
3. Issue of debt securities	0.00	0.00
4. Other financing inflows – subsidies to assets	0.00	0.00
II. Outflows	554 906.27	816 932.65
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	410 812.18	700 063.45
8. Interest	144 094.09	116 869.20
9. Other financing outflow	0.00	0.00
III. Net cash flows from financing activity (I-II)	741 269.43	1 634 088.63
D. TOTAL NET CASH FLOWS (A.III +/- B.III +/- C.III)	106 366.67	-13 642 757.32
E. NET CHANGE IN CASH, INCLUDING	106 366.67	-13 642 757.32
- change in cash due to foreign exchange differences	0.00	0.00
F. OPENING BALANCE OF CASH	382 753.09	14 025 510.41
G. CLOSING BALANCE OF CASH (F +/- D), INCLUDING:	489 119.76	382 753.09
- with limited availability	0.00	0.00

*the adjustment 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 2018

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 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
Conversion of comparable data due to 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

Statement of changes in equity of OPTeam S.A. in 2017

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
Status as of 1 January 2017	730 000.00	-1 095.46	19 177 836.45	5 611 807.38	8 371 719.64	0.00	0.00	33 890 268.01
Distribution of retained financial result, including:	0.00	0.00	8 371 719.64	0.00	-8 371 719.64	0.00	0.00	0.00
- supplementary capital	0.00	0.00	8 371 719.64	0.00	-8 371 719.64	0.00	0.00	0.00
- dividend payment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total comprehensive income - net profit	0.00	0.00	0.00	0.00	0.00	-5 460 043.03	0.00	-5 460 043.03
Current year's profit write-offs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Status as of 31 December 2017	730 000.00	-1 095.46	27 549 556.09	5 611 807.38	0.00	-5 460 043.03	0.00	28 430 224.98

B. Introduction to the financial statement for 2018 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,
- 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
- 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 2018 and contains comparable data for the period of 12 months ending 31 December 2017.

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 2018.

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
Radoslaw Bednarski	Vice President of the Management Board until 30.06.2018
Jacek Błahut	Vice President of the Management Board since 21.06.2018
Rafał Gnojnicki	Vice President of the Management Board since 21.06.2018

Mr Radosław Bednarski resigned from the position of the Member of the Management Board of OPTeam S.A., effective on 30 June 2018.

On 21.06.2018 the Supervisory Board of the Company appointed Mr Jacek Błahut and Mr Rafał Gojnicki the Members of the Management Board and Vice Presidents of the Board of OPTeam S.A.

During the period covered by this report, and as of the date of the financial statement approval for publication, ie. 29 April 2019, 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, Member of the Audit Committee
Marcin Lewandowski	Member of the Supervisory Board, Head of the Audit Committee,
Ryszard Woźniak	Member of the Supervisory Board
Wacław Irzeński	Member of the Supervisory Board
Piotr Kołodziejczyk	Member of the Supervisory Board, Member of the Audit Committee

B.5. Certified Expert Auditor

Grant Thornton Polska Spółka z o.o. Sp.k.

Ul. Abpa Antoniego Baraniaka 88E

61-131 Poznań

Entered into the list of the National Board of Statutory Auditors at no 4055.

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	1 378 512	18.88 %

Waclaw Irzeński	1 372 523	18.80 %
ZM Invest S.A.	450 000	6.16 %
Other shareholders – holding less than 5% at the GMS	1 353 919	18.55 %
Total share capital	7 300 000	100.00 %

B.8. Subsidiaries

As of 31 December 2017, i.e. as of the date of this statement and the end of the preceding year the Issuer did not have subsidiaries

B.9. Consolidated financial statement

OPTeam S.A. is not a holding company, as it does not have subsidiaries. In view of the above, the Issuer does not draw up consolidated financial statements.

B.10. Company consolidation

In the course of 2018, 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 2018. 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 2018.

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 2018 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 2018 and ending on 31 December 2018, as well as the comparable period beginning on 1 January 2017 and ending on 31 December 2017.

B.13. Approval for publishing

This financial statement for the period ending on 31 December 2018 was approved for publication on 29 April 2019.

Management Board:

Tomasz Ostrowski President of the Board

Jacek Blahut 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