



**Quantum** software S.A.

**Consolidated financial statements of the  
Quantum software S.A. Capital Group for Q3, 2017**

Kraków, 24 November 2017

## Table of Contents

I. Selected financial data from the consolidated and separate financial statements	2
II. Basic principles of preparing financial statements	6
III. Notes to the consolidated financial statements for Q3, 2017	11
IV. Consolidated financial statements of Quantum Software S.A. for Q3, 2017	21
V. Separate financial statements of Quantum software S.A. for Q3, 2017	33
Statement of the Management Board concerning the preparation of the financial statements	44

**I. Selected financial data from the consolidated and separate financial statements**
**Selected financial data, including basic items of the quarterly consolidated financial statements (also translated into the Euro)**

SELECTED FINANCIAL DATA including basic items of the consolidated financial statements	in thousand PLN		in thousand EUR	
	period from	period from	period from	period from
	1.01.2017 to 30.09.2017	1.01.2016 to 30.09.2016	1.01.2017 to 30.09.2017	1.01.2016 to 30.09.2016
Net revenues from the sale of products, goods and materials	22,249	18,745	5,227	4,291
Profit (loss) on operating activity	1,668	678	392	155
Gross profit (loss)	3,232	908	759	208
Net profit (loss)	2,607	816	612	187
Net cash flows from operating activity	2,895	2,066	680	473
Net cash flows from investing activity	1,869	-1,205	439	-276
Net cash flows from financing activity	-2,512	-322	-590	-74
Total net cash flows	2,252	539	529	123
	1.01.2017 to 30.09.2017	1.01.2016 to 31.12.2016	1.01.2017 to 30.09.2017	1.01.2016 to 31.12.2016
Total assets	17,224	16,615	3,997	3,756
Liabilities and provisions for liabilities, of which:	4,138	3,597	960	813
Non-current liabilities	477	540	111	122
Current liabilities	3,661	3,057	850	691
Equity capital	13,086	13,018	3,037	2,943
Share capital	740	740	172	167
Number of shares	1,480 757	1,480 757	1,480 757	1,480 757
Diluted number of shares	1,480 757	1,480 757	1,480 757	1,480 757
Earnings (loss) per ordinary share (in PLN/EUR)	1.76	0.55	0.41	0.13
Diluted earnings (loss) per ordinary share (in PLN/EUR)	1.76	0.55	0.41	0.13
Book value per share (in PLN/EUR)	8.84	8.79	2.05	1.99
Diluted book value per share (in PLN/EUR)	8.84	8.79	2.05	1.99
Declared or paid dividend per share (in PLN / EUR)	-	-	-	-

**Principles for translating basic items of the quarterly consolidated financial statements into the euro**

Translations of selected financial data into the euro in items I through VIII use the arithmetic mean calculated on the basis of the average exchange rates of the National Bank of Poland (NBP) applicable on the last day of each month in a given period:

Arithmetic mean in the period from 1.01.2017 to 30.09.2017: PLN 4.2566

Arithmetic mean in the period from 1.01.2016 to 30.09.2016: PLN 4.3688

Translations of selected financials into the euro in items IX through XVIII use the average exchange rate of the National Bank of Poland (NBP) applicable on the date hereof.

Q3, 2017 – PLN 4.3091

Q3, 2016 – PLN 4.424

Average PLN to EUR exchange rates in the period covered by the statements		
Period	average exchange rate in the period	exchange rate as of the last day of the period
Q3, 2017	4.2566	4.3091
Q3, 2016	4.3688	4.424

**Selected financial data, including basic items of the quarterly separate financial statements (also translated into the euro)**

Selected financial data including basic items of the separate financial statements	in thousand PLN		in thousand EUR	
	period from	period from	period from	period from
	1.01.2017 to 30.09.2017	1.01.2016 to 30.09.2016	1.01.2017 to 30.09.2017	1.01.2016 to 30.09.2016
Net revenues from the sale of products, goods and materials	939	909	221	208
Profit (loss) on operating activity	43	152	10	35
Gross profit (loss)	3,058	152	718	35
Net profit (loss)	2,709	214	636	49
Net cash flows from operating activity	70	200	16	46
Net cash flows from investing activity	3,157	-200	742	-46
Net cash flows from financing activity	-2,815	-	-661	-
Total net cash flows	412	-	97	-
	1.01.2017 to 30.09.2017	1.01.2016 to 31.12.2016	1.01.2017 to 30.09.2017	1.01.2016 to 31.12.2016
Total assets	13,622	12,557	3,161	2,838
Liabilities and provisions for liabilities, of which:	2,025	305	470	69
Non-current liabilities	2	1	0	0
Current liabilities	2,023	304	469	69
Equity capital	11,597	12,252	2,691	2,769
Share capital	740	740	172	167
Number of shares	1,480 757	1,480 757	1,480 757	1,480 757
Diluted number of shares	1,480 757	1,480 757	1,480 757	1,480 757
Earnings (loss) per ordinary share (in PLN/EUR)	1.83	0.14	0.43	0.03
Diluted earnings (loss) per ordinary share (in PLN/EUR)	1.83	0.14	0.43	0.03
Book value per share (in PLN/EUR)	7.83	8.27	1.82	1.87
Diluted book value per share (in PLN/EUR)	7.83	8.27	1.82	1.87
Declared or paid dividend per share (in PLN / EUR)	-	-	-	-

**Principles applicable to the translation of basic items of the quarterly separate financial statements into the euro.**

Translations of selected financial data into the euro in items I-VIII use the arithmetic mean calculated on the basis of the average exchange rates of the National Bank of Poland (NBP) applicable on the last day of each month in a given period:

Arithmetic mean in the period from 1.01.2017 to 30.09.2017: PLN 4.2566

Arithmetic mean in the period from 1.01.2016 to 30.09.2016: PLN 4.3688

Translations of selected financials into EUR in items IX through XVIII use the average exchange rate of the National Bank of Poland (NBP) applicable on the date hereof.

Q3, 2017 – PLN 4.3091

Q3, 2016 – PLN 4.312

Average PLN to EUR exchange rates in the period covered by the statements		
Period	average exchange rate in the period	exchange rate as of the last day of the period
Q3, 2017	4.2566	4.3091
Q3, 2016	4.3688	4.424

## **II. Basic principles of preparing financial statements**

These consolidated financial statements of the Quantum software S.A. Capital Group for Q3, 2017 have been prepared in line with International Accounting Standard ("IAS") 34 and they comply with the International Financial Reporting Standards (IFRS) approved by the European Union, which include standards and interpretations published or adopted by the International Accounting Standards Board and the Standing Interpretation Committee at the IASB. These financial statements of Quantum software S.A.'s Capital Group have been prepared pursuant to Article 55 (6a) of the Accounting Act.

Data included in the report was prepared in line with the principles for measurement of assets and equity and liabilities and measurement of the net financial result specified at the balance sheet date, in line with the materiality principle. The consolidated financial statements for Q3, 2017 were prepared on the assumption that the Capital Group would continue as a going concern.

These consolidated financial statements for Q3, 2017 were prepared in line with the International Financial Reporting Standards approved by the European Union. The presentation hereof is based on IAS 34 Interim Financial Reporting, using the same principles for the current period and the comparative period.

The consolidated financial statements for Q3, 2017 were prepared in the Polish zloty with figures rounded to whole thousands.

Postings follow the historical cost principle. The company did not make any adjustments that would reflect the influence of inflation on the individual items of the balance sheet or the profit and loss account. The company prepares a profit and loss account in the multiple-step variant. The cash flow statement uses the indirect method.

### **Accounting principles adopted for the preparation of the financial statements**

Unless stated otherwise, the financial statements were prepared in thousands of PLN, on the basis of entries made in the company's books of account kept in accordance with the following accounting policies:

- 1) reliability,
- 2) correctness,
- 3) going concern,
- 4) completeness,
- 5) comparability,
- 6) income and cost matching,
- 7) consistency of accounting principles.

### **Intangible assets, Property, plant and equipment**

Methods for measuring intangible assets as well as property, plant and equipment: intangible assets as well as property, plant and equipment are measured according to the going concern principle, as specified in the International Accounting Standards. However:

- 1) Intangible assets are recognised at their purchase price, including their accumulated amortisation. The company recognises amortisation/depreciation using the straight line

method, and adopts the following accumulated amortisation/depreciation periods (useful lives):

- a) computer software – 2 years,
  - b) licences – 2 years,
  - c) copyrights – 2 years,
  - d) R&D expenses – 5 years,
  - e) The company does not hold any intangible assets with indefinite useful lives.
- 2) Fixed assets are measured at their purchase price or cost of manufacturing, less depreciation, proportionally to their periods of use. Fixed assets are depreciated throughout their useful economic life. Fixed assets, despite being used for more than one year, do not include items of low initial unit value up to PLN 3,500.00, except for fixed assets classified under group 4 (machines and equipment). Costs of purchase of these assets are recognised on a one-off basis as tax deductible expenses in the month when they were purchased or in the immediately following month. These assets are not recognised in the balance sheet. Cars are depreciated for 5 years on a straight-line basis on their initial value less their residual value equal to 20% of the initial value. All equipment classified under group 4, regardless of its initial value, is depreciated on a straight-line basis at the rates defined in accordance with their expected period of use, i.e.
- a) desktop computers – 4 years,
  - b) laptops – 3 years,
  - c) servers, printers, projectors, UPS, routers, switch boxes, changers, computer networks – 5 years,
  - d) UPS batteries – 2 years.

The company verifies the adopted useful lives of intangible assets as well as property, plant and equipment every year.

### **Financial instruments**

Methods of measuring financial instruments: financial instruments are measured in accordance with the going concern principle, in the manner defined in the International Accounting Standards; however:

Receivables are recognised in the books of account as they arise at their nominal value and at the amount due at the balance sheet date. For marking to market purposes, receivables are reduced by write-downs on doubtful receivables. Receivables in foreign currencies are measured as of the balance sheet date according to the average exchange rate of the National Bank of Poland (NBP), and the foreign exchange gains/losses are recognised in financial revenues or expenses.

Interests are measured at their purchase prices, less impairment losses.

Financial assets are measured at the lower of their purchase price or market value.

Cash at hand and in bank as well as interest on financial assets calculated on an accrual basis are measured at their nominal value, while cash in foreign currencies – at the bank's buy and sell exchange rates and at the balance sheet valuation – at the average NBP exchange rate.

Liabilities are recognised in the books at their nominal value on the day when they arise, and at the payable amount as of the balance sheet date. Liabilities in foreign currencies are measured according to the average NBP exchange rate.



Main types of financial instruments:

standard financial instruments – commercial receivables and liabilities – measured at the purchase price (on the basis of Article 29 Subsection (a) of IFRS 7), taking into account impairment losses and allowances for uncollectible receivables (on the basis of Article 58 of IAS 39),  
– cash – measured at the purchase price – on the basis of Article 29 Subsection (a) of IFRS 7,  
– borrowings, loans, leases are measured at amortised cost; however, in the opinion of the Management Board the company presents these items at the purchase price (at the payable amount) because such measurement does not affect the company's financial situation.

### **Investments**

The company classifies its investments into the following categories:

- 1) Interests in subsidiaries.

Interests in subsidiaries include interests in consolidated companies. Interests in subsidiaries are measured at the purchase price adjusted for impairment losses. Impairment losses on interests in subsidiaries are disclosed in the statement of comprehensive income as financial expenses.

### **Write-downs on non-current assets**

Property, plant and equipment, intangible assets and financial assets are verified in terms of impairment if certain events and changes take place which may cause impairment thereof. Impairment losses are recognised in other operating expenses in the periods in which such losses are incurred.

### **Inventory**

Inventory includes goods which are measured, as of the balance sheet date, at the purchase price in accordance with the prudence principle, less write-downs.

### **Trade and other receivables**

Trade receivables are recognised in the amount payable, less write-downs on doubtful receivables. Write-downs are estimated based on the recoverability of receivables, once the recovery of the full amount of receivables becomes unlikely.

### **Cash and cash equivalents**

Cash in the balance sheet includes cash in hand and cash at bank.

### **Provisions for pensions and similar obligations**

The company establishes provisions for employee benefits. The provisions are measured not less frequently than on each balance sheet date at the credibly estimated value. The provisions for employee benefits include retirement benefits. As of the balance sheet date, the company establishes provisions for the current value of retirement benefits to which employees became entitled by that date, with classification into short-term and long-term provisions, using the actuarial method. The provisions are recognised in other operating expenses. The provisions are released at the end of each reporting period based on the payments made, in correspondence to liabilities.

**Provisions**

The company establishes provisions if, as a result of economic events, certain or highly probable liabilities occur whose value can be credibly determined.

**Accruals**

Prepayments/accruals are recognised in order to preserve the matching of revenues and expenses. They relate both to expenses and revenues.

The company recognises prepayments, i.e. the costs attributable to the next reporting period.

The company recognises accruals, i.e. the amount of liabilities attributable to the current period resulting from services rendered to the entity.

Deferred income includes in particular an equivalent of invoiced services that will be performed in subsequent periods.

**Revenues from the sale of products, services, materials and goods**

Net revenues from sale cover economic benefits from the reporting period in the entity's result in a value which was reliably determined, leading to an increase in equity by increasing the value of assets or decreasing the value of liabilities in a way other than contributing shareholders' funds. In particular, this includes revenues from the sale of products, services, goods and materials.

Revenues comprise the amounts due for products and services related to auxiliary and core activity as well as for materials and goods, determined based on their net selling price, adjusted for any rebates and discounts.

Adjustments for revenues from sale are recognised in the period in which they are made.

**Other operating revenues**

Other operating revenues comprise revenues related to the company's operating activity. They include:

- 1) profit on tangible assets and intangible assets,
- 2) profit on liquidation of tangible assets,
- 3) compensations received,
- 4) release of provisions which encumbered operating expenses at the time of creation,
- 5) written-off, time-barred and cancelled liabilities.

**Financial revenues**

Revenues from interest charged to counterparties, recognised at the time it is paid by the counterparty.

Revenues from interest on cash on bank accounts are recognised when the bank credits the account.

**Operating expenses**

All sales, marketing, administrative and management expenses incurred during the reporting period. Value of goods and materials sold during the reporting periods at the purchase price.

**Other operating expenses**

Other operating expenses include expenses related to the company's operating activity.

They include:

- 1) loss on tangible assets and intangible assets,
- 2) fines and compensation paid,
- 3) provisions established,

- 4) costs of court fees.

**Financial costs**

Costs in respect of interest paid are recognised directly in the profit and loss account in the period in which they are incurred.

**Income tax**

Obligatory tax charges consist of:

- 1) corporate income tax,
- 2) deferred tax.

The current tax liability is calculated on the basis of the tax result (tax base) for a given financial year. The tax profit (loss) differs from the accounting profit (loss) due to the exclusion of non-taxable revenues and expenses. Tax charges are calculated at the tax rates applicable in the relevant financial year.

**Deferred income tax**

The company establishes deferred income tax provisions and assets in connection with temporary positive differences between the value of assets and liabilities disclosed in the accounting books and their tax value. Deferred income tax assets are recognised when it is likely that the taxable income to be generated in the future will allow for the use of temporary differences. Deferred income tax assets are also disclosed with respect to tax losses which may be deducted in the subsequent year, but only when it is probable that taxable income will be generated in the future, which would allow for using these tax losses. The company does not create deferred income tax assets if there is any doubt that they will be used in subsequent periods.

**Earnings per share**

Net earnings per share are calculated by dividing profit attributable to the shareholders by the weighted average number of ordinary shares.

**Foreign currency transactions**

Business transactions denominated in foreign currencies that result in liabilities and receivables are recognised in the accounting books according to the average exchange rate published for a given currency by the National Bank of Poland.

As of the balance sheet date, receivables and liabilities in foreign currencies are measured according to the average exchange rate published for a given currency by the National Bank of Poland.

Foreign exchange gains/losses related to settlements in foreign currencies which occurred at the date of measurement or at the payment date of receivables and liabilities are recognised in financial expenses or revenue.

**Lease**

Property, plant and equipment used under financial lease contracts which transfer to the company all the risks and benefits incidental to their ownership are recognised in the company's balance sheet at the present value of future minimum lease payments. Lease payments are apportioned between the reduction of the outstanding liability and the finance charge, recognised directly in profit or loss.

**III. Notes to the consolidated financial statements for Q3, 2017****1) General information**

The parent company of the Capital Group is Quantum software S.A. with its registered office in Kraków at ul. Walerego Sławka 3A. The company was entered in the Register of Entrepreneurs of the National Court Register (KRS) Kraków-Śródmieście, 11th Commercial Division, on 30 October 2002, under KRS No. 0000136768; PKD 62.01Z (Polish Classification of Activities) "Software business". The company's core business consists in holding activities.

Statistical identification number (REGON):	351243328
Tax identification number (NIP):	677-17-53-870
National Court Register (KRS):	0000136768
Share capital fully paid-up	PLN 740,378.50 ( <u>since 6.10.2017 the share capital has been PLN 657,435.00</u> )

**Management Board:**

President of the Management Board	Tomasz Hatala
Vice-President of the Management Board	Bogusław Ożóg
Vice-President of the Management Board	Marek Jędra
Member of the Management Board	Tomasz Mnich

**Supervisory Board:**

Chairman of the Supervisory Board	Leopold Kutyla
Deputy Chairman of the Supervisory Board	Tomasz Polończyk
Member of the Supervisory Board	Henryk Gaertner
Member of the Supervisory Board	Andrzej Ruciński
Member of the Supervisory Board	Marcin Buczkowski

The quarterly financial statements were prepared on the assumption that the units of the Quantum software S.A. Capital Group would continue as a going concern in the foreseeable future.

**2) Organisational structure of the Group as of 24.11.2017 – details of subsidiaries and related parties:****1. Company name: Quantum East Sp. z o.o. – subsidiary**

Registered office: Kraków  
Address: Walerego Sławka 3a  
National Court Register (KRS): 0000294284  
Shareholders: 58.09% of shares held by Quantum Qguar sp. z o.o.  
Share capital fully paid up: PLN 308.950,00

**2. Company name: Quantum International Sp. z .o.o. – subsidiary in Ukraine**

Registered office: Kiev  
Address: Jaroslavskij pereulok 7/9, office 40, 04071 Ukraine  
certificate No. 100107724  
Shareholders: 100% of shares held by Quantum East  
Share capital fully paid up: USD 76,200

**3. Company name: Quantum International Sp. z .o.o. – subsidiary in Russia**

Registered office: Moscow  
Address: Letnikovskaja 10/1, 115114 Russia  
certificate No. 1117746038035  
Shareholders: 99% of shares held by Quantum East  
Share capital: RUB 1,200,000.00 fully paid up

**4. Company name: Quantum I-Services Sp. z o.o. – subsidiary**

Registered office: Kraków  
Address: Walerego Sławka 3A  
National Court Register (KRS): 0000331050  
Shareholders: 100% of shares held by Quantum Qguar sp. z o.o.  
Share capital fully paid by a contribution in kind: PLN 1,500,000.00

**5. Company name: Quantum Mobile Solutions Sp. z o.o. – subsidiary**

Registered office: Kraków  
Address: Walerego Sławka 3a  
National Court Register (KRS): 0000297249  
Shareholders: 100% of shares held by Quantum I - Services Sp. z o.o.  
Share capital fully paid up: PLN 6,000.00

**6. Company name: Quantum Brasil Engenharia Em Software Ltda- ME. – subsidiary**

Registered office: Brasilia/DF  
Address: Condomínio Jardim Botânico, Etapa 01, quadra 02. Rua 01 lote 112 – loja 12, Lago Sul – Brasilia – DF – CEP 71.680-362  
Register: 11.795.637/0001-38 and NIRE No. 53201627870  
Shareholders: 85% of shares held by Quantum Qguar sp. z o.o.  
Share capital fully paid up: BRL 340,000.00

**7. Company name: EQ System East sp. z o.o. – an associated entity**

Registered office: Kraków

Address: Walerego Sławka 3A

National Court Register (KRS): 0000486510

Shareholders: 44.85% of interests held by Quantum software S.A.

Share capital fully paid up: PLN 53,500.00

**8. Company name: Quantum Qguar sp. z o.o. – subsidiary**

Registered office: Kraków

Address: Walerego Sławka 3A

National Court Register (KRS): 0000516717

Shareholders: 100% of shares held by Quantum software S.A.

Share capital paid for with a contribution in kind in the amount of PLN 3,995,000.00, and with a contribution in cash in the amount of PLN 5,000.00.

The Issuer is involved in sales of computer software and hardware and renders related services.

**Product structure of the Quantum Group**

	1.01–30.09.2017	% share	1.01–30.09.2016	% share
<b>Qguar licences and services</b>	14,785	66.4%	12,785	68.2%
<b>Goods</b>	4,088	18.4%	2,784	14.9%
<b>Other sales</b>	3,377	15.2%	3,176	16.9%
<b>Total</b>	<b>22,250</b>	<b>100%</b>	<b>18,745</b>	<b>100%</b>

Data in thousand PLN

**Sales by markets**

	1.01–30.09.2017	% share	1.01–30.09.2016	% share
<b>Domestic</b>	16,266	73.1%	14,814	79.0%
<b>Abroad</b>	5,984	26.9%	3,931	21.0%
<b>Total</b>	<b>22,250</b>	<b>100%</b>	<b>18,745</b>	<b>100%</b>

Data in thousand PLN

**3) Description of the Capital Group's organisation with identification of consolidated entities and changes in the Group's structure (if any).**

The Group is composed of the following companies:

Quantum software S.A. – the parent company of the Group, after setting up Quantum Qguar Sp. z o.o., at present it carries out mainly holding activities.

Quantum East sp. z o.o. – a subsidiary of the Group; 58.09% of its shares are held by Quantum Qguar sp. z o. o. - of holding nature. Full consolidation method.

Quantum International sp. z o.o. (Ukraine) – a subsidiary of the Group in which Quantum East Sp. z o.o. holds 100% of shares – the activity consists in selling and implementing IT solutions provided by Quantum software SA in Russian-speaking countries. Full consolidation method.

Quantum International sp. z o.o. (Russia) – a subsidiary of the Group; Quantum East Sp. z o.o. holds 99% of its shares; the company was established to focus on sales and implementation of IT solutions offered by Quantum software S.A. in Russia.

Quantum I- Services sp. z o.o. – a subsidiary of the Group; 100% of its shares are held by Quantum Qguar sp. z o. o. – business focus consists in sales of licences, hardware and IT services that are not directly related to Quantum software S.A.'s own products (i.e. the Qguar series at present). Full consolidation method.

Quantum Mobile Solutions sp. z o.o. – the Group's subsidiary, in which Quantum I – Services Sp. z o.o. holds 100% of shares. The business focus of the company consists in the development and sales of IT solutions for mobile devices.

Quantum Brasil Engenharia em Software Ltda- ME. – a subsidiary of the Group; 85% of its shares are held by Quantum Qguar sp. z o.o. The purpose of the company is to introduce Quantum's offer to the Federative Republic of Brazil.

EQ System East sp. z o.o., a subsidiary of the Group; 44.85 % of its shares are held by Quantum software S.A. The purpose of the company is to introduce a system for the automatic planning of manufacturing processes to the Eastern European market (Russia, Ukraine and Belarus).

Quantum Qguar sp. z o.o. – a subsidiary of the Group; 100% of its shares are held by Quantum software S.A. The company develops and implements IT systems.

**4) Identification of the effects of changes in the structure of companies, including effects resulting from business combinations, acquisitions or sale of the member companies of the issuer's capital group, long-term investments, division, restructuring and discontinuation of operations:**

In Q3, 2017 there were changes in the structure of the Capital Group as on 15 September 2017 1,124 shares were disposed of, representing 59.2 percent of the share capital, in Edisona sp. z o.o. for a total of PLN 2,091,068.00 (say: two million nine hundred one thousand and sixty-eight zloty), on which the Issuer reported in current report no. 21/2017.

**5) Material changes in estimates, including adjustments in provisions, deferred income tax provisions and assets, and any recognised write-downs on assets.**

In Q3, 2017 no significant events took place influencing estimates and, by the same token, adjustments relative to provisions, deferred income tax provisions and assets and any recognised write-downs on assets.

**6) Assessment of the Capital Group's basic economic and financial figures**

After Q3, 2017 the Capital Group recorded sales revenues of PLN 22,250 thousand, which constitutes a 18.7% increase (the figure for the comparable period in the preceding year – PLN 18,745 thousand).

Revenues from the sale of products and services connected with own Qguar software package amounted to PLN 14,785 thousand (66.4% of total revenues), and were 15.6% higher than revenues in the corresponding period of last year.

The Capital Group closed Q3, 2017 cumulatively with an operating profit of PLN 1,668 thousand (PLN 679 thousand in the corresponding period of last year) and a net profit of PLN 2,607 thousand (PLN 816 thousand in the corresponding period of the past year). Most of that sum results from selling shares in EDISONDA.

The Issuer maintains a stable structure of financing current activity which is principally based on financing by means of equity and current trade liabilities.

The current financing structure will not cause any risk of losing or upsetting liquidity.

**7) Description of the Issuer's significant achievements or failures in the period covered by the report, and a list of major related events:**

➤ **New customers acquired in Poland and abroad:**

- Rail & Sea Logistics Polska sp. z o.o. (Quantum Qguar)
- Nowodworski sp.j. (Quantum Qguar)
- Białystok University of Technology (Quantum Qguar)
- SFD S.A. (Quantum Qguar)
- Arteria Logistics sp. z o.o. (Quantum Qguar)



- Cosmo Group sp. z o.o. sp. k. (Quantum Qguar)
- Marcopol sp. z o.o. Screw manufacturer (Quantum Qguar)
- ZTP "Otmuchów" S.A. (Quantum Qguar)
- Grodnenckaja tabackaja fabrika "NEMAN" sp. z o.o. (Quantum Interantional Ukraina)

➤ **New contracts/implementations for existing customers:**

- Saint – Gobain Construction Products Polska sp. z o.o. (Quantum Qguar)
- Żabka Polska SA (Quantum Qguar)
- Piekarnia Oskroba SA (Quantum Qguar)
- Tip – Topol sp. z o.o. (Quantum Qguar)
- Redet SA (Quantum Qguar)
- DSV Road sp. z o.o. (Quantum Qguar)
- Solid Logistic sp. z o.o. (Quantum Qguar)
- Dino Polska S.A. (Quantum Qguar)
- S.C Tymbark Maspex Romania s.r.l. (Quantum Qguar)
- Partners sp. z o.o. (Quantum Qguar)
- Pepco Poland sp. z o.o. (Quantum Qguar)
- Mirgorodskij zawod miniralnych bod (Quantum International Ukraina)

**8) Description of factors and events, in particular unusual factors and events, with a considerable influence on the financial results:**

In Q3, 2017 the Issuer disposed of all shares in Edisona sp. z o.o., on which the Issuer reported in current report no. 21/2017. The gross profit from the sale of the shares amounted to PLN 1,953 thousand, which had a significant impact on the financial performance delivered by the unit and the Group.

**9) Notes on the seasonality or cyclicity of the Issuer's business in the presented period:**

The influence of seasonality on the Issuer's and the Group's performance remains as insignificant as in the previous periods.

**10) Information on the issue, redemption and repayment of debt and equity securities:**

In Q3, 2017 Quantum software S.A. and its subsidiaries did not perform any issue of shares, did neither redeem nor repay debt or equity securities.

**11) Information on the dividend paid or declared, in total and per share, broken down by equity and preference shares:**

On 26 June 2017 the Annual General Meeting of Quantum software S.A. adopted resolution no. 6/2017 on distributing the net profit of Quantum software S.A. for 2016. According to the resolution, the record date was 25 August 2017 while the dividend payout date was set on 8 September 2017.

The dividend per share was 1.46 PLN. The Issuer reported on the foregoing in current reports no. 18/2017 and 20/2017.

**12) Events after the day as of which the condensed quarterly financial statements were prepared, not included in these statements, which could have a significant influence on the Issuer's future financial performance**

On 6 October 2017, by way of decision of the District Court for Kraków-Śródmieście in Kraków, 11th Commercial Division of the National Court Register (KRS), pursuant to Resolutions no. 5 and no. 6 of the Extraordinary General Meeting of Quantum software S.A. of 16 March 2017 the Issuer redeemed 165,887 equity shares and decreased the company's share capital. Thus, as of the date hereof, the share capital of Quantum software S.A. amounts to PLN 657,435.00 and the volume of shares of all issues is 1,314,870.

**13) Information concerning changes in contingent liabilities or contingent assets which have occurred after the end of the last financial year**

In period described here, there were no significant events resulting in the changes in contingent liabilities or contingent assets.

**14) Position of the Management Board concerning the possibility of meeting previously published profit/loss forecasts for a given year, in the light of the results presented in the quarterly report in relation to the forecast profit/loss:**

The company did not publish any performance forecasts for the year.

**15) Identification of shareholders holding, directly or indirectly through their subsidiaries, at least 5% of the total number of votes at the Issuer's General Meeting as of the date of submission of the quarterly report, including the number of shares held by such entities, their percentage share in the share capital, the number of resulting votes and their percentage share in the total number of votes at the general meeting, as well as identification of changes in the structure of ownership of substantial shareholdings of the issuer since the submission of the previous quarterly report:**

To the best of the company's knowledge, as of 24 November 2017, the day of publication of the quarterly report, the company's principal shareholder is Minvesta Sp. z o.o. with its registered office in Kraków, holding 675,421 A series registered shares, which constitute a total of 51.37% of the company's share capital and carry 1,350,842 votes at the General Meeting, which constitutes 65.42% of the total number of votes and holding 277,491 B series bearer shares of the company, which constitute a total of 21.10% of the company's share capital and carry 277,491 votes as the General Meeting of the company, which constitutes 13.44% of the total number of votes.

All the A and B series shares of the company, held by MINVESTA Sp. z o.o., constitute a total of 72.47% of the company's share capital and they carry 1,628 votes at the General Meeting of the company, which constitutes 78.86% of the total number of votes.

**16) Issuer's shares or rights thereto held by the Issuer's managers and supervisors as of the publication date of the semi-annual report and changes in their ownership, in the period following the publication of the previous report, for each person separately:**

**The company's Management Board (as of 24 November 2017)**

<b>Tomasz Hatala</b>	36,200
<b>Bogusław Ożóg</b>	31,924
<b>Marek Jędra</b>	8,200
<b>Tomasz Mnich</b>	3,400

**Members of the Supervisory Board holding the company's shares (as of 24 November 2017)**

<b>Tomasz Polończyk</b>	8,193
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**17) Identification of proceedings pending before a court, a competent arbitration authority or a public administration authority, including the information on:**

In the reporting period, neither the company nor its subsidiaries or related parties instituted or were a party to the proceedings before court or public administration authority concerning claims whose total amount would exceed 10% of equity.

**18) Information on the conclusion by the Issuer or its subsidiary of one or more material transactions with related entities, if they are material (separately and jointly) and if they were not arm's length transactions:**

In the reporting period the company did not conclude any such agreements with related entities.

**19) Information on the issuer's or its subsidiaries' loan or borrowing guarantees or warranties granted jointly to a single entity or its subsidiary, if the total value of the existing guarantees or warranties is equivalent to at least 10 % of the issuer's equity capital.**

In the reporting period neither the company nor its subsidiaries granted such sureties or guarantees whose amount would exceed 10% of the Issuer's equity.

**20) Other information that, in the Issuer's opinion, is significant in order to evaluate its human resources, assets, financial position, financial performance and changes thereof as well as any information considered significant in order to evaluate the Issuer's capacity to meet its obligations:**

The conclusion of an agreement for selling shares in Edisonda sp. z o.o. had a significant impact on the financial performance of the unit and the Group as well as on the company's HR and economic standing.

The transaction generated a one-off gross profit of PLN 1,801,036.00 (say: one million eight hundred one thousand and thirty-six zloty). At the same time it should be pointed out that in future consolidated reports of the Group the results of Edisonda Sp. z o.o. will not be taken into account and that this will affect the comparability of periods.

**21) Identification of factors which, in the issuer's opinion, will continue to influence the financial results for at least one quarter:**

Factors which influence the Quantum software S.A. Capital Group's development in the subsequent quarter include factors independent of the company itself as well as internal factors which depend on Quantum software S.A. and entities composing the Capital Group.

External factors include:

- economic growth rate and corporate investments in Poland;
- effects of the conflict in Ukraine, the economic situation in this country and in Russia;
- impact of the crisis or low economic growth in certain Euro zone countries on the economy of Poland and its neighbours;
- the economic situation in Latin America;
- risk related to significant fluctuations of the PLN exchange rate against euro;
- risk related to the exchange rates of the Ukrainian, Russian and Brazilian currencies (currencies of the markets on which the Group's companies operate);
- extended decision-making processes in entities concerning IT expenses;
- changes of the market amount of remunerations of IT experts unfavourable for the Group (remunerations are the most significant cost item);
- concentrated competitor activity in the Group's main business area;
- fast technological progress in the industry that may produce solutions more effective than those applied by the Group.

Internal factors which influence the Capital Group's development include:

- timely completion of works specified in the contracts whose implementation started in previous quarters in accordance with budgeted expenditure and contractual terms;
- successful and timely completion of development works with respect to new products and services;
- effective HR policy so as to eliminate the risk of turnover by qualified and skilled employees;
- success of marketing efforts in acquiring new contracts;

- efficient investment strategy in subsidiaries, in particular the success of applied methods of selling own products on foreign markets.

Kraków, 24 November 2017

**Signatures of Members of the Management Board:**

**President of the Management Board**                      Tomasz Hatala

**Vice-President of the Management Board**                      Bogusław Ożóg

**Vice-President of the Management Board**                      Marek Jędra

**Member of the Management Board**                      Tomasz Mnich

**IV. Consolidated financial statements of Quantum Software S.A. for Q3, 2017**

<b>Consolidated statement of financial position</b>	<b>30.09.2017</b>	<b>30.06.2017</b>	<b>31.12.2016</b>	<b>30.09.2016</b>
<b>ASSETS</b>				
<b>Non-current assets</b>	<b>2,061</b>	<b>2,353</b>	<b>2,350</b>	<b>2,528</b>
Property, plant and equipment	1,302	1,416	1,400	1,509
Investment property	-	-	-	-
Biological assets	-	-	-	-
Goodwill of subordinates	-	-	-	-
Intangible assets	202	245	335	427
Investments in associates measured with the equity method	17	18	18	19
Financial assets available for sale	-	-	-	-
Borrowings granted	251	289	224	219
Other financial assets	-	-	-	-
Deferred income tax assets	278	371	368	354
Other long-term receivables and prepayments	11	14	5	-
<b>Current assets</b>	<b>15,163</b>	<b>15,410</b>	<b>14,265</b>	<b>13,148</b>
Inventory	408	366	895	744
Trade receivables	4,174	4,733	4,985	3,785
Other short-term receivables and prepayments	1,057	1,165	1,098	1,320
Income tax receivables	-	-	2	-
Financial assets measured at fair value through the financial result	-	-	-	-
Financial assets available for sale	-	-	-	-
Borrowings granted	132	83	89	404
Other financial assets	-	-	-	-
FX futures	-	-	-	-
Cash and cash equivalents	9,392	9,063	7,196	6,895
<b>Non-current assets classified as held for sale</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>17,224</b>	<b>17,763</b>	<b>16,615</b>	<b>15,676</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity capital</b>	<b>13,086</b>	<b>10,586</b>	<b>13,018</b>	<b>12,023</b>
<b>Equity attributable to the shareholders of the parent company</b>	<b>13,286</b>	<b>10,587</b>	<b>12,928</b>	<b>12,088</b>
Stated capital	740	740	740	740
Share premium	9,341	9,341	9,341	9,612
Equity shares	-1,299	-1,299	-1,211	-1,211
Reserve and supplementary capitals	11	330	447	1,808
Revaluation reserve	-	-	-	-

Amounts recognised directly in equity and related to assets classified as held for sale	-	-	-	-
Foreign exchange gains/losses on translation	-96	-61	-162	-60
Profit/loss on sale of subsidiary	-	-	-	-
Profit/loss from previous years	2,022	633	2,071	342
Profit/loss from the current year	2,567	903	1,702	857
<b>Non-controlling interests</b>	<b>-200</b>	<b>-1</b>	<b>90</b>	<b>-65</b>
<b>LIABILITIES</b>	<b>4,138</b>	<b>7,177</b>	<b>3,597</b>	<b>3,653</b>
<b>Non-current liabilities</b>	<b>477</b>	<b>498</b>	<b>540</b>	<b>653</b>
Provisions	211	212	212	229
Deferred income tax provisions	166	187	206	227
Long-term bank loans and borrowings	-	-	-	115
Other non-current financial liabilities	100	99	122	82
Other non-current liabilities and accruals	-	-	-	-
<b>Current liabilities</b>	<b>3,661</b>	<b>6,679</b>	<b>3,057</b>	<b>3,000</b>
Provisions	6	7	7	6
Short-term bank loans and borrowings	-	-	-	-
Short-term portion of long-term bank loans and borrowings	-	-	-	-
Other current financial liabilities	164	156	71	159
Trade creditors	1,897	1,647	1,418	1,578
Other current liabilities and accruals	1,302	4,834	1,392	1,257
Income tax liabilities	292	35	169	-
FX futures	-	-	-	-
<b>Liabilities related to non-current assets classified as held for sale</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>17,224</b>	<b>17,763</b>	<b>16,615</b>	<b>15,676</b>

<b>Consolidated income statement (by function)</b>	<b>1.07.2017 to 30.09.2017</b>	<b>1.01.2017 to 30.09.2017</b>	<b>1.07.2016 to 30.09.2016</b>	<b>1.01.2016 to 30.09.2016</b>
Revenues from the sale of products, goods and materials	6,525	22,249	5,957	18,745
Costs of products, goods and materials sold	4,873	15,980	4,547	13,564
Movement in products – subsidy received for intangible assets and fixed assets	-	-	-	-
<b>Gross profit/loss on sales</b>	<b>1,652</b>	<b>6,269</b>	<b>1,410</b>	<b>5,181</b>
Selling costs	476	1,491	44	1,111
General administrative expenses	1,039	3,199	1,380	3,278
<b>Profit / loss on sales</b>	<b>137</b>	<b>1,579</b>	<b>-14</b>	<b>792</b>
Other operating revenues	20	104	2	24
Other operating expenses	12	15	53	138
<b>Profit (loss) on operating activity</b>	<b>145</b>	<b>1,668</b>	<b>-65</b>	<b>678</b>
Financial revenues	34	99	-130	235
Financial costs	92	487	-42	4
Share in profit/loss of associates	-1	-1	-	-1
Profit/loss on sale of shares in an associate	1,953	1,953	-	-
<b>Gross profit/loss</b>	<b>2,039</b>	<b>3,232</b>	<b>-153</b>	<b>908</b>
Income tax	368	625	-9	92
<b>Net profit (loss) on continued operations</b>	<b>1,671</b>	<b>2,607</b>	<b>-144</b>	<b>816</b>
Profit/loss on discontinued operations for the financial year	-	-	-	-
<b>Net profit/loss for the reporting period</b>	<b>1,671</b>	<b>2,607</b>	<b>-144</b>	<b>816</b>
<b>Net profit/loss attributable to:</b>	<b>1,671</b>	<b>2,607</b>	<b>-144</b>	<b>816</b>
<i>Shareholders of the parent company</i>	<i>1,663</i>	<i>2,566</i>	<i>-181</i>	<i>857</i>
<i>Non-controlling interests</i>	<i>8</i>	<i>41</i>	<i>37</i>	<i>-41</i>
<b>Other comprehensive income</b>	<b>-34</b>	<b>67</b>	<b>27</b>	<b>-127</b>
Profit/loss on revaluation of property, plant and equipment	-	-	-	-
Profit/loss on measurement of investments available for sale charged to the equity capital	-	-	-	-
Profit/loss on cash flow hedges (effective portion)	-	-	-	-
Foreign currency translation differences (foreign operations)	-34	67	27	-127
Income tax related to items presented in other comprehensive income	-	-	-	-
Acquisition of capitals from non-controlling interests	-	-	-	-
<b>Total comprehensive income</b>	<b>1,637</b>	<b>2,674</b>	<b>-117</b>	<b>689</b>
<b>Comprehensive income attributable to:</b>	<b>1,637</b>	<b>2,674</b>	<b>-117</b>	<b>689</b>



<i>Shareholders of the parent company</i>	1,659	2,632	-148	724
<i>Non-controlling interests</i>	-22	42	31	-35
<b>Earnings/loss per share in PLN:</b>				
<b>On continued operations</b>				
<i>Basic</i>	-	1.76	-	0.55
<i>Diluted</i>	-	1.76	-	0.55
<b>On continued and discontinued operations</b>				
<i>Basic</i>	-	1.76	-	0.55
<i>Diluted</i>	-	1.76	-	0.55



reclassified from capital													
Total revenues and expenses for the financial year recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the financial year	-	-	-	-	-	-	-	-	2,566	2,566	41	2,607	
<b>Other changes in equity</b>	-	-	<b>-88</b>	<b>-436</b>	-	-	-	-	<b>-1,750</b>	<b>-2,274</b>	<b>-332</b>	<b>-2,606</b>	
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of the financial result	-	-	-	-116	-	-	-	-	-3,228	-3,344	-150	-3,494	
Acquisition of equity shares	-	-	-88	-	-	-	-	-	88	-	-	-	-
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of the reserve capital to the stated capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary capital	-	-	-	-	-	-	-	-	15	15	11	26	
Profit/loss on sale of subsidiary	-	-	-	-320	-	-	-	-	1,375	1,056	-193	863	
<b>Closing balance</b>	<b>740</b>	<b>9,341</b>	<b>-1,299</b>	<b>11</b>	-	-	-	<b>-96</b>	<b>4,589</b>	<b>13,286</b>	<b>-200</b>	<b>13,086</b>	

Consolidated statement of changes in equity												
for the period	Equity attributable to the shareholders of the parent company										Non-controlling interests	Total equity
30.09.2016	Stated capital	Share premium	Equity shares	Reserve and supplementary capital	Revaluation reserve	Amounts recognised directly in equity and related to assets classified as held for sale	Foreign exchange gains/losses on translation	Profit/loss on sale of subsidiary	Profit/loss brought forward and profit/loss for the current year	Total		
<b>Opening balance before restatement</b>	740	9,677	-102	51	-	-	66	-	2,239	12,671	20	12,691
Changes in the accounting policy	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments for fundamental errors	-	-	-	-	-	-	-	-	-	-	-	-
<b>Opening balance after adjustments (restated)</b>	740	9,677	-102	51	-	-	66	-	2,239	12,671	20	12,691
<b>Total comprehensive income</b>	-	-	-	-	-	-	-126	-	851	725	-59	666
Profit/loss on revaluation of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss on measurement of investments available for sale charged to the equity capital	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss on cash flow hedges (effective portion)	-	-	-	-	-	-	-	-	-	-	-	-
Foreign currency translation differences (foreign operations)	-	-	-	-	-	-	-126	-	-6	-132	-18	-150
Income tax related to items presented in other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-

Total revenues and expenses for the financial year recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the financial year	-	-	-	-	-	-	-	-	857	857	-41	816	
<b>Other changes in equity</b>	-	-65	-1,109	1,757	-	-	-	-	-1,891	-1,308	-26	-1,334	
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-	
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	
Distribution of the financial result	-	-65	-	1,756	-	-	-	-	-1,910	-219	-21	-240	
Acquisition of equity shares	-	-	-1,109	-	-	-	-	-	-	-1,109	-	-1,109	
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	
Reclassification of the reserve capital to the stated capital	-	-	-	-	-	-	-	-	-	-	-	-	
Supplementary capital	-	-	-	1	-	-	-	-	19	19	-5	14	
Profit/loss on sale of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Closing balance</b>	<b>740</b>	<b>9,612</b>	<b>-1,211</b>	<b>1,808</b>	-	-	-60	-	<b>1,199</b>	<b>12,088</b>	<b>-65</b>	<b>12,023</b>	

Consolidated statement of changes in equity												
for the period	Equity attributable to the shareholders of the parent company										Non-controlling interests	Total equity
31.12.2016	Stated capital	Share premium	Equity shares	Reserve and supplementary capital	Revaluation reserve	Amounts recognised directly in equity and related to assets classified as held for sale	Foreign exchange gains/losses on translation	Profit/loss on sale of subsidiary	Profit/loss brought forward and profit/loss for the current year	Total		
Opening balance before restatement	740	9,677	-102	51	-	-	66	-	2,240	12,672	20	12,692
Changes in the accounting policy	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments for fundamental errors	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance after adjustments (restated)	740	9,677	-102	51	-	-	66	-	2,240	12,672	20	12,692
Total comprehensive income	-	-	-	-	-	-	-228	-	1,702	1,474	128	1,602
Profit/loss on revaluation of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss on measurement of investments available for sale charged to the equity capital	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss on cash flow hedges (effective portion)	-	-	-	-	-	-	-	-	-	-	-	-
Foreign currency translation differences (foreign operations)	-	-	-	-	-	-	-228	-	-	-228	-18	-246
Income tax related to items presented in or reclassified from capital	-	-	-	-	-	-	-	-	-	-	-	-

Total revenues and expenses for the financial year recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the financial year	-	-	-	-	-	-	-	-	1,702	1,702	146	1,848	
<b>Other changes in equity</b>	-	<b>-336</b>	<b>-1,109</b>	<b>396</b>	-	-	-	-	<b>-169</b>	<b>-1,218</b>	<b>-58</b>	<b>-1,276</b>	
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of the financial result	-	-336	-	332	-	-	-	-	-187	-191	-13	-204	
Acquisition of equity shares	-	-	-1,109	-	-	-	-	-	-	-1,109	-	-1,109	
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of reserve capital to supplementary capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary capital	-	-	-	64	-	-	-	-	18	82	-45	37	
<b>Closing balance</b>	<b>740</b>	<b>9,341</b>	<b>-1,211</b>	<b>447</b>	-	-	<b>-162</b>	-	<b>3,773</b>	<b>12,928</b>	<b>90</b>	<b>13,018</b>	

<b>Consolidated cash flow statement (indirect method)</b>	<b>1.01.2017 to 30.09.2017</b>	<b>1.01.2016 to 30.09.2016</b>
<b>Gross profit/loss</b>	<b>3,232</b>	<b>908</b>
<b>Adjustments for items:</b>	<b>-337</b>	<b>1,158</b>
Share in net profit/loss of associates and joint ventures accounted for using the equity method	1	1
Non-controlling interests	-	-
Depreciation and amortisation	578	786
Goodwill impairment	-	-
Foreign exchange gains/losses	224	-185
Interest expenses and revenues	-40	-135
Dividend revenues	-	-
Profit/loss on investing activity	-2,084	74
Movement in provisions	-	-
Movement in inventory	485	-615
Movement in receivables and prepayments	85	1,476
Movement in liabilities and accruals	669	-47
Income tax paid/refunded	-279	-238
Other adjustments	24	41
<b>Net cash flows from operating activity</b>	<b>2,895</b>	<b>2,066</b>
<b>Cash flow from investing activity</b>		
Inflows from sale of fixed assets and intangible assets	60	22
Net inflows from the sale of associates and subsidiaries	-	-
Inflows from the sale of financial assets	2,091	-
Inflows from interest	56	108
Inflows from dividends	-	-
Repayment of borrowings granted	389	631
Outflows on the acquisition of property, plant and equipment as well as intangible assets	268	292
Net outflows on the acquisition of subsidiaries and associates	-	1,109
Outflows on the acquisition of short-term financial assets	-	-
Borrowings granted	459	565
Other	-	-
<b>Net cash flows from investing activity</b>	<b>1,869</b>	<b>-1,205</b>
<b>Cash flows from financing activity</b>		
Inflows from loans and borrowings	-	-
Net inflows from the issue of shares	-	16
Net inflows from the issue of bonds, bills of exchange and bills	-	-
Repayment of loans and borrowings	-	143
Payment of financial lease liabilities	136	163



Dividends paid out to the company's shareholders	2,167	-
Dividends paid out to the shareholders holding non-controlling interests	150	-
Acquisition of equity shares	-	-
Interest paid	59	32
Other	-	-
<b>Net cash flows from financing activity</b>	<b>-2,512</b>	<b>-322</b>
<b>Increase/decrease in cash and cash equivalents</b>	<b>2,252</b>	<b>539</b>
<b>Opening balance of cash and cash equivalents as well as overdrafts</b>	<b>7,196</b>	<b>6,380</b>
<i>Foreign exchange gains/losses related to measurement of cash and cash equivalents as well as overdrafts</i>	-56	-24
<b>Closing balance of cash and cash equivalents as well as overdrafts</b>	<b>9,392</b>	<b>6,895</b>

**V. Separate financial statements of Quantum software S.A. for Q3, 2017**

Separate statement of financial position	30.09.2017	30.06.2017	31.12.2016	30.09.2016
<b>ASSETS</b>				
<b>Non-current assets</b>	<b>9,931</b>	<b>10,217</b>	<b>10,128</b>	<b>10,169</b>
Property, plant and equipment	-	-	-	-
Intangible assets	-	-	-	-
Investments in associates measured with the equity method	24	24	24	24
Financial assets available for sale	9,701	9,991	9,991	9,991
Borrowings granted	151	88	-	-
Deferred income tax assets	55	114	113	154
Other long-term receivables and prepayments	-	-	-	-
<b>Current assets</b>	<b>3,691</b>	<b>1,516</b>	<b>2,429</b>	<b>624</b>
Inventory	-	-	-	-
Trade receivables	1,145	808	366	318
Other short-term receivables and prepayments	104	112	37	175
Income tax receivables	-	-	-	-
Financial assets measured at fair value through the financial result	-	-	-	-
Financial assets available for sale	-	-	-	-
Borrowings granted	-	-	-	-
Other financial assets	-	-	-	-
Cash and cash equivalents	2,442	596	2,026	131
<b>TOTAL ASSETS</b>	<b>13,622</b>	<b>11,733</b>	<b>12,557</b>	<b>10,793</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity capital</b>	<b>11,597</b>	<b>8,854</b>	<b>12,252</b>	<b>10,299</b>
<b>Equity attributable to the shareholders of the parent company</b>	<b>11,597</b>	<b>8,854</b>	<b>12,252</b>	<b>10,299</b>
Stated capital	740	740	740	740
Share premium	9,612	9,612	9,612	9,612
Equity shares	-1,299	-1,299	-102	-102
Reserve and supplementary capital	-	-	-	-
Profit/loss from previous years	-165	-165	-165	-165
Profit/loss from the current year	2,709	-34	2,167	214
<b>Non-controlling interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>	<b>2,025</b>	<b>2,879</b>	<b>305</b>	<b>494</b>
<b>Non-current liabilities</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>
Provisions	-	-	-	-

Deferred income tax provisions	2	1	1	1
Long-term bank loans and borrowings	-	-	-	-
Other non-current financial liabilities	-	-	-	-
Other non-current liabilities and accruals	-	-	-	-
<b>Current liabilities</b>	<b>2,023</b>	<b>2,878</b>	<b>304</b>	<b>493</b>
Provisions	-	-	-	-
Short-term bank loans and borrowings	553	-	-	-
Short-term portion of long-term bank loans and borrowings	-	-	-	-
Other current financial liabilities	-	-	-	-
Trade creditors	804	622	227	467
Other current liabilities and accruals	375	2,256	77	26
Income tax liabilities	291	-	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>13,622</b>	<b>11,733</b>	<b>12,557</b>	<b>10,793</b>

<b>Separate statement of comprehensive income (multi-step variant)</b>	<b>1.07.2017 to 30.09.2017</b>	<b>1.01.2017 to 30.09.2017</b>	<b>1.07.2016 to 30.09.2016</b>	<b>1.01.2016 to 30.09.2016</b>
Revenues from the sale of products, goods and materials	351	939	258	909
Costs of products, goods and materials sold	116	287	99	381
Movement in products – subsidy received for intangible assets and fixed assets	-	-	-	-
<b>Gross profit/loss on sales</b>	<b>235</b>	<b>652</b>	<b>159</b>	<b>528</b>
Selling costs	-	-	-	-
General administrative expenses	156	611	95	334
<b>Profit / loss on sales</b>	<b>79</b>	<b>41</b>	<b>64</b>	<b>194</b>
Other operating revenues	-	2	-	-
Other operating expenses	-	-	-1	42
<b>Operating profit/loss</b>	<b>79</b>	<b>43</b>	<b>65</b>	<b>152</b>
Financial revenues	3,017	3,022	-1	1
Financial costs	3	7	1	1
Share in profit/loss of associates	-	-	-	-
Profit/loss on the sale of shares in an associate	-	-	-	-
<b>Gross profit/loss</b>	<b>3,093</b>	<b>3,058</b>	<b>63</b>	<b>152</b>
Income tax	350	349	-	-62
<b>Net profit (loss) from continued operations</b>	<b>2,743</b>	<b>2,709</b>	<b>63</b>	<b>214</b>
Profit/loss from discontinued operations for the financial year	-	-	-	-
<b>Net profit/loss for the reporting period</b>	<b>2,743</b>	<b>2,709</b>	<b>63</b>	<b>214</b>
<b>Other comprehensive income</b>	-	-	-	-
Profit/loss on revaluation of property, plant and equipment	-	-	-	-
Profit/loss on measurement of investments available for sale charged to the equity capital	-	-	-	-
Profit/loss on cash flow hedges (effective portion)	-	-	-	-
Foreign currency translation differences (foreign operations)	-	-	-	-
Income tax related to items presented in other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<b>2,743</b>	<b>2,709</b>	<b>63</b>	<b>214</b>
<b>Earnings/loss per share in PLN:</b>	-	-	-	-
<b>On continued operations</b>	-	-	-	-
<i>Basic</i>	-	1.83	-	0.14
<i>Diluted</i>	-	1.83	-	0.14
<b>On continued and discontinued operations</b>	-	-	-	-
<i>Basic</i>	-	1.83	-	0.14
<i>Diluted</i>	-	1.83	-	0.14



other comprehensive income												
Total revenues and expenses for the financial year recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the period: 1.01.2017–30.09.2017	-	-	-	-	-	-	-	2,709	2,709	-	-	2,709
<b>Other changes in equity</b>	-	-	<b>-1,197</b>	-	-	-	-	<b>-2,167</b>	<b>-3,364</b>	-	-	<b>-3,364</b>
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of the financial result	-	-	-	-	-	-	-	-2,167	-2,167	-	-	-2,167
Acquisition of equity shares	-	-	-1,197	-	-	-	-	-	-1,197	-	-	-1,197
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of the reserve capital to the stated capital	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>740</b>	<b>9,612</b>	<b>-1,299</b>	-	-	-	-	<b>2,544</b>	<b>11,597</b>	-	-	<b>11,597</b>

Separate statement of changes in equity											
for the period	Equity attributable to the shareholders of the parent company									Non-controlling interests	Total equity
30.09.2016	Stated capital	Share premium	Equity shares	Reserve and supplementary capital	Revaluation reserve	Amounts recognised directly in equity and related to assets classified as held for sale	Foreign exchange gains/losses on translation	Profit/loss from previous years and the current year	Total		
<b>Opening balance before restatement</b>	740	9,948	-102	-	-	-	-	-501	10,085	-	10,085
Changes in the accounting policy	-	-	-	-	-	-	-	-	-	-	-
Adjustments for fundamental errors	-	-	-	-	-	-	-	-	-	-	-
<b>Opening balance after adjustments (restated)</b>	740	9,948	-102	-	-	-	-	-501	10,085	-	10,085
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	214	214	-	214
Profit/loss on revaluation of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-
Profit/loss on measurement of investments available for sale charged to the equity capital	-	-	-	-	-	-	-	-	-	-	-
Profit/loss on cash flow hedges (effective portion)	-	-	-	-	-	-	-	-	-	-	-
Foreign currency translation differences (foreign operations)	-	-	-	-	-	-	-	-	-	-	-
Income tax related to items presented in	-	-	-	-	-	-	-	-	-	-	-

other comprehensive income												
Total revenues and expenses for the financial year recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the period	-	-	-	-	-	-	-	214	214	-	-	214
<b>Other changes in equity</b>	-	<b>-336</b>	-	-	-	-	-	<b>336</b>	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of the financial result	-	-336	-	-	-	-	-	336	-	-	-	-
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of the reserve capital to the stated capital	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>740</b>	<b>9,612</b>	<b>-102</b>	-	-	-	-	<b>49</b>	<b>10,299</b>	-	-	<b>10,299</b>



Separate statement of changes in equity											
for the period	Equity attributable to the shareholders of the parent company									Non-controlling interests	Total equity
31.12.2016	Stated capital	Share premium	Equity shares	Reserve and supplementary capital	Revaluation reserve	Amounts recognised directly in equity and related to assets classified as held for sale	Foreign exchange gains/losses on translation	Profit/loss from previous years and the current year	Total		
<b>Opening balance before restatement</b>	<b>740</b>	<b>9,948</b>	<b>-102</b>	-	-	-	-	<b>-501</b>	<b>10,085</b>	-	<b>10,085</b>
Changes in the accounting policy	-	-	-	-	-	-	-	-	-	-	-
Adjustments for fundamental errors	-	-	-	-	-	-	-	-	-	-	-
<b>Opening balance after adjustments (restated)</b>	<b>740</b>	<b>9,948</b>	<b>-102</b>	-	-	-	-	<b>-501</b>	<b>10,085</b>	-	<b>10,085</b>
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	<b>2,167</b>	<b>2,167</b>	-	<b>2,167</b>
Profit/loss on revaluation of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-
Profit/loss on measurement of investments available for sale charged to the equity capital	-	-	-	-	-	-	-	-	-	-	-
Profit/loss on cash flow hedges (effective portion)	-	-	-	-	-	-	-	-	-	-	-
Foreign currency translation differences (foreign operations)	-	-	-	-	-	-	-	-	-	-	-
Income tax related to items presented in	-	-	-	-	-	-	-	-	-	-	-

other comprehensive income												
Total revenues and expenses for the financial year recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the financial year	-	-	-	-	-	-	-	2,167	2,167	-	-	2,167
Adjustments for fundamental errors	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other movements in equity</b>	-	<b>-336</b>	-	-	-	-	-	<b>336</b>	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of the financial result	-	-336	-	-	-	-	-	336	-	-	-	-
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of the reserve capital to the stated capital	-	-	-	-	-	-	-	-	-	-	-	-
Reversal of actuarial measurement – incentive scheme suspended	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>740</b>	<b>9,612</b>	<b>-102</b>	-	-	-	-	<b>2,002</b>	<b>12,252</b>	-	-	<b>12,252</b>

<b>Separate cash flow statement (indirect method)</b>	<b>1.01.2017 to 30.09.2017</b>	<b>1.01.2016 to 30.09.2016</b>
<b>Cash flows on operating activity</b>		
<b>Gross profit/loss</b>	<b>3,058</b>	<b>152</b>
<b>Adjustments for items</b>	<b>-2,988</b>	<b>48</b>
Share in net profit/loss of associates and joint ventures accounted for using the equity method	-	-
Non-controlling interests	-	-
Depreciation and amortisation	-	-
Goodwill impairment	-	-
Foreign exchange gains/losses	-1	-
Interest expenses and revenues	-4	-
Dividend revenues	-1,215	-
Profit/loss on investing activity	-1,801	-
Movement in provisions	-	-
Movement in inventory	-	-
Movement in receivables and prepayments	-846	-188
Movement in liabilities and accruals	878	236
Income tax paid/refunded	-	-
Other adjustments	1	-
<b>Net cash flows from operating activity</b>	<b>70</b>	<b>200</b>
<b>Cash flows from investing activity</b>		
Inflows from sale of fixed assets and intangible assets	-	-
Net inflows from the sale of associates and subsidiaries	-	-
Inflows from the sale of financial assets	2,091	-
Inflows from interest	6	-
Inflows from dividends	1,213	-
Repayment of borrowings granted	-	-
Outflows on the acquisition of property, plant and equipment as well as intangible assets	-	-
Net outflows on the acquisition of subsidiaries and associates	-	200
Outflows on the acquisition of short-term financial assets	-	-
Borrowings granted	153	-
Other	-	-
<b>Net cash flows from investing activity</b>	<b>3,157</b>	<b>-200</b>
<b>Cash flows from financing activity</b>		
Inflows from loans and borrowings	750	-
Net inflows from the issue of shares	-	-
Net inflows from the issue of bonds, bills of exchange and bills	-	-
Repayment of loans and borrowings	200	-

Payment of financial lease liabilities	-	-
Dividends paid out to the company's shareholders	2,167	-
Dividends paid out to the shareholders holding non-controlling interests	-	-
Acquisition of equity shares	1,197	-
Interest paid	1	-
Other	-	-
<b>Net cash flows from financing activity</b>	<b>-2,815</b>	<b>-</b>
<b>Increase/decrease in cash and cash equivalents</b>	<b>412</b>	<b>-</b>
<b>Opening balance of cash and cash equivalents as well as overdrafts</b>	<b>2,026</b>	<b>131</b>
<i>Foreign exchange gains/losses related to measurement of cash and cash equivalents as well as overdrafts</i>	4	-
<b>Closing balance of cash and cash equivalents as well as overdrafts</b>	<b>2,442</b>	<b>131</b>

**Statement of the Management Board concerning the preparation of the financial statements**

The Management Board of Quantum software S.A. declares that, to the best of their knowledge, the consolidated financial statements for Q3, 2017 and comparative data were prepared in compliance with the accounting principles in force and that they present a true, accurate and fair view of the Quantum software S.A. Capital Group's economic and financial standing and its financial result and that the Interim Management Report presents a true overview of development and achievements of the Quantum software S.A. Capital Group and its situation, including basic risks and exposures.

Kraków, 24 November 2017

President of the Management Board                      Tomasz Hatala

Vice-President of the Management Board              Bogusław Ozóg

Vice-President of the Management Board              Marek Jędra

Member of the Management Board                      Tomasz Mnich