



Quantum software S.A.

**Consolidated quarterly report of the Quantum software S.A. capital group
for Q1, 2019 comprising:**

**Consolidated quarterly financial statements
Quarterly stand-alone financial information**

Kraków, 30 May 2019

The report comprises:

1. Selected financial data.
2. Basic principles adopted for the preparation financial statements.
3. Notes to the consolidated quarterly report for Q1, 2019.
4. Consolidated financial statements of Quantum Software S.A. for Q1, 2019.
5. Stand-alone financial statements of Quantum Software S.A. for Q1, 2019.

Selected financial data, including basic items of the quarterly consolidated financial statements and the condensed stand-alone financial statements (also translated into the euro)

SELECTED FINANCIAL DATA comprising basic items of the quarterly consolidated financial statements	in PLN thousand		in EUR thousand	
	period from	period from	period from	period from
	01/01/2019 to 31/03/2019	01/01/2018 to 31/03/2018	01/01/2019 to 31/03/2019	01/01/2018 to 31/03/2018
Net revenues from the sale of products, goods and materials	6,697	6,640	1,558	1,589
Profit (loss) on operating activities	776	427	181	102
Gross profit (loss)	763	305	178	73
Net profit (loss)	572	204	133	49
Net cash flows from operating activities	1,029	-51	239	-12
Net cash flows from investing activities	24	-29	6	-7
Net cash flows from financing activities	-114	-70	-27	-17
Total net cash flows	939	-150	218	-36
	01/01/2019 to 31/03/2019	01/01/2018 to 31/12/2018	01/01/2019 to 31/03/2019	01/01/2018 to 31/12/2018
Total assets	17,832	17,464	4,146	4,061
Liabilities and provisions for liabilities	4,763	4,962	1,107	1,154
Non-current liabilities	844	809	196	188
Current liabilities	3,919	4,153	911	966
Equity capital	13,069	12,502	3,038	2,907
Share capital	657	657	153	153
Number of shares as of 31/03/2019	1,314,870	1,314,870	1,314,870	1,314,870
Diluted number of shares as of 31/03/2019	1,314,870	1,314,870	1,314,870	1,314,870
Earnings (loss) per ordinary share (in PLN/EUR)	0.44	0.16	0.10	0.04
Diluted earnings (loss) per ordinary share (in PLN/EUR)	0.44	0.16	0.10	0.04
Book value per share (in PLN/EUR)	9.94	9.51	2.31	2.21
Diluted book value per share (in PLN/EUR)	9.94	9.51	2.31	2.21
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 consolidated financial data into the euro concerning the consolidated statement of comprehensive income and the consolidated cash flow statement use the arithmetic mean calculated based on the average exchange rates of the National Bank of Poland (NBP) applicable on the last day of each month in a given period:

Translations of selected consolidated financial data into the euro in the consolidated statement of financial position and the consolidated statement of changes in equity use the average exchange rate of the National Bank of Poland (NBP) applicable on the statement date.

Period	Average rate during the period	Exchange rate as of the last day of the period
2019	4.2978	4.3013
2018	4.1784	4.3000

SELECTED FINANCIAL DATA comprising basic items of the quarterly stand-alone financial statements	in PLN thousand		in EUR thousand	
	period from	period from	period from	period from
	01/01/2019 to 31/03/2019	01/01/2018 to 31/03/2018	01/01/2019 to 31/03/2019	01/01/2018 to 31/03/2018
Net revenues from the sale of products, goods and materials	314	286	73	68
Profit (loss) on operating activities	-1	1	0	0
Gross profit (loss)	2	15	0	4
Net profit (loss)	-16	13	-4	3
Net cash flows from operating activities	45	38	10	9
Net cash flows from investing activities	2	-93	0	-22
Net cash flows from financing activities	-	-10	-	-2
Total net cash flows	47	-65	11	-16
	01/01/2019 to 31/03/2019	01/01/2018 to 31/12/2018	01/01/2019 to 31/03/2019	01/01/2018 to 31/12/2018
Total assets	11,559	11,454	2,687	2,664
Liabilities and provisions for liabilities	217	96	50	22
Non-current liabilities	2	2	0	0
Current liabilities	215	94	50	22
Equity capital	11,342	11,358	2,637	2,641
Share capital	657	657	153	153
Number of shares as of 31/03/2019	1,314,870	1,314,870	1,314,870	1,314,870
Diluted number of shares as of 31/03/2019	1,314,870	1,314,870	1,314,870	1,314,870
Earnings (loss) per ordinary share (in PLN/EUR)	-0.01	0.01	0.00	0.00
Diluted earnings (loss) per ordinary share (in PLN/EUR)	-0.01	0.01	0.00	0.00
Book value per share (in PLN/EUR)	8.63	8.64	2.01	2.01
Diluted book value per share (in PLN/EUR)	8.63	8.64	2.01	2.01
Declared or paid dividend per share (in PLN/EUR)	-	-	-	-

Principles for translating basic items of the quarterly stand-alone financial statements into the euro.

Translations of selected stand-alone financial data into the euro concerning the stand-alone statement of comprehensive income and the stand-alone cash flow statement use the arithmetic mean calculated based on the average exchange rates of the National Bank of Poland (NBP) applicable on the last day of each month in a given period:

Translations of selected stand-alone financial data into the euro in the consolidated statement of financial position and the consolidated statement of changes in equity use the average exchange rate of the National Bank of Poland (NBP) applicable on the statement date.

Period	Average rate during the period	Exchange rate as of the last day of the period
2019	4.2978	4.3013
2018	4.1784	4.3000

The consolidated financial statements of the Quantum software S.A. Capital Group for Q1, 2019 were 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 the Quantum software S.A. Capital Group were prepared pursuant to Article 55 (5) of the Accounting Act.

Data included in the statements were prepared in line with the principles for measurement of assets and equity & liabilities and measurement of the net financial result specified as of the balance sheet date, in line with the materiality principle. The consolidated financial statements for Q1, 2019 were prepared on the assumption that the Capital Group would continue as a going concern.

The consolidated financial statements for Q1, 2019 were prepared in the Polish zloty, with figures rounded to whole thousands.

Accounting records follow the historical cost method. The entity did not make any adjustments that would reflect the influence of inflation on the individual items of the balance sheet or the income statement. The Company prepares the income statement in the multiple-step variant. The cash flow statement is prepared based on the indirect method.

Accounting principles adopted for the preparation of the financial statements

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

- 1) reliability,
- 2) correctness,
- 3) continuity,
- 4) completeness,
- 5) comparability,
- 6) revenue 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 in accordance with the continuity principle, as specified in the International Accounting Standards, however:

- 1) Intangible assets are recognised in the records at the acquisition price thereof, less accumulated depreciation. The Company recognises depreciation write-downs using the straight-line method and adopts the following depreciation periods (periods of use):
 - a) computer software – 2 years,
 - b) licences – 2 years,
 - c) copyrights – 2 years,
 - d) R&D costs – 5 years,

- e) the Company does not hold any intangible assets with an indefinite period of use.
- 2) Fixed assets are measured at their acquisition price or cost of manufacturing, less depreciation, proportionally to their periods of use. Fixed assets are depreciated throughout their useful economic lives. 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 using the straight-line method on their initial value less their terminal value equal to 20% of the initial value. All equipment classified under group 4, regardless of its initial value, is depreciated using the straight-line method at individual rates determined in accordance with its 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 periods of use for 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 continuity 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 denominated in foreign currencies are measured as of the balance sheet date at the average NBP exchange rate, while foreign exchange differences are recognised in financial revenues or costs.

Shares are measured at their acquisition price, less impairment losses.

Financial assets are measured at their acquisition price or market value, whichever is lower. Cash in hand and at 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 measurement – 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 denominated in foreign currencies are measured at the average NBP exchange rates.

Primary types of financial instruments:

- standard financial instruments – trade receivables and liabilities – measured at the acquisition 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 acquisition 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 acquisition 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) Shares in subsidiaries.

Shares in subsidiaries include shares in consolidated companies. Shares in subsidiaries are measured at the acquisition price adjusted for impairment losses. Impairment losses on shares in subsidiaries are recognised 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 measured as of the balance sheet date at the acquisition price, subject to the prudence principle, less write-downs.

Trade and other receivables

Trade receivables are recognised at the amount due, less any impairment losses on doubtful receivables. Write-downs are estimated on the results of the collectability of receivables when recovery of the full amount ceases to be probable.

Cash and cash equivalents

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

Provisions for retirement and similar benefits

The Company establishes provisions for employee benefits. Provisions are measured not less frequently than as of the balance sheet date at reasonable, reliably estimated value. 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. These provisions are charged to other operating expenses. Provisions are released at the end of each reporting period at the value of payments made in relation to corresponding 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.

Prepayments/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 revenue includes in particular the amount of invoiced services to be performed in the following periods.

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

Net revenues from sale includes economic benefits in the course of the reporting period which occurred as a result of the entity's business operations and have a credibly determined value, resulting in an increase in the equity capital through an increase in or a decrease in liabilities in a manner other than contribution of funds by the shareholders. In particular, this includes revenues from the sale of products, services, goods and materials.

Revenues comprise the amounts due for sold products and services related to auxiliary and core activities 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 entity's operating activities. They include:

- 1) profit on fixed assets and intangible assets,
- 2) profit on liquidation of fixed assets,
- 3) compensations received,
- 4) release of provisions which encumbered operating expenses at the moment when they were established,
- 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

Total costs of sales, marketing, administration and management incurred in the reporting period. Value of goods and materials sold in the reporting period at their purchase price.

Other operating expenses

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

They comprise:

- 1) loss on fixed assets and intangible assets,
- 2) fines and compensations paid,
- 3) provisions established,
- 4) costs of court fees.

Financial expenses

Expenses relative to interest paid are recognised directly in the income statement in the period in which they are incurred.

Income tax

Statutory charges on the result comprise:

- 1) corporate income tax (CIT),
- 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 to the result are calculated based on the tax rates applicable in a given 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 to the extent that it is probable that the taxable profit will be available against which the deductible temporary difference can be utilised. Deferred income tax assets are also recognised for tax losses that can be deducted in subsequent years; however, only when it is probable that in the future a taxable income will be earned that will make it possible to utilise such tax losses. The Company does not establish 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 as the quotient of earnings attributable to the shareholders and the weighted average of the number of ordinary shares.

Foreign currency transactions

Business transactions denominated in foreign currencies resulting in liabilities and receivables are recognised in the books of account at the average rate determined for a given currency by the National Bank of Poland.

As of the balance sheet date receivables and liabilities denominated in foreign currencies are measured at the average rate determined for a given currency by the National Bank of Poland. Foreign exchange differences relating to settlements denominated in foreign currencies arising at the date of measurement and payment of receivables and liabilities are recognised in financial revenues or costs.

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 fees are apportioned between the reduction of the outstanding liability and financial expenses and they are posted directly to the financial result.

I. Notes to the consolidated financial statements for Q1, 2019

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 Issuer’s core business mainly involves holding operations.

Statistical identification number (REGON): 351243328
Tax identification number (NIP): 677-17-53-870
National Court Register (KRS): 0000136768
Share capital fully paid-up: PLN 657,435.00

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 31/03/2019 – 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: 63.74% of shares are held by Quantum Qguar sp. z o.o.
Share capital fully paid-up: PLN 282,500.00

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

Registered office: Kiev
Address: Prospect Moskovskij
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, building no. 11
Certificate No. 1117746038035
Shareholders: 99% of shares are 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 are held by Quantum Qguar sp. z o.o.
Share capital: PLN 1,950,000.00

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 are held by Quantum Qguar sp. z o.o.
Share capital fully paid-up: PLN 340,000.00

7. 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 are held by Quantum software S.A.
 Share capital covered by 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

8. Qcadoo Limited sp. z o.o. – subsidiary

Registered office: Kraków
 Address: Walerego Sławka 3A
 National Court Register (KRS): 0000344950
 Shareholders: 99.99% of shares are held by Quantum Qguar sp. z o.o.
 Share capital: PLN 885,000, fully paid-up

Product structure of the Quantum Group

	01/01 - 31/03/2019	% share	01/01 - 31/03/2018	% share
Own licences and Qguar services	6,038	90.1%	5,094	76.7%
Goods	647	9.7%	1,307	19.7%
Other sales	12	0.2%	239	3.6%
Total	6,697	100%	6,640	100%

Data in PLN thousand

Sales by markets

	01/01 - 31/03/2019	% share	01/01 - 31/03/2018	% share
Domestic	6,109	91.2%	5,732	86.3%
Abroad	588	8.8%	908	13.7%
Total	6,697	100%	6,640	100%

Data in PLN thousand

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. – the Group's subsidiary; 63.74% 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) – the Group's subsidiary 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) – the Group's subsidiary in which Quantum East sp. z o.o. holds 99% of shares – the Company was established to focus on sale and implementation of IT solutions offered by Quantum software S.A. in Russia.

Quantum I- Services sp. z o.o. – the Group's subsidiary in which Quantum Qguar sp. z o.o. holds 100% of shares – the company's business focus consists in selling licences, hardware and IT services not directly related to Quantum software S.A.'s own products (i.e. at present the Qguar product series). 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. – the Group's subsidiary, in which Quantum Qguar sp. z o.o. holds 85% of shares. The purpose of the company is to introduce the Quantum's offer to the market of the Federative Republic of Brazil.

Quantum Qguar sp. z o.o. – the Group's subsidiary in which Quantum Software S.A. holds 100 % of shares. The company develops and implements IT systems.

Qcadoo Limited sp. z o.o. – the Group's subsidiary, in which Quantum Qguar sp. z o.o. holds 99.99% of shares – the Company implements and delivers SaaS-type software that supports production management.

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 Q1, 2019 there were no changes in the Capital Group's structure.

5) Significant changes in estimates, including adjustments on account of provisions, deferred income tax provisions and assets and recognised revaluation write-downs on assets.

In Q1, 2019 the Company did not make any adjustments on account of the deferred income tax.

6) Assessment of the basic economic and financial figures of the Capital Group recorded in Q1, 2019.

In the first quarter of 2019 the Capital Group earned total sales revenues of PLN 6,697 thousand, which means a slight increase of revenues compared to the corresponding period of the preceding year (PLN 6,640 thousand). The sale of licences and services related to the Qguar package rose by 18.5% (PLN 6,038 thousand compared to PLN 5,094 thousand).

The first quarter of 2019 was closed with a net profit of PLN 572 thousand, which is a significantly better result compared to the profit for the first quarter of 2018, i.e. PLN 204 thousand.

7) Description of the Issuer's significant achievements and failures in the period covered by the statements together with a list of the most important events related thereto

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

- EXORIGO-UPOS sp. z o.o. (Quantum Qguar)
- UAB MV GROUP Logistics (Quantum Qguar)
- Wipasz SA (Quantum Qguar)
- IMPT TABO sp. z o.o. (Quantum Qguar)
- AST Swetotehnyka sp. z o.o. (Quantum International Ukraine)
- UKSNAB non-public joint-stock company (Quantum International Ukraine)

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

- Arhelan sp. z o.o. Limited partnership (Quantum Qguar)
- Logwin Polska sp. z o.o. (Quantum Qguar)
- Żabka Polska SA (Quantum Qguar)
- Dino Polska SA (Quantum Qguar)
- Epicentr K sp. z o.o. (Quantum International Ukraine)

8) Description of factors and events, especially of non-typical nature, having a material impact on the financial performance:

There were no such events.

9) Notes on the seasonal or cyclical nature of the Issuer's business in the presented period:

The influence of the seasonal nature on the Issuer's and the Group's performance is slight and similar to the previous periods.

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

In Q1, 2019 Quantum software S.A. and its subsidiaries did not perform any issue of shares and did not either redeem or repay any debt or equity securities.

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

In Q1, 2019 described herein the Company did not pay any dividend to its shareholders.

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

There were no events of a non-typical nature after 31 March 2019 that could have had a significant influence on the Group's financial performance and that were not included in these statements.

13) Information on changes in contingent liabilities or contingent assets that occurred after the end of the last financial year

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

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

The Company did not publish any forecasts of its performance for 2019.

15) Identification of shareholders holding, directly or indirectly, through their subsidiaries, at least 5% of total votes at the Issuer's General Meeting as of the publication date 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 votes at the General Meeting and specification of changes

in the ownership structure of significant interests of the Issuer's shares in the period following the publication of the previous periodic report:

To the best of the Company's knowledge, as of 30 May 2019, i.e. as of the day of publication of the report for Q1, 2019, Minvesta sp. z o.o. with its registered office in Kraków is a shareholder holding at least 5% of the total number of votes at the Company, holding 675,421 series A registered shares with preferential voting rights, which constitute a total of 51.37% of the Company's share capital and carry 1,350,842 votes at the Company's General Meeting, which constitute 65.42% of the total number of votes, and holding 277,491 bearer shares, which constitute 21.10% of the Company's share capital and carry 277,491 votes at the Company's General Meeting, which constitute 13.44% of the total number of votes.

In the period from the publication of the annual report for the financial year 2018 to the date of the publication hereof there were no changes in the structure of ownership of significant interests of the Company's shares.

16) Volume of the Issuer's shares or rights thereto held by the Issuer's managers and supervisors as of the publication date of the report for Q1, 2019, i.e. 30 May 2019, including identification of changes in their ownership, in the period following the publication of the previous quarterly report, separately for each person:

The Company's Management Board (as of 30 May 2019)

Tomasz Hatala	40,414
Bogusław Ożóg	32,321
Marek Jędra	10,327
Tomasz Mnich	5,342

**Members of the Supervisory Board
holding the Company's shares
(as of 30 May 2019)**

Tomasz Polończyk	9,873
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In the period from the publication of the annual report for the financial year 2018 to the publication date hereof there were no changes in the holding of the Issuer's shares by managers and supervisors.

17) Indication of material proceedings pending before a court, competent arbitration authority or public administration authority concerning liabilities and claims of the Company or its subsidiaries:

In the period covered by this report the Company and its subsidiaries did not initiate and were not a party to proceedings before a court or a public administration authority concerning liabilities or claims the value of which is significant.

18) Information on a transaction or transactions concluded by the Issuer or its subsidiaries with related parties that were not arm's length transactions:

In the period in question the Company did not conclude any such agreements with related parties.

19) Information on the Issuer's or its subsidiaries' loan or borrowing sureties or guarantees granted jointly to a single entity or its subsidiary if the total value of the existing sureties or guarantees if it is significant:

In the period in question neither the Company nor its subsidiaries granted loan or borrowing sureties or guarantees the value of which would be significant.

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:

There were no such events in the period in question.

21) Identification of factors which, in the issuer's opinion, will continue to influence its financial performance for at least one quarter.

Factors that will have an impact on the development of Quantum Group over the next quarter may be divided into external/independent and internal/dependent on the Group's entities:

External factors include:

- the rate of economic growth and company investments in Poland;
- the situation in the European Union (threats caused by e.g. the refugee crisis, Brexit and the ECB's policy);
- Ukrainian and Russian crisis and its effect on sales in other countries of the Commonwealth of Independent States,
- the economic situation in Brazil and other Latin American countries;
- companies' decisions on budgets for IT expenditure;
- access of Polish companies to structural funds, which, to a certain extent, will be used for the development of IT systems and for financing R&D;

- risk related to fluctuations of the PLN/EUR exchange rate;
- activities of the competition, intensified on the Group's core market.

Internal factors include:

- timely completion of works as part of implementing commenced contracts in accordance with the adopted budgets and contractual terms;
- pursuing an effective HR policy eliminating the risk of turnover of qualified and competent employees, while maintaining the Company's profitability (payroll is the main cost item);
- effectiveness of marketing efforts in acquiring new contracts,
- successful capital expenditures.

Company's Management Board:

Kraków, 30 May 2019

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

II. Consolidated financial statements of Quantum Software S.A. for Q1, 2019.

Consolidated statement of financial position	31/03/2019	31/12/2018	31/03/2018
ASSETS			
Non-current assets	2,656	2,695	2,501
Property, plant and equipment	1,848	1,776	1,348
Investment property	-	-	-
Biological assets	-	-	-
Goodwill of subordinates	530	530	530
Intangible assets	37	48	162
Investments in associates measured with the equity method	-	4	-
Financial assets available for sale	-	-	-
Borrowings granted	89	187	290
Other financial assets	-	-	-
Deferred income tax assets	152	150	171
Non-current receivables and prepayments	-	-	-
Current assets	15,176	14,769	15,075
Inventory	53	54	316
Trade receivables	4,930	5,648	3,952
Other current receivables and prepayments	1,044	898	1,010
Income tax receivables	3	-	64
Financial assets measured at fair value through profit or loss	-	-	-
Financial assets available for sale	-	-	-
Borrowings granted	93	94	54
Other financial assets	3,260	3,248	3,853
FX futures	-	-	-
Cash and cash equivalents	5,793	4,827	5,826
Non-current assets classified as held for sale	-	-	-
TOTAL ASSETS	17,832	17,464	17,576
EQUITY & LIABILITIES			
Equity capital	13,069	12,502	14,300
Equity capital attributable to the shareholders of the parent company	13,193	12,611	14,491
Initial capital	657	657	657
Share premium	8,158	8,158	8,227
Equity shares	-13	-13	-102
Reserve and supplementary capitals	74	74	56
Revaluation reserve	-	-	-

Amounts recognised directly in the equity capital and related to assets classified as held for sale	-	-	-
Foreign exchange differences from translation	-6	-12	-52
Profit/loss on the sale of a subsidiary	-	-	-
Advance paid on dividend	-	-	-
Profit/loss from previous years	3,747	2,105	5,479
Profit/loss from the current year	576	1,642	226
Non-controlling interests	-124	-109	-191
LIABILITIES	4,763	4,962	3,276
Non-current liabilities	844	809	459
Provisions	282	282	245
Deferred income tax provisions	169	183	177
Long-term bank loans and borrowings	-	-	-
Other non-current financial liabilities	393	344	37
Other non-current liabilities and accruals	-	-	-
Current liabilities	3,919	4,153	2,817
Provisions	512	512	8
Short-term bank loans and borrowings	-	-	1
Short-term portion of long-term bank loans and borrowings	-	-	-
Other current financial liabilities	288	243	190
Trade liabilities	2,020	2,365	1,478
Other current liabilities and accruals	1,043	976	1,130
Income tax liabilities	56	57	10
FX futures	-	-	-
Liabilities related to non-current assets classified as held for sale	-	-	-
TOTAL EQUITY & LIABILITIES	17,832	17,464	17,576

Consolidated statement of comprehensive income (multi-step variant)	31/03/2019	31/03/2018
Continued operations		
Revenues from the sale of products, goods and materials	6,697	6,640
Costs of products, goods and materials sold	4,419	4,628
Movement in products – subsidy received for intangible assets and fixed assets	-	-
Gross profit/loss on sales	2,278	2,012
Selling costs	668	786
General and administrative expenses	874	919
Profit/loss on sales	736	307
Other operating revenues	156	121
Other operating expenses	116	1
Profit (loss) on operating activities	776	427
Financial revenues	87	47
Financial expenses	100	169
Share in profit/loss of associates	-	-
Profit/loss on the sale of shares in an associate	-	-
Gross profit/loss	763	305
Income tax	191	101
Net profit (loss) on continued operations	572	204
Discontinued operations	-	-
Profit/loss on discontinued operations for the financial year	-	-
Net profit/loss for the reporting period	572	204
Net profit/loss attributable to:	572	204
<i>Shareholders of the parent company</i>	576	226
<i>Non-controlling interests</i>	-4	-22
Other comprehensive income	-6	96
Gains/losses on revaluation of property, plant and equipment	-	-
Gains/losses on measurement of investments available for sale charged to the equity capital	-	-
Gains/losses on cash flow hedges (effective portion)	-	-
Foreign exchange differences from valuation of foreign operations	-6	96
Income tax related to items presented in other comprehensive income	-	-
Acquisition of capital from non-controlling interests	-	-
Total comprehensive income	566	300
Comprehensive income attributable to:	566	300

<i>Shareholders of the parent company</i>	582	313
<i>Non-controlling interests</i>	-16	-13
Earnings/loss per share in PLN:	-	-
On continued operations	-	-
<i>Basic</i>	0.44	0.16
<i>Diluted</i>	0.44	0.16
On continued and discontinued operations	-	-
<i>Basic</i>	0.44	0.16
<i>Diluted</i>	0.44	0.16

Consolidated statement of changes in equity												
for the period	Equity capital attributable to the shareholders of the parent company										Non-controlling interests	Total equity capital
31 March 2019	Initial capital	Share premium	Equity shares	Reserve and supplementary capitals	Revaluation reserve	Amounts recognised directly in equity and related to assets classified as held for sale	Foreign exchange differences from translation	Profit/loss on the sale of a subsidiary	Profit/loss from previous years and for the current year	Total		
Opening balance before restatement	657	8,158	-13	74	-	-	-12	-	3,747	12,611	-109	12,502
Changes in the accounting policy	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments for fundamental errors	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance after adjustments (after restatement)	657	8,158	-13	74	-	-	-12	-	3,747	12,611	-109	12,502
Total comprehensive income	-	-	-	-	-	-	6	-	576	582	-16	566
Gains/losses on revaluation of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Gains/losses on measurement of investments available for sale charged to the equity capital	-	-	-	-	-	-	-	-	-	-	-	-
Gains/losses on cash flow hedges (effective portion)	-	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange differences from	-	-	-	-	-	-	6	-	-	6	-12	-6

valuation of foreign operations													
Income tax connected with items presented in or reclassified from capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues and costs for the financial year recognised directly in the equity capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit (loss) for the period	-	-	-	-	-	-	-	-	576	576	-4	572	
Other movements in the equity capital	-	-	-	-	-	-	-	-	-	-	1	1	
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-	
Redemption of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	
Distribution of the financial result	-	-	-	-	-	-	-	-	-	-	-	-	
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	
Acquisition of shares in a subsidiary	-	-	-	-	-	-	-	-	-	-	1	1	
Reclassification of the reserve capital to the initial capital	-	-	-	-	-	-	-	-	-	-	-	-	
Profit/loss on the sale of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	
Closing balance	657	8,158	-13	74	-	-	-6	-	4,323	13,193	-124	13,069	

Foreign exchange differences from valuation of foreign operations	-	-	-	-	-	-	87	-	-	87	9	96
Income tax connected with items presented in or reclassified from capital	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues and costs for the financial year recognised directly in the equity capital	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the financial year	-	-	-	-	-	-	-	-	226	226	-22	204
Other movements in the equity capital	-	-	-	-22	-	-	-	-	40	18	-18	-
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-
Redemption of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of the financial result	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of shares in a subsidiary	-	-	-	-22	-	-	-	-	40	18	-18	-
Reclassification of the reserve capital to the initial capital	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss on the sale of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	657	8,227	-102	56	-	-	-52	-	5,705	14,491	-191	14,300

Consolidated statement of changes in equity												
for the period	Equity capital attributable to the shareholders of the parent company										Non-controlling interests	Total equity capital
31 December 2018	Initial capital	Share premium	Equity shares	Reserve and supplementary capitals	Revaluation reserve	Amounts recognised directly in equity and related to assets classified as held for sale	Foreign exchange differences from translation	Profit/loss on the sale of a subsidiary	Profit/loss from previous years and for the current year	Total		
Opening balance before restatement	657	8,227	-102	78	-	-	-139	-	5,439	14,160	-160	14,000
Changes in the accounting policy	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments for fundamental errors	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance after adjustments (after restatement)	657	8,227	-102	78	-	-	-139	-	5,439	14,160	-160	14,000
Total comprehensive income	-	-	-	-	-	-	127	-	1,642	1,769	-23	1,746
Gains/losses on revaluation of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Gains/losses on measurement of investments available for sale charged to the equity capital	-	-	-	-	-	-	-	-	-	-	-	-
Gains/losses on cash flow hedges (effective portion)	-	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange differences from	-	-	-	-	-	-	127	-	-	127	41	168

valuation of foreign operations													
Income tax connected with items presented in or reclassified from capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues and costs for the financial year recognised directly in the equity capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the financial year	-	-	-	-	-	-	-	-	1,642	1,642	-64	1,578	
Other movements in the equity capital	-	-69	89	-4	-	-	-	-	-3,334	-3,318	74	-3,244	
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Redemption of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of the financial result	-	12	-	18	-	-	-	-	-2,947	-2,917	-	-2,917	
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-81	89	-	-	-	-	-	-	8	-	8	
Acquisition of shares in a subsidiary	-	-	-	-22	-	-	-	-	-33	-	74	74	
Holiday provisions from previous years	-	-	-	-	-	-	-	-	-354	-354	-	-354	
Profit/loss on the sale of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	
Closing balance	657	8,158	-13	74	-	-	-12	-	3,747	12,611	-109	12,502	

Consolidated cash flow statement (indirect method)	31/03/2019	31/03/2018
Gross profit/loss	763	305
Adjustments for items:	266	-356
Share in net profit/loss of associates and joint ventures accounted for using the equity method	-	-
Non-controlling interests	-	-
Depreciation	155	179
Goodwill impairment	-	-
Foreign exchange gains/losses	-78	70
Interest expenses and revenues	67	-17
Dividend revenues	-	-
Profit/loss on investing activities	-49	-9
Movement in provisions	-	-
Movement in inventory	-32	711
Movement in the balance of receivables and prepayments	639	1,268
Movement in the balance of liabilities and accruals	-261	-2,312
Income tax paid/refunded	-224	-256
Other adjustments	49	10
Net cash flows from operating activities	1,029	-51
<i>Cash flows from investing activities</i>		
Inflows from the sale of fixed assets and intangible assets	63	-
Net inflows from the sale of associates and subsidiaries	-	-
Inflows from the sale of financial assets	-	-
Inflows relative to interest	7	10
Inflows relative to dividends	-	-
Repayment of borrowings granted	27	45
Outflows on the acquisition of property, plant and equipment as well as intangible assets	58	69
Net outflows on the acquisition of subsidiaries and associates	-	-
Outflows on the acquisition of short-term financial assets	-	-
Borrowings granted	15	15
Other	-	-
Net cash flows from investing activities	24	-29
<i>Cash flows from financing activities</i>		
Inflows from loans and borrowings	-	-
Net inflows from the issue of shares	-	-
Net inflows from the issue of bonds, bills of exchange and bills	-	-
Repayment of loans and borrowings	-	-
Payments of financial lease liabilities	88	45

Dividends paid to the Company's shareholders	-	-
Dividends paid to the shareholders holding non-controlling interests	-	-
Acquisition of equity shares	-	-
Interest paid	26	25
Other	-	-
Net cash flows from financing activities	-114	-70
Increase/decrease in cash and cash equivalents	939	-150
Opening balance of cash and cash equivalents as well as overdrafts	4,827	5,956
<i>Foreign exchange gains/losses related to measurement of cash and cash equivalents as well as overdrafts</i>	27	20
Closing balance of cash and cash equivalents as well as overdrafts	5,793	5,826

III. Stand-alone financial statements of Quantum Software S.A. for Q1, 2019

Stand-alone statement of financial position	31/03/2019	31/12/2018	31/03/2018
ASSETS			
Non-current assets	9,705	9,705	9,849
Property, plant and equipment	-	-	-
Intangible assets	-	-	-
Investments in associates measured with the equity method	-	-	-
Financial assets available for sale	9,701	9,701	9,701
Borrowings granted	-	-	95
Deferred income tax assets	4	4	53
Non-current receivables and prepayments	-	-	-
Current assets	1,854	1,749	2,625
Inventory	-	-	-
Trade receivables	189	157	291
Other current receivables and prepayments	54	30	56
Income tax receivables	-	-	45
Borrowings granted	-	-	-
Other financial assets	622	620	1,213
Cash and cash equivalents	989	942	1,020
TOTAL ASSETS	11,559	11,454	12,474
Equity capital	11,342	11,358	12,100
Equity capital attributable to the shareholders of the parent company	11,342	11,358	12,100
Initial capital	657	657	657
Share premium	8,429	8,429	8,498
Equity shares	-13	-13	-102
Reserve and supplementary capitals	-	-	-
Profit/loss from previous years	2,285	105	3,034
Profit/loss from the current year	-16	2,180	13
Non-controlling interests	-	-	-
LIABILITIES	217	96	374
Non-current liabilities	2	2	1
Provisions	-	-	-
Deferred income tax provisions	2	2	1
Long-term bank loans and borrowings	-	-	-
Other non-current financial liabilities	-	-	-
Other non-current liabilities and accruals	-	-	-

Current liabilities	215	94	373
Provisions	-	-	-
Short-term bank loans and borrowings	-	-	-
Short-term portion of long-term bank loans and borrowings	-	-	-
Other current financial liabilities	-	-	-
Trade liabilities	208	75	365
Other current liabilities and accruals	7	19	8
TOTAL EQUITY & LIABILITIES	11,559	11,454	12,474

Stand-alone statement of comprehensive income (multi-step variant)	31/03/2019	31/03/2018
Continued operations		
Revenues from the sale of products, goods and materials	314	286
Costs of products, goods and materials sold	190	121
Movement in products – subsidy received for intangible assets and fixed assets	-	-
Gross profit/loss on sales	124	165
Selling costs	-	-
General administrative expenses	125	164
Profit/loss on sales	-1	1
Other operating revenues	-	-
Other operating expenses	-	-
Profit (loss) on operating activities	-1	1
Financial revenues	6	15
Financial expenses	3	1
Share in profit/loss of associates	-	-
Profit/loss on the sale of shares in an associate	-	-
Gross profit/loss	2	15
Income tax	18	2
Net profit (loss) on continued operations	-16	13
Discontinued operations		
Profit/loss on discontinued operations for the financial year	-	-
Net profit/loss for the reporting period	-16	13
Profit/loss net attributed to:	-16	13
<i>Shareholders of the parent company</i>	-16	13
<i>Non-controlling interests</i>	-	-
Other comprehensive income		
Gains/losses on revaluation of property, plant and equipment	-	-
Gains/losses on measurement of investments available for sale charged to the equity capital	-	-
Gains/losses on cash flow hedges (effective portion)	-	-
Foreign exchange differences from valuation of foreign operations	-	-
Income tax related to items presented in other comprehensive income	-	-
Total comprehensive income	-16	13
Comprehensive income attributable to:	-16	13
<i>Shareholders of the parent company</i>	-16	13
<i>Non-controlling interests</i>	-	-

Earnings/loss per share in PLN:	-	-
On continued operations	-	-
<i>Basic</i>	-0.01	0.01
<i>Diluted</i>	-0.01	0.01
On continued and discontinued operations	-	-
<i>Basic</i>	-0.01	0.01
<i>Diluted</i>	-0.01	0.01

Income tax related to items presented in other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total revenues and costs for the financial year recognised directly in the equity capital	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the reporting period	-	-	-	-	-	-	-	-16	-16	-	-16
Other movements in the equity capital	-	-	-	-	-	-	-				
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-
Distribution of the financial result	-	-	-	-	-	-	-	-	-	-	-
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-
Reclassification of the reserve capital to the initial capital	-	-	-	-	-	-	-	-	-	-	-
Closing balance	657	8,429	-13	-	-	-	-	2,269	11,342	-	11,342

other comprehensive income												
Total revenues and costs for the financial year recognised directly in the equity capital	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the period: 01/01/2018-31/03/2018	-	-	-	-	-	-	-	13	13	-	-	13
Other movements in the equity capital	-	-	-	-	-	-	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of the financial result	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of the reserve capital to the initial capital	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	657	8,498	-102	-	-	-	-	3,047	12,100	-	-	12,100

other comprehensive income											
Total revenues and costs for the financial year recognised directly in the equity capital	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the financial year	-	-	-	-	-	-	-	2,180	2,180	-	2,180
Adjustments for fundamental errors	-	-	-	-	-	-	-	-	-	-	-
Other movements in the equity capital	-	-69	89	-	-	-	-	-2,929	-2,909	-	-2,909
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-
Distribution of the financial result	-	12	-	-	-	-	-	-2,929	-2,917	-	-2,917
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-81	89	-	-	-	-	-	8	-	8
Reclassification of the reserve capital to the initial capital	-	-	-	-	-	-	-	-	-	-	-
Redemption of shares				-	-	-	-	-	-	-	-
Closing balance	657	8,429	-13	-	-	-	-	2,285	11,358	-	11,358

Stand-alone cash flow statement (indirect method)	31/03/2019	31/03/2018
Cash flows from operating activities		
Gross profit/loss	2	15
Adjustments for items:	43	23
Share in net profit/loss of associates and joint ventures accounted for using the equity method	-	-
Non-controlling interests	-	-
Depreciation	-	-
Goodwill impairment	-	-
Foreign exchange gains/losses	-	-1
Interest expenses and revenues	-4	-4
Dividend revenues	-	-
Profit/loss on investing activities	-2	-11
Movement in provisions	-	-
Movement in inventory	-	-
Movement in the balance of receivables and prepayments	-56	-122
Movement in the balance of liabilities and accruals	120	171
Income tax paid/refunded	-18	-11
Other adjustments	3	1
Net cash flows from operating activities	45	38
Cash flows from investing activities		
Inflows from the sale of fixed assets and intangible assets	-	-
Net inflows from the sale of associates and subsidiaries	-	-
Inflows from the sale of financial assets	-	-
Inflows relative to interest	2	2
Inflows relative to dividends	-	-
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	-	-
Outflows on the acquisition of short-term financial assets	-	-
Borrowings granted	-	95
Other	-	-
Net cash flows from investing activities	2	-93
Cash flows from financing activities		
Inflows from loans and borrowings	-	-
Net inflows from the issue of shares	-	-
Net inflows from the issue of bonds, bills of exchange and bills	-	-
Repayment of loans and borrowings	-	10

Payments of financial lease liabilities	-	-
Dividends paid to the Company's shareholders	-	-
Dividends paid to the shareholders holding non-controlling interests	-	-
Acquisition of equity shares	-	-
Interest paid	-	-
Other	-	-
Net cash flows from financing activities	-	-10
Increase/decrease in cash and cash equivalents	47	-65
Opening balance of cash and cash equivalents as well as overdrafts	942	1,083
<i>Foreign exchange gains/losses related to measurement of cash and cash equivalents as well as overdrafts</i>	-	2
Closing balance of cash and cash equivalents as well as overdrafts	989	1,020