



**Consolidated Annual Financial Statements
of the Quantum software S.A. Capital Group
for the period from 01/01/2020 to 31/12/2020**

Kraków, 16 April 2021

Contents of the Consolidated Financial Statements:

1. Introduction to the Financial Statements	3
2. Consolidated Statement of Financial Position	16
3. Consolidated Statement of Comprehensive Income	18
4. Consolidated Statement of Changes in Equity	20
5. Consolidated Cash Flow Statement	24
6. Selected financial data including key items of the Annual Consolidated Financial Statements (also translated into EUR)	28
7. Additional information – selected notes	30

1. Introduction to the Consolidated Financial Statements of the Quantum software S.A. Capital Group for 2020.

1.1 Core activity of the parent company

Quantum software Spółka Akcyjna; 30-633 Kraków, ul. Walerego Sławka 3A. a company entered into the Register of Entrepreneurs of the National Court Register Kraków – Śródmieście, 11th Commercial Division on 30 October 2002 under the number 0000136768; PKD 62.01Z – computer programming activities. Since 25 July 2014, in connection with the transfer of business operations to the subsidiary Quantum Qguar sp. z o.o., the Issuer has been mainly involved in activities of a holding company.

1.2. Duration of Group companies

The duration of the parent entity and the Group members is indefinite.

1.3. Composition of the parent company's Management Board and Supervisory Board:

The composition of the parent company's Management Board and Supervisory Board at 31 December 2020 was as follows:

Management Board:

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

Supervisory Board:

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

1.4. Organisational structure of the Group at 31/12/2020:

1. Company name: Quantum East Sp. z o.o. – subsidiary

Registered office: Kraków
Address: Walerego Sławka 3a
National Court Register (KRS): 0000294284
Shareholders: 78.30% of interests 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: Prospect Moskovskij
Certificate No. 100107724
Shareholders: 99% of interests 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 interests 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 interests held by Quantum Qguar sp. z o.o.
Share capital fully paid-up using 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 interests 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: 95.02% of shares held by Quantum Qguar sp. z o.o.
Share capital fully paid-up: BRL 1.505.705,00

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 interests held by Quantum software S.A.

Share capital paid-up using a contribution in kind of PLN 3,995,000.00 and using a contribution in cash of PLN 5,000.00

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

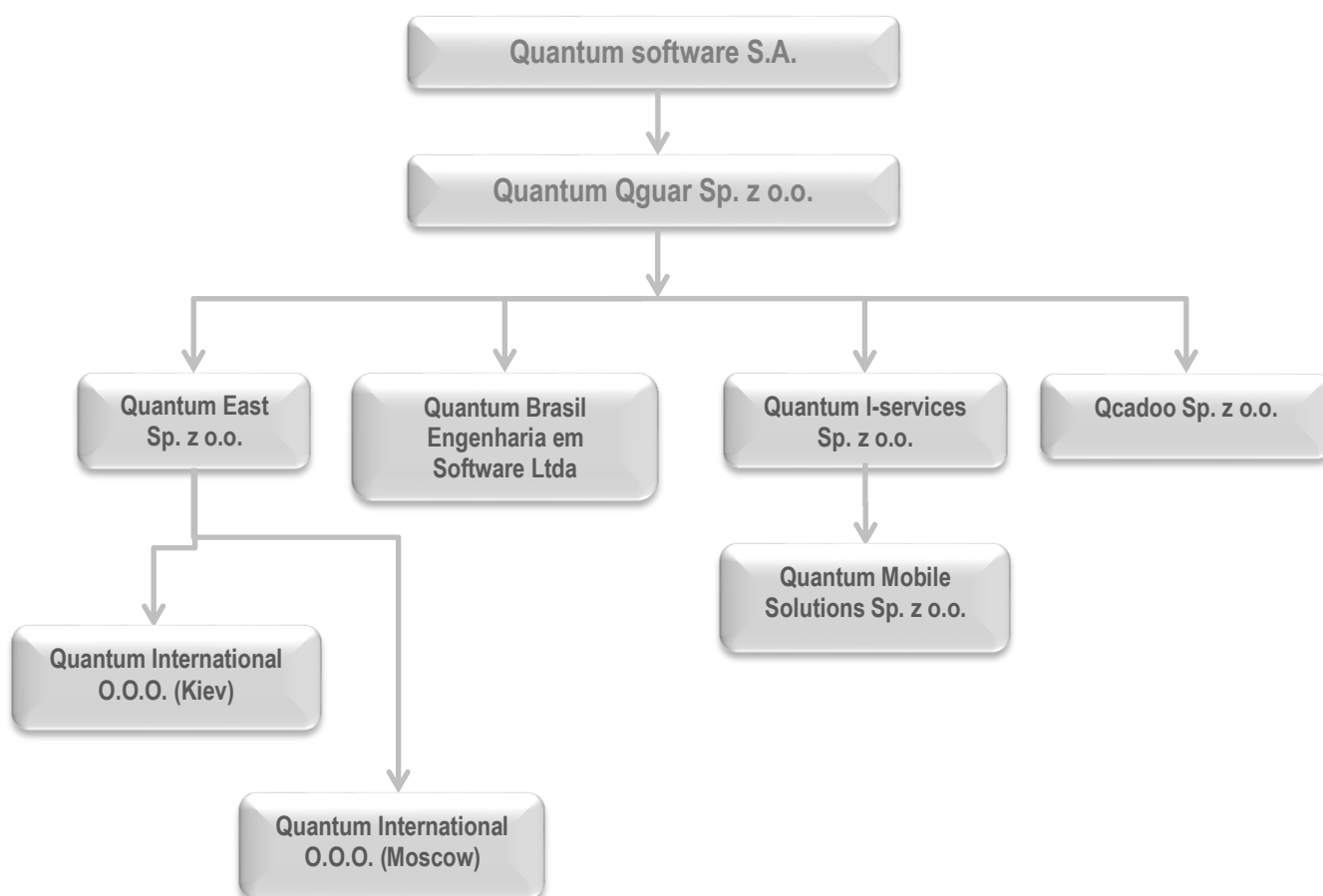
Registered office: Kraków

Address: Walerego Sławka 3A

National Court Register (KRS): 0000344950

Shareholders: 100% of interests held by Quantum Qguar sp. z o.o.

Share capital: PLN 885.000, fully paid-up



1.5. Accounting policies applied in the preparation of the Financial Statements of the Quantum software S.A. Group for the year 2020 and the Compliance Statement

These Financial Statements were prepared in accordance with the International Financial Reporting Standards („IFRS”), as approved for application by the European Union and, to the extent not regulated by same standards, in accordance with the Accounting Act of 29 September 1994 (Journal of Laws of 2013, item 330) and its implementing provisions, as well as in accordance with the requirements defined in the Regulation of the Minister of Finance of 19 February 2009 regarding current and interim information to be submitted by issuers of securities (Journal of Laws of 2009, no. 33, item 259).

The IFRS comprise standards and interpretations approved by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”).

The Management Board approves the Financial Statements for publication on the date the statements are signed by all members of the Management Board, i.e. on 16 April 2021.

These Consolidated Financial Statements should be read jointly with the Separate Financial Statements to obtain full information about the financial situation and results of Quantum software S.A. as the parent company and Group. As the parent entity, the Company prepares the Consolidated Financial Statements of the Group at the day and period ended 31 December 2020 in accordance with the International Financial Reporting Standards (IFRS), as approved by the European Union and in force at the date of the preparation of the statements. The Separate and Consolidated Financial Statements are presented in the separate and consolidated report and are available on www.quantum-software.com

The Capital Group conducts sales both in the Polish and foreign markets. The information on revenue from sales, divided by the offered products as well as sales market was disclosed in the Management Board’s report on the Capital Group’s operations for 2020.

Data included in the report was prepared in line with the principles for valuation of assets and liabilities and valuation of the net financial result specified at the balance sheet date, in line with the materiality principle. The statements for 2020 were prepared with the assumption that the Group will continue as a going concern in the foreseeable future.

All amounts presented in the Consolidated Financial Statements for 2020 are given in the Polish Zloty and rounded to the nearest thousand.

These Financial Statements were prepared in accordance with the historical cost convention. The Group made no adjustments to account for the impact of inflation on the individual items

of the Balance Sheet and P&L Account. The Group prepares its Profit & Loss account in the multi-step variant. The Cash Flow Statement is prepared using the indirect method.

Application of new standards and first-time application of amendments to standards and interpretations in the Group's Financial Statements for 2020

New and amended standards and interpretations published by the International Accounting Standards Board, as approved for application by the European Union that have become effective:

- Amendments to References to the Conceptual Framework in IFRS (effective for annual periods beginning on or after 1 January 2020);
- Amendments to IAS 1 “Presentation of Financial Statements” and IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” – definition of the term “material” (effective for annual periods beginning on or after 1 January 2020);
- Amendments to IFRS 9 “Financial Instruments”, IAS 39 “Financial Instruments: Recognition and Measurement” and IFRS 7 “Financial Instruments: Disclosures” – IBOR reform (effective for annual periods beginning on or after 1 January 2020);
- Amendments to IFRS 3 “Business Combinations” – definition of a business (effective for combinations for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020 and to asset acquisitions that occur on or after the beginning of that period);
- Amendments to IFRS 16 “Leases” – Covid-19-Related Rent Concessions (effective for annual periods beginning on or after 1 June 2020);
- Amendments to IFRS 4 “Insurance Contracts” – Deferral of Effective Date of IFRS 9 “Financial Instruments” (effective for annual periods beginning on or after 1 January 2021).

Published standards and interpretations which are not yet effective for periods beginning on 1 January 2020 and their impact on the Group's Financial Statements

As at the date of preparing these Consolidated Financial Statements, new or amended standards were published that are effective for annual periods beginning after 2020. The list also includes amendments, standards and interpretations which have been published but which have not yet been approved by the European Union.

- IFRS 14 “Regulatory Deferred Accounts” (the effective date of the amendments was deferred);
- Amendments to IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” – sale or contribution of assets between and investor and its associate or joint venture and further amendments (the effective date of the amendments was deferred until the research project on the equity method has been concluded);
- IFRS 17 “Insurance Contracts” with further amendments to IFRS 17 (effective for annual periods beginning on or after 1 January 2023);

- Amendments to IAS 1 “Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current – Deferral of Effective Date” (effective for annual periods beginning on or after 1 January 2023);
- Amendments to IFRS 3 “Business Combinations”, IAS 16 “Property, Plant and Equipment”, IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”, amendments to various standards – “Improvements to IFRSs (cycle 2018–2020)” (effective for annual periods beginning on or after 1 January 2022);
- Amendments to IFRS 9 “Financial Instruments”, IAS 39 “Financial Instruments: Recognition and Measurement”, IFRS 7 “Financial Instruments: Disclosures”, IFRS 4 “Insurance Contracts” and IFRS 16 “Leases” – IBOR reform – Phase 2 (effective for annual periods beginning on or after 1 January 2021);
- Amendment to IAS 16 “Property, Plant and Equipment” – clarification that the cost of items produced before an item of PP&E is available for use should be accounted for as (1) inventory under IAS 2 and that (2) revenue after they're sold. The amendment is effective for annual periods beginning on or after 1 January 2022;
- Amendment to IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” – clarification that costs of fulfilling onerous contracts include incremental costs (e.g. labour costs) and an allocation of other costs that relate directly to fulfilling contract, e.g. depreciation. The amendment is effective for annual periods beginning on or after 1 January 2022;
- Amendments to IAS 8: Definition of Accounting Estimates (published on 12 February 2021). Until the approval date of these Financial Statements, the amendments have not been approved by the EU – effective for annual periods beginning on or after 1 January 2023.

The effective dates are dates resulting from the standards published by the International Accounting Standards Board. The dates of application of these standards in the EU may be different than the dates defined in the standards and are announced at the moment the standards are approved for application by the EU.

The Group did not decide to apply earlier the standards, interpretations or amendments approved by the European Union, which were not binding as at 31 December 2020.

In the Management Board’s opinion, none of the above-mentioned new standards, interpretations and changes which were not binding as at 31 December 2020 will have a material impact on the Financial Statements of the Quantum software S.A. Group.

BASIC PRINCIPLES AND RISKS

To the best knowledge of the Management Board, based on the Group’s documents, the Consolidated Financial Statements for the financial year 2020 have been prepared in accordance with the applicable accounting policies. The Statements present a true and fair view of the Group’s development and achievements, including a description of its risks and threats.

Accounting principles

The Group's financial statements have been prepared in thousands of PLN (unless specified otherwise), pursuant to entries made in the Companies' accounting books maintained in accordance with the basic accounting principles:

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

Consolidation principles

Subsidiaries

Subsidiaries include all entities whose financial and operating policies can be controlled by the Group, where such control is usually gained by acquiring the majority of votes in governing bodies. In assessing control over an entity, the existence and impact of potential voting rights that can be exercised at a given moment is considered. Subsidiaries are included in the consolidated financial statements from the date the Group gains control until the date when the Group ceases to control them. In the event of a share capital increase, the acquisition of new shares/stock is recognised at registration of the increase in the National Court Register. At acquisition, the assets and liabilities of an acquired subsidiary are measured at fair value. The surplus of the acquisition price over the fair value of identifiable acquired net assets of an entity is disclosed as goodwill. If the difference between the fair value and the net carrying value is not significant, then the fair value of net assets of a subsidiary is its carrying value. If the acquisition price is lower than the fair value of identifiable acquired net assets of an entity, the difference is disclosed as profit in the Profit and Loss account for the period during which the acquisition took place. Minority interests are disclosed as a proportionate share of the fair value of assets and equity. In subsequent periods, the losses attributable to minority shareholders exceeding the value of their shares are deducted from the equity of the parent company. The financial statements of the subsidiaries are drawn up for the same reporting period as the financial statements of the parent company, applying uniform accounting principles, on the basis of standard accounting principles applied to similar transactions and economic events.

Associates

Associates are all entities over which the Group has significant influence, but not control. A holding of 20% to 50% of the voting power usually indicates significant influence. Investments in associates are settled using the equity method and recognised initially at cost. Investments in associates include goodwill less any accumulated depreciation/amortisation, determined on acquisition.

The Group's share of the profit/loss of associates is recognised from the acquisition date in the profit and loss account, while its share of changes of other capital is recognised from the acquisition date in other capital. The balance sheet value of an investment is adjusted to reflect accumulated balance changes from the acquisition date. If the Group's share of losses of an associate equals or exceeds its interest in the associate, the Group discontinues

recognising further losses unless it has incurred obligations or makes payments on behalf of the associate.

Profit and loss on transactions between the Group and an associate are eliminated to the extent of the Group's interest in the associate. Losses incurred by an associate can indicate impairment of its assets, resulting in recognition of an adequate impairment loss.

Consolidated financial statements comprise the financial statements of the parent company and the statements of entities controlled by the parent company as at 31 December each year. Financial results of entities acquired or disposed of during the year are recognised in the consolidated financial statements from/until their effective acquisition or disposal.

All transactions, balances, revenues and costs between consolidated related entities are eliminated.

Intangible assets, and Property, plant and equipment

Methods for measuring intangible assets and PP&E: Intangible assets and PP&E are measured according to the going concern principle, as specified in the International Accounting Standards. However:

- 1) Intangible assets are recognised at cost, taking into account their accumulated amortisation. The Group companies recognise amortisation/depreciation using the straight-line method, and adopt 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 Group does not hold any intangible assets with indefinite useful lives.
- 2) Tangible assets are measured at their purchase prices or manufacturing costs, less depreciation, proportionally to their periods of use. Tangible assets are depreciated throughout their useful economic life. Tangible 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 tangible assets classified under group 4 (machines and equipment). When these items are purchased, they are reported on a single basis as tax-deductible expenses in the month when they were purchased or in the following month. These items are not subject to recognition in the balance sheet. Cars are depreciated on a straight-line basis for 5 years based on their initial value, less their residual value in the amount of 20% of the initial value. All equipment included in group 4, regardless of its initial value, is depreciated on a straight-line basis as per individual rates defined in accordance with their expected useful lives, i.e.
 - a) desktop computers: 4 years;
 - b) laptops: 3 years;
 - c) servers, printers, projectors, UPS devices, routers, switch boxes, changers computer networks – 5 years;
 - d) UPS batteries: 2 years.

The adopted useful lives of intangible assets and PP&E items are verified 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 at their nominal value as of their accrual date, and at the payable amount as of the balance sheet date. For mark-to-market purposes, receivables are decreased 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 revenue 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 in hand and cash 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 is measured at the bank's buying and selling exchange rates, and for the balance sheet measurement it is measured at the average NBP exchange rate.

Liabilities are recognised 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 – trade receivables and liabilities – measured at the acquisition price (on the basis of Section 29(a) of IFRS 7, taking into account impairment losses and unrecoverability (IFRS 9);
- cash – measured at acquisition price – on the basis of Section 29 Subsection (a) of IFRS 7;
- borrowings, loans and leases: measurement at amortised cost is required but, in the opinion of the Management Board, the Group discloses these items at the acquisition price (at the payable amount) because such measurement does not affect the entity's financial situation.

Investments

The Group classifies its investments into the following categories:

- interests in subsidiaries.

Interests in subsidiaries include interests in consolidated companies. Interests in subsidiaries are measured at the acquisition 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

PP&E, intangible assets and financial assets are tested for impairment if certain events and changes take place which may cause impairment.

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 acquisition price in accordance with the prudence principle, less impairment losses.

Trade and other receivables

Trade receivables are recognised at the amount payable, less impairment losses on doubtful receivables. Impairment losses 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 in bank.

Provision for retirement and similar benefits

The Group creates 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 Group creates a provision for the current value of retirement benefits to which the employees became entitled by that date, with classification into short-term and long-term provision, using the actuarial method. The provision is 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 Group creates provisions if, as a result of economic events, certain or highly probable liabilities occur whose value can be credibly determined.

Accruals/prepayments

In order to preserve the matching of revenue and costs, the Group creates prepayments and accruals. They relate both to costs and revenue.

The Group maintains prepayments, which are the costs attributable to the following reporting period.

The Group's accruals are the amount of liabilities attributable to the current period based on services provided to the entity.

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

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

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

Revenue includes amounts due for the sold products and services performed as part of the core and auxiliary business, and for the sold materials and goods, determined based on the net price and adjusted for discounts and reductions granted.

The adjustments of sales revenue are recognised in the period in which they are made.

Other operating revenue

Other operating revenue is revenue related to the Group's operating activities. It includes:

- 1) profit on tangible assets and intangible assets;

- 2) profit on liquidation of tangible assets;
- 3) received damages;
- 4) release of provisions charged to operating expenses at the time of creation;
- 5) written-off, expired and remitted liabilities.

Financial revenue

Revenue from interest calculated on counterparties is recognised at the date when the counterparty makes the payment.

Revenue from interest on cash on bank accounts is recognised when the bank credits the account.

Business costs

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

Other operating expenses

Other operating expenses include expenses related to the Group's operating activities.

They include:

- 1) loss on tangible assets and intangible assets;
- 2) penalties and damages paid;
- 3) created provisions;
- 4) court fees.

Financial expenses

The expenses of interest paid are recognised directly in the profit and loss account for the period in which they were incurred.

Income tax

Statutory charges on the result include:

- 1) CIT;
- 2) deferred tax.

The current tax burden is calculated based on the tax result (tax base) for a given financial year. The tax profit (loss) differs from the booked profit (loss) due to the exclusion of non-taxable revenue and expenses. The tax burden on the result is calculated based on tax rates applicable in a given tax year.

Deferred income tax

The Group establishes deferred income tax provisions and assets in connection with temporary positive differences between the value of assets, equity 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 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 Group does not create deferred income tax assets if there is doubt concerning the possibility of their use 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 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.

Leases

Property, plant and equipment used based on finance lease agreements under which all benefits and risks of using such PP&E is transferred to the Group are disclosed in the Group's balance sheet according to the present value of prospective minimum lease fees. The lease fees are distributed for the reduction of unpaid liabilities and financial expenses posted directly in the financial result.

1.6 Significant values based on professional judgement and estimates

When applying the accounting principles (policy) to the issues mentioned below, the most important aspect, in addition to the accounting estimates, is the professional judgement of the management.

The following part of these Financial Statements presents basic assumptions related to the future and other key sources of uncertainty occurring at the balance sheet date, which are connected with a significant risk of a material adjustment in the next financial year of balance sheet values of assets and liabilities.

Write-downs on receivables and loans granted

The Management Board examines all circumstances relating to unrecoverability of overdue receivables and loans and, in the case of the risk of their unrecoverability, decides to establish write-down on given receivables. Details concerning changes in write-downs on receivables are presented in Note 7.

Valuation of provisions for employee benefits

Provisions for employee benefits are estimated using actuarial methods. The relevant assumptions are described in Note 17.

Deferred tax assets

The Group recognises deferred tax assets based on the assumption that tax profit will be generated in the future, allowing for the assets to be used. The deterioration of tax results in the future might make this assumption unjustifiable.

Revenue recognition

The Group determines revenue from long-term contracts for the implementation of IT systems in proportion to the progress of the service, measured by the share of costs incurred to total estimated costs (budget of the contract). Budgets of each of the long-term contracts are revised at least at each balance sheet date. Upon occurrence of any circumstances which have an impact on the outcome of the contract performance between the balance sheet dates, revisions are made in advance. The Management Board reviews the possibility of realisation of receivables arising from the valuation of contracts that are not yet performed on a day-to-day basis. Information about the valuation of contracts is contained in Note 29.

Depreciation/amortisation rates

The amount of depreciation/amortisation rates is determined on the basis of the expected economic useful lives of property, plant and equipment and of intangible assets. Every year, the Group companies verify the adopted periods of economic useful lives on the basis of current estimates.

2. Consolidated Statement of Financial Position

Consolidated Statement of Financial Position	Note	Balance at 31/12/2020	Balance at 31/12/2019
ASSETS			
Non-current assets		2,576	2,625
Property, plant and equipment	1	2,112	2,029
Investment real property		-	-
Biological assets		-	-
Goodwill of subordinates	2	-	-
Intangible assets	3	21	37
Investments in associates measured with equity method	4	-	-
Shares		-	-
Borrowings granted	5	17	9
Other financial assets		-	-
Deferred income tax assets		251	218
Other long-term receivables and prepayments	6	175	332
Current assets		25,866	16,080
Inventory	7	42	53
Trade receivables	8	8,302	5,333
Other short-term receivables and prepayments	6	822	938
Income tax receivables		406	528
Financial assets measured at fair value through profit/loss		-	-
Shares		-	-
Borrowings granted	5	128	169
Other financial assets		5,023	3,317
FX futures		-	-
Cash and cash equivalents	10	11,143	5,742
Non-current assets classified as held for sale		-	-
T o t a l A s s e t s		28,442	18,705
EQUITY AND LIABILITIES			
Equity		17,451	12,799
Equity attributable to shareholders of the parent entity		17,210	12,831
Share capital	11	657	657
Share premium	14	9,698	8,426
Equity shares	13	-	-
Reserve and supplementary capital	14	-	-
Revaluation reserve	14	-	-

Amounts recognised directly in equity and related to assets classified as held for sale	14	-	-
Foreign exchange gains/losses on translation	15	5	63
Profit/loss on sale of subsidiary		-	-
Advances paid on dividends		-	-
Retained profit (loss)		837	947
Current year profit/loss		6,013	2,738
Non-controlling interests	16	241	-32
LIABILITIES		10,991	5,906
Long-term liabilities		1,916	906
Provisions	17	351	355
Deferred income tax provision		210	202
Long-term bank loans and borrowings	18	888	-
Other long-term financial liabilities	19	162	349
Other long-term liabilities and accruals	21	305	-
Short-term liabilities		9,075	5,000
Provisions	17	771	580
Short-term bank loans and borrowings	18	-	-
Short-term portion of long-term bank loans and borrowings	18	348	-
Other short-term financial liabilities	19	372	330
Trade liabilities	20	3,798	2,600
Other short-term liabilities and accruals	21	3,693	1,477
Income tax liabilities		93	13
FX futures		-	-
Liabilities related to non-current assets classified as held for sale		-	-
TOTAL EQUITY AND LIABILITIES		28,442	18,705

3. Consolidated Statement of Comprehensive Income

Consolidated Statement of Comprehensive Income	Note	Balance at 31/12/2020	Balance at 31/12/2019
Continued operations			
revenue from sale of products, goods and materials	22	38,631	33,149
Costs of products, goods and materials sold	23	26,256	23,411
Gross profit (loss) on sales		12,375	9,738
Selling costs	23	2,236	2,415
General and administrative expenses	23	4,513	3,768
Profit (loss) on sales		5,626	3,555
Other operating revenue	24	1,280	93
Other operating expenses	24	77	670
Operating profit (loss)		6,829	2,978
Financial revenue	25	237	227
Financial expenses	25	68	196
Share in profit/loss of associates		-	-
Profit/loss from the sale of shares in an associate		-	-
Gross profit (loss)		6,998	3,009
Income tax		755	187
Net profit/loss on continued operations		6,243	2,822
Discontinued operations		-	-
Profit/loss on discontinued operations for the financial year		-	-
Net profit/loss for the reporting period		6,243	2,822
Net profit/loss attributable to:		6,243	2,822
Shareholders of the parent		6,013	2,738
Non-controlling interests		230	84
Other comprehensive income		-118	87
Profits (losses) on revaluation of tangible fixed assets		-	-
Profit (loss) on valuation of investments held for sale recognised in equity		-	-
Profits (losses) on cash flow hedges (effective portion)		-	-
FX gains/losses on measurement of foreign operations		-118	87
Income tax related to items presented in other comprehensive income		-	-
Acquisition of capital from non-controlling interests		-	-
Total comprehensive income		6,125	2,909
Comprehensive income attributable to:		6,125	2,909
Shareholders of the parent		5,955	2,813

Non-controlling interests		170	96
Earnings/loss per share (in PLN):			
On continued operations			
<i>Basic</i>	26	4.75	2.15
<i>Diluted</i>	26	4.75	2.15
On continued and discontinued operations			
<i>Basic</i>	26	4.75	2.15
<i>Diluted</i>	26	4.75	2.15

4. Consolidated Statement of Changes in Equity

for the period	Equity attributable to shareholders of the parent										Non-controlling interests	Total equity
	Share 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		
31 December 2020												
Opening balance before restatement	657	8,426	-	-	-	-	63	-	3,685	12,831	-32	12,799
Changes in accounting principles (policy)	-	-	-	-	-	-	-	-	-	-	-	-
Corrections of fundamental errors	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance after corrections (restated)	657	8,426	-	-	-	-	63	-	3,685	12,831	-32	12,799
Total comprehensive income	-	-	-	-	-	-	-58	-	6,013	5,955	170	6,125
Profit/loss on revaluation of PP&E	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss on measurement of investments available for sale recognised in equity	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss on cash flow hedges (effective portion)	-	-	-	-	-	-	-	-	-	-	-	-
FX gains/losses on measurement of foreign operations	-	-	-	-	-	-	-58	-	-	-58	-60	-118
Income tax related to items presented in capital or reclassified from capital	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue and expenses for the	-	-	-	-	-	-	-	-	-	-	-	-

Financial Statements of the Quantum software S.A. Capital Group for 01/01/2020 – 31/12/2020

financial year recognised directly in equity													
Profit/loss for the financial year	-	-	-	-	-	-	-	-	6,013	6,013	230	6,243	
Other movements in equity	-	1,272	-	-	-	-	-	-	-2,848	-1,576	103	-1,473	
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-	
Redemption of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	
Dividends	-	-3,399	-	-	-	-	-	-	1,624	-1,775	-	-1,775	
Distribution of financial result	-	4,671	-	-	-	-	-	-	-4,305	366	-90	276	
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	
Acquisition of interests in a subsidiary	-	-	-	-	-	-	-	-	-162	-162	207	45	
Transfer between supplementary capital and previous years' profit/loss	-	-	-	-	-	-	-	-	-	-	-	-	
Correction of profit/loss for previous years	-	-	-	-	-	-	-	-	-	-	-	-	
Other movements in equity due to consolidation adjustments	-	-	-	-	-	-	-	-	-5	-5	-14	-19	
Profit/loss on the sale of the entity	-	-	-	-	-	-	-	-	-	-	-	-	
Closing balance	657	9,698	-	-	-	-	5	-	6,850	17,210	241	17,451	

for the period	Equity attributable to shareholders of the parent										Non-controlling interests	Total equity
31 December 2019	Share 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	657	8,158	-13	74	-	-	-12	-	3,476	12,340	-109	12,231
Changes in accounting principles (policy)	-	-	-	-	-	-	-	-	-	-	-	-
Corrections of fundamental errors	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance after corrections (restated)	657	8,158	-13	74	-	-	-12	-	3,476	12,340	-109	12,231
Total comprehensive income	-	-	-	-	-	-	75	-	2,738	2,813	96	2,909
Profit/loss on revaluation of PP&E	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss on measurement of investments available for sale recognised in equity	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss on cash flow hedges (effective portion)	-	-	-	-	-	-	-	-	-	-	-	-
FX gains/losses on measurement of foreign operations	-	-	-	-	-	-	75	-	-	75	12	87
Income tax related to items presented in other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue and expenses for the financial year recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-

Financial Statements of the Quantum software S.A. Capital Group for 01/01/2020 – 31/12/2020

Profit/loss for the financial year	-	-	-	-	-	-	-	-	2,738	2,738	84	2,822
Other movements in equity	-	268	13	-74	-	-	-	-	-2,529	-2,322	-19	-2,341
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-
Redemption of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-1,079	-	-	-	-	-	-	-	-1,079	-	-1,079
Distribution of financial result	-	1,089	-	-74	-	-	-	-	-2,106	-1,091	-	-1,091
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-13	13	-	-	-	-	-	-	-	-	-
Acquisition of interests in a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-
Transfer between supplementary capital and previous years' profit/loss	-	271	-	-	-	-	-	-	-271	-	-	-
Correction of profit/loss for previous years	-	-	-	-	-	-	-	-	-152	-152	-19	-171
Profit/loss on sale of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	657	8,426	-	-	-	-	63	-	3,685	12,831	-32	12,799

5. Consolidated Cash Flow Statement

Consolidated Cash Flow Statement	Note	31/12/2020	31/12/2019
Operating cash flows			
Gross profit/loss		6,998	3,009
Adjustments for:		472	663
Share in net profit/loss of associates and joint ventures accounted for using the equity method		-	-
Non-controlling interests		-	-
Amortisation/depreciation		640	629
Goodwill impairment		-	530
Foreign exchange gains/losses		-291	-28
Expenses and revenue due to interest		69	112
Dividends revenue		-	-
Profit/loss on investing activities		-124	-170
Movement in provisions		187	140
Movement in inventory		-2	-2
Movement in receivables and prepayments		-2,932	124
Movement in liabilities and accruals		3,382	300
Income tax paid/returned		-568	-807
Other adjustments		111	-165
Net operating cash flow		7,470	3,672
Cash flow from investing activities			
Inflows from sale of tangible assets and intangible assets		21	84
Net inflows from sale of associates and subsidiaries		-	-
Inflows from the sale of financial assets		-	50
Inflows from interest		26	43
Inflows from dividends		-	-
Repayment of borrowings granted		115	258
Expenditures on acquisition of property, plant and equipment, and intangible assets		490	433
Net expenditures on acquisition of subsidiaries and associates		-	-
Expenditures on acquisition of short-term financial assets		1,600	-
Borrowings granted		81	242
Other		-	-
Net cash flow from investing activities		-2,009	-240
Cash flows from financing activities			
Inflows from loans and borrowings		1,194	-
Net inflows from the issue of shares		-	-
Net inflows from the issue of bonds, bills and bills of exchange		-	-
Repayment of loans and borrowings		-	-

Payment of liabilities under finance lease agreements		384	366
Dividends paid to the shareholders of the parent		912	2,169
Dividends paid to shareholders holding non-controlling interests		4	-
Acquisition of equity shares		-	-
Interest paid		91	106
Other		-	-
Net cash flow from financing activities		-197	-2,641
Increase/decrease in cash and cash equivalents		5,264	791
Opening balance of cash and cash equivalents, and overdrafts		5,742	4,836
<i>Foreign exchange gains/losses related to measurement of cash and cash equivalents, and overdrafts</i>		137	115
Closing balance of cash and cash equivalents, and overdrafts		11,143	5,742

Explanations to the cash flow statement	31/12/2020	31/12/2019
Foreign exchange gains (losses) disclosed in the cash flow statement result from the following:		
- foreign exchange gains/losses due to measurement of cash	-370	18
- unrealised foreign exchange gains/losses on loans and borrowings	89	-57
- realised foreign exchange gains/losses on loans and borrowings	-	-
- foreign exchange gains/losses on translation of financial statements	-9	11
- other	-1	-
Interest and profit sharing (dividends), including:	69	112
- received interest on borrowings granted	-	-9
- interest received on cash at bank and deposits	-8	-28
- received interest on lease instalments	-	-
- interest paid on loans	-	-
- interest paid on borrowings	-	-
- interest paid on debt securities	-	-
- interest paid on lease liabilities	61	95
- commissions paid on debt securities	-	-
- dividends received	-	-
- interest accrued on borrowings granted	-13	-5
- accrued interest on loans and borrowings raised	-	-
- interest accrued on debt securities	-	-
- other interest	29	59
Profit (loss) on investing activities due to:	-124	-170
- revenue from sales of property, plant and equipment, and investment real property	-21	-83
- revenue from sales of intangible assets	-	-

- prime cost of the sales of property, plant and equipment, and investment real property	3	28
- prime cost of the sales of intangible assets	-	-
- liquidation costs of property, plant and equipment	-	-
- revenue from sales of shares and interests	-	-
- prime cost of the sale of shares and interests	-	-
- valuation of financial assets	-106	-119
- other	-	4
- write-down for shares	-	-
Movement in receivables due to the following items:	-2,932	124
- change in short-term receivables resulting from the balance sheet	-2,852	-25
- change in long-term receivables resulting from the balance sheet	157	-32
- adjustment for movement in dividend receivables	-	-
- adjustment for change in receivables from disposal of PP&E and investment real properties	-	-
- adjustment for change in receivables from disposal of intangible assets	-	-
- adjustment for change in short-term receivables from disposal of financial investments	-	-
- adjustment for change in receivables from bank guarantee deposits	-	-
- other adjustments	-237	181
Movements in liabilities, except for loans and borrowings, resulting from the following:	3,382	300
- change in short-term trade and other liabilities	3,413	468
- movement in other long-term liabilities	305	-
- adjustment for change in liabilities against unpaid dividend	-	-
- adjustment for movement in liabilities due to acquisition of PP&E	-	-
- adjustment for change in liabilities against purchase of financial assets	-	-
- adjustment for movement in lease liability	-145	93
- adjustment for change in liability against guarantees granted to subsidiaries	-	-
- other adjustments	-191	-261
Income tax paid	-568	-807
- income tax recognised in profit and loss account	-755	-187
- adjustment for change in deferred tax assets	-33	-68
- adjustment for change in income tax receivables	122	-528
- adjustment for movement in deferred income tax provision	8	19
- adjustment for change in current tax liabilities	81	-45
- adjustment for deferred tax on changes in equity	-	-
- differences on translation of financial statements	9	2
- income tax paid	-	-

“Other adjustments” include:	111	-165
- revaluation of PP&E (positive valuation)	-	-
- revaluation of PP&E (write-down)	-	-
- revaluation of shares and interests (positive measurement)	-	-
- revaluation of shares and interests (write-down)	-	-
- revaluation of borrowings granted (write-down)	-5	38
- revaluation of financial instruments	-	-
- revaluation of sureties	-	-
- conversion of cash deposits to financial assets	-	-
- other	116	-81
- adjustments brought forward	-	-122
Acquisition of PP&E and intangible assets – investing activities	490	433
- movement in PP&E resulting from the balance sheet	83	253
- movement in investment properties resulting from the balance sheet	-	-
- movement in intangible assets resulting from the balance sheet	-16	-11
- movement in the above assets in assets for sale	-	-
- amortisation/depreciation for the reporting period resulting from the profit and loss account	640	629
- prime cost of tangible assets, investment real property and intangible assets sold	3	29
- costs of liquidated tangible assets	-	-
- impairment losses/reversed impairment loss on the above assets	-	-
- measurement of the above non-current assets	-	-
- other	-220	-467
- adjustment for advances on the purchase of tangible assets and intangible assets	-	-
- adjustment for investment liabilities (purchase)	-	-
- other adjustments	-	-
- transfer of assets in an organised part of the business to the new entity	-	-

6. Selected financial data including basic items of the consolidated financial statements (also translated into EUR)

SELECTED FINANCIAL DATA including basic items of the annual consolidated financial statements	PLN '000		EUR '000	
	from	from	from	from
	01/01/2020 to 31/12/2020	01/01/2019 to 31/12/2019	01/01/2020 to 31/12/2020	01/01/2019 to 31/12/2019
Net revenue from sale of products, goods and materials	38,631	33,149	8,634	7,706
Operating profit (loss)	6,829	2,978	1,526	692
Gross profit (loss)	6,998	3,009	1,564	699
Net profit (loss)	6,243	2,822	1,395	656
Net operating cash flow	7,470	3,672	1,670	854
Net cash flow from investing activities	-2,009	-240	-449	-56
Net cash flow from financing activities	-197	-2,641	-44	-614
Total net cash flows	5,264	791	1,177	184
Total assets	28,442	18,705	6,163	4,392
Liabilities and provisions for liabilities, including:	10,991	5,906	2,382	1,387
Long-term liabilities	1,916	906	415	213
Short-term liabilities	9,075	5,000	1,966	1,174
Equity	17,451	12,799	3,782	3,006
Share capital	657	657	142	154
Number of shares	1,314,870	1,314,870	1,314,870	1,314,870
Diluted number of shares (pcs.)	1,314,870	1,314,870	1,314,870	1,314,870
Earnings (loss) per ordinary share (in PLN/EUR)	4.75	2.15	1.06	0.50
Diluted profit (loss) per ordinary share (in PLN/EUR)	4.75	2.15	1.06	0.50
Book value per share (in PLN/EUR)	13.27	9.73	2.88	2.29
Diluted book value per share (in PLN/EUR)	13.27	9.73	2.88	2.29
Declared or paid dividend per share (in PLN/EUR)	-	-	-	-

The selected financial data included in this report were translated to EUR according to the following rules:

Assets and liabilities in the statement of financial position of the Group – at the average NBP exchange rate prevailing on the last balance sheet date.

Items in the statement of comprehensive income and cash flow statement – at the average rate, calculated as the arithmetic average of exchange rates announced by the National Bank of Poland on the last day of the month in the given year:

Average PLN to EUR exchange rates in the period covered by the statements

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
2,020	4.4742	4.6148
2,019	4.3018	4.2585

7. Additional information – selected notes

Note 1 – Property, plant and equipment

PROPERTY, PLANT AND EQUIPMENT	AS OF 31 DECEMBER 2020					
	Land and perpetual usufruct title to land	Buildings and structures	Machines and equipment	Means of transport	Other	Total
Gross value at the beginning of the period	-	46	2,901	2,410	112	5,469
Increases	-	-	387	323	9	719
<i>acquisition</i>	-	-	387	323	9	719
<i>acquisition as part of taking control over an entity</i>	-	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-	-
<i>transfer of the business</i>	-	-	-	-	-	-
<i>other</i>	-	-	-	-	-	-
Decreases	-	-	32	58	1	91
<i>disposal</i>	-	-	32	58	1	91
<i>due to revaluation</i>	-	-	-	-	-	-
<i>due reclassification into fixed assets intended for sale</i>	-	-	-	-	-	-
<i>transfer of the business</i>	-	-	-	-	-	-
<i>other</i>	-	-	-	-	-	-
Allocated to discontinued operations	-	-	-	-	-	-
Internal movements (+/-)	-	-	-	-	-	-
Gross value at the end of the period	-	46	3,256	2,675	120	6,097
Accumulated amortisation/depreciation at the beginning of the period	-	46	2,130	1,187	77	3,440
amortisation/depreciation for the period	-	-	274	342	9	625
other increases	-	-	-	-	-	-
other increases (acquisition resulting from	-	-	-	-	-	-

taking over the control of the entity)						
<i>transfer of the business</i>	-	-	-	-	-	-
decreases in the sale	-	-	30	58	1	89
<i>other decreases</i>	-	-	-	-	-	-
Accumulated amortisation/depreciation at the end of the period	-	46	2,374	1,471	85	3,976
Impairment loss at the beginning of the period	-	-	-	-	-	-
Recognition of impairment loss in the period	-	-	-	-	-	-
Reversal of impairment loss in the period	-	-	-	-	-	-
Value taking account of accumulated amortisation/depreciation and impairment loss at the end of the period	-	46	2,374	1,471	85	3,976
Adjustment for net foreign exchange gains/losses on translation	-	-	-9	-	-	-9
Net value at the end of the period	-	-	873	1,204	35	2,112

PROPERTY, PLANT AND EQUIPMENT	AS OF 31 DECEMBER 2019					
	Land and perpetual usufruct title to land	Buildings and structures	Machines and equipment	Means of transport	Other	Total
Gross value at the beginning of the period	-	46	2,606	2,173	90	4,915
Increases	-	-	399	540	23	962
<i>acquisition</i>	-	-	385	461	23	869
<i>acquisition as part of taking control over an entity</i>	-	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-	-
<i>transfer of the business</i>	-	-	-	-	-	-
<i>other</i>	-	-	14	79	-	93
Decreases	-	-	108	303	1	412
<i>disposal</i>	-	-	52	224	1	277
<i>due to revaluation</i>	-	-	-	-	-	-

due reclassification to fixed assets held for sale	-	-	-	-	-	-
transfer of the business	-	-	-	-	-	-
other	-	-	56	79	-	135
Allocated to discontinued operations	-	-	-	-	-	-
Internal movements (+/-)	-	-	-	-	-	-
Gross value at the end of the period	-	46	2,897	2,410	112	5,465
Accumulated amortisation/depreciation at the beginning of the period	-	46	1,974	1,048	71	3,139
amortisation/depreciation for the period	-	-	248	337	6	591
other increases	-	-	14	38	-	52
other increases (acquisition resulting from taking control over an entity)	-	-	-	-	-	-
transfer of the business	-	-	-	-	-	-
decreases – sale	-	-	52	198	-	250
Other decreases	-	-	54	38	-	92
Accumulated amortisation/depreciation at the end of the period	-	46	2,130	1,187	77	3,440
Impairment loss at the beginning of the period	-	-	-	-	-	-
Recognition of impairment loss in the period	-	-	-	-	-	-
Reversal of impairment loss in the period	-	-	-	-	-	-
Value taking account of accumulated amortisation/depreciation and impairment loss at the end of the period	-	46	2,130	1,187	77	3,440
Adjustment for net foreign exchange gains/losses on translation	-	-	4	-	-	4
Net value at the end of the period	-	-	771	1,223	35	2,029

The Group owns cars classified as PP&E under lease, with a net value of PLN 906,293.38 and PLN 1,025,741.75 as of 31 December 2020 and 31 December 2019 respectively.

Expenditure on tangible fixed assets under construction recognised in the balance sheet value at 31 December 2020 amounts to PLN 0.00 and at 31 December 2019 amounted also PLN 0.00.

Note 2 – Goodwill of subsidiaries

GOODWILL OF SUBSIDIARIES	31/12/2020	31/12/2019
Gross value at the beginning of the period	1,447	1,447
Increases	-	-
Decreases	-	-
Gross value at the end of the period	1,447	1,447
Foreign exchange gains/losses	-	-
Other adjustments*	-	-
Gross value at the end of the period after adjustments	1,447	1,447
Impairment loss at the beginning of the period	1,447	917
Recognition of impairment loss in the period	-	530
Impairment write-down at the end of the period	1,447	1,447
Net value at the end of the period	-	-

Note 3 – Intangible assets

INTANGIBLE ASSETS	AS OF 31 DECEMBER 2020				
	Own development work	Intangible assets purchased			Total
		Patents and trademarks	Licenses	Other	
Gross value at the beginning of the period	5,580	-	2,836	-	8,416
Increases	-	-	-	-	-
<i>acquisition</i>	-	-	-	-	-
<i>own development work</i>	-	-	-	-	-
<i>acquisition as part of taking control over an entity</i>	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-
<i>transfer of the business</i>	-	-	-	-	-
<i>other</i>	-	-	-	-	-
Decreases	-	-	-	-	-

<i>decommissioning</i>	-	-	-	-	-
<i>liquidation</i>	-	-	-	-	-
<i>disposal</i>	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-
<i>due reclassification to fixed assets held for sale</i>	-	-	-	-	-
<i>transfer of the business</i>	-	-	-	-	-
<i>other</i>	-	-	-	-	-
Gross value at the end of the period	5,580	-	2,836	-	8,416
Accumulated amortisation/depreciation at the beginning of the period	5,580	-	2,799	-	8,379
amortisation/depreciation for the period	-	-	15	-	15
Other increases acquisition within takeover	-	-	-	-	-
other	-	-	-	-	-
decreases	-	-	-	-	-
Accumulated amortisation/depreciation at the end of the period	5,580	-	2,814	-	8,394
Impairment loss at the beginning of the period	-	-	-	-	-
Recognition of impairment loss in the period	-	-	-	-	-
Reversal of impairment loss in the period	-	-	-	-	-
Value taking account of accumulated amortisation/depreciation and impairment loss at the end of the period	5,580	-	2,814	-	8,394
Adjustment for net foreign exchange gains/losses on translation	-	-	-1	-	-1
Net value at the end of the period	-	-	21	-	21

INTANGIBLE ASSETS	AS OF 31 DECEMBER 2019				
	Own development work	Intangible assets purchased			Total
		Patents and trademarks	Licenses	Other	
Gross value at the beginning of the period	5,580	-	2,809	-	8,389
Increases	-	-	27	-	27
<i>Acquisition</i>	-	-	27	-	27
<i>own development work</i>	-	-	-	-	-
<i>acquisition as part of taking control over an entity</i>	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-
<i>transfer of the business</i>	-	-	-	-	-
<i>other</i>	-	-	-	-	-
Decreases	-	-	-	-	-
<i>decommissioning</i>	-	-	-	-	-
<i>liquidation</i>	-	-	-	-	-
<i>disposal</i>	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-
<i>due reclassification to fixed assets held for sale</i>	-	-	-	-	-
<i>transfer of the business</i>	-	-	-	-	-
<i>other</i>	-	-	-	-	-
Gross value at the end of the period	5,580	-	2,836	-	8,416
Accumulated amortisation/depreciation at the beginning of the period	5,580	-	2,761	-	8,341
amortisation/depreciation for the period	-	-	38	-	38
other increases	-	-	-	-	-
acquisition resulting from taking control over an entity	-	-	-	-	-
transfer of the business	-	-	-	-	-
decreases	-	-	-	-	-

Accumulated amortisation/depreciation at the end of the period	5,580	-	2,799	-	8,379
Impairment loss at the beginning of the period	-	-	-	-	-
Recognition of impairment loss in the period	-	-	-	-	-
Reversal of impairment loss in the period	-	-	-	-	-
Value taking account of accumulated amortisation/depreciation and impairment loss at the end of the period	5,580	-	2,799	-	8,379
Adjustment for net foreign exchange gains/losses on translation	-	-	-	-	-
Net value at the end of the period	-	-	37	-	37

The Group does not hold any intangible assets with indefinite useful lives.

Note 4 – Investments in associates measured with the equity method

Entity name:	31/12/2020	31/12/2019
Share in the associate's balance sheet	10.00%	10.00%
Fixed (long-term) assets	-	-
Current (short-term) assets	-	-
Long-term liabilities	-	-
Short-term liabilities	-	-
Net assets	-	-
Share in the associate's revenue and financial result:	-	-
Revenue	-	-
Profit/loss	-	-
Balance sheet value of investments in the associate	-	-

Note 5 – Borrowings granted

BORROWINGS GRANTED								
Long-term	Amount of the loan capital	Interest rate	Repayment date	As of		Interest accrued from the beginning of the financial year to		Collateral
				31/12/2020	31/12/2019	31/12/2020	31/12/2019	
<i>Borrowings granted to related parties</i>								
-	-	-	-	-	-	-	-	No security
<i>Borrowings granted to other parties</i>								
Other entities	4	Fixed (9%)	-	4	-	-	3	No security
Employees	7	Fixed (7%)	-	13	9	2	1	No security
			TOTAL:	17	9	2	4	

BORROWINGS GRANTED								
Short-term	Borrowing amount	Interest rate	Repayment date	As of		Interest accrued from the beginning of the financial year to		Collateral
				31/12/2020	31/12/2019	31/12/2020	31/12/2019	
<i>Borrowings granted to other parties</i>								
Other entities	12	Fixed (7%)	-	12	-	1	-	-
Tomasz Hatala – member of the parent	83	Fixed (7%)	-	94	118	7	16	No security

company's management board								
Employees	20	Fixed (7%)	-	22	51	2	4	No security
TOTAL:				128	169	10	20	

➤ **2020:**

Borrowings granted to other parties:

- I. Long-term borrowings granted to other parties as of 31 December 2020: PLN 4,154.04.
- II. Short-term borrowings granted to other parties as of 31 December 2020: PLN 12,348.21.

Borrowings granted to employees:

- I. Long-term borrowings granted to employees as of 31 December 2020: PLN 12,405.16.
- II. Short-term borrowings granted to employees as of 31 December 2020: PLN 22,457.44.

Loan granted to a member of the Management Board of the parent company by a subsidiary:

Short-term loan – balance as at 31 December 2020: PLN 93,751.07.

➤ **2019:**

Borrowings granted to other parties:

- I. Long-term borrowings granted to other parties as of 31 December 2019: PLN 0.00.
- II. Short-term borrowings granted to other parties as of 31 December 2019: PLN 0.00.

Borrowings granted to employees:

I. Long-term borrowings granted to employees as of 31 December 2019: PLN 9,015.53.

II. Short-term borrowings granted to employees as of 31 December 2019: PLN 50,732.88.

Loan granted to a member of the Management Board of the parent company by a subsidiary:

Short-term loan – balance as at 31 December 2019: PLN 118,311.63.

Note 6 – Other receivables and prepayments

OTHER RECEIVABLES AND PREPAYMENTS	31/12/2020	31/12/2019
Receivables from subsidiaries:	-	-
- long-term	-	-
- short-term	-	-
Receivables from related parties:	-	-
- long-term	-	-
- short-term	-	-
Advance payments:	305	363
- long-term	-	-
- short-term	305	363
Other receivables:	315	456
- long-term	175	-
- short-term	140	456
Prepayments:	377	451
- long-term	-	332
- short-term	377	119
Impairment losses at the beginning of the period	-	-
Recognition of impairment losses in the period	-	-
Reversal of impairment loss in the period	-	-
Impairment losses at the end of the period	-	-
TOTAL	997	1,270

Other receivables include:

- taxes, customs duties, insurance and other payments	-	-
- security deposits paid	175	175
- payroll settlements	-	-
- other settlements with employees	-	6
- input VAT to be settled in future periods	54	103
- output VAT on corrective invoices to be settled in - future periods	2	30
- VAT	33	19
- ZUS (social insurance institution) - overpayment	-	-
- unsettled tax paid by foreign operations	-	2
- settlements with a brokerage house related to the purchase of equity shares	6	6
- settlements with a brokerage house related to the purchase of shares of Quantum software S.A.	1	-
- other settlements with suppliers	18	71
- other receivables	26	44
TOTAL:	315	456

Prepayments/accruals include:

- settlement of long-term contracts	245	332
- inter-period cost settlement	-	37
- other prepayments	-	1
- property insurance	93	42
- write-down for the Company Social Benefit Fund (ZFSS)	-	-
- prepaid subscriptions, etc.	39	35
- settlement of VAT related to lease contracts to be settled in subsequent periods – within 12 months	-	4
- settlement of VAT related to lease contracts to be settled in subsequent periods – above 12 months	-	-
TOTAL:	377	451

NOTE 7 – Inventory

INVENTORIES	Balance at 31 December 2020				
	Materials	Work in progress	Finished products	Goods	Total
Measurement according to the acquisition price/manufacturing cost	-	-	-	42	42
Measurement according to the net realisable value	-	-	-	-	-
Write-downs on inventory at the beginning of the period	-	-	-	8	8
Reversed write-downs on inventory recognised as a decrease in the write-downs in the period	-	-	-	8	8
Write-downs on inventory recognised as cost in the period	-	-	-	-	-
Write-downs on inventory at the end of the period	-	-	-	-	-
Inventory recognised as cost in the period	-	-	-	-	-
Carrying value of inventory	-	-	-	42	42
Value of inventory securing liabilities	-	-	-	42	42

Including long-term	-	-	-	-	-
---------------------	---	---	---	---	---

INVENTORIES	Balance at 31 December 2019				
	Materials	Work in progress	Finished products	Goods	Total
Measurement according to the acquisition price/manufacturing cost	-	-	-	61	61
Measurement according to the net realisable value	-	-	-	-	-
Write-downs on inventory at the beginning of the period	-	-	-	8	8
Reversed write-downs on inventory recognised as a decrease in the write-downs in the period	-	-	-	-	-
Write-downs on inventory recognised as cost in the period	-	-	-	-	-
Write-downs on inventory at the end of the period	-	-	-	8	8
Inventory recognised as cost in the period	-	-	-	8	8
Carrying value of inventory	-	-	-	53	53
Value of inventory securing liabilities	-	-	-	53	53
Including long-term	-	-	-	8	8

Note 8 – Trade receivables

TRADE RECEIVABLES	31/12/2020	31/12/2019
Trade receivables from related parties	3	1
Trade receivables from other parties	8,563	5,681
Total receivables	8,566	5,682
Write-downs on trade receivables	264	349
Net trade receivables	8,302	5,333

MOVEMENTS IN WRITE-DOWNS	31/12/2020	31/12/2019
Opening balance	349	249
Increases	15	100
Decreases	100	-
Closing balance	264	349

Note 9 – Age structure of trade receivables

AGE STRUCTURE OF TRADE RECEIVABLES	Gross value	Write-down	Gross value	Write-down
	31/12/2020		31/12/2019	
Paid on time	7,172	-	3,286	-
Overdue up to 3 months	789	-	1,244	-
Overdue between 3 and 6 months	1	-	327	-
Overdue between 6 and 12 months	7	-	62	-
Overdue over 1 year	597	264	763	349
Total	8,566	264	5,682	349

Note 10 – Cash and cash equivalents

CASH AND CASH EQUIVALENTS	31/12/2020	31/12/2019
Cash in hand and cash in bank	9,802	4,501
Short-term deposits	1,341	1,241
Other	-	-
Total, including:	11,143	5,742
- cash in hand and cash in bank allocated to discontinued operations	-	-
- cash in hand and cash in bank not available for use by the group	-	-

In 2020, the Group's cash increased by PLN 5,400,283.99.

Both in 2020 and 2019 Quantum software SA and Quantum Qguar sp. z o.o. used their cash in short-term (overnight) deposits denominated in PLN and short-term EUR deposits.

Moreover, the companies have units in the open money market fund disclosed in the statement of financial condition in other financial assets.

OTHER FINANCIAL ASSETS	31/12/2020		31/12/2019	
	Number of units	Value of units	Number of units	Value of units
General Investments Funds	14,491.66	3,417	14,491.66	3,317
BNP Paribas Funds	14,340.30	1,606	7,173.06	-
Total, including:		5,023		3,317

Note 11 – Share capital

SHARE CAPITAL		Balance at 31 December 2020					
Series/issue	Type of shares	Preference	Type of limitation of the rights to shares	Number of shares	Value of series/issue at nominal value	Registration date	Right to dividend since
Series A	Registered shares	Yes	None	750.000	375,000.00	07/03/1997	1997
Series B	Ordinary bearer shares	None	None	84.113	42,056.50	02/08/2007	2007
Series C	Ordinary bearer shares	None	None	470.000	235,000.00	11/09/2007	2007
Series D	Ordinary bearer shares	None	None	10.757	5,378.50	11/05/2011	2011
Total number of shares				1,314,870			
Total share capital					657,435		
Nominal value per share					0.50		

Shareholders	Number of shares	% of capital
Quantum Assets sp. z o.o.	970,912	73.84%
Tomasz Hatała	44,181	3.36%
Bogusław Ożóg	32,371	2.46%
Robert Dykacz	23,596	1.79%
Marek Jędra	10,327	0.79%
Tomasz Polończyk	9,873	0.75%
Tomasz Mních	5,342	0.41%
Tomasz Mołata	1,312	0.10%
Henryk Gaertner	954	0.07%
Others	216,002	16.43%
Total	1,314,870	100%

Note 12 – Number of shares comprising share capital

Number of shares in the basic capital	31/12/2020	31/12/2019
Ordinary shares with a nominal value of PLN 0.50	1,314,870	1,314,870
Redemption of equity shares	-	-
Total	1,314,870	1,314,870
Changes in the number of shares	31/12/2020	31/12/2019
Ordinary shares issued and paid up in full		
At the beginning of the period	1,314,870	1,314,870
Redemption of equity shares	-	-
At the end of the period	1,314,870	1,314,870
Ordinary shares issued and not fully paid-up		
At the beginning of the period	-	-
At the end of the period	-	-
Equity shares		
At the beginning of the period	-	1
Repurchase of equity shares for the purposes of an incentive plan	-	-
Purchase of shares by the subsidiary Quantum Qguar	-	-
Redemption of equity shares	-	-
Sale of equity shares to member of the senior management	-	-1
At the end of the period	-	-
Shares		
At the beginning of the period	-	-
At the end of the period	-	-
SHARE CAPITAL	31/12/2020	31/12/2019
Nominal value per share	0.50	0.50
Share capital	657	657

Note 13 – Equity shares

EQUITY SHARES			
As of 31/12/2020	Number of shares	Value at acquisition prices	Purpose of acquisition
Repurchase of equity shares	-	-	Art. 362(1) item 8 of the Commercial Companies Code
TOTAL	-	-	-

Note 14 – Reserve capital, supplementary capital and revaluation reserve

	AS OF 31 DECEMBER 2020									
	Share premium	Supplementary capital	Reserve capital	Reserve capital due to foreign exchange gains/losses	Reserve capital due to cash flow hedges	PP&E revaluation reserve	Revaluation reserve for intangible assets	Revaluation reserve for financial assets available for sale	Foreign exchange gains/losses on translation	Total
Opening balance	8,426	-	-	-	-	-	-	-	63	8,489
Changes in accounting principles (policy)	-	-	-	-	-	-	-	-	-	-
Corrections of fundamental errors	-	-	-	-	-	-	-	-	-	-
Opening balance after corrections (restated)	8,426	-	-	-	-	-	-	-	63	8,489
Profit/loss on revaluation of PP&E	-	-	-	-	-	-	-	-	-	-
Profit/loss on measurement of investments available for sale recognised in equity	-	-	-	-	-	-	-	-	-	-
Profit/loss on cash flow hedges (effective portion)	-	-	-	-	-	-	-	-	-	-
Share premium	-	-	-	-	-	-	-	-	-	-
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-
Reclassification to share capital and supplementary capital	-	-	-	-	-	-	-	-	-	-

FX gains/losses on measurement of foreign operations	-	-	-	-	-	-	-	-	-	-58	-58
Distribution of profit	4,671	-	-	-	-	-	-	-	-	-	4,671
Redemption of equity shares	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-
Dividend	- 3,399	-	-	-	-	-	-	-	-	-	-3,399
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange gains/losses	-	-	-	-	-	-	-	-	-	-	-
Transfer between supplementary capital and previous years' profit/loss	-	-	-	-	-	-	-	-	-	-	-
Acquisition of interests in a subsidiary	-	-	-	-	-	-	-	-	-	-	-
Profit/loss on sale of subsidiary	-	-	-	-	-	-	-	-	-	-	-
Income tax related to items presented in other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Closing balance	9,698	-	-	-	-	-	-	-	-	5	9,703

	AS OF 31 DECEMBER 2019									
	Share premium	Supplementary capital	Reserve capital	Reserve capital due to foreign exchange gains/losses	Reserve capital due to cash flow hedges	PP&E revaluation reserve	Revaluation reserve for intangible assets	Revaluation reserve for financial assets available for sale	Foreign exchange gains/losses on translation	Total
Opening balance	8,158	74	-	-	-	-	-	-	-12	8,220
Changes in accounting principles (policy)	-	-	-	-	-	-	-	-	-	-
Corrections of fundamental errors	-	-	-	-	-	-	-	-	-	-
Opening balance after corrections (restated)	8,158	74	-	-	-	-	-	-	-12	8,220
Profit/loss on revaluation of PP&E	-	-	-	-	-	-	-	-	-	-
Profit/loss on measurement of investments available for sale recognised in equity	-	-	-	-	-	-	-	-	-	-
Profit/loss on cash flow hedges (effective portion)	-	-	-	-	-	-	-	-	-	-
Share premium	-	-	-	-	-	-	-	-	-	-
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-
Reclassification to share capital and supplementary capital	-	-	-	-	-	-	-	-	-	-
FX gains/losses on measurement of foreign operations	-	-	-	-	-	-	-	-	75	75
Distribution of profit	1,088	-74	-	-	-	-	-	-	-	1,014

Redemption of equity shares	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-13	-	-	-	-	-	-	-	-	-13
Dividend	-1,078	-	-	-	-	-	-	-	-	-1,078
Non-controlling interests	-	-	-	-	-	-	-	-	-	-
Foreign exchange gains/losses	-	-	-	-	-	-	-	-	-	-
Transfer between supplementary capital and previous years' profit/loss	271	-	-	-	-	-	-	-	-	271
Acquisition of interests in a subsidiary	-	-	-	-	-	-	-	-	-	-
Profit/loss on sale of subsidiary	-	-	-	-	-	-	-	-	-	-
Income tax related to items presented in other comprehensive income	-	-	-	-	-	-	-	-	-	-
Closing balance	8,426	-	-	-	-	-	-	-	63	8,489

Note 15 – Reserve capital due to foreign exchange gains/losses on translation

	for the period ending 31/12/2020	
	Reserve capital due to foreign exchange differences on translation	total
Opening balance	63	63

Foreign exchange gains/losses on translation of foreign operations	-58	-58
Income tax on gains from translation of foreign operations	-	-
Loss on instrument hedging a net investment in foreign operations	-	-
Income tax related to loss on instrument hedging foreign operations' net assets	-	-
Profits/losses reclassified to the result in connection with the sale of a foreign operation	-	-
Deferred tax related to profits/losses in connection with the sale of a foreign operation	-	-
Profits/losses on hedging instrument reclassified to the result in connection with the sale of a foreign operation	-	-
Deferred tax related to profit/loss on hedging instrument reclassified to the result in connection with the sale of a foreign operation	-	-
Other	-	-
Closing balance	5	5

	for the period ending 31/12/2019	
	Reserve capital due to foreign exchange differences on translation	total
Opening balance	-12	-12
Foreign exchange gains/losses on translation of foreign operations	75	75
Income tax on gains from translation of foreign operations	-	-
Loss on instrument hedging a net investment in foreign operations	-	-
Income tax related to loss on instrument hedging foreign operations' net assets	-	-
Profits/losses reclassified to the result in connection with the sale of a foreign operation	-	-
Deferred tax related to profits/losses in connection with the sale of a foreign operation	-	-
Profits/losses on hedging instrument reclassified to the result in connection with the sale of a foreign operation	-	-
Deferred tax related to profit/loss on hedging instrument reclassified to the result in connection with the sale of a foreign operation	-	-

Other	-	-
Closing balance	63	63

Note 16 – Non-controlling interests

	for the period ending 31/12/2020	
	Reserve capital due to foreign exchange differences on translation	total
Opening balance	-32	-32
Share of profit during the year	230	230
Foreign exchange differences on translation of financial statements	-60	-60
Acquisition of interests in a subsidiary	-	-
Profit/loss on sale of subsidiary	-	-
Correction of profit/loss for previous years	-	-
Change of the share structure – profit/loss for previous years	207	207
Distribution of profit for previous years – payment of dividend	-90	-90
Other movements in equity due to consolidation adjustments	-14	-14
Closing balance	241	241

	for the period ending 31/12/2019	
	Reserve capital due to foreign exchange differences on translation	total
Opening balance	-109	-109

Share of profit during the year	83	83
Foreign exchange differences on translation of financial statements	13	13
Acquisition of interests in a subsidiary	-	-
Profit/loss on sale of subsidiary	-	-
Correction of profit/loss for previous years	-19	-19
Sale of equity shares	-	-
Closing balance	-32	-32

Note 17 – Provisions

PROVISIONS					
	AS OF 31 DECEMBER 2020				
	Provisions for repairs under guarantee	Restructuring provisions	Provisions for employee and similar benefits	Other provisions	Total
Value at the beginning of the period, including:	-	-	935	-	935
<i>Short-term, at the beginning of the period</i>	-	-	580	-	580
<i>Long-term, at the beginning of the period</i>	-	-	355	-	355
Increases	-	-	194	-	194
Created in the period and increase in existing ones	-	-	194	-	194
Transferred as part of the business transfer	-	-	-	-	-
Purchased as part of business combinations	-	-	-	-	-

Decreases	-	-	7	-	7
Used during the year	-	-	-	-	-
Released but not used	-	-	7	-	7
Transferred as part of the business transfer	-	-	-	-	-
Adjustment for net foreign exchange gains/losses on translation	-	-	-	-	-
Discount rate adjustment	-	-	-	-	-
Value at the end of the period, including:	-	-	1,122	-	1,122
<i>Short-term, at the end of the period</i>	-	-	771	-	771
<i>Long-term, at the end of the period</i>	-	-	351	-	351

PROVISIONS					
	AS OF 31 DECEMBER 2019				
	Provisions for repairs under guarantee	Restructuring provisions	Provisions for employee and similar benefits	Other provisions	Total
Value at the beginning of the period, including:	-	-	795	-	795
<i>Short-term, at the beginning of the period</i>	-	-	513	-	513
<i>Long-term, at the beginning of the period</i>	-	-	282	-	282
Increases	-	-	140	-	140
Created in the period and increase in existing ones	-	-	140	-	140
Transferred as part of the business transfer	-	-	-	-	-

Purchased as part of business combinations	-	-	-	-	-
Decreases	-	-	-	-	-
Used during the year	-	-	-	-	-
Released but not used	-	-	-	-	-
Transferred as part of the business transfer	-	-	-	-	-
Adjustment for net foreign exchange gains/losses on translation	-	-	-	-	-
Discount rate adjustment	-	-	-	-	-
Value at the end of the period, including:	-	-	935	-	935
<i>Short-term, at the end of the period</i>	-	-	<i>580</i>	-	<i>580</i>
<i>Long-term, at the end of the period</i>	-	-	<i>355</i>	-	<i>355</i>

Note 18 – Bank loans and borrowings

LONG-TERM BANK LOANS AND BORROWINGS			31/12/2020		31/12/2019	
Item	Effective interest rate	Repayment date	short-term portion	long-term portion	Short-term portion	Long-term portion
Quantum International Russia	-	-	-	42	-	-
PFR – Quantum Qguar	-	-	348	846	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
TOTAL	-	-	348	888	-	-

In 2020, due to the pandemic, subsidiary Quantum Qguar received aid from the Polish Development Fund in the form of a loan amounting to PLN 1,193,519.00.

Note 19 – Other financial liabilities

LIABILITIES DUE TO FINANCE LEASE AGREEMENTS				
FUTURE MINIMUM LEASE FEES AND NET PRESENT VALUE OF MINIMUM LEASE FEES				
	31 DECEMBER 2020		31 DECEMBER 2019	
	Minimum fees	Present value of minimum fees	Minimum fees	Present value of minimum fees
up to 1 year	389	372	395	330
over 1 to 5 years	164	162	367	349
over 5 years	-	-	-	-
Total	553	534	762	679

As at 31 December 2020, Quantum Qguar was bound by ten passenger car lease contracts in the total amount of PLN 637,823.76. As of 31 December 2020, the outstanding amount of the liability was PLN 335,146.84.

As at 31 December 2020, Quantum I-services was bound by one lease contract for passenger cars of the total value of PLN 268,469.62. As of 31 December 2020, the outstanding amount of the liability was PLN 186,035.08.

As at 31 December 2020, Quantum International Ukraine was bound by one lease contract for passenger cars. As of 31 December 2020, the outstanding amount of the liability was PLN 13,508.17.

Note 20 – Trade liabilities

TRADE LIABILITIES	31/12/2020	31/12/2019
Trade liabilities due to related parties	-	-
Trade liabilities due to other parties	3,798	2,600
Total	3,798	2,600

Note 21 – Other liabilities as well as prepayments and accruals

OTHER LIABILITIES AND ACCRUALS	31/12/2020	31/12/2019
Liabilities due to subsidiaries:	-	-
- long-term	-	-

- short-term	-	-
Liabilities due to related parties:	-	-
- long-term	-	-
- short-term	-	-
Advance payments:	-	5
- long-term	-	-
- short-term	-	5
Other liabilities:	2,419	1,397
- long-term	-	-
- short-term	2,419	1,397
Accruals:	717	5
- long-term	180	-
- short-term	537	5
Deferred revenue:	862	70
- long-term	125	-
- short-term	737	70
Total, including:	3,998	1,477
- long-term	305	-
- short-term	3,693	1,477

Other liabilities include:		
Taxes, customs duties, insurance and other considerations	1,336	848
Payroll	42	106
Arising from dividend	863	-
Other liabilities	58	89
Settlement of special purpose funds	120	85
Total	2,419	1,397

Accruals include:		
settlements of subsidy received – within 12 months	-	-
settlement of subsidy received – over 12 months	-	-
settlement of long-term contracts	874	-
Other accruals/prepayments	445	70

turn-of-the-period costs	260	5
Total	1,579	75

Note 22 – Revenue from sale of products, goods and materials

REVENUE FROM SALE OF PRODUCTS, GOODS AND MATERIALS						
	Continued operations		Discontinued operations		Total	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Revenue from sale of products	4,921	3,792	-	-	4,921	3,792
Revenue from sale of services	25,170	22,865	-	-	25,170	22,865
Revenue from sale of materials	-	-	-	-	-	-
Revenue from sale of goods	8,540	6,492	-	-	8,540	6,492
TOTAL	38,631	33,149	-	-	38,631	33,149
including: non-cash revenue from exchange of goods or services	-	-	-	-	-	-

In 2020, an increase in the Group's sales compared to the same period in 2019 was recorded. Revenue mainly includes the sale of licenses and own services of Qguar, and the sale of goods is the entity's additional operations resulting from specific orders occurring in the course of the implementation of contracts with contractors.

Note 23 – Costs by type

COSTS BY TYPE	31/12/2020	31/12/2019
Amortisation/depreciation of tangible assets and intangible assets	640	629
Employee benefit costs	13,625	12,683
Consumption of raw materials and materials	300	476
Costs of third-party services	10,105	9,276
Costs of taxes and charges	141	145
Other expenses	434	748
Change in the balance of products and work-in-progress	-	-
Value of goods sold	7,760	5,637

TOTAL	33,005	29,594
Selling costs	2,236	2,415
General and administrative expenses	4,513	3,768
Costs of products, goods and materials sold	26,256	23,411
TOTAL	33,005	29,594
including: minimum lease payments recognised as operating lease costs	-	-

EMPLOYEE BENEFIT COSTS	31/12/2020	31/12/2019
Costs of remuneration	11,457	10,556
Social security costs	2,011	1,817
Costs of defined contribution plans	-	-
Costs of defined benefit plans, including:	-	-
Costs of other long-term employee benefits	-	-
Costs of benefits due to termination of employment	-	-
Costs of retirement benefits	-	-
Other benefits	157	310
Other post-employment benefits	-	-
Costs of employee benefits in the form of equity shares	-	-
TOTAL	13,625	12,683

RESEARCH AND DEVELOPMENT COSTS	31/12/2020	31/12/2019
Amortisation/depreciation	-	-
Consumption of raw materials and auxiliary materials	-	-
Costs of third-party services	-	-
Other expenses	-	-
TOTAL	-	-

Note 24 – Other revenue and expenses

OTHER REVENUE	31/12/2020	31/12/2019
State subsidies	1,148	-
Profit on sale of property, plant and equipment	18	55

Reversal of impairment losses on receivables	86	-
Reversal of impairment losses on inventory	8	-
Reversal of impairment losses on intangible assets	-	-
Reversal of impairment losses on PP&E	-	-
Reversal of impairment losses on investment property	-	-
Release of other provisions	-	-
Release of provision for company restructuring costs	-	-
Profit on occasional purchase	-	-
Reimbursement of court costs	-	-
Damages refunded	-	-
Differences from balance sheet measurement	-	-
Donations, fines and damages received	-	24
Adjustment of contributions to Labour Fund for previous years	-	-
Reimbursement of insurance policy premiums	-	-
Redemption of a portion of interests	-	-
Transfer of business – goodwill	-	-
Other	20	14
TOTAL	1,280	93
including: non-cash revenue from exchange of goods or services	-	-

OTHER EXPENSES	31/12/2020	31/12/2019
Loss on sale of property, plant and equipment	-	-
Provision for guarantee repairs	-	-
Direct expenses (including renovation and maintenance) due to investment property rented out	-	-
Accumulated loss on revaluation of investment properties to fair value	-	-
Impairment losses on receivables	-	105
Impairment losses on inventory	-	-
Impairment losses on intangible assets	-	-
Impairment losses on property, plant and equipment	-	-
Impairment losses on investment properties	-	-
Provision for company restructuring costs	-	-
Provision for expected losses	-	-
Provision for expenses	-	-
Costs of court proceedings	-	-

Compensations for dismissed employees	-	-
Expenses related to acquisition of other parties	-	-
Expenses of maintaining property investment	-	-
Losses, damages and penalties	-	-
Donations	3	11
Liquidation of current assets	-	-
Subsidies	-	-
Write-down on goodwill of the acquired unit	-	530
Other	74	24
TOTAL	77	670

Note 25 – Financial revenue and expenses

FINANCIAL REVENUE	31/12/2020	31/12/2019
Interest revenue	22	160
Dividend revenue	-	-
Investment revenue	106	-
Foreign exchange gains	104	67
Interest charged on receivables	-	-
FX hedges (forwards)	-	-
Settlement of income tax upon transfer of business	-	-
Other	-	-
Reversal of impairment losses on financial assets, including:	5	-
shares and stock	-	-
financial assets and liabilities at fair value through profit or loss	5	-
hedging instruments	-	-
Profit on change in the fair value of financial instruments	-	-
shares and stock	-	-
financial assets and liabilities measured at the fair value through profit or loss	-	-
hedging instruments	-	-
TOTAL	237	227

FINANCIAL EXPENSES	31/12/2020	31/12/2019
Costs of interest, including:	4	59
bank loans	-	-
Loans	-	-
Other	-	49
state budget and other interest	4	10
Financial expenses under finance lease agreements	62	96
Provision for outstanding interest	-	-
Loss on disposal of investments	-	-
Foreign exchange losses	-	-
Profit/loss on sale of interests in subsidiary	-	-
Remittance of borrowing and interest	-	-
Other	2	9
Impairment losses on financial assets, including:	-	32
shares and stock	534	-
financial assets and liabilities measured at the fair value through profit or loss	-534	32
hedging instruments	-	-
Losses on change in the fair value of financial instruments, including:	-	-
shares and stock	-	-
financial assets and liabilities measured at the fair value through profit or loss	-	-
hedging instruments	-	-
TOTAL	68	196

Note 26 Consolidated earnings per share

CONSOLIDATED PROFIT PER SHARE	31/12/2020	31/12/2019
Consolidated net profit for the reporting period attributable to:	6,243	2,822
Shareholders of the parent	6,013	2,738
Non-controlling interests	230	84

CONSOLIDATED NET PROFIT OF ORDINARY SHAREHOLDERS OF THE PARENT COMPANY (BASIC)						
Item	31 December 2020			31 December 2019		
	Continued operations	Discontinued operations	Total	Continued operations	Discontinued operations	Total
Consolidated profit/loss of the shareholders of the parent entity for the reporting period	6,013	-	6,013	2,738	-	2,738
Dividends on preference shares not subject to redemption (-)	-	-	-	-	-	-
Total	6,013	-	6,013	2,738	-	2,738

WEIGHTED AVERAGE ORDINARY SHARES	31/12/2020	31/12/2019
<i>in thousands of shares</i>		
Weighted average number of shares at the beginning of the period	1,314,870	1,314,870
Weighted average number of ordinary shares at the end of the period	1,314,870	1,314,870

CONSOLIDATED NET PROFIT PER SHARE	31/12/2020	31/12/2019
on continued and discontinued operations	4.57	2.08
on continued operations	4.57	2.08

consolidated net profit of ordinary shareholders of the parent company (diluted)						
Item	31 December 2020			31 December 2019		
	Continued operations	Discontinued operations	Total	Continued operations	Discontinued operations	Total
Consolidated net profit/loss of ordinary shareholders of the parent entity (basic)	6,013	-	6,013	2,738	-	2,738
Interest on convertible bonds, after taxes	-	-	-	-	-	-

Consolidated net profit/loss of ordinary shareholders of the parent entity (diluted)	6,013	-	6,013	2,738	-	2,738
---	--------------	----------	--------------	--------------	----------	--------------

WEIGHTED AVERAGE ORDINARY SHARES (DILUTED)	31/12/2020	31/12/2019
<i>in thousands of shares</i>		
Weighted average ordinary shares	1,314,870	1,314,870
Effect of conversion of convertible bonds	-	-
Effect of the issue of share options	-	-
Weighted average number of ordinary shares at the end of the period (diluted)	1,314,870	1,314,870

CONSOLIDATED DILUTED NET PROFIT PER SHARE	31/12/2020	31/12/2019
on continued and discontinued operations	4.57	2.08
on continued operations	4.57	2.08

Note 27 – Information on operating segments

The Group does not identify product segments because it is not possible to identify assets and liabilities corresponding to individual types of products and, consequently, the Company does not maintain records allowing for the identification of operating segments. The Group presents sales categorised into products, services and goods (note 22) and by geographical areas. The Group does not disclose any information on the customer concentration as such concentration does not exist.

31/12/2020		
INFORMATION ON GEOGRAPHICAL AREAS	Revenue	Non-current assets
Domestic sales	32,818	*
Total foreign sales	5,813	*
including:		
Germany	674	-
Ukraine	3,720	-
Norway	-	-

Russia	41	-
France	-	-
UK	45	-
Ecuador	256	-
Romania	68	-
Hungary	2	-
Czech Republic	51	-
USA	105	-
Italy	15	-
Luxemburg	-	-
Slovakia	-	-
Lithuania	635	-
Belarus	201	-
Malta	-	-
Brazil	-	-
Other	-	-
TOTAL	38,631	-

31/12/2019		
INFORMATION ON GEOGRAPHICAL AREAS	Revenue	Non-current assets
Domestic sales	31,093	*
Total foreign sales	2,056	*
including:		
Germany	1,108	-
Ukraine	-	-
Norway	-	-
Russia	31	-
France	-	-
UK	36	-
Romania	45	-
Ecuador	119	-
Hungary	-	-
Czech Republic	45	-
USA	104	-

Italy	16	-
Luxemburg	-	-
Slovakia	222	-
Lithuania	330	-
Denmark	-	-
Malta	-	-
Brazil	-	-
Other	-	-
TOTAL	33,149	-

* Fixed assets are used by the entity for the purpose of manufacturing goods sold in the domestic and foreign markets.

INFORMATION ON TYPES OF PRODUCTS, SERVICES AND GOODS	31/12/2020	31/12/2019
	Revenue	Revenue
Products – licenses	4,921	3,792
Services – implementation	11,260	12,558
Services – maintenance	13,224	9,879
Services – individual projects and other services	897	395
Long-term contracts	211	32
Goods	8,540	6,493
TOTAL	38,631	33,149

Note 28 – Transactions between related entities

TRANSACTIONS BETWEEN RELATED ENTITIES 2020			
Entity	Transaction type	Transaction value in PLN	Transaction value in foreign currency
Quantum Mobile Solutions sp. z o.o.	Sale of services to Quantum Qguar sp. z o.o.	330	-
Quantum I-Services sp. z o.o.	Sale of services to Quantum Qguar sp. z o.o.	663	-
Qcadoo Limited sp. z o.o.	Sale of services to Quantum Qguar sp. z o.o.	300	-

Quantum Qguar sp. z o.o.	Sale of services to Quantum International Ukraine	559	-
Quantum Qguar sp. z o.o.	Sale of goods to Quantum International Ukraine	67	-
Quantum Qguar sp. z o.o.	Sale of services to Quantum International Russia	-	-
Quantum Qguar sp. z o.o.	Sale of services to Quantum Limited sp. z o.o.	1	-
Quantum Qguar sp. z o.o.	Sale of services to Quantum software S.A.	714	-
Quantum Qguar sp. z o.o.	Sale of services to Quantum I-Services sp. z o.o.	1	-
Quantum Qguar sp. z o.o.	Sale of services to Quantum East sp. z o.o.	1	-
Quantum Qguar sp. z o.o.	Sale of services to Quantum Mobile Solutions sp. z o.o.	1	-
Quantum software S.A.	Sale of services to Quantum Qguar sp. z o.o.	540	-
Quantum software S.A.	Sale of services to Quantum Mobile Solutions sp. z o.o.	120	-
Quantum Brasil	Sale of services to Quantum software S.A.	-	-
Quantum Brasil	Sale of services to Quantum Qguar sp. z o.o.	127	-
Quantum Brasil	Sale of services to Quantum Mobile Solutions sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Interest accrued on a loan granted to Quantum East sp. z o.o.	43	-
Quantum East sp. z o.o.	Interest accrued on a loan granted to Quantum International Russia	34	-
Quantum Qguar sp. z o.o.	Interest accrued on a loan granted to Qcadoo Limited sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Interest accrued on loans granted to Quantum Brasil	11	-
Quantum Qguar sp. z o.o.	Interest accrued on a loan granted to Quantum I-Services sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Interest accrued on a loan granted to Quantum software SA	-	-
Quantum Qguar sp. z o.o.	remittance of interest on a loan granted to Quantum I-Services sp. z o.o.	54	-
Quantum Qguar sp. z o.o.	remittance of interest on a loan granted to Qcadoo Limited sp. z o.o.	119	-
Quantum software S.A.	Interest accrued on a loan granted to Qcadoo Limited sp. z o.o.	-	-
Quantum software S.A.	Interest accrued on loans granted to Quantum Brasil	8	-
Quantum software S.A.	Granting a loan to Quantum Brasil	-	-
Quantum software S.A.	Repayment of the loan by Qcadoo Limited sp. z o.o.	-	-

Quantum Qguar sp. z o.o.	Granting a loan to Qcadoo Limited sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Repayment of the loan from Qcadoo Limited sp. z o.o.	14	-
Quantum Qguar sp. z o.o.	Granting a loan to Quantum software SA	-	-
Quantum Qguar sp. z o.o.	Repayment of the loan by Quantum software SA	-	-
Quantum Qguar sp. z o.o.	Repayment of the loan by Quantum I-Services sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Repayment of the loan by Quantum I-Services sp. z o.o.	400	-
Quantum Qguar sp. z o.o.	Acquisition of Qcadoo Limited sp. z o.o. shares	-	-
Quantum Qguar sp. z o.o.	Write off of shares of Qcadoo Limited sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Acquisition of Quantum I-Services sp. z o.o. shares	-	-
Quantum software S.A.	Receiving dividend from Quantum Qguar sp. z o.o.	1,624	-
Quantum software S.A.	Receiving advance payment on account of dividend from Quantum Qguar sp. z o.o.	1,000	-
Quantum software S.A.	Purchase of Quantum Brasil shares from Quantum Qguar sp. z o.o.	727	-
Quantum software S.A.	Purchase of Quantum Brasil loan from Quantum Qguar sp. z o.o.	898	-
Quantum East sp. z o.o.	Receipt of dividend from Quantum International Ukraine	445	-
Quantum Qguar sp. z o.o.	Write-down on goodwill of Qcadoo Limited sp. z o.o.	-	-

RECEIVABLES AS AT 31/12/2020 BETWEEN ASSOCIATES			
Entity	From which entity/For which entity	Receivables in PLN	Liability in PLN
Quantum software S.A.	Quantum International Ukraine	-	-
Quantum software S.A.	Quantum Brasil	-	-
Quantum software S.A.	Quantum I-Services sp. z o.o.	-	-
Quantum software S.A.	Quantum Qguar sp. z o.o.	-	19
Quantum software S.A.	Quantum Mobile Solutions sp. z o.o.	74	-
Quantum Qguar sp. z o.o.	Quantum Mobile Solutions sp. z o.o.	-	31
Quantum Qguar sp. z o.o.	Quantum International Ukraine	52	-

Quantum Qguar sp. z o.o.	Quantum International Russia	-	-
Quantum Qguar sp. z o.o.	Quantum Brasil	-	-
Quantum Qguar sp. z o.o.	Quantum I-Services sp. z o.o.	-	93
Quantum Qguar sp. z o.o.	Quantum East sp. z o.o.	1	-
Quantum Qguar sp. z o.o.	Qcadoo Limited sp. z o.o.	1	-
Quantum East sp. z o.o.	Quantum International Ukraine	495	-
Quantum I-Services sp. z o.o.	Qcadoo Limited sp. z o.o.	-	-

TRANSACTIONS BETWEEN RELATED ENTITIES 2019			
Entity	Transaction type	Transaction value in PLN	Transaction value in foreign currency
Quantum Mobile Solutions sp. z o.o.	Sale of services to Quantum Qguar sp. z o.o.	293	-
Quantum I-Services sp. z o.o.	Sale of services to Quantum Qguar sp. z o.o.	701	-
Qcadoo Limited sp. z o.o.	Sale of services to Quantum Qguar sp. z o.o.	52	-
Quantum Qguar sp. z o.o.	Sale of services to Quantum International Ukraine	604	-
Quantum Qguar sp. z o.o.	Sale of goods to Quantum International Ukraine	39	-
Quantum Qguar sp. z o.o.	Sale of services to Quantum International Russia	-	-
Quantum Qguar sp. z o.o.	Sale of services to Quantum Limited sp. z o.o.	1	-
Quantum Qguar sp. z o.o.	Sale of services to Quantum software S.A.	903	-
Quantum Qguar sp. z o.o.	Sale of services to Quantum I-Services sp. z o.o.	1	-
Quantum Qguar sp. z o.o.	Sale of services to Quantum East sp. z o.o.	1	-
Quantum Qguar sp. z o.o.	Sale of services to Quantum Mobile Solutions sp. z o.o.	1	-
Quantum software S.A.	Sale of services to Quantum Qguar sp. z o.o.	540	-
Quantum software S.A.	Sale of services to Quantum Mobile Solutions sp. z o.o.	120	-
Quantum Brasil	Sale of services to Quantum software S.A.	-	-
Quantum Brasil	Sale of services to Quantum Qguar sp. z o.o.	207	-

Quantum Brasil	Sale of services to Quantum Mobile Solutions sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Interest accrued on a loan granted to Quantum East sp. z o.o.	55	-
Quantum East sp. z o.o.	Interest accrued on a loan granted to Quantum International Russia	40	-
Quantum Qguar sp. z o.o.	Interest accrued on a loan granted to Qcadoo Limited sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Interest accrued on loans granted to Quantum Brasil	14	-
Quantum Qguar sp. z o.o.	Interest accrued on a loan granted to Quantum I-Services sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Interest accrued on a loan granted to Quantum software SA	-	-
Quantum software S.A.	Interest accrued on a loan granted to Qcadoo Limited sp. z o.o.	-	-
Quantum software S.A.	Interest accrued on loans granted to Quantum Brasil	10	-
Quantum software S.A.	Granting a loan to Quantum Brasil	-	-
Quantum software S.A.	Repayment of the loan by Qcadoo Limited sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Granting a loan to Qcadoo Limited sp. z o.o.	15	-
Quantum Qguar sp. z o.o.	Repayment of the loan from Qcadoo Limited sp. z o.o.	1	-
Quantum Qguar sp. z o.o.	Granting a loan to Quantum software SA	-	-
Quantum Qguar sp. z o.o.	Repayment of the loan by Quantum software SA	-	-
Quantum Qguar sp. z o.o.	Repayment of the loan by Quantum I-Services sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Repayment of the loan by Quantum I-Services sp. z o.o.	10	-
Quantum Qguar sp. z o.o.	Acquisition of Qcadoo Limited sp. z o.o. shares	-	-
Quantum Qguar sp. z o.o.	Write off of shares of Qcadoo Limited sp. z o.o.	302	-
Quantum Qguar sp. z o.o.	Acquisition of Quantum I-Services sp. z o.o. shares	-	-
Quantum software S.A.	Receiving dividend from Quantum Qguar sp. z o.o.	1,659	-
Quantum software S.A.	Receiving advance payment on account of dividend from Quantum Qguar sp. z o.o.	853	-
Quantum Qguar sp. z o.o.	Write-down on goodwill of Qcadoo Limited sp. z o.o.	530	-

RECEIVABLES AS AT 31/12/2019 BETWEEN ASSOCIATES			
Entity	From which entity/For which entity	Receivables in PLN	Liability in PLN
Quantum software S.A.	Quantum International Ukraine	-	-
Quantum software S.A.	Quantum Brasil	-	-
Quantum software S.A.	Quantum I-Services sp. z o.o.	-	-
Quantum software S.A.	Quantum Qguar sp. z o.o.	-	458
Quantum software S.A.	Quantum Mobile Solutions sp. z o.o.	74	-
Quantum Qguar sp. z o.o.	Quantum Mobile Solutions sp. z o.o.	-	62
Quantum Qguar sp. z o.o.	Quantum International Ukraine	184	-
Quantum Qguar sp. z o.o.	Quantum International Russia	-	-
Quantum Qguar sp. z o.o.	Quantum Brasil	-	18
Quantum Qguar sp. z o.o.	Quantum I-Services sp. z o.o.	-	178
Quantum Qguar sp. z o.o.	Quantum East sp. z o.o.	-	2
Quantum Qguar sp. z o.o.	Qcadoo Limited sp. z o.o.	-	20
Quantum I-Services sp. z o.o.	Qcadoo Limited sp. z o.o.	-	-

Note 29 – Construction contracts

Some of the contracts held by the Group companies have the traits of long-term contracts. The management boards of these companies analyse the costs and revenues under such contracts on a regular basis. Given the fact that there are small differences between the progress of the contracts and the accompanying costs and revenue, the contracts are not presented because they do not significantly affect the Group's financial result.

CONSTRUCTION CONTRACTS IN PROGRESS	31/12/2020	31/12/2019
Total costs incurred	659	716
Total profits and losses recognised	-211	32
Advance payments received	-	-
Security deposit	-	-

Receivables from clients under contractual works	120	332
Liabilities due to clients under contractual works	-	-

Note 30 – Financial instruments

FINANCIAL INSTRUMENTS – INTEREST RATE RISK – SENSITIVITY ANALYSIS			
As of 31/12/2020			
	Carrying amount	Increase/decrease by percentage points	Effect on the gross financial result
Financial assets	16,311	-	-1
Cash	11,143	-	-
Shares	-	-	-
Other financial assets	5,023	-	-
Borrowings granted	145	-1	-1
Financial liabilities	1,770	-	18
Bank loans and borrowings	1,236	1	12
Financial lease liabilities	534	1	5
Other financial liabilities	-	-	-

FINANCIAL INSTRUMENTS – INTEREST RATE RISK – SENSITIVITY ANALYSIS			
As of 31/12/2019			
	Carrying amount	Increase/decrease by percentage points	Effect on the gross financial result
Financial assets	9,237	-	-
Cash	5,742	-	-
Shares	-	-	-
Other financial assets	3,317	-	-
Borrowings granted	178	-1	-2
Financial liabilities	679	-	-
Bank loans and borrowings	-	1	-
Financial lease liabilities	679	1	7
Other financial liabilities	-	-	-

FINANCIAL INSTRUMENTS – CURRENCY RISK – SENSITIVITY ANALYSIS			
As of 31/12/2020			
	Carrying value (PLN '000)	Exchange rate increase/decrease in percentage points	Effect on the gross financial result
Financial assets	-	-	-
Cash in EUR	3,992	4.00%	160
Cash in USD	1,318	2.00%	26
Cash in UAH	1,434	-5.00%	-72
Cash in RUB	1	-10.00%	-
Cash in BRL	41	-13.00%	-5
Trade and other receivables in EUR	169	4.00%	7
Trade and other receivables in USD	48	2.00%	1
Trade and other receivables in UAH	778	-5.00%	-39
Trade and other receivables in RUB	-	-10.00%	-
Trade and other receivables in BRL	-	-13.00%	-
Financial liabilities	-	-	-
Overdrafts in EUR	-	4.00%	-
Short-term loans in EUR	-	4.00%	-
Trade liabilities in EUR	7	4.00%	-
Trade liabilities in UAH	483	-5.00%	-24
Trade liabilities in RUB	86	-10.00%	-9
Trade liabilities in BRL	1	-13.00%	-

FINANCIAL INSTRUMENTS – CURRENCY RISK – SENSITIVITY ANALYSIS			
As of 31/12/2019			
	Carrying amount	Exchange rate increase/decrease in percentage points	Effect on the gross financial result
Financial assets	-	-	-
Cash in EUR	2,170	-1.00%	-22
Cash in USD	68	6.00%	4
Cash in UAH	1,054	13.00%	137
Cash in RUB	1	4.00%	0
Cash in BRL	12	-1.00%	0

Trade and other receivables in EUR	230	-1.00%	-2
Trade and other receivables in USD	38	6.00%	2
Trade and other receivables in UAH	759	13.00%	99
Trade and other receivables in RUB	-	4.00%	-
Trade and other receivables in BRL	-	-1.00%	-
Financial liabilities	-	-	-
Overdrafts in EUR	-	-	-
Short-term loans in EUR	-	-	-
Trade liabilities in EUR	53	1.00%	1
Trade liabilities in UAH	738	-13.00%	-96
Trade liabilities in RUB	263	-4.00%	-11
Trade liabilities in BRL	-	1.00%	-

MEASUREMENT OF FINANCIAL INSTRUMENTS

	Category according to IFRS 9*	Carrying amount		Fair value	
		31/12/2020	31/12/2019	31/12/2020	31/12/2019
Financial assets	-	20,412	12,191	20,412	12,191
Cash	at amortised cost	11,143	5,742	11,143	5,742
Trade and other receivables	at amortised cost	9,124	6,271	9,124	6,271
Interest receivable from borrowings granted	at amortised cost	145	178	145	178
Shares	historical cost – in accordance with IAS 27	-	-	-	-
Financial liabilities		9,261	4,756	9,261	4,756
Liabilities due to finance lease	at amortised cost	534	679	534	679
Trade and other liabilities	at amortised cost	7,491	4,077	7,491	4,077
Bank loans	at amortised cost	1,236	-	1,236	-

ITEMS OF REVENUE, COSTS, PROFITS AND LOSSES RECOGNISED IN THE STATEMENT OF COMPREHENSIVE INCOME BY CATEGORIES OF FINANCIAL INSTRUMENTS

FOR THE PERIOD	31/12/2020				
	Category according to IFRS 9*	Interest revenue/costs	Foreign exchange gains/losses	Reversal/establishment of write-downs	Profits/losses on sales
Financial assets	-	128	104	5	-
Cash	at amortised cost	8	280	-	-

Trade and other receivables	at amortised cost	-	-2	-	-
Interest receivable from borrowings granted	at amortised cost	14	-174	5	-
Shares	historical cost – in accordance with IAS 27	-	-	-	-
Other financial assets		106	-	-	-
Financial liabilities	at amortised cost	-66	1	-	-
Liabilities due to finance lease	at amortised cost	-62	-	-	-
Trade and other liabilities	at amortised cost	-4	1	-	-
Liabilities on account of loans granted	-	-	-	-	-
Short-term bank loans	at amortised cost	-	-	-	-

ITEMS OF REVENUE, COSTS, PROFITS AND LOSSES RECOGNISED IN THE STATEMENT OF COMPREHENSIVE INCOME BY CATEGORIES OF FINANCIAL INSTRUMENTS

FOR THE PERIOD	31/12/2019				
	Category according to IFRS 9*	Interest revenue/costs	Foreign exchange gains/losses	Reversal/establishment of write-downs	Profits/losses on sales
Financial assets	-	160	80	-31	-
Cash	at amortised cost	26	-37	-	-
Trade and other receivables	at amortised cost	-	117	-	-
Interest receivable from borrowings granted	at amortised cost	15	-	-31	-
Shares	historical cost – in accordance with IAS 27	-	-	-	-
Other financial assets		119	-	-	-
Financial liabilities	at amortised cost	-155	-12	-	-
Liabilities due to finance lease	at amortised cost	-96	-	-	-
Trade and other liabilities	at amortised cost	-10	-12	-	-
Liabilities on account of loans granted	-	-49	-	-	-
Short-term bank loans	at amortised cost	-	-	-	-

Note 31 – Remuneration of the Group’s senior management

Management Board of the parent company	31/12/2020	31/12/2019
Short-term employee benefits (remunerations and surcharges)	308	280

Anniversary benefits and retirement benefits	-	-
Post-employment benefits	-	-
Benefits due to termination of employment	-	-
Employee benefits in the form of equity shares	-	-
Total	308	280

Supervisory Board of the parent company	31/12/2020	31/12/2019
Short-term employee benefits (remunerations and surcharges)	30	26
Anniversary benefits and retirement benefits	-	-
Post-employment benefits	-	-
Benefits due to termination of employment	-	-
Employee benefits in the form of equity shares	-	-
Total	30	26

Management board of subsidiaries	31/12/2020	31/12/2019
Short-term employee benefits (remunerations and surcharges)	342	328
Anniversary benefits and retirement benefits	-	-
Post-employment benefits	-	-
Benefits due to termination of employment	-	-
Employee benefits in the form of equity shares	-	-
Total	342	328

Other members of the senior management of subsidiaries	31/12/2020	31/12/2019
Short-term employee benefits (remunerations and surcharges)	1,173	1,148
Anniversary benefits and retirement benefits	-	-
Post-employment benefits	-	-
Benefits due to termination of employment	-	-
Employee benefits in the form of equity shares	-	-
Total	1,173	1,148

	31/12/2020	31/12/2019
Management Board	308	280
Supervisory Board	30	26

Management Board – subsidiaries or associates	342	328
Supervisory Board – subsidiaries or associates	-	-
Total	680	634
Other key management personnel	1,173	1,148

Note 32 – Capital management

	31/12/2020	31/12/2019
Interest-bearing loans, borrowings and bonds	1,422	679
Trade and other liabilities	7,584	4,090
Less cash and cash equivalents	-11,143	-5,742
Net debt	-2,137	-973
Convertible preference shares	-	-
Equity	17,451	12,799
Reserve capital on unrealised net earnings	-	-
Total capital	17,451	12,799
Capital and net debt	15,314	11,826
Leverage ratio	-0.14	-0.08

Note 33 – Employment in the Capital Group

EMPLOYMENT IN THE QS S.A. CAPITAL GROUP	31/12/2020	31/12/2019
Management Board of the parent company	4	4
Management Boards of the Group companies (*)	15	15
White-collar employees/Administration	148	144
Blue-collar employees	0	0

Note 34 – Financial risk management principles

The Group's financial situation depends on the macroeconomic situation in Poland and in the countries where the subsidiaries operate. The financial result achieved by the Group directly and indirectly depends on, among others: the GDP growth dynamics, inflation, national monetary and tax policy, business investments, household income and consumer demand. All of the aforesaid factors as well as the direction and level of changes influence the fulfilment of tasks planned by the Group companies. The economic growth translates into the revenue of companies operating

in particular regions and industries. Consequently, they adjust their capital expenditures, including development, through improvement or purchase of computer hardware and appropriate software. The Quantum Group entities, as IT systems provider, may directly experience the consequences of changes in the budgets allocated by companies to computerisation.

As regards the types of risks arising from financial instruments management, the Quantum Software S.A. Group faces the following basic risks:

- currency risk;
- interest rate risk;
- liquidity risk.

All above risks have become more serious due to the global crisis caused by the coronavirus pandemic that has persisted for over a year now. . Financial institutions are facing challenges that cannot be compared to anything we know from recent future.

Managements of the Group companies verify and agree upon the policies for managing each of these risks; the policies are briefly discussed below.

1) Risk of fluctuations in foreign currency exchange rates against the currencies of the Group companies

The Group enters into export transactions in foreign currencies (mainly in EUR). Any change in foreign exchange rates against PLN may result in obtaining lower than expected results. Foreign exchange rate fluctuations influence the financial result through the following:

- changes in the value of export sales and costs expressed in PLN;
- realised foreign exchange gains/losses occurring between the date of sales or purchase and the date of payment of receivables or liabilities;
- unrealised foreign exchange gains/losses from the measurement of settlements as of the balance sheet date.

Trade transactions in foreign currencies on account of export are part of the Group's companies normal course of operations. The Group's exports account for 15% of total revenue. Consequently, future cash flows on this account are exposed to changes in value due to foreign exchange fluctuations. The level of compensation between foreign currency revenue and costs has become difficult to predict.

2) Risks related to changes in market interest rates.

A change in market interest rates may also adversely affect the financial results of the Group. The Quantum Software S.A. Group is exposed to the risk of changes primarily due to changes in the value of interest charged on loans extended to the Group based on variable interest rates and changes in the value of interest charged on leases.

The interest rate risk arises and is recognised at the time of concluding a transaction based on a variable interest rate. In order to reduce the impact of this factor, the Group seeks to avoid raising loans based on a variable interest rate, collects and analyses the current market information about the current exposure to interest rate risk.

3) Liquidity risks

The Group regularly monitors the risk of the absence of funds using a recurring liquidity planning tool. This tool takes into account the maturity dates of investments and financial assets and projected cash flows from operating activities.

Note 30 analyses the sensitivity of risk factors, such as exchange rate and interest rate changes in the Group.

Note 35 – Contingent liabilities

At 31 December 2020, the Group has no contingent liabilities.

Note 36 – Events after the balance sheet date

In the first quarter of 2021, Poland and the majority of global economies are still affected by the SARS-CoV-2 pandemic.

The activity of the Quantum Group companies is diversified with regard to industry sectors. The high share of the food and pharmaceutical industries and the related distributors is a stabilising factor for fixed income. However, it is important to take into account the risk of decrease in the income of the entities operating in other industries and, consequently, the risk of suspending or seriously limiting projects and works for such customers. While this situation did not affect significantly the Group companies' financial result in 2020, it is difficult to estimate its impact in the current year. The impact will depend on the general economic situation and, as a result, on the situation of individual customers, but also on other decisive factors whose effect is difficult to predict currently, e.g. the duration of the epidemic, administrative restrictions, restrictions imposed on entrepreneurs and volatility of exchange rates.

The Issuer's Management Board and Management Boards of the subsidiaries monitor the development of the situation in Poland and in the respective countries of their operation and work intensively to adapt to dynamic operating conditions.

Note 37 – Differences between financial results shown in the report and previously forecast results

The Quantum software S.A. Capital Group did not publish any forecasts for 2020 or for the comparable period of 2019.

Note 38 – Information on sureties and guarantees granted and received

In the reporting period, the Quantum software S.A. Group did not grant any sureties or guarantees.

Note 39 Seasonality and cyclicity

In the case of the Quantum software S.A., seasonality is not critical. Revenue for the first three quarters of the year are subject to slight fluctuations, while revenues in the fourth quarter are typically at a higher level, because a large part of them is generated through contracts to be performed in the fourth quarter, which is associated with the fact that business entities make more purchases exactly at the end of the year. Entities budgeting the work are often forced to implement budgets before the end of the year. Conversely, the cyclicity is relevant because half of the Group's revenue is generated from service contracts (long-term maintenance contracts).

Note 40 – Discontinued operations

The Company did not discontinue its operations either in 2020 or in the comparable period.

Note 41 – Contracts imposing obligations on managers, supervisors and persons related to them

In 2020, members of the management and supervisory bodies did not make any binding contracts.

Note 42 – Other transactions with managers and supervisors

As at 31/12/2020, Mr Tomasz Hatala, President of the Management Board of Quantum Software, had an outstanding balance of PLN 93,751.07 under loan contracts concluded on 28/08/2019 and 25/06/2020.

As at the date of these Financial Statements, the parent company had another loan contract concluded with Mr Tomasz Hatala for the amount of PLN 150,000.00 (one hundred fifty thousand zlotys).

Note 43 – Information on the remuneration of the entity authorised to audit financial statements

2020			
ENTITY AUTHORISED TO PERFORM AUDITS	DATE OF THE CONTRACT	OBJECT OF THE AUDIT	REMUNERATION
PRO Audyt Sp. z o.o.	17/04/2020	Review of the separate interim financial statements	PLN 8,000.00
PRO Audyt Sp. z o.o.	17/07/2020	Review of the consolidated interim financial statements	PLN 7,500.00
PRO Audyt Sp. z o.o.	17/04/2020	Audit of the separate financial statements for 2020	PLN 12,500.00
PRO Audyt Sp. z o.o.	17/04/2020	Audit of the consolidated financial statements for 2020	PLN 12,000.00
WBS Audyt Sp. z o.o.	17/04/2020	Audit of the interim financial statements of Quantum Qguar sp. z o.o.	PLN 10,000.00
WBS Audyt Sp. z o.o.	17/04/2020	Audit of the financial statements of Quantum Qguar sp. z o.o.	PLN 18,000.00

2019			
ENTITY AUTHORISED TO PERFORM AUDITS	DATE OF THE CONTRACT	OBJECT OF THE AUDIT	REMUNERATION
PRO Audyt Sp. z o.o.	15/07/2018	Review of the separate interim financial statements	PLN 5,000.00
PRO Audyt Sp. z o.o.	15/07/2018	Review of the consolidated interim financial statements	PLN 6,000.00
PRO Audyt Sp. z o.o.	15/07/2018	Audit of the separate financial statements for 2019	PLN 10,000.00
PRO Audyt Sp. z o.o.	15/07/2018	Audit of the consolidated financial statements for 2019	PLN 10,000.00
PRO Audyt Sp. z o.o.	15/07/2018	Audit of the interim financial statements of Quantum Qguar sp. z o.o.	PLN 9,000.00
WBS Audyt Sp. z o.o.	15/07/2018	Audit of the separate financial statements of Quantum Qguar sp. z o.o. for 2019	PLN 16,000.00

These Financial Statements were approved by the Management Board and signed by all Members of the Management Board on 16 April 2021.

Signatures of the Management Board Members	Person responsible for keeping accounting books
---	--

Tomasz Hatala

Chief Accountant – Monika Kuś

Bogusław Ożóg

Marek Jędra

Tomasz Mnich