



**Annual consolidated financial statements  
of Quantum software S.A. Capital Group  
for the period from 01/01/2021 to 31/12/2021**

**Krakow, 29 April 2022**

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## 1. Introduction to the consolidated financial statements of Quantum software S.A.'s Capital Group for 2021

Name of the reporting entity or other identifying data: Quantum software SA

Explanation of changes to the name of the reporting entity or other identifying information after the end of the previous reporting period: Not applicable

Registered office: Krakow

Legal form: Spółka Akcyjna (joint stock company)

Country of registration: Poland

Address of the entity's registered office: ul. Walerego Sławka 3a, 30-633 Krakow

Principal place of business: Krakow

Nature and basic scope of business: IT industry

Name of the parent: Quantum software SA

Name of the ultimate parent: Quantum Assets sp. z o.o.

### 1.1 Core activity of the parent company

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

### 1.2. Duration of Group companies

The duration of the parent company and of the members of the Capital Group 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 as of 31 December 2021 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 – Chairman of the Supervisory Board

Tomasz Polończyk – Vice-Chairman 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 as of 31/12/2021:**

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

Registered office: Krakow  
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 I- Services Sp. z o.o. – subsidiary**

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

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

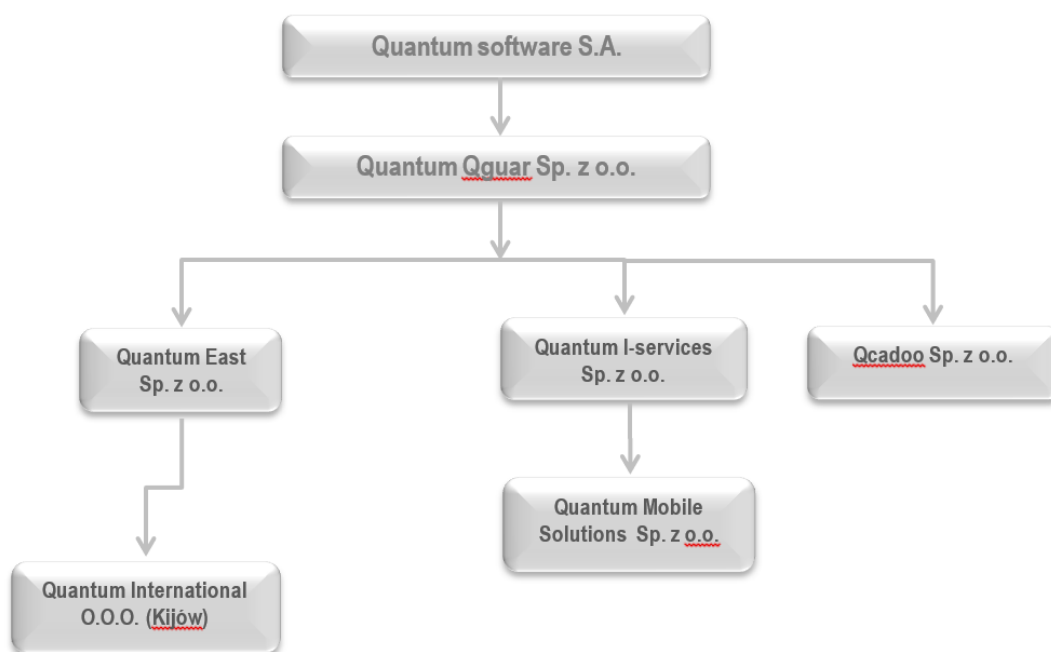
Registered office: Krakow  
Address: Walerego Sławka 3a  
National Court Register (KRS): 0000297249  
Shareholders: 100% of interests held by Quantum I – Services Sp. z o.o.  
Share capital fully paid up: PLN 6,000.00

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

Registered office: Krakow  
Address: Walerego Sławka 3A  
National Court Register (KRS): 0000516717  
Shareholders: 100% of interests held by Quantum software S.A.  
Share capital paid for with a contribution in kind in the amount of PLN 3,995,000.00, and with a contribution in cash in the amount of PLN 5,000.00.

##### **6. Qcadoo Limited sp. z o.o. – subsidiary**

Registered office: Krakow  
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 principles (policy) applied for preparing the financial statements of Quantum software S.A. Capital Group for 2021 and 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 Ordinance 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 include 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 29 April 2022.

For a full picture of the financial situation and the performance of the parent company Quantum software S.A. and of the Capital Group, the consolidated financial statements should be read together with the separate financial statements. The parent company prepares the consolidated financial statements of its Capital Group as of the date and for the period ended on 31 December 2021 according to the International Financial Reporting Standards (IFRS) approved by the European Union and effective as of the date of the financial statements. The separate and consolidated financial statements are presented in the separate and consolidated report and are available on [www.quantum-software.com](http://www.quantum-software.com)

The Capital Group sells to the Polish market and to foreign markets. Information about sales revenue, broken down into the offered products and into sales markets, is presented in the Capital Group's Management Report for 2021.

The data included in the report was prepared in line with the principles for measurement of assets, equity and liabilities, and the measurement of net income specified as of the balance sheet date, in line with the materiality principle. The statements for 2021 were prepared with the assumption that the Group will continue as a going concern in the foreseeable future.

The consolidated financial statements for 2021 have been prepared in Polish zloty and rounded to full thousands.

Postings follow the historical cost principle. 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 uses the indirect method.

### **Application of new standards and first-time application of amendments to standards and interpretations in the Group's Financial Statements for 2021**

The following amendments to the existing standards issued by the IASB and approved by the EU became effective in 2021:

- Amendments to IFRS 4 Insurance Contracts, deferral of effective date of IFRS 9 – the expiry of the temporary exemption from IFRS 9 was extended from 1 January 2021 to annual periods beginning on 1 January 2023 (effective for annual periods beginning on or after 1 January 2021)
- Amendments to IFRS 16 Leases – Covid-19-Related Rent Concessions beyond 30 June 2021 (approved in the EU on 30 August 2021 and effective from 1 April 2021 in respect of financial years beginning on or after 1 January 2021).
- 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).

The above amendments to existing standards did not have a material effect on the Group’s financial statements for 2021.

### **Standards and interpretations published and approved by the EU, and effective after the balance sheet date**

When approving these separate financial statements, the Group did not adopt the following standards, amendments to standards and interpretations which have been published and approved for use in the EU but have an effective date after the balance sheet date:

- Amendments to IAS 16 Property, Plant and Equipment – proceeds before intended use; approved in the EU on 28 June 2021 (effective for annual periods beginning on or after 1 January 2022);
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – contract fulfilment costs; approved in the EU on 28 June 2021 (effective for annual periods beginning on or after 1 January 2022);
- Amendments to IFRS 3 Business Combinations – changes of reference to the conceptual framework and Amendments to IFRS 3; approved in the EU on 28 June 2021 (effective for annual periods beginning on or after 1 January 2022);
- IFRS 17 Insurance Contracts with further amendments to IFRS 17; approved in the EU on 19 November 2021 (effective for annual periods beginning on or after 1 January 2023);

Amendments to various standards “Improvements to IFRS (2018-2020 Cycle)” – amendments made as part of the procedure for annual IFRS improvements (IFRS 1, IFRS 9, IFRS 16 and IAS 41) focused primarily on removing inconsistencies and clarifying the wording (the amendments to IFRS 1, IFRS 9 and IAS 41 are effective for annual periods beginning on or after 1 January 2022; the amendment to IFRS 16 only regards an illustrative example, so no effective date is stated).

### **Standards and Interpretations adopted by IASB but not yet approved by the EU**

The IFRS, as approved by the EU, do not differ from the regulations adopted by the IASB, except for the following standards, amendments to standards and interpretations that were not adopted for application as of the day of preparing these statements.



- Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023);
- Amendments to IAS 1 Presentation of Financial Statements and IASB guidance on Disclosure of Accounting Policies – requirement to disclose material information on accounting policies (effective for annual periods beginning on or after 1 January 2023);
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates (effective for annual periods beginning on or after 1 January 2023);
- Amendments to IAS 12 Income Tax – deferred tax related to assets and liabilities arising from a single transaction (effective for annual periods beginning on or after 1 January 2023);
- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures – sale or contribution of assets between an 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);
- Amendments to IFRS 17 Insurance Contracts – Initial Application of IFRS 17 and IFRS 9 – Comparative Information (effective for annual periods beginning on or after 1 January 2023).

If the other standards mentioned above are applied, the Group does not expect the related changes to have a material impact on the financial statements of Quantum software S.A. Group.

## **BASIC RULES AND RISKS**

According to the best knowledge of the Management Board, based on the Group's documents, the Consolidated Financial Statements for the financial year 2021 have been prepared in accordance with the applicable accounting policies. The report presents a true and fair view of the Group's development and achievements, including a description of 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 are understood as all entities in relation to which the Group has the capability to control their financial and operating policy and in which the Group usually holds the majority of the total number of votes in decision-making bodies. When assessing whether the Group has control over a given entity, the existence and influence of potential voting rights, which can be exercised at a given moment, are taken into account. Subsidiaries are subject to full consolidation from the date of the Group's taking control over them to the date when such control ends. In the case of a share capital increase, new shares/interests are subscribed for upon registration of the increase in the National Court Register.

As of the acquisition date, assets, equity and liabilities of the acquired subsidiary are measured at fair value. The surplus of the purchase price over the fair value of the identifiable net assets of the entity acquired is recognised as goodwill. If the difference between fair value and net book value is not material, the fair value of the net assets of the subsidiary is adopted as its book value. If the acquisition price is lower than the fair value of identifiable acquired assets of an entity, the difference is recognised as profit in the profit and loss account for the period in which the acquisition took place. The share of minority interests is reported proportionately in the fair value of assets and capital. In subsequent periods, loss attributable to minority holders above the value of their shares decreases the parent company's capital. 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 understood as any entities over which the Group has material influence but no control. Material influence over an entity typically occurs when a party holds from 20% to 50% of the total voting rights in its governing bodies. Investments in associates are accounted for using the equity method and recognised initially at cost. Investments in associates include goodwill less accumulated impairment losses (if any), as determined on the date of acquisition.

The Group's share in the profit or loss of associates from the acquisition date is recognised in the profit and loss account, and its share in the changes in other capital is recognised from the date of acquisition in other capital. The carrying amount of the investment is adjusted for cumulative changes after the acquisition. When the Group's share in the losses of an associate is equal to or greater than the Group's interest in that associate, the Group ceases to recognise further losses, unless it has assumed obligations or makes payments on behalf of the associate.

Profits and losses from transactions between the Group and an associate are subject to consolidation exclusions according to the Group's share in the associate's capital. Losses incurred by an associate may indicate an impairment of its assets, which necessitates the recognition of an appropriate write-down.

Consolidated financial statements comprise the financial statements of the parent company and the statements of entities controlled by the parent company as of 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 expenses between consolidated related parties are subject to consolidation exclusions.

### **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 their purchase price, including 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 life.
  
- 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 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 revenues or expenses.

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

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

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

Main types of financial instruments:

- standard financial instruments – commercial receivables and liabilities – measured at the acquisition price (on the basis of Article 29(a) of IFRS 7, taking into account impairment losses and unrecoverability (IFRS 9);

- cash – measured at the acquisition price – on the basis of Article 29 Subsection (a) of IFRS 7,

- borrowings, loans and lease: measurement at amortised cost is required but, in the opinion of the Management Board, the Group presents these items at the purchase price (at the payable amount) because such measurement does not affect the company's financial situation.

### **Investments**

The Group classifies its investments in the following categories:

- interests in subsidiaries.

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

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

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 made.

### **Inventory**

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

### **Trade and other receivables**

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

### **Cash and cash equivalents**

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

#### **Provision for retirement and similar benefits**

The Group recognises 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 recognises 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 recognises 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 recognises 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 Company.

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 revenues**

Other operating revenues are revenues related to the Group companies' operating activities. Including:

- 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 revenues**

Revenues from interest calculated on counterparties are 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 purchase price.

### **Other operating expenses**

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

Including:

- 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 recognises 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 recognise 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 in the accounting books according to the average exchange rate published for a given currency by the National Bank of Poland.

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

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

### **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 companies 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 Material figures based on professional judgment and estimates**

In the application of the accounting principles (policy) to the issues discussed below, the most important aspect, apart from the accounting estimates, is the professional judgment of the management.

Discussed below are the key assumptions concerning the future and other key sources of uncertainty as of the balance sheet date that bear a significant risk of a material adjustment to the carrying amounts of assets and liabilities in the next financial year.

### ***Write-downs on receivables and borrowings granted***

The Management Board analyses all circumstances regarding the recoverability of overdue receivables and borrowings, and, in the case of bad debts, it decides to recognise a write-down on specific receivables. Details on changes in the write-downs on receivables are presented in note 7.

### ***Measurement of employee benefit provisions***

The employee benefit provisions have been estimated using actuarial methods. The assumptions adopted for this purpose are presented 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. However, a deterioration of the generated tax results in the future may deem this assumption invalid.

### 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). The budgets of individual long-term contracts are updated at least on every balance sheet date. If there are circumstances affecting the expected result of a contract during the period between the balance sheet dates, the update is performed earlier. The Management Board also examines the possibility to recover receivables from the measurement of uncompleted contracts on a regular basis. Information about the valuation of contracts is contained in Note 27.

### Amortisation and depreciation rates

The amortisation and depreciation rates are based on the expected economic useful life of property, plant and equipment and 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	As of 31/12/2021	As of 31/12/2020
<b>ASSETS</b>		<b>2,684</b>	<b>2,576</b>
Property, plant and equipment	1	2,170	2,112
Investment real property		-	-
Intangible assets	3	34	21
Other financial assets		33	17
Deferred income tax assets		263	251
Other long-term receivables and prepayments	6	184	175
<b>Current assets</b>		<b>21,819</b>	<b>25,866</b>
Inventory	7	72	42
Trade and other receivables	8	6,343	9,124
Income tax receivables		516	406
Other financial assets		5,557	5,151
Cash and cash equivalents	10	9,331	11,143
<b>Current assets excluding non-current assets held for sale</b>		<b>21,819</b>	<b>25,866</b>
<b>Non-current assets classified as held for sale</b>		<b>-</b>	<b>-</b>
<b>Total assets</b>		<b>24,503</b>	<b>28,442</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>		<b>19,373</b>	<b>17,451</b>
<b>Equity attributable to shareholders of the parent entity</b>		<b>18,873</b>	<b>17,210</b>



Share capital	11	682	657
Share premium	14	10,144	9,698
Equity shares	13	-	-
Foreign exchange gains/losses on translation	15	-219	5
Retained earnings		8,266	6,850
<b>Non-controlling interests</b>	<b>16</b>	<b>500</b>	<b>241</b>
<b>LIABILITIES</b>		<b>5,130</b>	<b>10,991</b>
<b>Long-term liabilities</b>		<b>685</b>	<b>1,916</b>
Provisions	17	298	351
Deferred income tax provision		203	210
Long-term portion of long-term borrowings	18	149	888
Long-term lease liabilities	19	29	162
Trade and other liabilities, and other long-term liabilities	21	6	305
<b>Short-term liabilities</b>		<b>4,445</b>	<b>9,075</b>
Provisions	17	921	771
Short-term borrowings and short-term portion of long-term borrowings	18	298	348
Short-term lease liabilities	19	131	372
Trade liabilities and other short-term liabilities	20	2,830	7,491
Income tax liabilities		265	93
Other short-term financial liabilities		-	-
<b>Short-term liabilities excluding liabilities held for sale</b>		<b>4,445</b>	<b>9,075</b>
<b>Liabilities related to non-current assets classified as held for sale</b>		<b>-</b>	<b>-</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>24,503</b>	<b>28,442</b>

### 3. Consolidated Statement of Comprehensive Income

Consolidated Statement of Comprehensive Income	Note	As of 31/12/2021	As of 31/12/2020
<b>Continued operations</b>			
Revenues from sale of products, goods and materials	22	38,902	38,631
Costs of products, goods and materials sold	23	27,542	26,256
<b>Gross profit/loss on sales</b>		<b>11,360</b>	<b>12,375</b>
Selling costs	23	1,916	2,236
General and administrative expenses	23	6,416	4,513
Other operating revenues	24	813	1,280
Other operating expenses	24	110	77
<b>Operating profit/loss</b>		<b>3,731</b>	<b>6,829</b>
Financial revenues	25	522	237
Financial expenses	25	703	68
<b>Gross profit/loss</b>		<b>3,550</b>	<b>6,998</b>
Income tax		316	755
<b>Net profit/loss on continued operations</b>		<b>3,234</b>	<b>6,243</b>
<b>Discontinued operations</b>			
Profit/loss on discontinued operations for the financial year		-	-
<b>Net profit/loss for the reporting period</b>		<b>3,234</b>	<b>6,243</b>
Shareholders of the parent		3,019	6,013
Non-controlling interests		215	230
<b>Other comprehensive income</b>		<b>-289</b>	<b>-118</b>
Other comprehensive income to be reclassified to profit or loss, after tax		-289	-118
FX gains/losses on measurement of foreign operations		-289	-118
<b>Total comprehensive income</b>		<b>2,945</b>	<b>6,125</b>
Shareholders of the parent		2,795	5,955
Non-controlling interests		150	170

#### Earnings per share

<b>Earnings/loss per share (in PLN):</b>			
<b>On continued operations</b>			
<i>Basic</i>	26	2.37	4.75
<i>Diluted</i>	26	2.37	4.75
<b>On continued and discontinued operations</b>			

<b>Basic</b>	26	2.37	4.75
<b>Diluted</b>	26	2.37	4.75

#### 4. Consolidated statement of changes in equity

for the period	Equity attributable to shareholders of the parent						Non-controlling interests	Total equity
31/12/2021	Share capital	Share premium	Equity shares	Foreign exchange gains/losses on translation	Profit/loss brought forward and profit/loss for the current year	Total		
Opening balance after corrections (restated)	657	9,698	-	5	6,850	17,210	241	17,451
<b>Total comprehensive income</b>	-	-	-	-224	3,019	2,795	150	2,945
Profit/loss for the financial year	-	-	-	-	3,019	3,019	215	3,234
Other comprehensive income	-	-	-	-224	-	-224	-65	-289
Issue of share capital	25	1,725	-	-	-	1,750	-	1,750
Transactions on equity shares	-	-	-	-	-	-	-	-
Dividends	-	-1,648	-	-	-	-1,648	-	-1,648
Distribution of financial result	-	369	-	-	-3,254	-2,885	-103	-2,988
Acquisition of interests in a subsidiary	-	-	-	-	-7	-7	7	-
Other movements in equity	-	-	-	-	1,658	1,658	205	1,863
<b>Movements in equity</b>	<b>25</b>	<b>446</b>	<b>-</b>	<b>-224</b>	<b>1,416</b>	<b>1,663</b>	<b>259</b>	<b>1,922</b>
<b>Closing balance</b>	<b>682</b>	<b>10,144</b>	<b>-</b>	<b>-219</b>	<b>8,266</b>	<b>18,873</b>	<b>500</b>	<b>19,373</b>

for the period	Equity attributable to shareholders of the parent						Non-controlling interests	Total equity
31/12/2020	Share capital	Share premium	Equity shares	Foreign exchange gains/losses on translation	Profit/loss brought forward and profit/loss for the current year	Total		
<b>Opening balance after corrections (restated)</b>	<b>657</b>	<b>8,426</b>	-	<b>63</b>	<b>3,685</b>	<b>12,831</b>	<b>-32</b>	<b>12,799</b>
<b>Total comprehensive income</b>	-	-	-	<b>-58</b>	<b>6,013</b>	<b>5,955</b>	<b>170</b>	<b>6,125</b>
Profit/loss for the financial year	-	-	-	-	6,013	6,013	230	6,243
Other comprehensive income	-	-	-	-58	-	-58	-60	-118
Issue of share capital	-	-	-	-	-	-	-	-
Transactions on equity shares	-	-	-	-	-	-	-	-
Dividends	-	-3,399	-	-	-	-3,399	-	-3,399
Distribution of financial result	-	4,671	-	-	-2,681	1,990	-90	1,900
Acquisition of interests in a subsidiary	-	-	-	-	-162	-162	207	45
Other movements in equity	-	-	-	-	-5	-5	-14	-19
<b>Movements in equity</b>	-	<b>1,272</b>	-	<b>-58</b>	<b>3,165</b>	<b>4 379</b>	<b>273</b>	<b>4 652</b>
<b>Closing balance</b>	<b>657</b>	<b>9,698</b>	-	<b>5</b>	<b>6,850</b>	<b>17,210</b>	<b>241</b>	<b>17,451</b>

## 5. Consolidated cash flow statement

Consolidated cash flow statement	Note	31/12/2021	31/12/2020
<b>Operating cash flows</b>			
<b>Gross profit/loss</b>		<b>3,550</b>	<b>6,998</b>
<b>Adjustments for:</b>		<b>-21</b>	<b>1,040</b>
Amortisation/depreciation		728	640
Foreign exchange gains/losses		-78	-291
Interest revenues		-26	-192
Interest expenses		57	261
Profit/loss on investing activities		583	-124
Movement in provisions		96	187
Movement in inventory		-26	-2
Movement in receivables and prepayments		2,548	-2,932
Movement in liabilities and accruals		-4,797	3,382
Other adjustments		894	111
<b>Operating cash flows</b>		<b>3,529</b>	<b>8,038</b>
Income tax paid/returned		<b>324</b>	<b>-568</b>
<b>Net operating cash flow</b>		<b>3,853</b>	<b>7,470</b>
<b>Cash flow from investing activities</b>			
Inflows from sale of tangible assets and intangible assets		70	21
Inflows from interest		20	26
Repayment of borrowings granted		202	115
Expenditures on acquisition of property, plant and equipment, and intangible assets		827	490
Expenditures on acquisition of short-term financial assets		415	1,600
Borrowings granted		501	81
Other		-	-
<b>Net cash flow from investing activities</b>		<b>-1,451</b>	<b>-2,009</b>
<b>Cash flows from financing activities</b>			
Inflows from loans and borrowings		30	1,194
Net inflows from the issue of shares		250	-
Repayment of loans and borrowings		149	-
Payment of liabilities under finance lease agreements		361	384
Dividends paid, classified as financing activities		4,191	916
Interest paid		26	91
Other		-	-
<b>Net cash flow from financing activities</b>		<b>-4,447</b>	<b>-197</b>
<b>Increase/decrease in cash and cash equivalents, before the effect of exchange rate changes</b>		<b>-2,045</b>	<b>5,264</b>
<i>Foreign exchange gains/losses related to measurement of cash and cash equivalents, and overdrafts</i>		233	137

Increase (decrease) of cash and cash equivalents		-1,812	5,401
Opening balance of cash and cash equivalents, and overdrafts		11,143	5,742
Closing balance of cash and cash equivalents, and overdrafts		9,331	11,143

Explanations to the cash flow statement	31/12/2021	31/12/2020
<b>Foreign exchange gains (losses) disclosed in the cash flow statement result from the following:</b>	-78	-291
- foreign exchange gains/losses due to measurement of cash	-120	-370
- unrealised foreign exchange gains/losses on loans and borrowings	-	89
- realised foreign exchange gains/losses on loans and borrowings	-	-
- foreign exchange gains/losses on translation of financial statements	42	-9
- other	-	-1
<b>Interest and profit sharing (dividends), including:</b>	<b>31</b>	<b>69</b>
- received interest on borrowings granted	-11	-
- interest received on cash at bank and deposits	-	-8
- received interest on lease instalments	-	-
- interest paid on loans	-	-
- interest paid on borrowings	-	-
- interest paid on debt securities	-	-
- interest paid on lease liabilities	24	61
- commissions paid on debt securities	-	-
- dividends received	-	-
- interest accrued on borrowings granted	16	-13
- accrued interest on loans and borrowings raised	-	-
- interest accrued on debt securities	-	-
- other interest	2	29
<b>Profit (loss) on investing activities due to:</b>	<b>583</b>	<b>-124</b>
- revenue from sales of property, plant and equipment, and investment real property	-70	-21
- revenue from sales of intangible assets	-	-
- prime cost of the sales of property, plant and equipment, and investment real property	33	3
- 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	479	-
- valuation of financial assets	91	-106
- other	50	-
- write-down for interests	-	-
<b>Movement in receivables due to the following items:</b>	<b>2,548</b>	<b>-2,932</b>

- change in short-term receivables resulting from the balance sheet	2,670	-2,852
- change in long-term receivables resulting from the balance sheet	-9	157
- 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	-113	-237
<b>Movements in liabilities, except for loans and borrowings, resulting from the following:</b>	<b>-4,797</b>	<b>3,382</b>
- change in short-term trade and other liabilities	-4,489	3,413
- movement in other long-term liabilities	-298	305
- adjustment for change in liabilities due to unpaid dividend	-	-
- adjustment for movement in liabilities due to acquisition of PP&E	-	-
- adjustment for change in liabilities due to purchase of financial assets	-	-
- adjustment for movement in lease liability	-374	-145
- adjustment for change in liability due to guarantees granted to subsidiaries	-	-
- other adjustments	364	-191
<b>Income tax paid</b>	<b>324</b>	<b>-568</b>
- income tax recognised in profit and loss account	-316	-755
- adjustment for change in deferred tax assets	-12	-33
- adjustment for change in income tax receivables	-110	122
- adjustment for change in deferred tax liability	-8	8
- adjustment for movement in income tax liabilities	172	81
- adjustment for deferred tax on changes in equity	-	-
- adjustments brought forward	615	-
- differences on translation of financial statements	-17	9
- income tax paid	-	-
<b>“Other adjustments” include:</b>	<b>894</b>	<b>111</b>
- revaluation of PP&E (positive measurement)	-	-
- 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)	-7	-5
- revaluation of financial instruments		-
- revaluation of sureties		-
- conversion of cash deposits to financial assets		-



- remittance of borrowing	-597	-
- costs of employee benefits in the form of equity shares	1,500	-
- other	-2	116
- adjustments brought forward	-	-
<b>Acquisition of PP&amp;E and intangible assets – investing activities</b>	<b>827</b>	<b>490</b>
- change in property, plant and equipment resulting from the balance sheet	58	83
- change in investment properties resulting from the balance sheet	-	-
- movement in intangible assets resulting from the balance sheet	13	-16
- movement in the above assets in assets for sale	-	-
- amortisation/depreciation for the reporting period resulting from the profit and loss account	728	640
- prime cost of tangible assets, investment real property and intangible assets sold	32	3
- costs of liquidated tangible assets	-	-
- impairment losses/reversed impairment loss on the above assets	-	-
- measurement of the above non-current assets	-	-
- other	-4	-220
- 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
	01/01/2021 to 31/12/2021	01/01/2020 to 31/12/2020	01/01/2021 to 31/12/2021	01/01/2020 to 31/12/2020
Net revenues from sale of products, goods and materials	38,902	38,631	8,499	8,634
Operating profit (loss)	3,731	6,829	815	1,526
Gross profit (loss)	3,550	6,998	776	1,564
Net profit (loss)	3,234	6,243	706	1,395
Net operating cash flow	3,853	7,470	842	1,670
Net cash flow from investing activities	-1,451	-2,009	-317	-449
Net cash flow from financing activities	-4,447	-197	-971	-44
Total net cash flows	-2,045	5,264	-447	1,177
Total assets	24,503	28,442	5,327	6,163
Liabilities and provisions for liabilities, including:	5,130	10,991	1,115	2,382
Long-term liabilities	685	1,916	149	415
Short-term liabilities	4,445	9,075	966	1,966
Equity	19,373	17,451	4,212	3,782
Share capital	682	657	148	142
Number of shares	1,364,870	1,314,870	1,364,870	1,314,870
Diluted number of shares (pcs.)	1,364,870	1,314,870	1,364,870	1,314,870
Earnings (loss) per ordinary share (in PLN/EUR)	2.37	4.75	0.52	1.06
Diluted profit (loss) per ordinary share (in PLN/EUR)	2.37	4.75	0.52	1.06
Book value per share (in PLN/EUR)	14.19	13.27	3.09	2.88
Diluted book value per share (in PLN/EUR)	14.19	13.27	3.09	2.88
Declared or paid dividend per share (in PLN/EUR)	-	-	-	-

The selected financial data in this report has been converted into EURO according to the following principles:

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.

The items of the statement of comprehensive income and the cash flow statement have been converted at a rate calculated as an arithmetic mean of the exchange rates published by the National Bank of Poland as of the last day of the month in a given year:

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

<b>Average PLN to EUR exchange rates in the period covered by the statements</b>		
<b>period</b>	<b>Average exchange rate in the period</b>	<b>Exchange rate as of the last day of the period</b>
2021	4.5775	4.5994
2020	4.4742	4.6148

## 7. Notes – selected explanatory information

### Note 1 – Property, plant and equipment

PROPERTY, PLANT AND EQUIPMENT	AS OF 31 DECEMBER 2021						
	Land and perpetual usufruct title to land	Buildings and structures	Machines and equipment	Means of transport	Tangible assets under lease	Other	Total
<b>Gross value at the beginning of the period</b>	-	46	3,247	1,349	1,327	120	6,089
Increases	-	-	421	1,025	-	20	1,466
<i>acquisition</i>	-	-	421	359	-	20	800
<i>acquisition as part of taking control over an entity</i>	-	-	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-	-	-
<i>transfer of business</i>	-	-	-	-	-	-	-
<i>other</i>	-	-	-	666	-	-	666
Decreases	-	-	151	345	666	-	1,162
<i>disposal</i>	-	-	151	345	-	-	496
<i>due to revaluation</i>	-	-	-	-	-	-	-
<i>due to reclassification to non-current assets held for sale</i>	-	-	-	-	-	-	-
<i>transfer of business</i>	-	-	-	-	-	-	-
<i>other</i>	-	-	-	-	666	-	666

Allocated to discontinued operations	-	-	-	-	-	-	-
Internal movements (+/-)	-	-	-	-	-	-	-
<b>Gross value at the end of the period</b>	-	<b>46</b>	<b>3,517</b>	<b>2,029</b>	<b>661</b>	<b>140</b>	<b>6,393</b>
<b>Accumulated amortisation/depreciation at the beginning of the period</b>	-	<b>46</b>	<b>2,374</b>	<b>1,051</b>	<b>421</b>	<b>85</b>	<b>3,977</b>
amortisation/depreciation for the period	-	-	316	169	204	24	713
other increases	-	-	-	337	-	-	-
other increases (acquisition resulting from taking control over an entity)	-	-	-	-	-	-	-
transfer of business	-	-	-	-	-	-	-
decreases – sale	-	-	140	335	-	-	475
Other decreases	-	-	-	-	337	-	337
<b>Accumulated amortisation/depreciation at the end of the period</b>	-	<b>46</b>	<b>2,550</b>	<b>1,222</b>	<b>288</b>	<b>109</b>	<b>4,215</b>
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	-	<b>46</b>	<b>2,550</b>	<b>1,222</b>	<b>288</b>	<b>109</b>	<b>4,215</b>

Adjustment for net foreign exchange gains/losses on translation	-	-	-8	-	-	-	-8
<b>Net value at the end of the period</b>	-	-	<b>959</b>	<b>807</b>	<b>373</b>	<b>31</b>	<b>2,170</b>

<b>PROPERTY, PLANT AND EQUIPMENT</b>	<b>AS OF 31 December 2020</b>						
	<b>Land and perpetual usufruct title to land</b>	<b>Buildings and structures</b>	<b>Machines and equipment</b>	<b>Means of transport</b>	<b>Tangible assets under lease</b>	<b>Other</b>	<b>Total</b>
<b>Gross value at the beginning of the period</b>	-	<b>46</b>	<b>2,901</b>	<b>1,064</b>	<b>1,346</b>	<b>112</b>	<b>5,469</b>
Increases	-	-	387	343	226	9	965
<i>acquisition</i>	-	-	387	98	226	9	720
<i>acquisition as part of taking control over an entity</i>	-	-	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-	-	-
<i>transfer of business</i>	-	-	-	-	-	-	-
<i>other</i>	-	-	-	245	-	-	245
Decreases	-	-	32	58	245	1	336
<i>disposal</i>	-	-	32	58	-	1	91
<i>due to revaluation</i>	-	-	-	-	-	-	-
<i>due to reclassification to non-current assets held for sale</i>	-	-	-	-	-	-	-
<i>transfer of business</i>	-	-	-	-	-	-	-

<i>other</i>	-	-	-	-	245	-	245
Allocated to discontinued operations	-	-	-	-	-	-	-
Internal movements (+/-)	-	-	-	-	-	-	-
<b>Gross value at the end of the period</b>	-	<b>46</b>	<b>3,256</b>	<b>1,349</b>	<b>1,327</b>	<b>120</b>	<b>6,098</b>
<b>Accumulated amortisation/depreciation at the beginning of the period</b>	-	<b>46</b>	<b>2,130</b>	<b>868</b>	<b>320</b>	<b>77</b>	<b>3,441</b>
amortisation/depreciation for the period	-	-	274	124	218	9	625
other increases	-	-	-	117	-	-	117
other increases (acquisition as part of taking control over an entity)	-	-	-	-	-	-	-
<i>transfer of business</i>	-	-	-	-	-	-	-
decreases in the sale	-	-	30	58	-	1	89
<i>other decreases</i>	-	-	-	-	117	-	117
<b>Accumulated amortisation/depreciation at the end of the period</b>	-	<b>46</b>	<b>2,374</b>	<b>1,051</b>	<b>421</b>	<b>85</b>	<b>3,977</b>
Impairment loss at the beginning of the period	-	-	-	-	-	-	-
Recognition of impairment loss in the period	-	-	-	-	-	-	-
Reversal of impairment loss in the period	-	-	-	-	-	-	-
<b>Value taking account of accumulated amortisation/depreciation and impairment loss at the end of the period</b>	-	<b>46</b>	<b>2,374</b>	<b>1,051</b>	<b>421</b>	<b>85</b>	<b>3,977</b>

Adjustment for net foreign exchange gains/losses on translation	-	-	-9	-	-	-	-9
<b>Net value at the end of the period</b>	-	-	<b>873</b>	<b>298</b>	<b>906</b>	<b>35</b>	<b>2,112</b>

The Group owns cars classified as PP&E under lease, with a net value of PLN 373.201,80 and PLN 906.293,38 as of 31 December 2021 and 31 December 2020 respectively.

Expenditures on property, plant and equipment under construction in the carrying amount as of 31 December 2021 are PLN 0.00. As of 31 December 2020, they also amounted to PLN 0.00.



## Note 2 – Goodwill of subordinates

GOODWILL OF SUBORDINATES	31/12/2021	31/12/2020
<b>Gross value at the beginning of the period</b>	<b>1,447</b>	<b>1,447</b>
Increases	-	-
Decreases	-	-
<b>Gross value at the end of the period</b>	<b>1,447</b>	<b>1,447</b>
Foreign exchange gains/losses	-	-
Other adjustments*	-	-
<b>Gross value at the end of the period after adjustments</b>	<b>1,447</b>	<b>1,447</b>
<b>Impairment loss at the beginning of the period</b>	<b>1,447</b>	<b>1,447</b>
Recognition of impairment loss in the period	-	-
Impairment write-down at the end of the period	1,447	1,447
<b>Net value at the end of the period</b>	<b>-</b>	<b>-</b>

## Note 3 – Intangible assets

INTANGIBLE ASSETS	AS OF 31 DECEMBER 2021				
	Own development work	Intangible assets purchased			Total
		Patents and trademarks	Licenses	Other	
<b>Gross value at the beginning of the period</b>	<b>5,580</b>	<b>-</b>	<b>2,836</b>	<b>-</b>	<b>8,415</b>
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	-	-	518	-	518
<i>decommissioning</i>	-	-	-	-	-
<i>liquidation</i>	-	-	518	-	518
<i>disposal</i>	-	-	-	-	-
<i>due to</i>	-	-	-	-	-

revaluation					
due to reclassification to non-current assets held for sale	-	-	-	-	-
transfer of the business	-	-	-	-	-
other	-	-	-	-	-
<b>Gross value at the end of the period</b>	<b>5,580</b>	-	<b>2,345</b>	-	<b>7,925</b>
<b>Accumulated amortisation/depreciation at the beginning of the period</b>	<b>5,580</b>	-	<b>2,814</b>	-	<b>8,394</b>
amortisation/depreciation for the period	-	-	15	-	15
other increases acquisition resulting from taking control over an entity	-	-	-	-	-
transfer of the business	-	-	-	-	-
decreases	-	-	518	-	518
<b>Accumulated amortisation/depreciation at the end of the period</b>	<b>5,580</b>	-	<b>2,311</b>	-	<b>7,891</b>
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	<b>5,580</b>	-	<b>2,311</b>	-	<b>7,891</b>
Adjustment for net foreign exchange gains/losses on translation	-	-	-	-	-
<b>Net value at the end of the period</b>	<b>-</b>	<b>-</b>	<b>34</b>	<b>-</b>	<b>34</b>

INTANGIBLE ASSETS	AS OF 31 December 2020				
	Own development work	Intangible assets purchased			Total
		Patents and trademarks	Licenses	Other	
<b>Gross value at the beginning of the period</b>	<b>5,580</b>	-	<b>2,836</b>	-	<b>8,416</b>
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 to reclassification to non-current assets held for sale</i>	-	-	-	-	-
<i>transfer of the business</i>	-	-	-	-	-
<i>other</i>	-	-	-	-	-
<b>Gross value at the end of the period</b>	<b>5,580</b>	-	<b>2,836</b>	-	<b>8,416</b>
<b>Accumulated amortisation/depreciation at the beginning of the period</b>	<b>5,580</b>	-	<b>2,799</b>	-	<b>8,379</b>
amortisation/depreciation for the period	-	-	15	-	15
Other increases acquisition within takeover	-	-	-	-	-
other	-	-	-	-	-
decreases	-	-	-	-	-
<b>Accumulated amortisation/depreciation at the end of the period</b>	<b>5,580</b>	-	<b>2,800</b>	-	<b>8,380</b>

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
<b>Net value at the end of the period</b>	-	-	<b>21</b>	-	<b>21</b>

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

#### Note 4 – Investments in associates measured with the equity method

Entity name:	31/12/2021	31/12/2020
<b>Share in the associate's balance sheet</b>	<b>10.00%</b>	<b>10.00%</b>
Non-current (long-term) assets	-	-
Current (short-term) assets	-	-
Long-term liabilities	-	-
Short-term liabilities	-	-
Net assets	-	-
Share in the associate's revenue and financial result:	-	-
Revenues	-	-
Profit/loss	-	-
Carrying 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
				31/12/2021	31/12/2020	31/12/2021	31/12/2020	
<i>Borrowings granted to related parties</i>								
-	-	-	-	-	-	-	-	-
<i>Borrowings granted to other parties</i>								
Other entities	12	Fixed (7%)	-	17	4	2	-	No security
Member of the Management Board – Tomasz Hatala	-	-	-	-	-	-	-	
Employees	14	Fixed (7%)	-	13	13	1	2	No security
<b>TOTAL:</b>				<b>33</b>	<b>17</b>	<b>3</b>	<b>2</b>	

BORROWINGS GRANTED								
Short-term	Borrowing amount	Interest rate	Repayment date	As of		Interest accrued from the beginning of the financial year to		Collateral
				31/12/2021	31/12/2020	31/12/2021	31/12/2020	
<b>Borrowings granted to other parties</b>								
Other entities	119	Fixed (7%)	-	113	12	6	1	-
Tomasz Hatala – member of the parent company's management board	182	Fixed (7%)	-	191	94	13	7	No security
Employees	117	Fixed (7%)	-	120	22	3	2	No security
<b>TOTAL:</b>				<b>424</b>	<b>128</b>	<b>22</b>	<b>10</b>	

➤ **2021:**

**Borrowings granted to other parties:**

- I. Long-term borrowings granted to other parties as of 31 December 2021: PLN 16,795.22.
- II. Short-term borrowings granted to other parties as of 31 December 2021: PLN 113,007.22.

**Borrowings granted to employees:**

- I. Long-term borrowings granted to employees as of 31 December 2021: PLN 15.723,34.
- II. Short-term borrowings granted to employees as of 31 December 2021: PLN 120.331,39.

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

Short-term borrowing – balance as of 31 December 2021: PLN 191,364.03.

➤ **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.

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

Short-term borrowing – balance as of 31 December 2020: PLN 93,751.07.

## Note 6 Other receivables and prepayments

<b>OTHER RECEIVABLES AND PREPAYMENTS</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
<b>Receivables from subsidiaries:</b>	-	-
- long-term	-	-
- short-term	-	-
<b>Receivables from related parties:</b>	-	-
- long-term	-	-
- short-term	-	-
<b>Advance payments:</b>	<b>67</b>	<b>305</b>
- long-term	-	-
- short-term	67	305
<b>Other receivables:</b>	<b>364</b>	<b>315</b>
- long-term	215	175
- short-term	149	140
<b>Prepayments:</b>	<b>294</b>	<b>377</b>
- long-term	9	-
- short-term	285	377
<b>Impairment losses at the beginning of the period</b>	-	-
<b>Recognition of impairment losses in the period</b>	-	-
<b>Reversal of impairment loss in the period</b>	-	-
<b>Impairment losses at the end of the period</b>	-	-
<b>TOTAL</b>	<b>725</b>	<b>997</b>

<b>OTHER RECEIVABLES INCLUDE:</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
liabilities due to taxes, customs duties, insurance and other charges	49	-
security deposits paid	215	175
payroll settlements	2	-
other employee settlements	2	-
input VAT to be settled in future periods	41	54
output VAT on corrective invoices to be settled in future periods	1	2
VAT	-	33
ZUS (social insurance institution) - overpayment	-	-
unsettled tax paid by foreign companies	30	-
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	14	18
receivable from QS for the purchase of claims	-	-
claim of Q International	-	-
other receivables	4	26
<b>TOTAL:</b>	<b>364</b>	<b>315</b>

<b>PREPAYMENTS/ACCRUALS INCLUDE</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
settlements of long-term contracts	9	245
inter-period cost settlement	2	-
other prepayments	146	-
property insurance	91	93
deduction for the Employee Benefit Fund (ZFSS)	-	-
prepaid subscriptions, etc.	46	39
settlement of VAT related to lease agreements to be settled in subsequent periods – within 12 months	-	-
settlement of VAT related to lease agreements to be settled in subsequent periods – over 12 months	-	-
<b>TOTAL:</b>	<b>294</b>	<b>377</b>

## NOTE 7 – Inventory

<b>INVENTORIES</b>	<b>As of 31 December 2021</b>				
	<b>Materials</b>	<b>Work in progress</b>	<b>Finished products</b>	<b>Goods</b>	<b>Total</b>
<b>Measurement according to the acquisition price/manufacturing cost</b>	-	-	-	72	72
Measurement according to the net realisable value	-	-	-	-	-
Write-downs on inventory at the beginning of the period	-	-	-	-	-
Reversed write-downs on inventory recognised as a decrease in the write-downs in the period	-	-	-	-	-

<b>Write-downs on inventory recognised as cost in the period</b>	-	-	-	-	-
Write-downs on inventory at the end of the period	-	-	-	-	-
Inventory recognised as cost in the period	-	-	-	-	-
<b>Carrying value of inventory</b>	-	-	-	<b>72</b>	<b>72</b>
Value of inventory securing liabilities	-	-	-	72	72
Including long-term	-	-	-	-	-

INVENTORIES	As of 31 December 2020				
	Materials	Work in progress	Finished products	Goods	Total
<b>Measurement according to the acquisition price/manufacturing cost</b>	-	-	-	<b>42</b>	<b>42</b>
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	-	-	-	-	-
<b>Carrying value of inventory</b>	-	-	-	<b>42</b>	<b>42</b>
Value of inventory securing liabilities	-	-	-	42	42
Including long-term	-	-	-	-	-

#### Note 8 – Trade receivables

TRADE RECEIVABLES	31/12/2021	31/12/2020
Trade receivables from related parties	2	3

Trade receivables from other parties	6,064	8,563
<b>Total receivables</b>	<b>6,066</b>	<b>8,566</b>
<b>Write-downs on trade receivables</b>	<b>264</b>	<b>264</b>
<b>Net trade receivables</b>	<b>5,802</b>	<b>8,302</b>

<b>MOVEMENTS IN WRITE-DOWNS</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
Opening balance	264	349
Increases	-	15
Decreases	-	100
<b>Closing balance</b>	<b>264</b>	<b>264</b>

#### Note 9 – Age structure of trade receivables

<b>AGE STRUCTURE OF TRADE RECEIVABLES</b>	<b>Gross value</b>	<b>Write-down</b>	<b>Gross value</b>	<b>Write-down</b>
	<b>31/12/2021</b>		<b>31/12/2020</b>	
Paid on time	2,864	-	7,172	-
Overdue up to 3 months	2,850	-	789	-
Overdue between 3 and 6 months	28	-	1	-
Overdue between 6 and 12 months	28	-	7	-
Overdue over 1 year	296	264	597	264
<b>Total</b>	<b>6,066</b>	<b>264</b>	<b>8,566</b>	<b>264</b>

#### Note 10 – Cash and cash equivalents

<b>CASH AND CASH EQUIVALENTS</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
Cash in hand and cash in bank	9,331	9,802
Short-term deposits	-	1,341
Other	-	-
<b>Total, including:</b>	<b>9,331</b>	<b>11,143</b>
- 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	-	-
<b>CASH AND CASH EQUIVALENTS DISCLOSED IN THE CASH FLOW STATEMENT</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
Cash in hand and cash in bank	9,331	9,802
Short-term deposits	-	1,341
Foreign exchange differences on translation	-	-

<b>Total:</b>	<b>9,331</b>	<b>11,143</b>
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In 2021, the Group's cash decreased by PLN 1,811,602.14.

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	31/12/2021		31/12/2020	
	Number of units	Value of units	Number of units	Value of units
General Investments Funds	14,491.66	3,367	14,491.66	3,417
BNP Paribas Funds	15,124.74	1,766	14,340.30	1,606
<b>Total, including:</b>		<b>5,133</b>		<b>5,023</b>

**Note 11 Share capital**

SHARE CAPITAL		As of 31 December 2021					
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 March 1997	1997
Series B	Ordinary bearer shares	None	None	84.113	42,056.50	02 August 2007	2007
Series C	Ordinary bearer shares	None	None	470.000	235,000.00	11 September 2007	2007
Series D	Ordinary bearer shares	None	None	10.757	5,378.50	11 May 2011	2011
Series E	Ordinary bearer shares	None	None	50.000	25,000.00	10 January 2022	
<b>Total number of shares</b>				<b>1,364,870</b>			
<b>Total share capital</b>					<b>682,435</b>		
<b>Nominal value per share</b>					<b>0.50</b>		
<b>Shareholders</b>				<b>Number of shares</b>		<b>% of capital</b>	
Quantum Assets sp. z o.o.				970,912		71.13%	
Tomasz Hatała				63,071		4.62%	
Bogusław Ożóg				43,796		3.21%	
Robert Dykacz				24,689		1.81%	
Marek Jędra				14,020		1.03%	
Tomasz Polończyk				14,010		1.03%	
Tomasz Mnich				7,682		0.56%	
Tomasz Mołata				2,265		0.16%	
Henryk Gaertner				954		0.07%	
Others				223,471		16.37%	
<b>Total</b>				<b>1,364,870</b>		<b>100%</b>	

## Note 12 – Number of shares comprising share capital

<b>Number of shares comprising share capital</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
Ordinary shares with a nominal value of PLN 0.50	1,364,870	1,314,870
Redemption of equity shares	-	-
<b>Total</b>	<b>1,364,870</b>	<b>1,314,870</b>
<b>Changes in the number of shares</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
<b>Ordinary shares issued and paid up in full</b>		
At the beginning of the period	1,314,870	1,314,870
Redemption of equity shares	-	-
Issue – series E	50,000	-
At the end of the period	1,364,870	1,314,870
<b>Ordinary shares issued and not fully paid-up</b>		
At the beginning of the period	-	-
At the end of the period	-	-
<b>Equity shares</b>		
At the beginning of the period	-	-
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	-	-
At the end of the period	-	-
<b>Shares</b>		
At the beginning of the period	-	-
At the end of the period	-	-
<b>SHARE CAPITAL</b>	<b>31/12/2020</b>	<b>31/12/2019</b>
Nominal value per share	0.50	0.50
Share capital	682	657

### Note 13 Equity shares

EQUITY SHARES			
As of 31/12/2021	Number of shares	Value at acquisition prices	Purpose of acquisition
Repurchase of equity shares	-	-	Art. 362(1) item 8 of the Commercial Companies Code
<b>TOTAL</b>	-	-	-

**Note 14 – Reserve capital, supplementary capital and revaluation reserve**

	AS OF 31 DECEMBER 2021									
	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
<b>Opening balance</b>	9,698	-	-	-	-	-	-	-	5	9,703
Changes in accounting principles (policy)	-	-	-	-	-	-	-	-	-	-
Corrections of fundamental errors	-	-	-	-	-	-	-	-	-	-
Opening balance after corrections (restated)	9,698	-	-	-	-	-	-	-	5	9,703
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	1,725	-	-	-	-	-	-	-	-	1,725
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-
Reclassification to share capital and supplementary capital	-	-	-	-	-	-	-	-	-	-
FX gains/losses on measurement of foreign operations	-	-	-	-	-	-	-	-	-224	-224



Distribution of profit	369	-	-	-	-	-	-	-	-	369
Redemption of equity shares	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-	-	-	-	-	-	-	-	-
Dividend	-1,648	-	-	-	-	-	-	-	-	-1,648
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	-	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>10,144</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-219</b>	<b>9,925</b>

	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
<b>Opening balance</b>	<b>8,426</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63</b>	<b>8,489</b>

Changes in accounting principles (policy)	-	-	-	-	-	-	-	-	-	-	-
Corrections of fundamental errors	-	-	-	-	-	-	-	-	-	-	-
Opening balance after corrections (restated)	<b>8,426</b>	-	-	-	-	-	-	-	-	<b>63</b>	<b>8,489</b>
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	-	-	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>9,698</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>9,703</b>

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

	for the period ending 31/12/2021	
	Reserve capital due to foreign exchange differences on translation	total
<b>Opening balance</b>	<b>5</b>	<b>5</b>
Foreign exchange gains/losses on translation of foreign operations	-224	-224
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	-	-
<b>Closing balance</b>	<b>-219</b>	<b>-219</b>

	for the period ending 31/12/2020	
	Reserve capital due to foreign exchange differences on translation	total
<b>Opening balance</b>	<b>63</b>	<b>63</b>
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	-	-
<b>Closing balance</b>	<b>5</b>	<b>5</b>

**Note 16 – Non-controlling interests**

	for the period ending 31/12/2021	
	Reserve capital due to foreign exchange differences on translation	total
<b>Opening balance</b>	<b>241</b>	<b>241</b>
Share of profit during the year	216	216
Foreign exchange differences on translation of financial statements	-65	-65
Acquisition of interests in a subsidiary	7	7
Profit/loss on sale of subsidiary	-	-
Correction of profit/loss for previous years		
Change in the holding structure	-	-
Allocation of profit/loss for previous years	-104	-104
Other movements in equity	205	205
<b>Closing balance</b>	<b>500</b>	<b>500</b>

	for the period ending 31/12/2020	
	Reserve capital due to foreign exchange differences on translation	total
<b>Opening balance</b>	<b>-32</b>	<b>-32</b>
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
<b>Closing balance</b>	<b>241</b>	<b>241</b>

## Note 17 – Provisions

PROVISIONS					
	AS OF 31 DECEMBER 2021				
	Provisions for repairs under guarantee	Restructuring provisions	Provisions for employee and similar benefits	Other provisions	Total
<b>Value at the beginning of the period, including:</b>	-	-	1,122	-	1,122
<i>Short-term, at the beginning of the period</i>	-	-	771	-	771
<i>Long-term, at the beginning of the period</i>	-	-	351	-	351
Increases	-	-	150	-	150
Created in the period and increase in existing ones	-	-	150	-	150
Transferred as part of the business transfer	-	-	-	-	-

Purchased as part of business combinations	-	-	-	-	-
Decreases	-	-	53	-	53
Used during the year	-	-	-	-	-
Released but not used	-	-	53	-	53
Transferred as part of the business transfer	-	-	-	-	-
Adjustment for net foreign exchange gains/losses on translation	-	-	-	-	-
Discount rate adjustment	-	-	-	-	-
<b>Value at the end of the period, including:</b>	-	-	<b>1,219</b>	-	<b>1,219</b>
<i>Short-term, at the end of the period</i>	-	-	921	-	921
<i>Long-term, at the end of the period</i>	-	-	298	-	298
<b>PROVISIONS</b>					
	<b>AS OF 31 December 2020</b>				
	<b>Provisions for repairs under guarantee</b>	<b>Restructuring provisions</b>	<b>Provisions for employee and similar benefits</b>	<b>Other provisions</b>	<b>Total</b>
<b>Value at the beginning of the period, including:</b>	-	-	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	-	-	-	-	-
<b>Value at the end of the period, including:</b>	-	-	<b>1,122</b>	-	<b>1,122</b>
<i>Short-term, at the end of the period</i>	-	-	771	-	771
<i>Long-term, at the end of the period</i>	-	-	351	-	351



**Note 18 – Bank loans and borrowings**

LONG-TERM BANK LOANS AND BORROWINGS			31/12/2021		31/12/2020	
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	-	-	298	149	348	846
<b>TOTAL</b>	-	-	<b>298</b>	<b>149</b>	<b>348</b>	<b>888</b>

SHORT-TERM BANK LOANS AND BORROWINGS			31/12/2021		31/12/2020	
Item	Effective interest rate	Repayment date	short-term portion	long-term portion	Short-term portion	Long-term portion
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
<b>TOTAL</b>	-	-	-	-	-	-

In 2020, the subsidiary Quantum Qguar received assistance in connection with the pandemic in the form of a borrowing from the Polish Development Fund in the amount of PLN 1,193,519.00. In 2021, the amount of PLN 596,759.50 owed by the company was remitted.

## Note 19 – Other financial liabilities

LIABILITIES DUE TO FINANCE LEASE AGREEMENTS				
FUTURE MINIMUM LEASE FEES AND NET PRESENT VALUE OF MINIMUM LEASE FEES				
	31/12/2021		31/12/2020	
	Minimum fees	Present value of minimum fees	Minimum fees	Present value of minimum fees
up to 1 year	80	131	389	372
over 1 to 5 years	1	29	164	162
over 5 years	-	-	-	-
<b>Total</b>	<b>81</b>	<b>160</b>	<b>553</b>	<b>534</b>

As of 31 December 2021, Quantum Qguar had five lease agreements for passenger cars in the total amount of PLN 247,998.57. As of 31 December 2021, the outstanding amount of the liability was PLN 79,735.86.

As of 31 December 2021, Quantum I-services was bound by one lease contract for passenger cars of the total value of PLN 125,203.23. As of 31 December 2021, the outstanding amount of the liability was PLN 80,252.56.

As of 31 December 2021, Quantum International Ukraine was bound by one lease contract for passenger cars. As of 31 December 2021, the outstanding amount of the liability was PLN 33.29.

## Note 20 – Trade liabilities

TRADE LIABILITIES	31/12/2021	31/12/2020
Trade liabilities due to related parties	-	-
Trade liabilities due to other parties	1,257	3,798
<b>Total</b>	<b>1,257</b>	<b>3,798</b>

## Note 21 – Other liabilities as well as prepayments and accruals

OTHER LIABILITIES AND ACCRUALS	31/12/2021	31/12/2020
<b>Liabilities due to subsidiaries:</b>	-	-
- long-term	-	-
- short-term	-	-

<b>Liabilities due to related parties:</b>	-	-
- long-term	-	-
- short-term	-	-
<b>Advance payments:</b>		-
- long-term		-
- short-term		-
<b>Other liabilities:</b>	<b>1,436</b>	<b>2,419</b>
- long-term	-	-
- short-term	1,436	2,419
<b>Accruals:</b>	<b>9</b>	<b>717</b>
- long-term	6	180
- short-term	3	537
<b>Deferred revenue:</b>	<b>134</b>	<b>862</b>
- long-term	-	125
- short-term	134	737
<b>Total, including:</b>	<b>1,579</b>	<b>3,998</b>
- long-term	6	305
- short-term	1,573	3,693

<b>Other liabilities include:</b>		
Taxes, customs duties, insurance and other considerations	1,242	1,336
Payroll	-	42
Arising from dividend	-	863
Other liabilities	7	58
Liability due to unpaid dividend on equity shares	-	-
Settlement of special purpose funds	187	120
<b>Total</b>	<b>1,436</b>	<b>2,419</b>

<b>Prepayments/accruals include:</b>		
settlements of subsidy received – within 12 months	-	-
settlement of subsidy received – over 12 months	-	-
settlement of long-term contracts	134	874
Other accruals/prepayments	9	445

turn-of-the-period costs	-	260
<b>Total</b>	<b>143</b>	<b>1,579</b>

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

REVENUE FROM SALE OF PRODUCTS, GOODS AND MATERIALS						
	Continued operations		Discontinued operations		Total	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Revenues from sale of products	4,326	4,921	-	-	4,326	4,921
Revenues from sale of services	26,967	25,170	-	-	26,967	25,170
Revenues from sale of materials	-	-	-	-	-	-
Revenues from sale of goods	7,609	8,540	-	-	7,609	8,540
<b>TOTAL</b>	<b>38,902</b>	<b>38,631</b>	-	-	<b>38,902</b>	<b>38,631</b>
including: non-cash revenues from exchange of goods or services	-	-	-	-	-	-

In 2021, the Group recorded a slight increase in sales compared to the same period in 2020. 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	31/12/2021	31/12/2020
Amortisation/depreciation of tangible assets and intangible assets	728	640
Employee benefit costs	17,141	13,625
Consumption of raw materials and materials	401	300
Costs of third-party services	10,342	10,105
Costs of taxes and charges	221	141
Other expenses	391	434
Change in the balance of products and work-in-progress	-	-
Value of goods sold	6,650	7,760

<b>TOTAL</b>	<b>35,874</b>	<b>33,005</b>
Selling costs	1,916	2,236
General and administrative expenses	6,416	4,513
Costs of products, goods and materials sold	27,542	26,256
<b>TOTAL</b>	<b>35,874</b>	<b>33,005</b>
including: minimum lease payments recognised as operating lease costs	-	-

<b>EMPLOYEE BENEFIT COSTS</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
Costs of remuneration	13,131	11,457
Social security costs	2,266	2,011
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	244	157
Other post-employment benefits	-	-
Costs of employee benefits in the form of equity shares	1,500	-
<b>TOTAL</b>	<b>17,141</b>	<b>13,625</b>

Based on the authorisation of the Management Board to increase the share capital of the Company as part of the authorised capital, as provided for in resolution no. 5 of the Extraordinary General Meeting of Quantum software S.A. of 16/12/2019, an issue of 50,000 shares was carried out at an issue price of PLN 5.00 and with a nominal value of PLN 0.50 per share. Therefore, the share capital was increased by PLN 25,000.00 to a total of PLN 682,435.00 and the remaining amount of PLN 225,000.00 paid by the shareholders (share premium) was posted in the Company's supplementary capital. The value of the issued shares was measured at the market price, i.e. 50,000 shares \* PLN 35.00, which amounted to PLN 1,750,000.00. Since the capital was increased by a total of PLN 250,000.00, an amount of PLN 1,500,000.00 was accounted for in employee benefit costs.

<b>RESEARCH AND DEVELOPMENT COSTS</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
Amortisation/depreciation	-	-
Consumption of raw materials and auxiliary materials	-	-

Costs of third-party services	-	-
Other expenses	-	-
<b>TOTAL</b>	-	-

## Note 24 – Other revenues and expenses

<b>OTHER REVENUES</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
State subsidies	597	1,148
Profit on sale of property, plant and equipment	45	18
Reversal of impairment losses on receivables	11	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	53	-
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	31	-
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	76	20
<b>TOTAL</b>	<b>813</b>	<b>1,280</b>
including: non-cash revenues from exchange of goods or services	-	-

<b>OTHER EXPENSES</b>	<b>31/12/2021</b>	<b>2020-31-12</b>
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	-	-
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
Liquidation of current assets	-	-
Subsidies	-	-
Write-down on goodwill of the acquired unit	-	-
Other	110	74
<b>TOTAL</b>	<b>110</b>	<b>77</b>

## Note 25 – Financial revenues and expenses

<b>FINANCIAL REVENUES</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
Interest revenues	26	22
Dividend revenues	-	-
Investment revenues	445	106
Foreign exchange gains	44	104
Interest charged on receivables	-	-
FX hedges (forwards)	-	-
Settlement of income tax upon transfer of business	-	-
Other	-	-
Reversal of impairment losses on financial assets, including:	7	5
interests and shares	-	-

financial assets and liabilities at fair value through profit or loss	7	5
hedging instruments	-	-
Profit on change in the fair value of financial instruments	-	-
interests and shares	-	-
financial assets and liabilities measured at the fair value through profit or loss	-	-
hedging instruments	-	-
<b>TOTAL</b>	<b>522</b>	<b>237</b>

<b>FINANCIAL EXPENSES</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
Costs of interest, including:	33	4
bank loans	-	-
Loans	32	-
Other	-	-
state budget and other interest	1	4
Financial expenses under finance lease agreements	15	62
Provision for outstanding interest	-	-
Loss on disposal of investments	-	-
Foreign exchange losses	-	-
Profit/loss on sale of interests in subsidiary	-	-
Remittance of a borrowing and interest	-	-
Other	-	2
Impairment losses on financial assets, including:	-	-
interests and shares	-	534
financial assets and liabilities measured at the fair value through profit or loss	-	-534
hedging instruments	-	-
Losses on change in the fair value of financial instruments, including:	91	-
interests and shares	-	-
financial assets and liabilities measured at the fair value through profit or loss	91	-
hedging instruments	-	-
<b>TOTAL</b>	<b>139</b>	<b>68</b>



## Note 26 Consolidated earnings per share

CONSOLIDATED PROFIT PER SHARE	31/12/2021	31/12/2020
Consolidated net profit for the reporting period attributable to:	3,234	6,243
Shareholders of the parent	3,019	6,013
Non-controlling interests	215	230

CONSOLIDATED NET PROFIT OF ORDINARY SHAREHOLDERS OF THE PARENT COMPANY (BASIC)						
Item	31/12/2021			31/12/2020		
	Continued operations	Discontinued operations	Total	Continued operations	Discontinued operations	Total
Consolidated profit/loss of the shareholders of the parent entity for the reporting period	3,019	-	3,019	6,013	-	6,013
Dividends on preference shares not subject to redemption (-)	-	-	-	-	-	-
<b>Total</b>	<b>3,019</b>	<b>-</b>	<b>3,019</b>	<b>6,013</b>	<b>-</b>	<b>6,013</b>

WEIGHTED AVERAGE ORDINARY SHARES	31/12/2021	31/12/2020
<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	1,364,870	1,314,870

CONSOLIDATED NET PROFIT PER SHARE	31/12/2021	31/12/2020
on continued and discontinued operations	2.21	4.57
on continued operations	2.21	4.57

CONSOLIDATED NET PROFIT OF ORDINARY SHAREHOLDERS OF THE PARENT COMPANY (DILUTED)		
Item	31/12/2021	31/12/2020

	Continued operations	Discontinued operations	Total	Continued operations	Discontinued operations	Total
Consolidated net profit/loss of ordinary shareholders of the parent entity (basic)	3,019	-	3,019	6,013	-	6,013
Interest on convertible bonds, after taxes	-	-	-	-	-	-
<b>Consolidated net profit/loss of ordinary shareholders of the parent entity (diluted)</b>	<b>3,019</b>	<b>-</b>	<b>3,019</b>	<b>6,013</b>	<b>-</b>	<b>6,013</b>

WEIGHTED AVERAGE ORDINARY SHARES (DILUTED)	31/12/2021	31/12/2020
<i>in thousands of shares</i>		
Weighted average ordinary shares	1,364,870	1,314,870
Effect of conversion of convertible bonds	-	-
Effect of the issue of share options	-	-
<b>Weighted average number of ordinary shares at the end of the period (diluted)</b>	<b>1,364,870</b>	<b>1,314,870</b>

CONSOLIDATED DILUTED NET PROFIT PER SHARE	31/12/2021	31/12/2020
on continued and discontinued operations	2.21	4.57
on continued operations	2.21	4.57

## 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.

**31/12/2021**

INFORMATION ON GEOGRAPHICAL AREAS	Revenues	Non-current assets
Domestic sales	32,353	*
Total foreign sales	6,549	*
including:		
Germany	1,036	-
Ukraine	3,932	-
Norway	-	-
Russia	36	-
France	-	-
UK	47	-
Romania	61	-
Ecuador	189	-
Hungary	44	-
Czech Republic	59	-
USA	105	-
Italy	-	-
Luxemburg	-	-
Slovakia	-	-
Lithuania	425	-
Belarus	615	-
Malta	-	-
Brazil	-	-
Other		-
<b>TOTAL</b>	<b>38,902</b>	-

31/12/2020		
INFORMATION ON GEOGRAPHICAL AREAS	Revenues	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	-	-
<b>TOTAL</b>	<b>38,631</b>	-

\* Non-current 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	31/12/2021	31/12/2020
	Revenues	Revenues
Products – licenses	4,326	4,921
Services – implementation	10,828	11,260
Services – maintenance	15,612	13,224
Services – individual projects and other services	638	897
Long-term contracts	-111	-211
Goods	7,609	8,540
<b>TOTAL</b>	<b>38,902</b>	<b>38,631</b>

## Note 28 – Transactions between related entities

TRANSACTIONS BETWEEN RELATED PARTIES 2021			
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.	372	-
Quantum Mobile Solutions sp. z o.o.	Sale of services to Quantum International Ukraine	96	-
Quantum I-Services sp. z o.o.	Sale of services to Quantum Qguar sp. z o.o.	715	-
Qcadoo Limited sp. z o.o.	Sale of services to Quantum Qguar sp. z o.o.	323	-
Quantum Qguar sp. z o.o.	Sale of services to Quantum International Ukraine	426	-
Quantum Qguar sp. z o.o.	Sale of goods to Quantum International Ukraine	27	-
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.	622	-
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.	2	-
Quantum Qguar sp. z o.o.	Sale of services to Quantum Mobile Solutions sp. z o.o.	2	-
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.	52	-
Quantum Brasil	Sale of services to Quantum Mobile Solutions sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Interest accrued on a borrowing granted to Quantum East sp. z o.o.	16	-
Quantum East sp. z o.o.	Interest accrued on a borrowing granted to Quantum International Russia	-	-
Quantum Qguar sp. z o.o.	Interest accrued on a borrowing granted to Qcadoo Limited sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Interest accrued on borrowings granted to Quantum Brasil	-	-

Quantum Qguar sp. z o.o.	Interest accrued on a borrowing granted to Quantum I-Services sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Interest accrued on a borrowing granted to Quantum software SA	-	-
Quantum Qguar sp. z o.o.	Remittance of interest on a borrowing – Quantum I- Services sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Remittance of interest on a borrowing – Qcadoo Limited	-	-
Quantum software S.A.	Interest accrued on a borrowing to Quantum I-Services sp. z o.o.	1	-
Quantum software S.A.	Borrowings granted – Quantum I- Services sp. z o.o.	70	-
Quantum software S.A.	Borrowing repayment – Quantum I- Services sp. z o.o.	35	-
Quantum software S.A.	Borrowing repayment – Qcadoo Limited sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Borrowings granted to Qcadoo Limited sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Borrowing repayment – Qcadoo Limited sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Borrowing granted to Quantum software SA	20	-
Quantum Qguar sp. z o.o.	Borrowing repayment – Quantum software SA	20	-
Quantum Qguar sp. z o.o.	Borrowing repayment – Quantum I-Services sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Borrowing granted – Quantum East sp. z o.o.	96	-
Quantum Qguar sp. z o.o.	Borrowing repayment – Quantum I-Services sp. z o.o.	484	-
Quantum Qguar sp. z o.o.	Acquisition of Qcadoo Limited sp. z o.o.'s interests	-	-
Quantum Qguar sp. z o.o.	Write-down on the interests of Qcadoo Limited sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Acquisition of Quantum I-Services sp. z o.o.'s interests	-	-
Quantum software S.A.	Dividend received from Quantum Qguar sp. z o.o.	4,360	-
Quantum software S.A.	Advance payment received on account of dividend from Quantum Qguar sp. z o.o.	1,130	-
Quantum software S.A.	Repurchase of Quantum Brasil's interests from Quantum Qguar sp. z o.o.	-	-
Quantum software S.A.	Repurchase of a borrowing granted to Quantum Brasil from Quantum Qguar sp. z o.o.	-	-
Quantum East sp. z o.o.	Receipt of a dividend from Quantum International Ukraine	420	-
Quantum Qguar sp. z o.o.	Write-down on goodwill of Qcadoo Limited sp. z o.o.	-	-

RECEIVABLES AS OF 31/12/2021 BETWEEN RELATED PARTIES			
Entity	From/To	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.	50	-
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.	-	61
Quantum Qguar sp. z o.o.	Quantum International Ukraine	178	-
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.	-	64
Quantum Qguar sp. z o.o.	Quantum East sp. z o.o.	24	-
Quantum Qguar sp. z o.o.	Qcadoo Limited sp. z o.o.	-	30
Quantum Mobile Solutions sp. z o.o.	Quantum International Ukraine	96	-
Quantum East sp. z o.o.	Quantum International Ukraine	-	-
Quantum I-Services sp. z o.o.	Qcadoo Limited sp. z o.o.	-	-

TRANSACTIONS BETWEEN RELATED PARTIES 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 borrowing granted to Quantum East sp. z o.o.	43	-
Quantum East sp. z o.o.	Interest accrued on a borrowing granted to Quantum International Russia	34	-
Quantum Qguar sp. z o.o.	Interest accrued on a borrowing granted to Qcadoo Limited sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Interest accrued on borrowings granted to Quantum Brasil	11	-
Quantum Qguar sp. z o.o.	Interest accrued on a borrowing granted to Quantum I-Services sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Interest accrued on a borrowing granted to Quantum software SA	-	-
Quantum Qguar sp. z o.o.	remittance of interest on a borrowing granted to Quantum I-Services sp. z o.o.	54	-
Quantum Qguar sp. z o.o.	remittance of interest on a borrowing granted to Qcadoo Limited sp. z o.o.	119	-
Quantum software S.A.	Interest accrued on a borrowing granted to Qcadoo Limited sp. z o.o.	-	-
Quantum software S.A.	Interest accrued on borrowings granted to Quantum Brasil	8	-



Quantum software S.A.	Borrowings granted to Quantum Brasil	-	-
Quantum software S.A.	Borrowing repayment – Qcadoo Limited sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Borrowing granted to Qcadoo Limited sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Borrowing repayment – Qcadoo Limited sp. z o.o.	14	-
Quantum Qguar sp. z o.o.	Borrowing granted to Quantum software SA	-	-
Quantum Qguar sp. z o.o.	Borrowing repayment – Quantum software SA	-	-
Quantum Qguar sp. z o.o.	Borrowing repayment – Quantum I-Services sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Borrowing repayment – Quantum I-Services sp. z o.o.	400	-
Quantum Qguar sp. z o.o.	Acquisition of Qcadoo Limited sp. z o.o.'s interests	-	-
Quantum Qguar sp. z o.o.	Write-down on the interests of Qcadoo Limited sp. z o.o.	-	-
Quantum Qguar sp. z o.o.	Acquisition of Quantum I-Services sp. z o.o.'s interests	-	-
Quantum software S.A.	Dividend received from Quantum Qguar sp. z o.o.	1,624	-
Quantum software S.A.	Advance payment received on account of dividend from Quantum Qguar sp. z o.o.	1,000	-
Quantum software S.A.	Repurchase of Quantum Brasil's interests from Quantum Qguar sp. z o.o.	727	-
Quantum software S.A.	Repurchase of a borrowing granted to Quantum Brasil by Quantum Qguar sp. z o.o.	898	-
Quantum East sp. z o.o.	Receipt of a 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 OF 31/12/2020 BETWEEN RELATED PARTIES			
Entity	From/To	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.	-	-

## 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	31/12/2021	31/12/2020
Total costs incurred	725	659
Total profits and losses recognised	-111	-211
Advance payments received	-	-
Security deposit	-	-
Receivables from clients under contractual works	8	120
Liabilities due to clients under contractual works	-	-

## Note 30 – Financial instruments

<b>FINANCIAL INSTRUMENTS: ANALYSIS OF EXPOSURE TO INTEREST RATE RISK</b>			
<b>As of 31/12/2021</b>			
	<b>Carrying amount</b>	<b>Increase/decrease by percentage points</b>	<b>Effect on the gross financial result</b>
<b>Financial assets</b>	<b>14,921</b>	-	<b>-5</b>
Cash	9,331	-	-
Interests and shares	-	-	-
Other financial assets	5,133	-	-
Borrowings granted	457	-1	-5
<b>Financial liabilities</b>	<b>607</b>	-	<b>6</b>
Bank loans and borrowings	447	1	4
Financial lease liabilities	160	1	2
Other financial liabilities	-	-	-

<b>FINANCIAL INSTRUMENTS: ANALYSIS OF EXPOSURE TO INTEREST RATE RISK</b>			
<b>As of 31/12/2020</b>			
	<b>Carrying amount</b>	<b>Increase/decrease by percentage points</b>	<b>Effect on the gross financial result</b>
<b>Financial assets</b>	<b>16,311</b>	-	-
Cash	11,143	-	-
Interests and shares	-	-	-
Other financial assets	5,023	-	-
Borrowings granted	145	-	-
<b>Financial liabilities</b>	<b>1,770</b>	-	-
Bank loans and borrowings	1,236	1	12
Financial lease liabilities	534	1	5
Other financial liabilities	-	-	-

**FINANCIAL INSTRUMENTS: ANALYSIS OF EXPOSURE TO FX RISK**

<b>As of 31/12/2021</b>			
	<b>Carrying amount</b>	<b>Exchange rate increase/decrease in percentage points</b>	<b>Effect on the gross financial result</b>
<b>Financial assets</b>	-	-	-
Cash in EUR	3,644	2.00%	73
Cash in USD	1,277	-1.00%	-13
Cash in UAH	1,214	-1.00%	-12
Cash in RUB	-	-2.00%	-
Cash in BRL	-	-5.00%	-
Trade and other receivables in EUR	295	3.00%	9
Trade and other receivables in USD	13	-1.00%	-
Trade and other receivables in UAH	824	-1.00%	-8
Trade and other receivables in RUB	-	-2.00%	-
Trade and other receivables in BRL	-	-5.00%	-
<b>Financial liabilities</b>	-	-	-
Overdrafts in EUR	-	-2.00%	-
Short-term loans in EUR	-	-2.00%	-
Trade liabilities in EUR	58	-2.00%	-1
Trade liabilities in UAH	229	1.00%	2
Trade liabilities in RUB	-	2.00%	-
Trade liabilities in BRL	-	5.00%	-

<b>FINANCIAL INSTRUMENTS: ANALYSIS OF EXPOSURE TO FX RISK</b>			
<b>As of 31/12/2020</b>			
	<b>Carrying value (PLN '000)</b>	<b>Exchange rate increase/decrease in percentage points</b>	<b>Effect on the gross financial result</b>
<b>Financial assets</b>	-	-	-
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%	-
<b>Financial liabilities</b>	-	-	-
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%	-

#### MEASUREMENT OF FINANCIAL INSTRUMENTS

	Category according to IFRS 9*	Carrying amount		Fair value	
		31/12/2021	31/12/2020	31/12/2021	31/12/2020
<b>Financial assets</b>	-	<b>21,264</b>	<b>25,435</b>	<b>21,264</b>	<b>25,435</b>
Cash	at amortised cost	9,331	11,143	9,331	11,143
Trade and other receivables	at amortised cost	6,343	9,124	6,343	9,124
Other financial assets	at amortised cost	5,590	5,168	5,590	5,168
Other financial assets	historical cost – in accordance with IAS 27	-	-	-	-
<b>Financial liabilities</b>		<b>3,437</b>	<b>9,261</b>	<b>3,437</b>	<b>9,261</b>
Liabilities due to finance lease	at amortised cost	160	534	160	534
Trade and other liabilities	at amortised cost	2,830	7,491	2,830	7,491
Bank loans	at amortised cost	447	1,236	447	1,236

#### ITEMS OF REVENUES, EXPENSES, PROFIT AND LOSS RECOGNISED IN THE STATEMENT OF COMPREHENSIVE INCOME, BROKEN DOWN INTO CATEGORIES OF FINANCIAL INSTRUMENTS

FOR THE PERIOD	31 December 2021				
	Category according to IFRS 9*	Interest revenues/ex-penses	Foreign exchange gains/losses	Release/recognition of write-downs	Profits/losses on sales
<b>Financial assets</b>	-	<b>-64</b>	<b>44</b>	<b>7</b>	<b>-</b>

Cash	at amortised cost	1	91	-	-
Trade and other receivables	at amortised cost	-	-47	-	-
Interest receivable from borrowings granted	at amortised cost	26	-	7	-
Interests and shares	historical cost – in accordance with IAS 27	-	-	-	-
Other financial assets		-91	-	-	-
<b>Financial liabilities</b>	at amortised cost	<b>-48</b>	-	-	-
Liabilities due to finance lease	at amortised cost	-16	-	-	-
Trade and other liabilities	at amortised cost	-1	-	-	-
Liabilities on account of loans granted	-	-31	-	-	-
Short-term bank loans	at amortised cost	-	-	-	-

**ITEMS OF REVENUES, EXPENSES, PROFIT AND LOSS RECOGNISED IN THE STATEMENT OF COMPREHENSIVE INCOME, BROKEN DOWN INTO CATEGORIES OF FINANCIAL INSTRUMENTS**

FOR THE PERIOD	31 December 2020				
	Category according to IFRS 9*	Interest revenues/expenses	Foreign exchange gains/losses	Release/recognition of write-downs	Profits/losses on sales
<b>Financial assets</b>	-	<b>128</b>	<b>104</b>	<b>5</b>	-
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	-
Interests and shares	historical cost – in accordance with IAS 27	-	-	-	-
Other financial assets		106	-	-	-
<b>Financial liabilities</b>	at amortised cost	<b>-66</b>	<b>1</b>	-	-
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	-	-	-	-

### Note 31 – Remuneration of the Group’s senior management

Management Board of the parent company	31/12/2021	31/12/2020
Short-term employee benefits (remunerations and surcharges)	425	308
Anniversary benefits and retirement benefits		-
Post-employment benefits		-
Benefits due to termination of employment		-
Employee benefits – series E shares	1,182	-
<b>Total</b>	<b>1,607</b>	<b>308</b>

Supervisory Board of the parent company	31/12/2021	31/12/2020
Short-term employee benefits (remunerations and surcharges)	30	30
Anniversary benefits and retirement benefits	-	-
Post-employment benefits	-	-
Benefits due to termination of employment	-	-
Employee benefits – series E shares	124	-
<b>Total</b>	<b>154</b>	<b>30</b>

Management board of subsidiaries	31/12/2021	31/12/2020
Short-term employee benefits (remunerations and surcharges)	427	342
Anniversary benefits and retirement benefits	-	-
Post-employment benefits	-	-
Benefits due to termination of employment	-	-
Employee benefits in the form of equity shares	-	-
<b>Total</b>	<b>427</b>	<b>342</b>

Other members of the senior management of subsidiaries	31/12/2021	31/12/2020
Short-term employee benefits (remunerations and surcharges)	1,062	1,173
Anniversary benefits and retirement benefits	-	-
Post-employment benefits	-	-

Benefits due to termination of employment	-	-
Employee benefits – series E shares	-	-
<b>Total</b>	<b>1,062</b>	<b>1,173</b>
	<b>31/12/2021</b>	<b>31/12/2020</b>
Management Board	425	308
Supervisory Board	30	30
Management Board – subsidiaries or associates	427	342
Supervisory Board – subsidiaries or associates	-	-
<b>Total</b>	<b>882</b>	<b>680</b>
Other key management personnel	1,062	1,173

### Note 32 – Capital management

	31/12/2021	31/12/2020
Interest-bearing loans, borrowings and bonds	309	1,422
Trade and other liabilities	3,095	7,584
Less cash and cash equivalents	-9,331	-11,143
<b>Net debt</b>	<b>-5,927</b>	<b>-2,137</b>
Convertible preference shares	-	-
Equity	19,373	17,451
Reserve capital on unrealised net earnings	-	-
<b>Total capital</b>	<b>19,373</b>	<b>17,451</b>
<b>Capital and net debt</b>	<b>13,446</b>	<b>15,314</b>
Leverage ratio	-0.44	-0.14

### Note 33 – Employment in the Capital Group

EMPLOYMENT IN THE QS S.A. CAPITAL GROUP	31/12/2021	31/12/2020
Management Board of the parent company	4	4
Management Boards of the Group companies (*)	13	15
White-collar employees/Administration	159	148
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 companies from Quantum Group, as IT system providers, may directly experience the consequences of changed budgets allocated by companies for computerisation.

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

- FX risk;
- interest rate risk;
- liquidity risk.

All of the mentioned risks have become more serious due to the global crisis caused by the coronavirus pandemic and, since February 2022, by the war in Ukraine. Financial institutions are facing challenges that cannot be compared to anything we know from recent future.

The Management Boards of the Group companies verify and reconcile the principles for managing each risk; these principles are 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). Changing foreign exchange rates may result in worse-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 normal course of operations. The Group generates approx. 15% of its revenue on export. 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.

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 consideration maturities/payment dates for investments as well as financial assets and forecast operating cash flows.

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

### **Note 35 – Contingent liabilities**

As of 31 December 2021, the Group does not have any contingent liabilities.

### **Note 36 – Events after the balance sheet date**

From the end of the first quarter of 2020 to the submission date of this report, the state of epidemic is extended in Poland, and the SARS-CoV-2 coronavirus pandemic is ongoing worldwide. The impact of this situation on the results of the Group companies is difficult to assess. It depends on the situation of individual customers, but also on other factors, e.g. the duration of the epidemic, administrative restrictions, restrictions imposed on businesses and volatility of exchange rates. The global social and economic crisis brought about by the pandemic must also be taken into account.

Since 24 February 2022, there has been a war in Ukraine caused by Russia's aggression. This has directly affected the Group company Quantum International O.O.O., based in Kiev. As the war broke out, the company's staff were evacuated to Poland and western Ukraine. The company has readjusted its operating directions and continues to do business:

1. Most of the company's customers operating in Ukraine have not discontinued their activities.
2. The company also serves customers on the Belarussian market.
3. The company is a subcontractor for services commissioned by other companies from Quantum Group (e.g. the Baltic countries and Ecuador).

As of 31/12/2021, the asset exposure of the Group companies on the Ukrainian market was as follows:

- holdings of the subsidiary Quantum East in the amount of PLN 169,116.62;
- receivables of the subsidiary Quantum Qguar in the amount of PLN 178,436.27;

- receivables of the subsidiary Quantum Mobile Solutions in the amount of PLN 96,421.50;

Obviously, the war also indirectly affects the operating conditions of Quantum Group companies. Economies other than Ukraine, in particular Poland, which is key for the Group, are exposed to the effects of the war across the border, such as its social consequences, administrative decisions, sanctions, higher energy costs or rising inflation.

The Issuer's Management Board and Management Boards of the subsidiaries are monitoring the situation in Poland, Ukraine and in other countries where they operate, and are working intensively to adapt to the dynamic operating environment.

**Note 37 – Differences between the financial results disclosed in the report and forecasts published earlier**

Quantum software S.A. Capital Group did not publish any forecasts for 2021 or for the comparable period of 2020.

**Note 38 – Information on sureties and guarantees granted and received**

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

**Note 39 – Seasonal and cyclical nature of business**

In the case of Quantum software S.A., seasonality is not material. Sales revenue in the initial three quarters of the year is subject to slight variations, while Q4 revenue is usually higher because a large portion of the revenue is generated under contracts which are to be completed in Q4, as businesses buy more at the end of the year. Concerns are frequently forced to realise the budgets by the end of the year. On the other hand, the cyclical nature of business is a significant factor because half of the Group's revenue comes from service agreements (long-term maintenance agreements).

**Note 40 – Discontinued operations**

In 2021 and in the comparable period, no operations were discontinued.

**Note 41 – Agreements binding on managerial and supervisory personnel and associated persons**

In 2021, members of the management and supervisory bodies did not make any binding contracts.

#### Note 42 – Other transactions with managers and supervisors

As of 31/12/2020, Mr Tomasz Hatala, a manager of Quantum Software, had PLN 93,751.07 to repay to Group companies under borrowing agreements concluded on 28/08/2019 and 25/06/2020.

As of the submission date of the report, the parent concluded another borrowing agreement with Mr Tomasz Hatala in the amount of PLN 150,000.00 (in words: one hundred and fifty thousand zlotys).

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

2021			
AUTHORISED AUDIT FIRM	SIGNING DATE OF THE AGREEMENT	OBJECT OF THE AUDIT	REMUNERATION
PRO Audyt Sp. z o.o.	17 April 2020	Review of separate interim financial statements	PLN 8,000.00
PRO Audyt Sp. z o.o.	17 July 2020	Review of consolidated interim financial statements	PLN 7,500.00
PRO Audyt Sp. z o.o.	17 April 2020	Audit of separate financial statements for 2021	PLN 12,500.00
PRO Audyt Sp. z o.o.	17 April 2020	Audit of consolidated financial statements for 2021	PLN 12,000.00
PRO 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 separate financial statements of Quantum Qguar sp. z o.o. for 2021	PLN 18,000.00

2020			
AUTHORISED AUDIT FIRM	SIGNING DATE OF THE AGREEMENT	OBJECT OF THE AUDIT	REMUNERATION
PRO Audyt Sp. z o.o.	17/04/2020	Review of separate interim financial statements	PLN 8,000.00
PRO Audyt Sp. z o.o.	17/07/2020	Review of consolidated interim financial statements	PLN 7,500.00

PRO Audyt Sp. z o.o.	17/04/2020	Audit of separate financial statements for 2020	PLN 12,500.00
PRO Audyt Sp. z o.o.	17/04/2020	Audit of 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

**The financial statements were approved by the Management Board and signed by all Members of the Management Board on 29 April 2022.**

**Signatures of Management Board Members**

**Person responsible for bookkeeping**

Tomasz Hatala

Chief Accountant – Monika Kuś

Bogusław Ożóg

Marek Jędra

Tomasz Mnich