



**Financial Statement of  
Quantum software S.A  
for the period from 01/01/2019 to 31/12/2019**

**Kraków, on 20 April 2020**

**Contents of the separate financial statement:**

1. Introduction to the financial statement.....	3
2. Separate statement of financial condition.....	16
3. Separate statement of comprehensive income.....	17
4. Separate statement of changes in equity .....	20
5. Separate cash flow statement.....	24
6. Selected financial data including basic items of the annual separate financial statement (also translated into EUR). .....	26
7. Additional information – selected notes.....	28

## **1. Introduction to the financial statement of the Quantum software S.A. for 2019.**

### **1.1. Object of business operations:**

Quantum software Spółka Akcyjna; 30-633 Kraków, ul. Walerego Sławka 3A. Quantum software S.A. was entered into the Register of Businesses of the National Court Register Kraków – Śródmieście, 11th Commercial Division, on 30 October 2002 under the number 0000136768; PKD 62.01Z (Polish Classification of Activities) “Software business”.

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 the Issuer**

The duration of Quantum software S.A. is unspecified.

### **1.3. Composition of the Company’s Management Board and Supervisory Board:**

The composition of the Management Board and Supervisory Board at 31 December 2019 was as follows:

#### **Management Board:**

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

#### **Supervisory Board:**

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

#### 1.4. Organisational structure of the Capital Group at 31/12/2019:

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

Registered Office: Kraków  
Address: Walerego Sławka 3a  
National Court Register (KRS): 0000294284  
Shareholders: 63.74% of interests held by Quantum Qguar sp. z o.o.  
Initial capital: PLN 282,500.00, fully paid up

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

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

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

Registered Office: Moscow  
Address: Letnikovskaja 10, building no. 11  
certificate No. 1117746038035  
Shareholders: 99% of interests held by Quantum East  
Share capital: RUB 1,200,000.00, fully paid up

##### 4. Company name: Quantum I- Services sp. z o.o. – subsidiary

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

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

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

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

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

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

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

**8. Company name: Qcadoo Limited sp. z o.o. – subsidiary**

Registered Office: Kraków  
Address: Walerego Sławka 3A  
National Court Register (KRS): 0000344950  
Shareholders: 100% of interests held by Quantum Qguar sp. z o.o.  
Initial capital: PLN 885,000, fully paid up

### **1.5. Accounting policies used in preparing the financial statement of Quantum software S.A. for 2019 and the statement of compliance.**

This financial statement was prepared pursuant to the International Financial Reporting Standards (“IFRS”) as adopted by the EU, and in the scope not regulated by the above standards - pursuant to the requirements of the Accounting Act of 29 September 1994 (Journal of Laws of 1994, no. 121, item 591, as amended) and secondary legislation issued on the basis thereof as well as pursuant to the requirements of the Regulation of the Minister of Finance of 29 March 2018 on current and interim information to be submitted by issuers of securities (Journal of Laws of 2018, item 757).

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 separate financial statement for issue as of the date the financial statements are signed by all members of the Management Board, i.e. 20 April 2020. The separate financial statement should be read in conjunction with the consolidated financial statement. This provides full perspective of financial condition and results of Quantum software S.A. operations both as the parent entity and the Capital Group. 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)

Pursuant to the provisions of the Accounting Act of 29 September 1994 (Journal of Laws of 1994, no. 121, item 591, as amended), the Company presents the financial statement for the financial year commencing on 01 January 2019 and ending on 31 December 2019. The financial statement was prepared in PLN, rounded to the nearest thousand, and on the assumption that the Company will continue its business operations in the foreseeable future. There are no circumstances indicating any threat to the Company's going concern.

Quantum software S.A. has prepared consolidated financial statements since 1 January 2008, starting from the interim consolidated financial statement for the period from 01/01/2008 to 31/03/2008. The first annual consolidated financial statement was prepared for 2008.

Accounting records are kept at the historical cost. The company did not make any adjustments that would reflect the influence of inflation on the individual items of the balance sheet and the profit and loss account. The company prepares the profit and loss account in the multiple-step variant. The cash flow statement is prepared based on the indirect method.

At present, IFRS as adopted by the EU do not significantly differ from regulations adopted by the International Accounting Standards Board (IASB) except from the following items which are awaiting approval by the European Union.

**Application of new standards and amendments to the existing standards and interpretations applied for the first time in the Company's financial statement for 2019**

In this financial statement, the following new standards and amendments to the applicable standards effective as of 1 January 2019 are applied for the first time:

a) IFRS 16 “Leases”

The new IFRS 16 “Leases” establishes the principles for treatment, measurement, presentation and disclosures with regard to lease. All lease transactions result in the lessee obtaining the right to use the asset and the obligation to pay. Thus, IFRS 16 abolishes the classification of operating lease and financial lease in accordance with IAS 17 and introduces a single model for the treatment of lease by the lessee. The lessee is obliged to treat: (a) assets and liabilities for all lease transactions concluded for more than 12 months, except when the asset has low value; and (b) depreciation of the leased asset separately from interest on the lease liability in the results report. IFRS 16, in a significant part, reproduces the regulations of IAS 17 concerning the treatment of lease by the lessor. Consequently, the lessor continues the classification by operating lease and finance lease and differentiates the accounting treatment accordingly.

b) Amendments to IFRS 9: Right of prepayment with negative compensation

As a result of the above-mentioned amendments to IFRS 9, entities may measure financial assets with the so-called right of prepayment with negative compensation at amortised cost or at fair value through other comprehensive income if a specific condition is met – instead of making a fair value through profit or loss.

c) Amendments to IAS 28 “Investments in Associates and Joint Ventures”

Amendments to IAS 28 “Investments in Associates and Joint Ventures” explain that in relation to long-term interests in an associate or joint venture that do not apply the equity method, the companies apply IFRS 9. In addition, the Council also published an example illustrating the application of IFRS 9 and IAS 28 requirements to long-term interests in an associate or a joint venture.

d) IFRIC 23: Uncertainty over income tax treatments

IFRIC 23 clarifies the recognition and measurement requirements of IAS 12 in the event of uncertainty related to the treatment of income tax.

e) Annual Improvements to IFRS 2015–2017

“Annual Improvements to IFRS 2015–2017” introduce amendments to 4 standards: IFRS 3 “Business Combinations”, IFRS 11

“Joint Arrangements”, IAS 12 “Income Taxes” and IAS 23 “Borrowing Costs”. The amendments include explanations and specify standard guidance on treatment and measurement.

f) IAS 19 “Employee Benefits”

The amendments to the standard specify the requirements related to the treatment of the modification, curtailment or settlement of the defined benefit plan.

In the scope of IFRS 16, the entity has made use of the practical solution referred to in C3. As a practical solution, the entity is not obliged to reassess whether the agreement is a lease or includes lease on the date of first application. The entity does not apply this standard to contracts that have not previously been identified as contracts which include leases in accordance with IAS 17 and IFRIC 4.

Other amendments to standards had no significant effect on the hitherto applied accounting policy of the Group.

### **Standards and interpretations published but not yet effective and not previously applied by the Company**

In this financial statement, the Company decided not to apply the following published standards, interpretations or amendments to existing standards before their effective date:

#### a) IFRS 17 “Insurance Contracts”

IFRS 17 was published by the International Accounting Standards Board on 18 May 2017 and it is applicable to annual reporting periods beginning on 1 January 2021 or after that date. The new IFRS 17 “Insurance Contracts” will replace the current IFRS 4, which allows a diverse practice in the settlement of insurance contracts. IFRS 17 will substantially change the accounting of all entities that deal with insurance contracts and investment agreements. The Company will apply IFRS 17 following its approval by the European Union, but it does not expect the amendments to have a significant impact on the preparation of financial statements. As at the date of preparation of the financial statement, the new standard has not been approved by the EU.

#### Amendments to IFRS 9 Right of prepayment with negative compensation

As a result of the above-mentioned amendments to IFRS 9, entities may measure financial assets with the so-called right of prepayment with negative compensation at amortised cost or at fair value through other comprehensive income if a specific condition is met – instead of making a fair value measurement through profit or loss.

#### b) Changes in the scope of conceptual framework in IFRS

In 2019, the amendments to Conceptual Framework of IFRS which will apply as of 1 January 2020 were published. The revised Conceptual Framework will be used by the Council and the Interpretations Committee in the future when working on new standards. Nevertheless, the entities preparing financial statements may use the Conceptual Framework to develop accounting policies for transactions that are not regulated in current IFRSs.

#### c) IFRS 3 “Business Combinations”

As a result of the amendment to IFRS 3, the definition of “business” was modified. The current definition is narrowed and it is likely that more acquisitions will be qualified as asset acquisition. The amendments to IFRS 3 are effective for annual periods beginning on or after 1 January 2020. The impact of the amendment on the financial statement is not known. As at



the date of preparation of the financial statement, the amendment has not been approved by the EU.

d) IAS 1 “Presentation of Financial Statements” and IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”

The Council published a new definition of the term “materiality”. The amendments to IAS 1 and IAS 8 clarify the definition of “materiality” and increase consistency between the standards, but it is not expected that they will have a significant impact on the preparation of financial statements. The amendment is effective for annual periods beginning on or after 1 January 2020.

e) Amendments to IFRS 9, IAS 39 and IFRS 7 related to the IBOR reform

The amendments to IFRS 9, IAS 39 and IFRS 7 published in 2019 modify some of the specific hedge accounting requirements, mainly so that the expected reform of the reference rates (IBOR reform) does not substantially change hedge accounting. The amendments to the standards are effective for annual periods beginning on or after 1 January 2020. The impact of the amendment on the financial statement is not known. As at the date of preparation of the financial statement, the amendment has not been approved by the EU.

f) IFRS 14 “Regulatory Deferral Accounts”

This standard allows the entities that prepare financial statements in accordance with IFRS for the first time (as of 1 January 2016 or after that date) to treat the amounts resulting from rate-regulated activities in accordance with the accounting principles applied so far. In order to improve comparability with the entities which already apply IFRS and do not show such amounts in accordance with the published IFRS 14, the amounts resulting from the rate-regulated activities should be presented in a separate item both in the statement of financial position and in the statement of profit and loss or in the statement of other comprehensive income. By decision of the European Union, IFRS 14 will not be approved.

g) Amendments to IFRS 10 and IAS 28 concerning the sale or contribution of assets between an investor and its associates or joint ventures. The amendments resolve the current inconsistency between IFRS 10 and IAS 28. The treatment depends on whether non-monetary assets sold or contributed to an associate or joint venture constitute a business.

Where non-monetary assets are a business, the investor shows a full gain or loss on the transaction. If the assets do not meet the definition of a business, the investor recognises the gain or loss only on the part representing the shares of other investors. The amendments were published on 11 September 2014. As at the date of preparation of the financial statement, the approval of this amendment is postponed by the European Union. The Company’s Management Board is in the process of identifying the above-mentioned amendments, but does not foresee a significant impact on the financial statement.

## **BASIC PRINCIPLES AND RISKS**

To the best knowledge of the Management Board, based on the Company's documents, the separate financial statement for the financial year 2016 was prepared in accordance with the applicable accounting policies. It provides a true reflection of the Company's development, achievements and the description of basic risks and threats.

### **Accounting principles**

Unless stated otherwise, the financial statement was prepared in thousands of PLN, on the basis of entries made in the Company's accounting books kept in accordance with the following basic accounting policies:

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

### **Intangible assets, tangible fixed assets**

Methods for measuring intangible assets and tangible fixed assets: intangible assets and tangible fixed assets are measured according to the continuity principle, as specified in the International Accounting Standards, with the following restrictions:

- 1) Intangible assets are recognised at their acquisition price, including their depreciation. The Company recognises depreciation write-downs using the straight line method, and adopts the following depreciation periods (useful lives):
  - a) computer software – 2 years,
  - b) licences – 2 years
  - c) copyrights – 2 years,
  - d) R&D costs – 5 years,
  - e) the company does not hold any intangible assets with indefinite useful lives.
- 2) Tangible assets are measured at their acquisition price or manufacture cost, less depreciation, proportionally to their periods of use. Tangible assets are depreciated throughout their useful economic lives. 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 assets classified under group 4 (machinery and equipment). Costs of purchase of these assets are recognised on a one-off basis as operating costs in the month of purchasing or in the immediately following month. These assets are not recognised in the balance sheet. Cars are depreciated for 5 years using the straight-line method on their initial value less their final value equal to 20% of the initial value. All equipment classified under group 4, regardless of its initial value, is depreciated using the straight-line method at individual rates determined in accordance with its expected useful life, i.e.:
  - a) desktop computers – 4 years,
  - b) laptops – 3 years,
  - c) servers, printers, projectors, UPS, routers, switch boxes, changers,

- computer networks – 5 years,
- d) UPS batteries – 2 years.

The company verifies the adopted useful lives of intangible assets and tangible fixed assets every year.

### **Financial instruments**

The methods of measuring financial instruments: financial instruments are measured in accordance with the continuity principle, in the manner defined in the International Accounting Standards, with the following restrictions:

Receivables are recognised in the accounting books as they arise, at their nominal value, and at the amount due at the balance sheet date. For making real the values of receivables, they are decreased by write-downs on doubtful receivables. Receivables in foreign currencies are measured as at the balance sheet date according to the average exchange rate of the National Bank of Poland (NBP), and the foreign exchange differences are recognised in financial revenue or costs.

Shares are measured at their acquisition price, less impairment write-downs.

Financial assets are measured at their acquisition price or market value, whichever is lower.

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 valuation at the average NBP exchange rate.

Liabilities are recognised in the books at their nominal value on the day when they arise, and at the payable amount as at 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 write-downs and unrecoverability (on the basis of Article 58 of IAS 39),
- cash – measured at the acquisition price – on the basis of Article 29 Subsection (a) of IFRS 7,
- borrowings, loans and leases are measured at the depreciated cost; however, in the opinion of the Management Board, the company presents these items at the acquisition price (at the payable amount) because such valuation does not affect the company's financial situation.

### **Investments**

The company classifies its investments into the following categories:

- 1) shares in subsidiaries.

Shares in subsidiaries include shares in consolidated companies. Shares in subsidiaries are measured at the acquisition price adjusted for impairment write-downs. Impairment write-downs on shares in subsidiaries are recognised in the statement of comprehensive income as financial costs.

### **Write-downs on fixed assets**

Tangible fixed assets, intangible assets and financial assets are verified in terms of impairment in the case of the occurrence of certain events and changes which may cause impairment thereof.

Impairment losses are recognised in other operating expenses in the periods in which such losses are incurred.

### **Inventory**

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

### **Trade and other receivables**

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

### **Cash and cash equivalents**

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

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

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

### **Provisions**

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

### **Prepayments and accruals**

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

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

The Company maintains prepayments, which are the amount of liabilities attributable to the current period based on services provided to the Company.

Deferred revenue settlements include, in particular, the equivalent of invoiced services which will be performed in the following periods.

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

Net revenue from the sales covers economic benefits from the reporting period resulting from the entity's operations in a reliably determined value, leading to an increase in equity by increasing the value of assets or decreasing the value of liabilities in a way other than the contribution of shareholders' funds. 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 operations, and for the sold materials and goods, determined on the basis of the net price and adjusted for discounts and reductions granted.

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

### **Other operating revenue**

Other operating revenue comprises revenue related to the company's operating activities.

They include:

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

### **Financial revenue**

Revenue from interest charged to contractors, recognised at the time it is paid by the contractor.

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

### **Operating costs**

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

### **Other operating costs**

Other operating costs include costs connected with the company's operating activities.

They include:

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

### **Financial costs**

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

### **Income tax**

Obligatory tax charges consist of:

- 1) CIT,
- 2) deferred tax.

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

#### **Deferred income tax**

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

#### **Earnings per share**

Net profit per share is 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 differences concerning settlements in foreign currencies which occurred at the date of valuation and at the payment date of receivables and liabilities are recognised in financial costs or revenue.

#### **Lease**

Tangible fixed assets used on the basis of finance lease contracts under which all benefits and risks of possessing such tangible fixed assets are transferred to the Company are disclosed in the Company'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 costs posted directly in the financial result.

## **1.6. Significant values based on professional judgement and estimates**

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

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

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

The Management Board examines all circumstances relating to unrecoverability of overdue receivables and loans and, in the case of the risk of their unrecoverability, decides to establish write-down on given receivables. Details concerning changes in write-downs on receivables are presented in Note no. 8.

### **Valuation of provisions for employee benefits**

Provisions for employee benefits are estimated using actuarial methods. The relevant assumptions are described in Note no. 14.

### **Deferred tax assets**

The Company recognises deferred tax assets based on the assumption that future taxable income will allow its use. The deterioration of tax results in the future might make this assumption unjustifiable.

Information about the deferred tax is presented in Note no. 23.

### **Revenue recognition**

The Company determines revenue from long-term contracts for the implementation of IT systems in proportion to the progress of the service, measured by the share of costs incurred to total estimated costs (budget of the contract). Budgets of each of the long-term contracts are revised at least at each balance sheet date. Upon occurrence of any circumstances which have an impact on the outcome of the contract performance between the balance sheet dates, revisions are made in advance. The Management Board reviews the possibility of realisation of receivables arising from the valuation of contracts that are not yet performed on a day-to-day basis. Information about the valuation of contracts is contained in Note no. 28.

### **Depreciation rates**

The amount of depreciation rates is determined on the basis of the expected economic useful lives of tangible fixed assets and intangible assets. Every year, the Company verifies the adopted periods of economic useful lives on the basis of current estimates.

## 2. Separate statement of financial position.

Separate statement of financial position.	Not e	Balance at 31/12/2019	Balance at 31/12/2018 Restated	Balance at 31/12/2018
<b>ASSETS</b>				
Fixed assets		9,703	9,705	9,705
Tangible fixed assets	1	-	-	-
Intangible assets	2	-	-	-
Investments in associates measured with the equity method	3	-	-	-
Financial assets available for sale	4	9,701	9,701	9,701
Borrowings granted	5	-	-	-
Deferred income tax assets	23	2	4	4
Other long-term receivables as well as prepayments and accruals	6	-	-	-
<b>Current assets</b>		<b>2,771</b>	<b>1,749</b>	<b>1,749</b>
Stocks	7	-	-	-
Trade receivables	8	475	157	157
Other short-term receivables as well as prepayments and accruals	6	19	30	30
Income tax receivables	23	19	-	-
Other financial assets		593	620	620
Loans granted	5	103	-	-
FX forward contracts		-	-	-
Cash and cash equivalents	9	1,562	942	942
<b>Total Assets</b>		<b>12,474</b>	<b>11,454</b>	<b>11,454</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity capital</b>		<b>11,693</b>	<b>11,087</b>	<b>11,358</b>
<b>Equity attributable to the shareholders of the parent company</b>		<b>11,693</b>	<b>11,087</b>	<b>11,358</b>
Basic capital	10	657	657	657
Surplus of share sale above their nominal value	13	8,426	8,429	8,429
Equity shares	12	-	-13	-13
Reserve and supplementary capitals	13	-	-	-
Retained profit (loss)		-168	-166	105
<b>Current year profit/loss</b>		<b>2,778</b>	<b>2,180</b>	<b>2,180</b>
<b>Non-controlling shares</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>		<b>781</b>	<b>367</b>	<b>96</b>
<b>Long-term liabilities</b>		<b>5</b>	<b>2</b>	<b>2</b>
Provisions	14	-	-	-



Deferred income tax provision	23	5	2	2
Long-term bank loans and borrowings	15	-	-	-
Other long-term financial liabilities	16	-	-	-
Other long-term liabilities as well as prepayments and accruals	18	-	-	-
<b>Short-term liabilities</b>		<b>776</b>	<b>365</b>	<b>365</b>
Provisions	14	-	-	-
Short-term bank loans and borrowings	15	-	-	-
Short-term portion of long-term bank loans and borrowings	15	-	-	-
Other short-term financial liabilities	16	-	-	-
Trade liabilities	17	477	75	75
Other short-term liabilities as well as prepayments and accruals	18	299	290	19
Income tax liabilities		-	-	-
FX forward contracts		-	-	-
Liabilities related to fixed assets classified as available for sale		-	-	-
<b>TOTAL LIABILITIES</b>		<b>12,474</b>	<b>11,454</b>	<b>11,454</b>

As at 31/12/2019, the entity adjusted the errors from previous periods, concerning the incorrect presentation of the unpaid dividend for 2017 to the shareholders, without passing a resolution on the lack of dividend payment. The amount of the adjustment amounted to PLN 271 thousand.

Adjustment value	dr	cr
271	Retained profit (loss)	Other short-term liabilities to entities

### 3. Separate statement of comprehensive income

Statement of comprehensive income	Note	Balance at 31/12/2019	Balance at 31/12/2018
<b>Continued operations:</b>			
Revenue from the sale of products, goods and materials	19	1,784	1,254
Costs of products, goods and materials sold	20	900	476
Movement in products – subsidy received for intangible assets and fixed assets		-	-
<b>Gross profit (loss) on sales</b>		<b>884</b>	<b>778</b>
Selling costs	20	-	-
General management costs	20	617	567
<b>Profit (loss) on sales</b>		<b>267</b>	<b>211</b>
Other operating revenue	21	1	4
Other operating costs	21	3	-
<b>Profit (loss) on operating activities</b>		<b>265</b>	<b>215</b>
Financial revenue	22	2,559	2,288
Financial costs	22	19	256
Share in profit/loss of associates		-	-
Profit/loss from the sale of shares in an associate		-	-
<b>Gross profit (loss)</b>		<b>2,805</b>	<b>2,247</b>
Income tax	23	27	67
<b>Net profit (loss) on continued operations</b>		<b>2,778</b>	<b>2,180</b>
<b>Discontinued operations:</b>			
Profit/loss on discontinued operations for the financial year		-	-
<b>Net profit/loss for the reporting period</b>		<b>2,778</b>	<b>2,180</b>
<b>Net profit/loss attributable to:</b>		<b>2,778</b>	<b>2,180</b>
<b>Other comprehensive income</b>		-	-
Gain (losses) on revaluation of tangible fixed assets		-	-
Profit (loss) on valuation of investments held for sale recognised in equity		-	-
Profits (losses) on cash flow hedges (effective portion)		-	-
Exchange rate differences from valuation of entities that operate abroad		-	-
Income tax with regard to items presented in other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>2,778</b>	<b>2,180</b>
<b>Comprehensive income attributable to:</b>		<b>2,778</b>	<b>2,180</b>
<b>Profit/loss per share in PLN:</b>			

<b>From continuing operations:</b>			
<i>Basic</i>	24	2.11	1.66
<b><i>Diluted</i></b>	24	2.11	1.66
<b>on continued and discontinued operations</b>			
<i>Basic</i>	24	2.11	1.66
<b><i>Diluted</i></b>	<b>24</b>	2.11	1.66

#### 4. Separate Statement of Changes in Equity

for the period	Equity attributable to the shareholders of the parent company									Non-controlling shares	Total equity
31 December 2019	Basic capital	Surplus of share sale above their nominal value	Equity shares	Reserve and supplementary capitals	Revaluation reserve capital	Amounts recognised directly in equity connected with assets classified as held for sale	Foreign exchange differences from translation	Profit/loss from previous years and the current year	Total		
<b>Balance at the beginning of the period prior to conversion</b>	657	8,429	-13	-	-	-	-	2,014	11,087	-	11,087
Changes in the accounting policy	-	-	-	-	-	-	-	-	-	-	-
Adjustments of fundamental errors	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at the beginning of the period after adjustments (after conversion)</b>	657	8,429	-13	-	-	-	-	2,014	11,087	-	11,087
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	2,778	2,778	-	2,778
Profits (losses) on revaluation of tangible fixed assets	-	-	-	-	-	-	-	-	-	-	-
Profits (losses) on revaluation of investments available for sale recognised in equity	-	-	-	-	-	-	-	-	-	-	-
Profits (losses) on cash-flow hedges (effective portion)	-	-	-	-	-	-	-	-	-	-	-

Exchange rate differences from valuation of entities that operate abroad	-	-	-	-	-	-	-	-	-	-	-
Income tax with regard to items presented in other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total revenue and costs for the financial year recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the financial year	-	-	-	-	-	-	-	2,778	2,778	-	2,778
<b>Other changes in equity</b>	-	<b>-3</b>	<b>13</b>	-	-	-	-	<b>- 2,182</b>	<b>-2,172</b>	-	<b>-2,172</b>
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-1,078	-	-	-	-	-	-	-1,078	-	-1,078
Distribution of the financial result	-	1,088	-	-	-	-	-	-2,180	-1,092	-	-1,092
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-13	13	-	-	-	-	-	-	-	-
Reclassification of the reserve capital to the basic capital	-	-	-	-	-	-	-	-	-	-	-
Adjustment for the previous years	-	-	-	-	-	-	-	-2	-2	-	-2
<b>Closing balance</b>	<b>657</b>	<b>8,426</b>	-	-	-	-	-	<b>2,610</b>	<b>11,693</b>	-	<b>11,693</b>

for the period	Equity attributable to the shareholders of the parent company									Non-controlling shares	Total equity
31 December 2018	Basic capital	Surplus of share sale above their nominal value	Equity shares	Reserve and supplementary capitals	Revaluation reserve capital	Amounts recognised directly in equity connected with assets classified as held for sale	Foreign exchange differences from translation	Profit/loss from previous years and the current year	Total		
Balance at the beginning of the period prior to conversion	657	8,498	-102	-	-	-	-	2,763	11,816	-	11,816
Changes in the accounting policy	-	-	-	-	-	-	-	-	-	-	-
Adjustments of fundamental errors	-	-	-	-	-	-	-	-	-	-	-
Balance at the beginning of the period after adjustments (after conversion)	657	8,498	-102	-	-	-	-	2,763	11,816	-	11,816
Total comprehensive income	-	-	-	-	-	-	-	2,180	2,180	-	2,180
Profits (losses) on revaluation of tangible fixed assets	-	-	-	-	-	-	-	-	-	-	-
Profits (losses) on revaluation of investments available for sale recognised in equity	-	-	-	-	-	-	-	-	-	-	-
Profits (losses) on cash-flow hedges (effective portion)	-	-	-	-	-	-	-	-	-	-	-
Exchange rate differences from	-	-	-	-	-	-	-	-	-	-	-

valuation of entities that operate abroad												
Income tax connected with items presented in or reclassified from capital	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue and costs for the financial year recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the financial year	-	-	-	-	-	-	-	2,180	2,180	-	2,180	-
<b>Other changes in equity</b>	-	<b>-69</b>	<b>89</b>	-	-	-	-	<b>-2,929</b>	<b>-2,909</b>	-	<b>-2,909</b>	-
Issue of share capital	-		-	-	-	-	-		-	-	-	-
Dividends	-		-	-	-	-	-		-	-	-	-
Distribution of the financial result	-	12	-	-	-	-	-	-2,929	-2,917	-	-2,917	-
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-81	89	-	-	-	-	-	8	-	8	-
Reclassification of the reserve capital to the basic capital	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>657</b>	<b>8,429</b>	<b>-13</b>	-	-	-	-	<b>2,014</b>	<b>11,087</b>	-	<b>11,087</b>	-

## 5. Separate cash flow statement.

Cash flow statement	Note	31/12/2019	31/12/2018
<b><i>Cash flow from operating activities</i></b>			
<b>Gross profit/loss</b>		<b>2,805</b>	<b>2,247</b>
<b>Adjustments for items:</b>		<b>-2,487</b>	<b>-2,085</b>
Share in net profit/loss of associates and joint ventures accounted for using the equity method		-	-
Non-controlling shares		-	-
Depreciation		-	-
Goodwill impairment		-	-
Foreign exchange profits/losses		5	-3
Interest costs and revenue		-22	-4
Dividend revenue		-2,511	-2,257
Profit/loss on investing operations		-22	-18
Movement in provisions		-	-
Change in stocks		-	-
Movement in receivables and prepayments		-306	37
Movement in liabilities and accruals		410	-107
Income tax paid/returned		-42	19
Other adjustments		1	248
<b>Net cash flows from operating activities</b>		<b>318</b>	<b>162</b>
<b><i>Investment cash flows</i></b>			
Inflows from sale of fixed assets and intangible assets		-	-
Net inflows from the sale of associates and subsidiaries		-	-
Inflows from the sale of financial assets		50	601
Inflows from interest		15	9
Inflows from dividends		2,512	2,257
Repayment of loans granted		100	30
Outflows on the acquisition of property, plant and equipment as well as intangible assets		-	-
Net expenditure on the acquisition of subsidiaries and associates		-	-
Expenditure on the acquisition of short-term financial assets		-	-
Loans granted		200	275
Other		-	-
<b>Net cash flows from investment operations</b>		<b>2,477</b>	<b>2,622</b>
<b><i>Cash flows from financing operations</i></b>			
Inflows from loans and borrowings		-	-
Net inflows from the issue of shares		1	7



Net inflows from the issue of bonds, bills of exchange and bills		-	-
Repayment of loans and borrowings		-	10
Payment of liabilities for financial leasing contracts		-	-
Dividends paid out to the Company's shareholders		2,170	2,917
Dividends paid out to the shareholders holding non-controlling shares		-	-
Acquisition of equity shares		-	-
Interest paid		6	8
Other		-	-
<b>Net cash flows from financing operations</b>		<b>-2,175</b>	<b>-2,928</b>
<b>Increase/decrease in cash and cash equivalents</b>		<b>620</b>	<b>-144</b>
<b>Opening balance of cash and cash equivalents as well as overdrafts</b>		<b>942</b>	<b>1,083</b>
<i>Foreign exchange profits/losses related to valuation of cash and cash equivalents as well as overdrafts</i>		-	3
<b>Closing balance of cash and cash equivalents as well as overdrafts</b>		<b>1,562</b>	<b>942</b>

Explanations to the cash flow statement	31/12/2019	31/12/2018
<b>Foreign exchange profits (losses) disclosed in the cash flow statement result from the following items:</b>	5	-3
- foreign exchange differences from valuation of cash	-	-3
- unrealised FX differences on loans and borrowings	5	-
- realised FX differences on loans and borrowings	-	-
<b>Interest and share in profits (dividends), including:</b>	<b>-2,533</b>	<b>-2,261</b>
- interest received on loans granted	-	-
- interest received on cash at bank and deposits	-15	-6
- interest received on lease instalments	-	-
- interest paid on loans	-	-
- interest paid on loans	-	-
- interest paid on debt securities	-	-
- interest paid on lease liabilities	-	-
- commissions paid on debt securities	-	-
- dividends received	-2,511	-2,256
- interest accrued on loans granted	-13	-7
- interest accrued on loans and borrowings raised	-	-
- interest accrued on debt securities	-	-
- other interest	6	8
<b>Profit (loss) on investment operations results from:</b>	<b>-22</b>	<b>-18</b>
- revenue from sales of property, plant and equipment, and investment real property	-	-

- revenue from sales of intangible assets	-	-
- prime cost of the sales of property, plant and equipment, and investment real property	-	-
- cost of sales of intangible assets	-	-
- costs of liquidation of tangible fixed assets	-	-
- revenue from sales of shares	-	-
- cost of sales of shares	-	-
- other	-22	-18
<b>Movements in receivables result from the following items:</b>	<b>-306</b>	<b>37</b>
- change in short-term receivables resulting from the balance sheet	-306	37
- change in long-term receivables resulting from the balance sheet	-	-
- adjustment for movement in dividend receivables	-	-
- adjustment for change in receivables from disposal of tangible fixed assets 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	-	-
<b>Movements in liabilities, except for loans and borrowings, result from the following items:</b>	<b>410</b>	<b>-107</b>
- change in short-term trade and other liabilities	410	-107
- movement in other long-term liabilities	-	-
- adjustment for change in liabilities against unpaid dividend	-	-
- adjustment for change in liabilities against purchase of tangible fixed assets	-	-
- adjustment for change in liabilities against purchase of financial assets	-	-
- adjustment for movement in lease liability	-	-
- adjustment for change in liability against guarantees granted to subsidiaries	-	-
- other adjustments	-	-
<b>Income tax paid</b>	<b>-42</b>	<b>19</b>
- income tax recognised in the profit and loss account	-	-
- adjustment for change in deferred tax assets	-	-
- adjustment for change in income tax receivables	-	-
- adjustment for change in deferred tax provision	-	-
- adjustment for change in current tax liabilities	-	-
- adjustment for deferred tax on changes in equity	-	-
- income tax reimbursed	-	26
- income tax paid	-42	-7

<b>“Other adjustments” include:</b>	<b>1</b>	<b>248</b>
- revaluation of tangible fixed assets (positive valuation)	-	-
- revaluation of tangible fixed assets (write-down)	-	-
- revaluation of shares (positive valuation)	-	-
- revaluation of shares (write-down)	-	-
- revaluation of loans granted (write-down)	<b>4</b>	<b>248</b>
- revaluation of financial instruments	-	-
- revaluation of sureties	-	-
- conversion of cash deposits to financial assets	-	-
- other	-3	-
<b>Acquisition of tangible fixed assets and intangible assets – investing operations</b>	-	-
- change in tangible fixed assets resulting from the balance sheet	-	-
- change in investment properties resulting from the balance sheet	-	-
- change in intangible assets resulting from the balance sheet	-	-
- movement in the above assets in assets for sale	-	-
- depreciation for the reporting period resulting from the profit and loss account	-	-
- cost of sale of fixed assets sold, investment real properties and intangible assets	-	-
- cost of liquidated tangible assets	-	-
- impairment write-downs/reversed impairment write-down on the above assets	-	-
- valuation of the above fixed assets	-	-
- other	-	-
- 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 annual separate financial statement (also translated into EUR).**

SELECTED FINANCIAL DATA including basic items of the annual financial statement	PLN '000.		in EURO '000	
	period from	period from	period from	period from
	01/01/2019 to 31/12/2019	01/01/2018 to 31/12/2018	01/01/2019 to 31/12/2019	01/01/2018 to 31/12/2019
Net revenue from the sale of products, goods and materials	1,784	1,254	415	294
Profit (loss) on operating activities	265	215	62	50
Gross profit (loss)	2,805	2,247	652	527
Net profit (loss)	2,778	2,180	646	511
Net cash flows from operating activities	318	162	74	38
Net cash flows from investment activities	2,477	2,622	576	614
Net cash flows from financing operations	-2,175	-2,928	-506	-686
Total net cash flows	620	-144	144	-34
Total assets	12,474	11,454	2,929	2,664
Liabilities and provisions for liabilities, including:	781	367	183	85
Long-term liabilities	5	2	1	0
Short-term liabilities	776	365	182	85
Equity capital	11,693	11,087	2,746	2,578
Share capital	657,435	657,435	154,382	152,892
Number of shares (pcs.)	1,314,870	1,314,870	1,314,870	1,314,870
Diluted number of shares (pcs.)	1,314,870	1,314,870	1,314,870	1,314,870
Profit (loss) per ordinary share (in PLN/EUR)	2.11	1.66	0.49	0.39
Diluted profit (loss) per ordinary share (in PLN/EUR)	2.11	1.66	0.49	0.39
Book value per share (in PLN/EUR)	8.89	8.43	2.09	1.96
Diluted book value per share (in PLN/EUR)	8.89	8.43	2.09	1.96
Declared or paid dividend per share (in PLN / EUR)	-	-	-	-

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

Assets and liabilities in the statement of the company's financial condition – at the average exchange rate announced by the National Bank of Poland on the last balance sheet date.

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

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

Average PLN to EUR exchange rates in the period covered by the statement		
period	average exchange rate in the period	exchange rate on the last day of the period
2019	4.3018	4.2585
2018	4.2669	4.3000

## 7. Additional information – selected notes

## Note no. 1 – Tangible fixed assets

TANGIBLE FIXED ASSETS	FOR THE PERIOD ENDING 31 December 2019					
	Land and perpetual usufruct title to land	Buildings and structures	Machinery and equipment	Means of transport	Other	Total
<b>Gross value at the beginning of the period</b>	-	-	-	-	-	-
Increases	-	-	-	-	-	-
<i>acquisition</i>	-	-	-	-	-	-
<i>acquisition as a result of the combination of business entities</i>	-	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-	-
<i>other</i>	-	-	-	-	-	-
Decreases	-	-	-	-	-	-
<i>disposal</i>	-	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-	-
<i>due to reclassification to fixed assets held for sale</i>	-	-	-	-	-	-
<i>transfer of the business</i>	-	-	-	-	-	-
<i>other</i>	-	-	-	-	-	-
Allocated to discontinued operations	-	-	-	-	-	-
Internal movements (+/-)	-	-	-	-	-	-
<b>Gross value at the end of the period</b>	-	-	-	-	-	-
<b>Depreciation at the beginning of the period</b>	-	-	-	-	-	-
depreciation for the period	-	-	-	-	-	-
other increases	-	-	-	-	-	-
<b>transfer of the business</b>	-	-	-	-	-	-
decreases	-	-	-	-	-	-
<b>Depreciation at the end of the period</b>	-	-	-	-	-	-
Impairment write-down at the beginning of the period	-	-	-	-	-	-
Recognition of impairment write-down in the period	-	-	-	-	-	-

Reversal of impairment write-down in the period	-	-	-	-	-	-
Value taking into account the depreciation and impairment write-down at the end of the period	-	-	-	-	-	-
Adjustment for net foreign exchange differences on translation	-	-	-	-	-	-
<b>Net value at the end of the period</b>	-	-	-	-	-	-

TANGIBLE FIXED ASSETS	FOR THE PERIOD ENDING 31 DECEMBER 2018					
	Land and perpetual usufruct title to land	Buildings and structures	Machinery and equipment	Means of transport	Other	Total
<b>Gross value at the beginning of the period</b>	-	-	-	-	-	-
Increases	-	-	-	-	-	-
<i>acquisition</i>	-	-	-	-	-	-
<i>acquisition as a result of the combination of business entities</i>	-	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-	-
<i>other</i>	-	-	-	-	-	-
Decreases	-	-	-	-	-	-
<i>disposal</i>	-	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-	-
<i>due to reclassification to fixed assets held for sale</i>	-	-	-	-	-	-
<i>other</i>	-	-	-	-	-	-
Allocated to discontinued operations	-	-	-	-	-	-
Internal movements (+/-)	-	-	-	-	-	-
<b>Gross value at the end of the period</b>	-	-	-	-	-	-
<b>Depreciation at the beginning of the period</b>	-	-	-	-	-	-
depreciation for the period	-	-	-	-	-	-
other increases	-	-	-	-	-	-
decreases	-	-	-	-	-	-
<b>Depreciation at the end of the period</b>	-	-	-	-	-	-

Impairment write-down at the beginning of the period	-	-	-	-	-	-
Recognition of impairment write-down in the period	-	-	-	-	-	-
Reversal of impairment write-down in the period	-	-	-	-	-	-
Value taking into account the depreciation and impairment write-down at the end of the period	-	-	-	-	-	-
Adjustment for net foreign exchange differences on translation	-	-	-	-	-	-
<b>Net value at the end of the period</b>	-	-	-	-	-	-

As at 31 December 2018 and 31 December 2019, the Company does not own cars classified as tangible fixed assets under lease.

As at 31 December 2018 and 31 December 2019, the Company did not incur any expenditure on tangible fixed assets under construction.

## Note no. 2 – Intangible assets

INTANGIBLE ASSETS	FOR THE PERIOD ENDING 31 DECEMBER 2019				
	Own development work	Intangible assets purchased			Total
		Patents and trademarks	Licences	Other	
<b>Gross value at the beginning of the period</b>	-	-	-	-	-
Increases	-	-	-	-	-
<i>acquisition</i>	-	-	-	-	-
<i>own development work</i>	-	-	-	-	-
<i>acquisition as a result of the combination of business entities</i>	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-
<i>other</i>	-	-	-	-	-
Decreases	-	-	-	-	-
<i>decommissioning</i>	-	-	-	-	-
<i>liquidation</i>	-	-	-	-	-
<i>disposal</i>	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-



<i>due to reclassification to fixed 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>Depreciation at the beginning of the period</b>	-	-	-	-	-
depreciation for the period	-	-	-	-	-
other increases	-	-	-	-	-
Transfer of business	-	-	-	-	-
decreases	-	-	-	-	-
<b>Depreciation at the end of the period</b>	-	-	-	-	-
Impairment write-down at the beginning of the period	-	-	-	-	-
Recognition of impairment write-down in the period	-	-	-	-	-
Reversal of impairment write-down in the period	-	-	-	-	-
Value taking into account the depreciation and impairment write-down at the end of the period	-	-	-	-	-
Adjustment for net foreign exchange differences on translation	-	-	-	-	-
<b>Net value at the end of the period</b>	-	-	-	-	-

INTANGIBLE ASSETS	FOR THE PERIOD ENDING 31 December 2018				
	Own development work	Intangible assets purchased			Total
		Patents and trademarks	Licences	Other	
<b>Gross value at the beginning of the period</b>	-	-	-	-	-
Increases	-	-	-	-	-
<i>acquisition</i>	-	-	-	-	-
<i>own development work</i>	-	-	-	-	-
acquisition as a result of the combination of business entities	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-

<i>other</i>	-	-	-	-	-
Decreases	-	-	-	-	-
<i>decommissioning</i>	-	-	-	-	-
<i>liquidation</i>	-	-	-	-	-
<i>disposal</i>	-	-	-	-	-
<i>due to revaluation</i>	-	-	-	-	-
<i>due to reclassification to fixed assets held for sale</i>	-	-	-	-	-
<i>other</i>	-	-	-	-	-
<b>Gross value at the end of the period</b>	-	-	-	-	-
<b>Depreciation at the beginning of the period</b>	-	-	-	-	-
depreciation for the period	-	-	-	-	-
other increases acquisition under the merger of business entities	-	-	-	-	-
decreases	-	-	-	-	-
<b>Depreciation at the end of the period</b>	-	-	-	-	-
Impairment write-down at the beginning of the period	-	-	-	-	-
Recognition of impairment write-down in the period	-	-	-	-	-
Reversal of impairment write-down in the period	-	-	-	-	-
Value taking into account the depreciation and impairment write-down at the end of the period	-	-	-	-	-
Adjustment for net foreign exchange differences on translation	-	-	-	-	-
<b>Net value at the end of the period</b>	-	-	-	-	-

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

### Note no. 3 – Investments in associates measured with the equity method

Entity name:	31/12/2019	31/12/2018
<b>Share in the associate's balance sheet</b>	-	-
Fixed (long-term) assets	-	-
Current (short-term) assets	-	-
Long-term liabilities	-	-
Short-term liabilities	-	-
Net assets	-	-
<b>Share in the associate's revenue and financial result:</b>	-	-
Revenue	-	-
Profit/loss	-	-
Balance sheet value of investments in the associate	-	-

The Issuer does not have shares in associates that are measured using the equity method.

### Note no. 4 – Financial assets held for sale

FINANCIAL ASSETS AVAILABLE FOR SALE	31/12/2019	31/12/2018
<b>Shares of companies listed on the Stock Exchange at the beginning of the period</b>	-	-
At the beginning of the period in subsidiaries, including:	-	-
At the acquisition price	-	-
a) increases	-	-
Reclassification from a group of entities	-	-
Purchase	-	-
Valuation	-	-
b) decreases	-	-
Reclassification to a group of entities	-	-
Sales	-	-
Valuation	-	-
<b>At the end of the period in subsidiaries</b>	-	-
<b>At the beginning of the period in associates, including:</b>	-	-
At the acquisition price	-	-
a) increases	-	-
Reclassification from a group of entities	-	-
Purchase	-	-
Valuation, including:	-	-

Reversal of fair value valuation of shares sold	-	-
Balance sheet valuation to the fair value	-	-
b) decreases	-	-
Reclassification to a group of entities	-	-
Sales	-	-
Valuation, including:	-	-
a) reversal of fair value valuation of shares sold	-	-
b) balance sheet valuation to the fair value	-	-
<b>At the end of the period in associates</b>	-	-
<b>At the beginning of the period in other entities, including:</b>	-	-
At the acquisition price	-	-
a) increases	-	-
Reclassification from a group of entities	-	-
Purchase	-	-
Valuation, including	-	-
Reversal of fair value valuation of shares sold	-	-
Balance sheet valuation to the fair value	-	-
b) decreases	-	-
Reclassification to a group of entities	-	-
Sales	-	-
Valuation	-	-
<b>At the end of the period in other entities</b>	-	-
<b>Shares of companies listed on the Stock Exchange at the end of the period</b>	-	-
In subsidiaries, including:	-	-
At the acquisition price	-	-
In associates, including:	-	-
At the acquisition price	-	-
In other entities, including:	-	-
At the acquisition price	-	-
<b>Shares of companies not listed on the Stock Exchange at the beginning of the period</b>	<b>9,701</b>	<b>9,701</b>
<b>At the beginning of the period in subsidiaries, including:</b>	<b>9,701</b>	<b>9,701</b>
At the acquisition price	9,701	9,701
a) increases	-	-
Reclassification from a group of entities	-	-
Purchase	-	-
Transfer of business	-	-
Reclassification from the loans granted previously	-	-

Reversal of valuation	-	-
b) decreases	-	-
Reclassification to a group of entities	-	-
Sales	-	-
Transfer of business	-	-
Valuation	-	-
<b>At the end of the period in subsidiaries</b>	<b>9,701</b>	<b>9,701</b>
<b>At the beginning of the period in associates, including:</b>	-	-
At the acquisition price	-	-
a) increases	-	-
Reclassification from a group of entities	-	-
Purchase	-	-
Valuation, including:	-	-
Reversal of fair value valuation of shares sold	-	-
Balance sheet valuation to the fair value	-	-
b) decreases	-	-
Reclassification to a group of entities	-	-
Sales	-	-
Valuation, including:	-	-
a) reversal of fair value valuation of shares sold	-	-
b) balance sheet valuation to the fair value	-	-
<b>At the end of the period in associates</b>	-	-
<b>At the beginning of the period in other entities, including:</b>	-	-
At the acquisition price	-	-
a) increases	-	-
Reclassification from a group of entities	-	-
Purchase	-	-
Valuation, including:	-	-
Reversal of fair value valuation of shares sold	-	-
Balance sheet valuation to the fair value	-	-
b) decreases	-	-
Reclassification to a group of entities	-	-
Sales	-	-
Valuation	-	-
<b>At the end of the period in other entities</b>	-	-
<b>Shares of companies not listed on the Stock Exchange at the end of the period</b>	<b>9,701</b>	<b>9,701</b>
In subsidiaries, including:	9,701	9,701

At the acquisition price	9,701	9,701
In associates, including:	-	-
At the acquisition price	-	-
In other entities, including:	-	-
At the acquisition price	-	-
<b>Total shares</b>	<b>9,701</b>	<b>9,701</b>
Shares of companies listed on the Stock Exchange	-	-
<b>Shares of companies not listed on the Stock Exchange</b>	<b>9,701</b>	<b>9,701</b>

IMPAIRMENT WRITE-DOWNS ON FINANCIAL ASSETS HELD FOR SALE FOR THE PERIOD ENDING 31 December 2019				
Entity name	Balance at the beginning of the period	Increases	Decreases	Balance at the end of the period
-	-	-	-	-
-	-	-	-	-
<b>Total write-downs</b>	-	-	-	-

IMPAIRMENT WRITE-DOWNS ON FINANCIAL ASSETS HELD FOR SALE FOR THE PERIOD ENDING 31 December 2018				
	Balance at the beginning of the period	Increases	Decreases	Balance at the end of the period
-	-	-	-	-
-	-	-	-	-
<b>Total write-downs</b>	-	-	-	-

Note no. 5 – Loans granted

LOANS GRANTED								
Long-term	Amount of the loan	Interest rate	Repayment date	Balance as at		Interest accrued from the beginning of the financial year to		Security
				31/12/2019	31/12/2018	31/12/2019	31/12/2018	
<b>Loans granted to affiliates</b>								
Quantum Brasil	477 (EUR)	1-2%	31/12/2021	-	-	9	8	No security
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<b>Loans granted to other entities</b>								
-	-	-	-	-	-	-	-	-
Total				-	-	9	8	-

LOANS GRANTED								
Short-term	Amount of the loan	Interest rate	Repayment date	Balance as at		Interest accrued from the beginning of the financial year to		Security
				31/12/2019	31/12/2018	31/12/2019	31/12/2018	
<b>Loans granted to affiliates</b>								
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

<b>Loans granted to other entities</b>								
Member of the Management Board – Tomasz Hatala	100	Fixed 7%	30/06/2020	103	-	3	-	No security
Other entities	30	Fixed 7%)				-	-	
Total				103	-	3	-	-

Currently, the Issuer holds receivables on account of the following loans:

- 1) loan granted to Qcadoo Limited sp. z o.o. in 2015. The capital amounts to PLN 30,000.00, interest rate of 2% + WIBOR 6M. In 2018, the whole loan together with interest was repaid.
- 2) The loan granted to Quantum Brazil – the principal amount is PLN 476,952.00, the interest accrued as at 31/12/2019 amounts to PLN 18,593.21, the interest rate is 1-2% a year. The repayment deadline is 31/12/2021. The write-down is made on the whole principle amount together with interest accrued.
- 3) The loan granted to a member of the Management Board – Mr Tomasz Hatala – the principal amount is PLN 100,000.00, interest accrued as at 31/12/2019 is PLN 3,346.58, the interest rate is 7%, the repayment deadline is 30/06/2020.



**Note no. 6 – Other receivables as well as prepayments and accruals**

<b>OTHER RECEIVABLES AS WELL AS PREPAYMENTS AND ACCRUALS</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
<b>Receivables from subsidiaries:</b>	-	-
- long-term portion	-	-
- short-term portion	-	-
<b>Receivables from related entities:</b>	-	-
- long-term portion	-	-
- short-term portion	-	-
<b>Advances:</b>	-	<b>7</b>
- long-term portion	-	-
- short-term portion	-	7
<b>Other receivables:</b>	<b>14</b>	<b>11</b>
- long-term portion	-	-
- short-term portion	14	11
<b>Prepayments:</b>	<b>5</b>	<b>12</b>
- long-term portion	-	-
- short-term portion	5	12
<b>Impairment write-downs at the beginning of the period</b>	-	-
<b>Recognition of impairment write-downs in the period</b>	-	-
<b>Reversal of impairment write-down in the period</b>	-	-
<b>Impairment write-downs at the end of the period</b>	-	-
<b>TOTAL</b>	<b>19</b>	<b>30</b>

**Other receivables comprise:**

- security deposits paid	-	-
- payroll settlements	-	-
- other employee settlements	-	-
- input VAT to be settled in future periods	-	2
- output VAT on corrective invoices to be settled in future periods	4	3
- VAT	4	-
- ZUS (Social Insurance Institution) – overpayment -		1
- settlements with a brokerage house related to the purchase of treasury shares	6	5
- other settlements with suppliers	-	-
- other receivables	-	-
<b>TOTAL:</b>	<b>14</b>	<b>11</b>

**Prepayments and accruals include:**

- settlement of long-term contracts	-	-
- inter-period cost settlement	-	-
- other prepayments	-	-
- property insurance	5	12
- write-down for the Company Social Benefit Fund (ZFSS)	-	-
- prepaid subscriptions, etc.	-	-
- settlement of VAT related to lease contracts to be settled in subsequent periods – within 12 months	-	-
- settlement of VAT related to lease contracts to be settled in subsequent periods – above 12 months	-	-
<b>TOTAL:</b>	<b>5</b>	<b>12</b>

**Note no. 7 – Stocks**

STOCKS	Balance at 31 December 2019				
	Materials	Work in progress	Finished goods	Goods	Total
<b>Valuation according to the acquisition price/manufacture cost</b>	-	-	-	-	-
Valuation according to the net obtainable value	-	-	-	-	-
Write-downs on stocks at the beginning of the period	-	-	-	-	-
Reversal of write-downs on stocks recognised in the period as cost	-	-	-	-	-
Reversal of write-downs on stocks recognised in the period as decrease in these write-downs	-	-	-	-	-
<b>Write-downs on stocks at the end of the period</b>	-	-	-	-	-
Stocks recognised as cost in the period	-	-	-	-	-
<b>Balance sheet value of stocks</b>	-	-	-	-	-
Value of stocks securing liabilities	-	-	-	-	-
Including long-term	-	-	-	-	-

STOCKS	Balance at 31 December 2018				
	Materials	Work in progress	Finished goods	Goods	Total
<b>Valuation according to the acquisition price/manufacture cost</b>	-	-	-	-	-
Valuation according to the net obtainable value	-	-	-	-	-
Write-downs on stocks at the beginning of the period	-	-	-	-	-
Reversal of write-downs on stocks recognised in the period as cost	-	-	-	-	-
Reversal of write-downs on stocks recognised in the period as decrease in these write-downs	-	-	-	-	-
<b>Write-downs on stocks at the end of the period</b>	-	-	-	-	-
Stocks recognised as cost in the period	-	-	-	-	-
<b>Balance sheet value of stocks</b>	-	-	-	-	-
Value of stocks securing liabilities	-	-	-	-	-
Including long-term	-	-	-	-	-

As at 31 December 2019 and 31 December 2018, the company did not hold any goods for resale.

## Note no. 8 – Trade receivables

TRADE RECEIVABLES	31/12/2019	31/12/2018
Trade receivables from related entities	74	74
Trade receivables from other entities	401	83
<b>Total receivables</b>	<b>475</b>	<b>157</b>
<b>Write-downs on trade receivables</b>	<b>-</b>	<b>-</b>
<b>Net trade receivables</b>	<b>475</b>	<b>157</b>

AGE STRUCTURE OF TRADE RECEIVABLES	Gross value	Write-down	Gross value	Write-down
	31/12/2019		31/12/2018	
Paid on time	474	-	145	-
Overdue up to 3 months	1	-	12	-
Overdue between 3 and 6 months	-	-	-	-
Overdue between 6 and 12 months	-	-	-	-
Overdue over 1 year	-	-	-	-
<b>Total</b>	<b>475</b>	<b>-</b>	<b>157</b>	<b>-</b>

MOVEMENTS IN WRITE-DOWNS	31/12/2019	31/12/2018
Balance at the beginning of the period	-	-
Increases	-	-
Decreases	-	-
<b>Balance at the end of the period</b>	<b>-</b>	<b>-</b>

As at 31 December 2018 and 2019, there were no write-downs.

## Note no. 9 – Cash and cash equivalents

CASH AND CASH EQUIVALENTS	31/12/2019	31/12/2018
Cash in bank and cash in hand	989	83
Short-term deposits	573	859

Other	-	-
<b>Total, including:</b>	<b>1,562</b>	<b>942</b>
- cash in bank and cash in hand allocated to discontinued operations	-	-
- cash in bank and cash in hand not available for use by the Group	-	-

As at 31 December 2019, cash increased by PLN 619,722.83.

Both in 2019 and in 2018, the Company invested cash in short-term (overnight) deposits.

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

**Note no. 10 – Basic capital**

BASIC CAPITAL		Balance at 31 December 2019					
Series/issue	Type of shares	Type of preference	Type of limitation of the rights to shares	Number of shares	Value of series/issue at nominal value	Registration date	Right to dividend (as from)
Series A	Registered shares	Available	None	750,000	375,000.00	07/03/1997	1997
Series B	Ordinary bearer shares	None	None	84,113	42,056.50	02/08/2007	2007
Series C	Ordinary bearer shares	None	None	470,000	235,000.00	11/09/2007	2007
Series D	Ordinary bearer shares	None	None	10,757	5,378.50	11/05/2011	2011
<b>Total number of shares</b>				<b>1,314,870</b>			
<b>Total share capital</b>					<b>657,435</b>		
<b>Nominal value per share</b>					<b>0.50</b>		

Shareholders	Number of shares	% of capital
Minvesta sp. z o.o.	952,912	72.47%
Tomasz Hatala	40 414	3.07%
Bogusław Ożóg	32,321	2.46%
Robert Dykacz	23,770	1.81%
Marek Jędra	10,327	0.79%
Tomasz Polończyk	9,873	0.75%
Tomasz Mnich	5,342	0.41%
Tomasz Mołata	1,312	0.10%
Henryk Gaertner	954	0.07%
Other	237,645	18.07%
<b>Total</b>	<b>1,314,870</b>	<b>100%</b>

**Note no. 11 – Number of shares in the basic capital**

<b>Number of shares in the basic capital</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
Ordinary shares with a nominal value of PLN 0.50	1,314,870	1,314,870
<b>At the end of the period</b>	<b>1,314,870</b>	<b>1,314,870</b>
<b>Changes in the number of shares</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
<b>Ordinary shares issued and paid up in full</b>		
At the beginning of the period	1,314,870	1,314,870
Redeemed	-	-
At the end of the period	1,314,870	1,314,870
<b>Ordinary shares issued and not paid up in full</b>		
At the beginning of the period	-	-
At the end of the period	-	-
<b>Equity shares</b>		
At the beginning of the period	954	14,930
Purchase of equity shares for the purposes of an incentive plan	-	-
Repurchase of equity shares from Quantum Qguar	-	-
Redemption of equity shares	-	-
Sale of shares to the senior management	-954	-13,976
At the end of the period	-	954
<b>Shares</b>		
At the beginning of the period	-	-
At the end of the period	-	-
<b>BASIC CAPITAL</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
Nominal value per share	0.50	0.50
Basic capital value	657	657

**Note no. 12 – Equity shares**

<b>EQUITY SHARES</b>			
<b>Balance at 31/12/2019</b>	<b>Number of shares</b>	<b>Value at acquisition prices</b>	<b>Purpose of acquisition</b>
	-	-	-
<b>TOTAL</b>	-	-	-



**Note 13 - Reserve capital, supplementary capital and revaluation reserve**

	FOR THE PERIOD ENDING 31 December 2019										
	Surplus of share sale above their nominal value	Contingent capital	Supplementary capital	Reserve capital	Reserve capital due to foreign exchange differences	Reserve capital due to cash flow hedges	Reserve capital from valuation of tangible fixed assets	Reserve capital from valuation of intangible assets	Reserve capital from valuation of financial assets available for sale	Foreign exchange differences from translation	Total
Balance at the beginning of the period	8,429	-	-	-	-	-	-	-	-	-	8,429
Changes in accounting principles (policy)	-	-	-	-	-	-	-	-	-	-	-
Adjustments of fundamental errors	-	-	-	-	-	-	-	-	-	-	-
Balance at the beginning of the period after adjustments (after conversion)	8,429	-	-	-	-	-	-	-	-	-	8,429
Profits (losses) on revaluation of tangible fixed assets	-	-	-	-	-	-	-	-	-	-	-
Profits (losses) on revaluation of investments available for sale recognised in equity	-	-	-	-	-	-	-	-	-	-	-
Profits (losses) on cash-flow hedges (effective portion)	-	-	-	-	-	-	-	-	-	-	-

Surplus resulting from the issue of basic capital above its nominal value	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification to basic and supplementary capital	-	-	-	-	-	-	-	-	-	-	-	-
Exchange rate differences from valuation of entities that operate abroad	-	-	-	-	-	-	-	-	-	-	-	-
Coverage of loss	1,088	-	-	-	-	-	-	-	-	-	-	1,088
Dividend on equity shares	-1,078	-	-	-	-	-	-	-	-	-	-	-1,078
Redemption of shares	-	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares to member of the senior management	-13	-	-	-	-	-	-	-	-	-	-	-13
Income tax with regard to items presented in other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>8,426</b>	-	-	-	-	-	-	-	-	-	-	<b>8,426</b>

	FOR THE PERIOD ENDING 31 December 2018										
	Surplus of share sale above their nominal value	Contingent capital	Supplementary capital	Reserve capital	Reserve capital due to foreign exchange differences	Reserve capital due to cash flow hedges	Reserve capital from valuation of tangible fixed assets	Reserve capital from valuation of intangible assets	Reserve capital from valuation of financial assets available for sale	Foreign exchange differences from translation	Total
Balance at the beginning of the period	8,498	-	-	-	-	-	-	-	-	-	8,498
Changes in accounting principles (policy)	-	-	-	-	-	-	-	-	-	-	-
Adjustments of fundamental errors	-	-	-	-	-	-	-	-	-	-	-
Balance at the beginning of the period after adjustments (after conversion)	8,498	-	-	-	-	-	-	-	-	-	8,498
Profits (losses) on revaluation of tangible fixed assets	-	-	-	-	-	-	-	-	-	-	-
Profits (losses) on revaluation of investments available for sale recognised in equity	-	-	-	-	-	-	-	-	-	-	-
Profits (losses) on cash-flow hedges (effective portion)	-	-	-	-	-	-	-	-	-	-	-
Surplus resulting from the issue of basic	-	-	-	-	-	-	-	-	-	-	-

capital above its nominal value												
Acquisition of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification to basic and supplementary capital	-	-	-	-	-	-	-	-	-	-	-	-
Exchange rate differences from valuation of entities that operate abroad	-	-	-	-	-	-	-	-	-	-	-	-
Coverage of loss	12	-	-	-	-	-	-	-	-	-	-	12
Dividend on equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Redemption of shares	-	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares to member of the senior management	-81	-	-	-	-	-	-	-	-	-	-	-81
Income tax with regard to items presented in other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>8,429</b>	-	-	-	-	-	-	-	-	-	-	<b>8,429</b>

**Note no. 14 – Provisions**

<b>PROVISIONS</b>					
	<b>FOR THE PERIOD ENDING 31 December 2019</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>	-	-	-	-	-
<i>Short-term at the beginning of the period</i>	-	-	-	-	-
<i>Long-term at the beginning of the period</i>	-	-	-	-	-
Increases	-	-	-	-	-
Created in the period and increase in the existing ones	-	-	-	-	-
Purchased as part of business combinations	-	-	-	-	-
Decreases	-	-	-	-	-
Used during the year	-	-	-	-	-
Released but not used	-	-	-	-	-
Adjustment for net foreign exchange differences on translation	-	-	-	-	-
Discount rate adjustment	-	-	-	-	-
<b>Value at the end of the period, including:</b>	-	-	-	-	-
<i>Short-term at the end of the period</i>	-	-	-	-	-
<i>Long-term at the end of the period</i>	-	-	-	-	-

PROVISIONS					
	FOR THE PERIOD ENDING 31 December 2018				
	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>	-	-	-	-	-
<i>Short-term at the beginning of the period</i>	-	-	-	-	-
<i>Long-term at the beginning of the period</i>	-	-	-	-	-
Increases	-	-	-	-	-
Created in the period and increase in the existing ones	-	-	-	-	-
Purchased as part of business combinations	-	-	-	-	-
Decreases	-	-	-	-	-
Used during the year	-	-	-	-	-
Released but not used	-	-	-	-	-
Transfer of business	-	-	-	-	-
Adjustment for net foreign exchange differences on translation	-	-	-	-	-
Discount rate adjustment	-	-	-	-	-
<b>Value at the end of the period, including:</b>	-	-	-	-	-
<i>Short-term at the end of the period</i>	-	-	-	-	-
<i>Long-term at the end of the period</i>	-	-	-	-	-

As at 31/12/2019 and 31/12/2018, the Company did not create any provisions.

**Note 15 – Bank loans and borrowings**

LONG-TERM BANK LOANS AND BORROWINGS			31/12/2019		31/12/2018	
Detailed list	Effective interest rate	Repayment date	Short-term portion	Long-term portion	Short-term portion	Long-term portion
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

SHORT-TERM BANK LOANS AND BORROWINGS			31/12/2019	31/12/2018
Detailed list	Effective interest rate	Repayment date		
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<b>Total</b>	-	-	-	-

As at 31/12/2019 and 31/12/2018, the parent company did not hold any concluded loan and borrowing agreements.

**Note no. 16 – Other financial liabilities**

<b>LIABILITIES DUE TO FINANCE LEASE CONTRACTS</b>				
<b>FUTURE MINIMUM LEASE FEES AND NET PRESENT VALUE OF MINIMUM LEASE FEES</b>				
	<b>31 DECEMBER 2019</b>		<b>31 DECEMBER 2018</b>	
	<b>Minimum fees</b>	<b>Present value of minimum fees</b>	<b>Minimum fees</b>	<b>Present value of minimum fees</b>
up to 1 year	-	-	-	-
from 1 to 5 years	-	-	-	-
over 5 years	-	-	-	-
<b>Total</b>	-	-	-	-
short-term portion	-	-	-	-
long-term portion	-	-	-	-

As at 31 December 2019 and 31 December 2018, the parent company did not have any lease contracts.

**Note no. 17 – Trade liabilities**

<b>TRADE LIABILITIES</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
Trade liabilities due to related entities	458	55
Trade liabilities from other entities	19	20
<b>Total</b>	<b>477</b>	<b>75</b>

**Note 18 – Other liabilities and accruals**

<b>OTHER LIABILITIES AS WELL AS PREPAYMENTS AND ACCRUALS</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
<b>Liabilities to subsidiaries:</b>	-	-
- long-term portion	-	-
- short-term portion	-	-
<b>Liabilities due to related entities:</b>	-	-
- long-term portion	-	-
- short-term portion	-	-
<b>Advances:</b>	-	-
- long-term portion	-	-



- short-term portion	-	-
<b>Other liabilities:</b>	<b>294</b>	<b>290</b>
- long-term portion	-	-
- short-term portion	294	290
<b>Accruals:</b>	<b>5</b>	<b>-</b>
- long-term portion	-	-
- short-term portion	5	-
<b>Deferred revenue:</b>	<b>-</b>	<b>-</b>
- long-term portion	-	-
- short-term portion	-	-
<b>Total, including:</b>	<b>299</b>	<b>290</b>
- long-term portion	-	-
- short-term portion	299	290

**Other liabilities comprise:**

- payroll tax	22	7
- income tax	-	-
- social security and health insurance	1	1
- VAT	-	11
- other taxes, customs, insurance and other benefits	-	-
- payroll	-	-
- dividends	-	-
- other liabilities	271	271
- settlements of special purpose funds	-	-
	-----	-----
	<b>294</b>	<b>290</b>

**Prepayments and accruals comprise:**

- settlements of subsidy received – within 12 months	-	-
- settlements of subsidy received – over 12 months	-	-
- settlement of long-term contracts	-	-
- other prepayments and accruals	-	-
- turn-of-the-period costs	5	-
	-----	-----
	<b>5</b>	<b>-</b>

## Note 19 – Revenue from the sale of products, goods and materials

REVENUE FROM THE SALE OF PRODUCTS, GOODS AND MATERIALS						
	Continued operations		Discontinued operations		Total	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Revenue from the sale of products	23	23	-	-	23	23
Revenue from the sale of services	1,758	1,231	-	-	1,758	1,231
Revenue from the sale of materials	-	-	-	-	-	-
Revenue from the sale of goods	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,784</b>	<b>1,254</b>	-	-	<b>1,784</b>	<b>1,254</b>
including: non-cash revenue from exchange of goods or services	-	-	-	-	-	-

The Issuer's operations in 2019 consisted of the holding function towards subsidiaries and the management of contracts for Qguar software with clients of Axell Logistics Sp. z o.o. (formerly Ponetex sp. z o.o.) and Neuca S.A., performed in fact by its subsidiary – Quantum Qguar sp. z o.o.

In 2019, an increase in the Issuer's sales compared to the same period in 2018 was recorded.

## Note no. 20 – Costs by type

COSTS BY TYPE	31/12/2019	31/12/2018
Depreciation of tangible assets	-	-
Amortisation of intangible assets	-	-
Costs of employee benefits	348	293
Use of raw materials and materials	-	-
Costs of third-party services	1,130	714
Costs of taxes and charges	14	1
Other costs	25	35
Change in the balance of products and work-in-progress	-	-
Value of goods sold	-	-
<b>TOTAL</b>	<b>1,517</b>	<b>1,043</b>
Selling costs	-	-
General management costs	617	567

Costs of products, goods and materials sold	900	476
<b>TOTAL</b>	<b>1,517</b>	<b>1,043</b>
including: minimum lease payments recognised as operating lease costs	-	-

<b>EMPLOYEE BENEFIT COSTS</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
Payroll costs	313	293
Social security costs	35	-
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	-	-
Other post-employment benefits	-	-
Costs of employee benefits in the form of equity shares	-	-
<b>TOTAL</b>	<b>348</b>	<b>293</b>

<b>R&amp;D COSTS</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
Depreciation	-	-
Consumption of raw materials and auxiliary materials	-	-
Costs of third-party services	-	-
Other costs	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

#### Note no. 21 – Other revenue and costs

<b>OTHER REVENUE</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
State subsidies	-	-
Profit on the sale of tangible fixed assets	-	-
Reversal of impairment write-downs on receivables	-	-
Reversal of impairment write-downs on stocks	-	-
Reversal of impairment write-downs on intangible assets	-	-
Reversal of impairment write-downs on tangible fixed assets	-	-
Reversal of impairment write-downs on investment real properties	-	-

Release of other provisions	-	-
Release of provision for the entity's restructuring costs	-	-
Damages received	-	-
Adjustment of contributions to the Labour Fund for previous years	-	-
Refund of insurance policy premiums	-	-
Other operating revenue	1	4
Other	-	-
<b>TOTAL</b>	<b>1</b>	<b>4</b>
including: non-cash revenue from exchange of goods or services	-	-

<b>OTHER COSTS</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
Loss on the sale of property, plant and equipment	-	-
Provision for guarantee repairs	-	-
Direct costs (including renovation and maintenance) due to investment real properties rented out	-	-
Accumulated loss on revaluation of investment real properties to fair value	-	-
Impairment write-downs on receivables	-	-
Impairment write-downs on stocks	-	-
Impairment write-downs on intangible assets	-	-
Impairment write-downs on tangible fixed assets	-	-
Impairment write-downs on investment real properties	-	-
Provision for the entity's restructuring costs	-	-
Other operating costs	3	-
Other	-	-
<b>TOTAL</b>	<b>3</b>	<b>-</b>

#### Note no. 22 – Financial revenue and costs

<b>FINANCIAL REVENUE</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
Interest revenue	26	29
Deposits	13	22
Loans	13	7
Dividend revenue	2,511	2,257
Investment revenue	22	-
Foreign exchange profits	-	2
Other	-	-

Reversal of impairment losses on financial assets, including:	-	-
assets available for sale	-	-
financial assets and liabilities measured at the fair value through profit or loss	-	-
hedging instruments	-	-
Profit on change in the fair value of financial instruments	-	-
assets available for sale	-	-
financial assets and liabilities measured at the fair value through profit or loss	-	-
hedging instruments	-	-
<b>TOTAL</b>	<b>2,559</b>	<b>2,288</b>

<b>FINANCIAL COSTS</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
Interest costs, including:	6	8
Bank loans	-	-
Loans	-	-
Bonds	-	-
Other	-	-
State budget interest	6	8
Financial costs arising from finance lease contracts	-	-
Adjustment due to the discount of provisions to ...	-	-
Unrealised loss on a contract on ...	-	-
Remittance of a loan and interest	-	-
Loss on the sale of financial assets	-	-
Foreign exchange losses	8	-
Impairment write-downs on financial assets, including:	5	248
assets available for sale	-	-
loans granted	5	248
hedging instruments	-	-
Losses on changes in the fair value of financial instruments, including:	-	-
assets available for sale	-	-
financial assets and liabilities measured at the fair value through profit or loss	-	-
hedging instruments	-	-
<b>TOTAL</b>	<b>19</b>	<b>256</b>

**Note no. 23 – Income tax**

<b>MAIN COMPONENTS OF TAX BURDEN/RECOGNITION IN THE STATEMENT OF COMPREHENSIVE INCOME</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
<b>Current income tax disclosed in the profit and loss account</b>	22	-
- current income tax burden	22	-
- adjustments of the current income tax from previous years	-	-
<b>Deferred income tax disclosed in the profit and loss account</b>	5	67
- deferred tax burden/recognition concerning originating and reversing temporary differences	5	67
- deferred tax burden/recognition concerning changes in tax rates	-	-
<b>Tax burden/recognition recognised in the profit and loss account, including:</b>	<b>27</b>	<b>67</b>
- allocated to continuing operations	27	67
- allocated to discontinued operations	-	-
<b>Income tax with regard to items presented in other comprehensive income</b>	-	-
- deferred tax burden/recognition concerning revaluation of cash flow hedges	-	-
- deferred tax burden/recognition concerning revaluation of tangible fixed assets	-	-
<b>Tax burden/recognition disclosed in the statement of comprehensive income</b>	<b>27</b>	<b>67</b>

<b>MAIN COMPONENTS OF TAX BURDEN/RECOGNITION IN THE STATEMENT OF CHANGES IN EQUITY</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
<b>Current income tax</b>	-	-
<b>Deferred income tax</b>	-	-
<b>Tax burden/recognition disclosed in the statement of changes in equity</b>	-	-

<b>RECONCILIATION OF INCOME TAX ON THE GROSS FINANCIAL RESULT BEFORE INCOME TAX DISCLOSED IN THE PROFIT AND LOSS ACCOUNT</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
<b>Gross financial result before tax (continuing and discontinued operations)</b>	<b>2,805</b>	<b>2,247</b>
Tax rate (%)	9.00%	15.00%
Tax charge according to the applied tax rate	252	337
Adjustments regarding current income tax brought forward	-	-
Tax benefits on investments	-	-
Revaluation	-	-
Non-taxable income, including:	-	-
Interest accrued as at the balance sheet date	-3	-4
Balance sheet valuation	-1	-4
Dividend	-226	-338

Reversal of write-down on non-financial assets	-1	-5
Reversal of write-down on financial assets	-	-
Taxable revenue (licences) in previous years	-	-
Transfer of business – deferred tax	-	-
Other	-	-
Tax revenue, including:	-	-
Interest accrued in previous years and received in the current year	-	-
Revenue concerning the current year, added for tax purposes	-	-
Non-tax deductible costs, including:	-	-
Depreciation accounted for the in the balance sheet	-	-
Contributions to the National Disabled Persons' Rehabilitation Fund (PFRON)	-	-
Valuation of employee benefits	-	-
Write-down on non-financial assets	-	-
Write-down on non-financial assets – stocks	-	-
Write-down on financial assets	2	43
Balance sheet valuation	2	3
Interest	1	1
net value of non-financial fixed assets sold	-	-
Remitted loan	-	-
No contribution to the Company Social Benefits Fund	-	-
Outstanding payroll	-	-
Other	2	-
Tax costs, including:	-	-
Tax costs concerning 2017	-	-
Tax depreciation	-	-
Equalisation of the Company Social Benefit Fund (ZFŚS) for previous years	-	-
Settlement of loss for the previous years	-	-
Unsettled tax loss	-	-
Tax paid	-	16
Current tax loss	-6	-34
Deferred income tax assets due to a write-down on financial assets	-1	-
Deferred income tax assets due to foreign exchange losses	-	1
Deferred income tax assets due to losses brought forward	3	51
Deferred income tax assets due to interest accrued	-	-
Deferred income tax assets due to a write-down on non-financial assets	-	-
Deferred tax liability due to temporary differences in amortisation/depreciation settlement	-	-

Deferred income tax provision due to interest accrued	3	1
Deferred income tax provision due to foreign exchange gains	-	-1
Deferred income tax provision due to foreign exchange gains	-	-
<b>Tax burden/recognition disclosed in the profit and loss account</b>	<b>27</b>	<b>67</b>

DEFERRED INCOME TAX	Statement of financial condition		Profit and loss account		Other comprehensive income	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Deferred income tax provision						
Differences in the settlement of depreciation	-	-	-	-	-	-
Interest accrued	5	2	3	1	-	-
FX differences		-		-1	-	-
Rounding					-	-
<b>Gross deferred income tax provision</b>	<b>5</b>	<b>2</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>

DEFERRED INCOME TAX	Statement of financial condition		Profit and loss account		Other comprehensive income	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Deferred income tax assets						
FX differences		-		1	-	-
Losses from previous years		3	3	50	-	-
Write-down on non-financial assets	2	1	-1	-	-	-
Write-down on non-financial assets – goods		-		-	-	-
Rounding	-	-	-	-	-	-
Tax-deductible loss	-	-	-	-	-	-
<b>Gross deferred income tax assets</b>	<b>2</b>	<b>4</b>	<b>2</b>	<b>51</b>	<b>-</b>	<b>-</b>

Deferred income tax provision and asset are established in connection with temporary differences between the amount of assets and liabilities recognised in accounting books and their tax value.



## Note 24 – Profit per share

<b>PROFIT PER SHARE</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
<b>Net profit for the reporting period attributable to:</b>	<b>2,778</b>	<b>2,180</b>

<b>WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
<i>in thousands of shares</i>		
Weighted average number of shares at the beginning of the period	1,314,870	1,314,870
Weighted average number of ordinary shares at the end of the period	1,314,870	1,314,870

<b>BASIC NET PROFIT PER SHARE</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
on continuing and discontinued operations	2.11	1.66
on continuing operations	2.11	1.66

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

<b>WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (DILUTED)</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
<i>in thousands of shares</i>		
Weighted average number of ordinary shares	1,314,870	1,314,870
Effect of conversion of convertible bonds on shares	-	-
Effect of the issue of options on shares	-	-
<b>Weighted average number of ordinary shares at the end of the period (diluted)</b>	<b>1,314,870</b>	<b>1,314,870</b>

<b>DILUTED NET PROFIT PER SHARE</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
on continuing and discontinued operations	2.11	1.66
on continuing operations	2.11	1.66

Diluted net profit per share is calculated by dividing profit attributable to the shareholders by the average weighted number of diluted ordinary shares.

## Note no. 25 – Dividends

DECLARED AND PAID IN THE REPORTING PERIOD		
Dividends on ordinary shares	31/12/2019	31/12/2018
Dividend paid	2,170	2,919
<b>Total</b>	<b>2,170</b>	<b>2,919</b>

SUBMITTED FOR APPROVAL AT THE GMS (GENERAL MEETING OF SHAREHOLDERS) (NOT RECOGNISED AS LIABILITIES AT THE BALANCE SHEET DATE)		
Dividends on ordinary shares	31/12/2019	31/12/2018
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Note no. 26 – Information on operating segments

The Company does not distinguish product segments, as the Management Board recognises only one operating segment for management purposes (IT services). The Company presents sales broken down by products, services and goods and by geographical areas. The Company does not disclose any information on the customer concentration as such concentration does not exist.

31/12/2019		
INFORMATION ON GEOGRAPHICAL AREAS	Revenue	Fixed assets
Domestic sales	1,784	*
Total foreign sales	-	*
including:	-	
Germany	-	-
Ukraine	-	-
Russia	-	-
Hungary	-	-
Czech Republic	-	-
Spain	-	-
Other	-	-
<b>TOTAL</b>	<b>1,784</b>	<b>-</b>

31/12/2018		
INFORMATION ON GEOGRAPHICAL AREAS	Revenue	Fixed assets
Domestic sales	1,254	*
Total foreign sales	-	*
including:	-	-
Germany	-	-
Ukraine	-	-
Russia	-	-
Hungary	-	-
Czech Republic	-	-
Spain	-	-
Other	-	-
<b>TOTAL</b>	<b>1,254</b>	-

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

INFORMATION ON TYPES OF PRODUCTS, SERVICES AND GOODS	31/12/2019	31/12/2018
	Revenue	Revenue
Products – licences	22	22
Services – implementation	720	208
Services – maintenance	378	364
Services – individual projects and other services	660	660
Long-term contracts	-	-
Goods	-	-
<b>TOTAL</b>	<b>1,784</b>	<b>1,254</b>

#### Note no. 27 – Transactions with related entities

TRANSACTIONS WITH RELATED ENTITIES				
Parties to transaction	31/12/2019		31/12/2019	
	Sales	Purchase	Receivables	Liabilities
Parent company	660	903	74	458
Capital Group companies	-	-	-	-
Non-consolidated subsidiaries	-	-	-	-
Associates	-	-	-	-

Key members of the senior management	-	-	-	-
Other entities, including key members of the senior management	-	-	-	-
<b>Total</b>	<b>660</b>	<b>903</b>	<b>74</b>	<b>458</b>

<b>TRANSACTIONS WITH RELATED ENTITIES</b>				
<b>Parties to transaction</b>	<b>31/12/2018</b>		<b>31/12/2018</b>	
	<b>Sales</b>	<b>Purchase</b>	<b>Receivables</b>	<b>Liabilities</b>
Parent company	660	491	74	55
Capital Group companies	-	-	-	-
Non-consolidated subsidiaries	-	-	-	-
Associates	-	-	-	-
Key members of the senior management	-	-	-	-
Other entities, including key members of the senior management	-	-	-	-
<b>Total</b>	<b>660</b>	<b>491</b>	<b>74</b>	<b>55</b>

<b>REMUNERATION FOR KEY MANAGERS</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
Short-term employee benefits	-	-
Post-employment benefits	-	-
Other long-term benefits	-	-
Benefits due to termination of employment	-	-
Employee benefits in the form of equity shares	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

<b>TRANSACTIONS BETWEEN QUANTUM SOFTWARE S.A. AND SUBSIDIARIES IN 2019</b>			
<b>Entity</b>	<b>Transaction Type</b>	<b>Transaction value in PLN</b>	<b>Transaction value in a foreign currency</b>
Quantum Qguar sp. z o.o.	Sales of services	540	-
Quantum Mobile Solutions sp. z o.o.	Sales of services	120	-
Quantum Qguar sp. z o.o.	Purchase of services	903	-

<b>TRANSACTIONS BETWEEN QUANTUM SOFTWARE S.A. AND SUBSIDIARIES IN 2018</b>			
<b>Entity</b>	<b>Transaction Type</b>	<b>Transaction value in PLN</b>	<b>Transaction value in a foreign currency</b>
Quantum Qguar sp. z o.o.	Sales of services	540	-
Quantum Mobile Solutions sp. z o.o.	Sales of services	120	-
Quantum Qguar sp. z o.o.	Purchase of services	478	-
Quantum Brasil	Purchase of services	13	-

### Note no. 28 – Construction contracts

The Company currently does not have contracts with the traits of long-term agreements.

<b>CONSTRUCTION CONTRACTS IN PROGRESS</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
Total costs incurred	-	-
Total profits and losses recognised	-	-
Advances received	-	-
Deposit amount	-	-
Receivables from clients under contractual works	-	-
<b>Liabilities due to clients under contractual works</b>	-	-

### Note no. 29 – Financial instruments

<b>FINANCIAL INSTRUMENTS – INTEREST RATE RISK – SENSITIVITY ANALYSIS</b>			
<b>Balance at 31/12/2019</b>			
	<b>Balance sheet value</b>	<b>Increase/decrease by percentage points</b>	<b>Effect on the gross financial result</b>
<b>Financial assets</b>	<b>11,959</b>	-	-
Cash	1,562	-	-
Financial assets available for sale	9,701	-	-
Other financial assets	593	-	-
Loans granted	103	-	-
<b>Financial liabilities</b>	-	-	-
Bank loans and borrowings	-	-	-
Financial lease liabilities	-	-	-
Other financial liabilities	-	-	-

<b>FINANCIAL INSTRUMENTS – INTEREST RATE RISK – SENSITIVITY ANALYSIS</b>			
<b>Balance at 31/12/2018</b>			
	<b>Balance sheet value</b>	<b>Increase/decrease by percentage points</b>	<b>Effect on the gross financial result</b>
<b>Financial assets</b>	<b>11,263</b>	-	-
Cash	942	-	-
Financial assets available for sale	9,701	-	-
Other financial assets	620	-	-
Loans granted	-	-	-
<b>Financial liabilities</b>	-	-	-
Bank loans and borrowings	-	-	-
Financial lease liabilities	-	-	-
Other financial liabilities	-	-	-

<b>FINANCIAL INSTRUMENTS – CURRENCY RISK – SENSITIVITY ANALYSIS</b>			
<b>Balance at 31/12/2019</b>			
	<b>Balance sheet 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	852	-1.00%	-9
Cash in USD	-	-	-
Trade and other receivables in EUR	-	-	-
<b>Financial liabilities</b>	-	-	-
Overdrafts in EUR	-	-	-
Short-term loans in EUR	-	-	-
Trade liabilities in EUR	-	-	-

<b>FINANCIAL INSTRUMENTS – CURRENCY RISK – SENSITIVITY ANALYSIS</b>			
<b>Balance at 31/12/2018</b>			
	<b>Balance sheet value</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	-	3.00%	-
Cash in USD	-	-	-

Trade and other receivables in EUR	-	-	-
<b>Financial liabilities</b>	-	-	-
Overdrafts in EUR	-	-	-
Short-term loans in EUR	-	-	-
Trade liabilities in EUR	-	-	-

FAIR VALUE OF INDIVIDUAL CATEGORIES OF FINANCIAL INSTRUMENTS					
	Category in accordance with IAS 39*	Balance sheet value		Fair value	
		31/12/2019	31/12/2018	31/12/2019	31/12/2018
<b>Financial assets</b>	-	<b>11,860</b>	<b>10,830</b>	<b>11,860</b>	<b>10,830</b>
Cash	Measured at the fair value through P&L	1,562	942	1,562	942
Trade and other receivables	Loans and receivables	494	187	494	187
Receivables on account of loans granted	Loans and receivables	103	-	103	-
Financial assets available for sale	Available for sale	9,701	9,701	9,701	9,701
<b>Financial liabilities</b>		<b>776</b>	<b>365</b>	<b>776</b>	<b>365</b>
Liabilities due to finance lease	Financial liabilities at the depreciated cost	-	-	-	-
Trade and other liabilities	Financial liabilities at the depreciated cost	776	365	776	365
Short-term bank loans	Financial liabilities at the depreciated cost	-	-	-	-

ITEMS OF REVENUE, COSTS, PROFITS AND LOSSES RECOGNISED IN THE STATEMENT OF COMPREHENSIVE INCOME BY CATEGORIES OF FINANCIAL INSTRUMENTS					
FOR THE PERIOD	31 December 2019				
	Category in accordance with IAS 39*	Interest revenue/costs	Foreign exchange profits/losses	Reversal/establishment of write-downs	Profits/losses on sales
<b>Financial assets</b>	-	<b>2,560</b>	<b>-385</b>	<b>-5</b>	<b>-</b>
Cash	Measured at the fair value through P&L	13	-380	-	-
Trade and other receivables	Loans and receivables	-	-	-	-

Receivables on account of loans granted	Loans and receivables	13	-5	-5	-
Financial assets available for sale	Available for sale	2,512	-	-	-
<b>Financial liabilities</b>		<b>-6</b>	<b>-3</b>	-	-
Liabilities due to finance lease	Financial liabilities at the depreciated cost	-	-	-	-
Trade and other liabilities	Financial liabilities at the depreciated cost	-6	-3	-	-
Short-term bank loans	Financial liabilities at the depreciated cost	-	-	-	-

ITEMS OF REVENUE, COSTS, PROFITS AND LOSSES RECOGNISED IN THE STATEMENT OF COMPREHENSIVE INCOME BY CATEGORIES OF FINANCIAL INSTRUMENTS					
FOR THE PERIOD	31 December 2018				
	Category in accordance with IAS 39*	Interest revenue/costs	Foreign exchange profits/losses	Reversal/establishment of write-downs	Profits/losses on sales
<b>Financial assets</b>	-	<b>2,286</b>	<b>1</b>	<b>-248</b>	-
Cash	Measured at the fair value through P&L	22	5	-	-
Trade and other receivables	Loans and receivables	-	-4	-	-
Receivables on account of loans granted	Loans and receivables	7	-	-248	-
Financial assets available for sale	Available for sale	2,257	-	-	-
<b>Financial liabilities</b>		<b>-8</b>	-	-	-
Liabilities due to finance lease	Financial liabilities at the depreciated cost	-	-	-	-
Trade and other liabilities	Financial liabilities at the depreciated cost	-8	-	-	-
Short-term bank loans	Financial liabilities at the depreciated cost	-	-	-	-



**Note no. 30 – Remuneration of the entity's senior management**

<b>Management Board of the parent company</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
Short-term employee benefits (remuneration and charges)	280	260
Anniversary and retirement benefits	-	-
Post-employment benefits	-	-
Benefits due to termination of employment	-	-
Employee benefits in the form of equity shares	-	-
<b>Total</b>	<b>280</b>	<b>260</b>

<b>Supervisory Board of the parent company</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
Short-term employee benefits (remuneration and charges)	26	28
Anniversary and retirement benefits	-	-
Post-employment benefits	-	-
Benefits due to termination of employment	-	-
Employee benefits in the form of equity shares	-	-
<b>Total</b>	<b>26</b>	<b>28</b>

<b>Other members of the senior management</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
Short-term employee benefits (remuneration and charges)	-	-
Anniversary and retirement benefits	-	-
Post-employment benefits	-	-
Benefits due to termination of employment	-	-
Employee benefits in the form of equity shares	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

	<b>31/12/2019</b>	<b>31/12/2018</b>
Management Board	280	260
Supervisory Board	26	28
<b>Total</b>	<b>306</b>	<b>288</b>
Other members of the senior management	-	-

### Note no. 31 – Capital management

Capital management	31/12/2019	31/12/2018
Interest-bearing loans, borrowings and bonds	-	-
Trade and other liabilities	776	365
Less cash and cash equivalents	-1,562	-942
<b>Net debt</b>	<b>-786</b>	<b>-577</b>
Convertible preference shares	-	-
Equity capital	11,693	11,087
Reserve capitals on unrealised net profits	-	-
<b>Total capital</b>	<b>11,693</b>	<b>11,087</b>
<b>Capital and net debt</b>	<b>10,907</b>	<b>10,510</b>
Leverage ratio	-0.07	-0.05

### Note no. 32 – Employment

As at 31 December 2019, Quantum software S.A.'s employment was as follows:

EMPLOYMENT	31/12/2019	31/12/2018
Services	0	0
Sales and marketing	0	0
Production	0	0
Administration	4	4
IT Department	0	0

### Note no. 33 – Contingent liabilities

As at 31 December 2019, the Company has no contingent liabilities due to litigations pending against Quantum software S.A.

### Note no. 34 – Events after the balance sheet date

In the first quarter of 2020, Poland and practically the whole world were affected by the COVID-19 pandemic. The Management Board of the Issuer and the Management Boards of Quantum Group companies implemented recommendations concerning safety, health and hygiene recommended by the Polish Chief Sanitary Inspectorate and other state institutions. The impact of this on the results of the Issuer and the Group's companies is very difficult to predict at the moment.

The impact will depend on the situation of individual customers, but also on other decisive factors whose effect is difficult to predict currently, e.g. the duration of the epidemic, administrative restrictions, restrictions imposed on entrepreneurs and volatility of exchange rates.

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

**Note no. 35 – Information about litigations pending**

As at the date of this report, no litigation is pending against the Issuer.

**Note no. 36 – Differences between financial results shown in the report and previously forecast results**

The Management Board of Quantum software S.A. did not publish any forecasts for 2019 or for the comparable period of 2018.

**Note no. 37 – Contracts which may result in changes in the shares held by the shareholders**

Until the balance sheet date, there were no such contracts.

**Note no. 38 – Information on sureties and guarantees granted and received**

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

**Note no. 39 – Seasonality and cyclicity**

Due to the holding character of the Issuer's operations, seasonality and cyclicity are not of significant importance.

**Note no. 40 – Discontinued operations**

The Company did not discontinue its operations either in 2019 or in the comparable period.

**Note no. 41 – Contracts imposing obligations on managers, supervisors and persons related to them**

Pursuant to the information held by Quantum software S.A. as at 31 December 2019, there were no such contracts.

#### Note no. 42 – Other transactions with managers and supervisors

According to the information available to the Management Board of Quantum software S.A, as at the date of the submission of this report, there is one loan agreement concluded on 28/08/2019 with the managing person, Mr Tomasz Hatala, for the total amount of PLN 200,000.00 (in words: PLN two hundred thousand), of which PLN 100,000.00 was repaid in October 2019 and thus, as at 31/12/2019, the outstanding amount was PLN 100,000.00.

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

2019			
ENTITY AUTHORISED TO PERFORM AUDITS	DATE OF THE CONTRACT	OBJECT OF THE AUDIT	REMUNERATION
PRO Audyty Sp. z o.o.	15/07/2018	Review of the separate interim financial statement	PLN 5,000.00
PRO Audyty Sp. z o.o.	15/07/2018	Review of the consolidated interim financial statement	PLN 6 000.00
PRO Audyty Sp. z o.o.	15/07/2018	Audit of the separate financial statement for 2019	PLN 10,000.00
PRO Audyty Sp. z o.o.	15/07/2018	Audit of the consolidated financial statement for 2019	PLN 10,000.00

2018			
ENTITY AUTHORISED TO PERFORM AUDITS	DATE OF THE CONTRACT	OBJECT OF THE AUDIT	REMUNERATION
PRO Audyty Sp. z o.o.	15/07/2018	Review of the separate interim financial statement	PLN 5,000.00
PRO Audyty Sp. z o.o.	15/07/2018	Review of the consolidated interim financial statement	PLN 6,000.00
PRO Audyty Sp. z o.o.	15/07/2018	Audit of the separate financial statement for 2018	PLN 10,000.00
PRO Audyty Sp. z o.o.	15/07/2018	Audit of the consolidated financial statement for 2018	PLN 10,000.00

**The financial statement was approved by the Management Board and signed by all Members of the Management Board on 20 April 2020.**

**Signatures of the Management Board Members**

**Person responsible for keeping accounting books**

Tomasz Hatala

Chief Accountant – Monika Kuś

Bogusław Ożóg

Marek Jędra

Tomasz Mnich